



BISHOP
GROSSETESTE
UNIVERSITY

Annual Report 2020

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Introduction from the Vice-Chancellor

I am pleased to present the Annual Report of Bishop Grosseteste University (BGU) for 2019/20. The past year could be described as one of two halves. The first half was a time of looking forward, establishing our new strategy to 2025 and focusing on the future. The second half of the year caused us all to concentrate on the present; the Covid-19 situation brought with it a number of challenges and an imperative to be flexible, agile and responsive to what were unpredictable, unplanned changes. We, along with the rest of the higher education sector, had to move very quickly to on-line delivery and ensure that the students still received a high-quality education and pastoral support, albeit in different ways. I was also very pleased to see some of our staff contributing to the national effort, not least in supporting the distribution of personal protective equipment (PPE) across Lincolnshire and volunteering to help those who were shielding or isolated. This showed our community spirit in action.

Despite all of the challenges, it has been a very successful year for Bishop Grosseteste University. The year has seen the results of several initiatives come to fruition and recognition, particularly as evidenced by our position in various external benchmarks such as the National Students Survey (NSS), the Graduate Outcomes (GO) Survey and Longitudinal Educational Outcomes exercise and these were all reflected in our position in national league tables. What is normally the high point in our

academic year, Graduation, has been postponed for a year to afford all our students of 2020 the opportunity to experience the wonder and beauty of Lincoln Cathedral.

The Strategy got off to a positive start with a new academic infrastructure, new subjects and pathways validated and new partnerships formed. The introduction of the Foundation Year (FYr) attracted 55 students from a variety of backgrounds and from a wider geographical area which contributed to our ambition to diversify our student population in line with our Access and Participation Plan. The imposition of lockdown precipitated our objective to provide more flexible delivery. This year also saw a further increase in the number of international students from a more diverse range of countries.

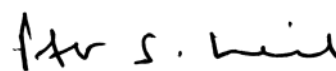
In relation to our ambition to enhance our research environment it was a pleasure to open two significant centres, the Edward Bailey Centre for Implicit Religion, funded by the Edward Bailey Foundation and led by Dr Francis Stewart, and the Alister Hardy Religious and Spiritual Experience Research Centre, funded by the Templeton Foundation and headed by Professor Jeff Astley. Both of these centres bring international expertise and raise the profile of theology and religion at the University.

As an institution we continue to support our local community. Of special note are our graduates in teacher education and in health and

social care who have been crucial to supporting the local infrastructure and responding to local needs in adding to the pool of key workers. Our local engagement was further evidenced by our signing of the Lincoln Civic University Agreement (2020) in partnership with other providers and the Local Authority.

Our work with businesses continued with a focus on small and medium enterprises (SMEs), supporting and developing them in various ways in order to enable them to increase their capacity. This is required more than ever at this time.

The financial challenges resulting from the Covid-19 pandemic were, in part, mitigated by the fact that we continue to have no long-term borrowing. We also have plans further to diversify our sources of income and to develop meaningful partnerships, which will add to our reputation in Greater Lincolnshire and nationally in providing high quality educational experiences, transforming lives and changing society as we have been doing since 1862.



**The Reverend Canon Professor
Peter Neil**, Vice-Chancellor of Bishop
Grosseteste University

1 February 2021





Foreword by the Chair of University Council

The University's new Strategy, published on Robert Grosseteste Day 2019, set the direction of travel for the next five years. Our ambition to become a mature, confident, sustainable and accessible university by 2025 is a commitment that builds upon our heritage and values. The Strategy provides a blueprint for a modern university, with an exciting, valuable and sustainable future.

The University Council has taken great pride in seeing how the BGU community has risen to the significant challenges over the last twelve months, with staff and students in particular living out the values which epitomise the University's spirit. Their dedication and commitment has resulted in some outstanding successes, which have impacted positively upon the lives of many residents of Greater Lincolnshire, as well as nationally and internationally. I know that I speak for all members of the University Council when I say that we are honoured to be a part of this community.

The second half of the year presented its own unique challenges, specifically the outbreak of Covid-19, in addition to the ever evolving political, societal, economic and technological aspects of the HE landscape. The sector has a long track record of playing a vital role in helping society to adapt to shifts and changes through research, knowledge exchange and teaching. It is through these activities that BGU has helped to harness numerous benefits for the lives of individuals in the communities it serves.

The University continues to secure exceptional outcomes for its students, whilst expanding its research profile and increasing its contribution to society. With more plans to improve the experience of its students and even greater efforts to improve an already excellent reputation for teaching and learning, the next year will see further progress towards achieving our strategic ambitions.

The influence of the external environment inevitably means

that the future will always bring with it an element of uncertainty. However, the University can move forward with confidence in its purpose and its ability to transform lives.


Bob Walder

Mr Bob Walder
Chair of Bishop Grosseteste
University Council

1 February 2021

Our University





Bishop Grosseteste University is a vibrant community of more than 2,700 students, over 360 staff and alumni who reside across the globe. We are tremendously proud of the University and its many achievements. We want to expand our reach and influence so that we can transform the lives of more individuals and communities.

The University is at the historic heart of Lincoln, and through many years of providing high-quality education, has become an important asset to Greater Lincolnshire. Most recently we have contributed significantly to the government's 'levelling up' agenda, helping to drive broad-based, inclusive economic growth and productivity as well as tackling the social inequalities that are prevalent in the region. There are many facets to our role within Greater Lincolnshire beyond our reputation for delivering high-quality education, increasing access to HE and producing graduates who go on to highly skilled employment. It is our hope that becoming a signatory of Lincoln's Civic University Agreement (2020) will allow us to demonstrate more overtly our contribution to society.

We contribute substantially to the economy locally and regionally; a significant proportion of our graduates are employed locally, our students add to the local economy through their spending, and they are also a source of part-time employees for local businesses. We are also one of the city's largest employers and continue to invest in the region's economy through our spending on goods and services.

Bishop Grosseteste University led on several projects funded by the European Social Fund or European Regional Development Fund across Greater Lincolnshire which focus on supporting SMEs as well as working to drive down unemployment rates across the region. Working closely with local employers to develop strong relationships allows us to develop outstanding opportunities for our students to develop their skills and broaden their understanding of the prospects that Greater Lincolnshire has to offer. We are an outward facing institution and have a broad range of strategic partnerships which enhance our offer to students and expand our outlook to include both national and international perspectives.

This report showcases our success stories during the last financial year. All of the achievements are set within the context of the Strategy which was launched in October 2019 and included the following guiding principles:

Our values: Inspired by our Anglican foundation, we will continue to live the values of respect, integrity, courage, excellence, resilience and inclusion.

Our purpose: By valuing all of our people and through ethical and enduring partnership working, we deliver individualised and creative support and transformation to our learning and business communities.

Our ambition: Shaped by our heritage and led dynamically into our future, by 2025 BGU will be a mature, confident, sustainable and accessible university.

Our Priorities

Education and Students' Experiences

We will build on our outstanding record for student progression, achievement and employability in order to enhance BGU's reputation for excellence.

Recognising the demographic characteristics of our student recruitment we will diversify our student population.

Through our continuing internationalisation of the University, we will create international opportunities for all students and develop and embed new trans-national education programmes and tri-country partnerships.

Research and Knowledge Exchange

Continuing our progress towards Research Degree Awarding Powers (RDAPs), we will grow our reputation for the delivery of high-quality research with impact.

Developing our well-established knowledge exchange activities within BG Futures, we will build on the successes of the Lincolnshire Open Research and Innovation Centre (LORIC) and Business Inspiration projects.

Our Enablers

A Connected Infrastructure

With an explicit commitment to workforce development and enhancement, to become an employer of choice, we will prioritise staff health and wellbeing, embrace diversity and cultivate inclusion, and enable career progression.

Supporting the delivery of what we do through our estate, we will provide a fit-for-purpose and welcoming environment for all our people, enhance and extend the main campus and commit to the sustainability of the environment.

Partnership and Collaboration

By continuing to nurture mutually beneficial, collaborative and bespoke partnership arrangements, we will secure a wider variety of partners from different compatible sectors and develop a reputation as the preferred provider of mentoring for collaborating partners.



Overview of the year





Launched in October 2019, the University's new Strategy sets out the approach that will help us to achieve our ambition of becoming a mature, confident, sustainable and accessible university by 2025. It is essential that, as we evolve and adapt, we retain our strong sense of community and continue to connect, collaborate and contribute to society in a common endeavour with our stakeholders.

To monitor our progress and success, the University has Key Performance Indicators (KPIs) which are linked to our strategic priorities through the Business Plan. The Vice-Chancellor's Executive Group regularly reviews the University's performance, ensuring that emerging risks and questions are addressed.

During the past year we have focused on the implementation of the first phase of the Business Plan, which sits beneath the Strategy and have made strategic investment in specific areas.

Education and Students' Experiences

Progress during the year focused on the delivery of two priority initiatives:

- The restructuring of the academic provision from three Schools (namely Humanities,

Social Sciences and Teacher Development) into the Faculty, which was officially launched on 1 January 2020 was a significant achievement. Led by a Dean of Faculty and supported by a cadre of Heads of Programme, the new structure facilitates much greater collaboration and sharing of best practice.

- Several innovative new programmes were introduced during the year. This included the development of a number of courses with an integrated Foundation Year across a wide range of subject areas. These provide students, who do not have the necessary UCAS points, with an alternative route onto a full degree course. The Level 5 Certificate in Education Training and Skills and Level 6 Professional Graduate Diploma in Education, Training and Skills offer education, training and development to subject and vocational specialists and graduates who are aspiring to teach in the Further Education and Skills sector. In addition, we expanded our business offer by introducing the Senior Leader Master's Degree Apprenticeship, which has an MBA embedded within it, and the Chartered Management Degree Apprenticeship.

As well as delivering these initiatives, BGU performed well against a number external of indicators. In the NSS overall satisfaction increased from 81.5% in 2019 to 85.3% in 2020, which is higher than the national average of 83.7%. This is in the context of a decline at sector level, which decreased by 1% over the same period.

This year marked the first release of the GO data, which replaces the Destinations of Leavers from Higher Education survey.

Bishop Grosseteste University was in the top three universities with 93% of our graduates in employment or undertaking further study, training, or research 15 months after graduating. Furthermore, we are one of the top 25 institutions for sustained employment or further study (90.5%) one year after graduation, and only 1% of BGU graduates are unemployed 15 months after graduating. These are very significant achievements, which demonstrate that our students are highly employable. Our students reflected positively on how their studies at BGU were relevant to their future plans with 92% of BGU graduates agreeing that their current activities were meaningful (sector average of 86%) whilst 84% of BGU graduates agreed that their current activities fit with their future plans (sector average 80%). Finally, 82% of BGU graduates agreed that their current activities utilised what they had learned in their studies; well above the sector average of 72%.

Research and Knowledge Exchange

We continued our preparations for the Research Excellence Framework (REF) 2021. Our research and knowledge exchange units are aligned to our areas of expertise and include pan-Faculty groups and interdisciplinary teams. Bishop Grosseteste University's research agenda was delivered primarily through a number of projects in delivery units with well-established and public-facing Research and Knowledge Exchange (RKE) expertise, namely the Research and Knowledge Exchange Centre (RKEC), and BGU's Lincolnshire Open Research and Innovation Centre (LORIC). Emphasis was placed on contexts relating to local, regional or national challenges, and work in connection to a broad range of policy themes including Lincolnshire's energy needs, regional health and social care provision, local social-housing provision, heritage management practice and teacher training and development.

Progress towards our longer-term strategic ambition to secure RDAPs focuses on four main elements:

increasing the volume and quality of outputs, extending the impact of our research, enhancing our Research and Knowledge Exchange Units (RKEU), and growing our postgraduate research community. Recruitment, retention and support of high-quality research-active staff are also key to success in this aim.

Bishop Grosseteste University is committed to excellence, creativity and innovation in Knowledge Exchange (KE) and its external engagement activities are well established. Our portfolio is broad and diverse, and incorporates various specialisms that contribute to local culture and society, and to regional economic development. We work actively with a wide range of communities, public and third sector bodies, commercial organisations and funding bodies through our KE, hosting a range of units to support RKE through the RKEC and LORIC. These units encourage interdisciplinary and public-facing activities; many of the current units typically promote public and community interaction and events.

The University Strategy forms the basis of BGU's support for KE and builds on the preceding strategy period (2014-19). This has established an institutional momentum to raise our regional profile, diversify our partnerships, grow our role as a strong regional, community university, build entrepreneurial activity and enhance external connections with the academic life of the institution. Bishop Grosseteste University's sense of purpose is to support enduring partnership working and to deliver individualised and creative support and transformation to our learning and business communities.

We have a commitment to make a significant contribution towards KE within Lincoln, Greater Lincolnshire, and the East Midlands. Our KE activity is set against the background of the Government's Industrial Strategy and the needs and priorities of local and regional sector bodies and organisations, as expressed through the Greater Lincolnshire Local Enterprise Partnership Strategic Economic Plan and City of Lincoln Council Strategic Plan.

Collaboration and Partnerships

Civic engagement is an essential component of the mission of universities which can act as important anchor institutions using their capacities and capabilities for the common good at local and regional levels.

We have many strong, existing ties with local partners and, during 2019/20, focused on strengthening the connections between BGU and a broad spectrum of partners locally, regionally, nationally and internationally. As we have continued to develop a wide range of partnerships, we also welcomed another cohort of Erasmus students from partners across Europe.

As part of our ongoing work in Thailand focusing on teacher reform, BGU signed a Memorandum of Understanding with Bangkok University. We also secured a consultancy role to support Vytautas Magnus University in Lithuania to develop its international strategy with a particular focus on internationalising their curriculum.

Our People

Throughout 2019/20 we focused on initiatives for our staff aimed at improving their mental health and wellbeing, as well as opportunities for career development. This included the introduction of an Employee Assistance Programme, an employee reward scheme, Mental Health First Aid training and a new online Performance Management System. Staff now have access to 24/7 counselling from professionally trained consultants, medical appointments and can access prescriptions immediately.

Infrastructure

Sustained capital investment of over £9 million in the campus and its infrastructure in the five years to 2019 has delivered a continued programme of improvements to the facilities and services available to students, staff and the community. In order to deliver the ambitions set out in the new Strategy, we will continue to invest in both our physical estate, in line with our Estates Masterplan, as well as in technology to deliver our Digital Strategy, which will make us a more agile, efficient and digitally enabled organisation.

In order to lay the foundations for investment in the estate over the current Strategy period, BGU has been through a period of consolidation and planning. Aligning our Estates Strategy and Masterplan will be key to ensuring that our facilities are fit for purpose, with an added focus on sustainability and a reduction in energy use whilst delivering a number of transformational projects, which will help us to deliver our strategic ambitions

The Covid-19 pandemic brought with it a number of challenges for BGU's infrastructure, namely the closure and subsequent reopening of campus, the move to online learning and teaching as well as the adaptation of a number of student-facing services. It was also a time when we were able to repurpose areas of the campus to contribute towards the national effort in combatting Covid-19, particularly the Hardy Building, which became a distribution centre for Personal Protective Equipment.

An Inclusive University

Widening Participation (WP) activity across the HE sector is aimed at addressing patterns of under-representation in higher education and it is a concept which is firmly embedded into how the University operates. At BGU, we believe that everybody has the right to consider higher education as a viable option for their future as evidenced by our Next Steps and First Steps Programmes.

Our role is to ensure that we continue to attract students from all backgrounds in order to diversify the student community and foster a vibrant environment across the full spectrum of the student experience.

Our outreach programmes provide opportunities for prospective students to discover more about studying at university, both in schools and on campus. Their work spans a large geographical area, supporting young people to make informed decisions about their future.

Support for student learning and the enhancement of the student experience at BGU is a close collaboration between students and staff. It is underpinned by an ambition to ensure that there are no barriers to studying and no boundaries that disadvantage learners across the student lifecycle. The University's Access and Participation Plan provides a detailed assessment of its performance, as well as the targets, milestones and strategic approaches it will implement to achieve these commitments. In delivering this plan our key projects such as our outreach programmes (First Steps 2 Study and Next Steps 4 Study) and LiNCHigher, will continue to enhance and transform learning, teaching and the student experience.

Strategic Review



Education and Students' Experiences

The recruitment cycle ending in September 2020 saw a total of 648 undergraduates begin their degree at BGU; this is a 13% increase on the 2019 recruitment cycle when 573 undergraduates enrolled. In addition, 69 students on taught masters and 406 PGCE students came to BGU in 2020.

Continuation at BGU is typically stable year on year with the average over the last five years sitting at 93% across undergraduate and postgraduate levels; this is also the continuation figure for the end of the 2019/20 cycle. Providing a student-focused and enabling approach that focuses on the individual's needs is at the core of BGU's student experience. This kind of supportive learning process also contributes to our completion rates and overall degree classification. In 2019/20, 20.2% of students graduated with first class honours and 47.8% of students graduated with an upper second-class degree. This is broadly in line with the previous five years.

The National Student Survey (NSS) was also the source of good news in 2019/20 with overall student satisfaction increasing to 85%, a 3% increase on the previous year. This, along with the GO performance in-year, helped to increase our rank in two national league tables, namely:

- The Complete University Guide, BGU went up 13 places from 119 in the 2020 league table to 106 in 2021

- The Times and Sunday Times Good university Guide 2021, BGU went from 102 last year to 64 in 2021.

Overall student satisfaction in the Bishop Grosseteste University Student Satisfaction Survey (BGUSSS), BGU's internal student satisfaction survey, was 93.2%, an increase from the year before when the overall satisfaction was 91.7%.

During 2019/2020, a major review of the academic structure of the University was undertaken, in order to align it with the strategic requirements of:

- the continued diversification and growth of subject areas;
- the development of an inter-subject portfolio of programmes, research and scholarship; and
- a more effective approach to academic management.

On 1 January 2020 a new single Faculty came into existence led by the Dean of Faculty with existing subject areas rearranged across five portfolio areas each led by a Head of Programmes. The single Faculty approach ensures a more consistent approach to management, sharing of best practice and facilitation of strategic development and greater inter-subject collaboration. The grouping of subjects into five smaller portfolio areas ensures better alignment of subjects within each of the areas with a more focused and direct leadership.

Bishop Grosseteste University recruited its first cohort of Foundation Year (FYr) students during 2019/20 helping to deliver one of its strategic objectives to diversify further the student profile by providing pathways to study for learners who may not previously have considered higher education. The FYr scheme provides a common programme of study skills and learning development. The initial cohort of 55 students, mainly recruited through clearing in 2019, were taught in three whole-day study groups with a dedicated tutor to oversee each group's learning and personal support. The move to on-line learning and teaching in response to the Covid-19 pandemic was particularly challenging for these learners, but two-thirds of the cohort completed the FYr and progressed onto their chosen academic programmes for 2020/2021.

Significant diversification of the academic portfolio, will create new pathways to study at BGU during the 2020/21, was the introduction of two new degree apprenticeship programmes in Business. These programmes allow individuals to boost their skills and help to improve economic productivity, by accessing high-quality apprenticeship training provision paid for by their employer, whilst remaining in employment.

The Level 7 Senior Leader Master's Degree Apprenticeship incorporates a post-graduate MBA degree. The award is completed through short block release and allows students to study with peers from other organisations and sectors. Successful apprentices have the option to apply for professional recognition from relevant professional bodies such as the Chartered Management Institute or the Institute for Leadership and Management. The Level 6 Chartered Manager Degree Apprenticeship follows a similar format but incorporates a BA (Hons) Business, Leadership and Management qualification. Both programmes commenced in Semester 1, 2020 and have attracted learners from the local authorities, local businesses and public sector organisations as well as BGU colleagues benefitting from our Apprenticeship Levy Fund.

Bishop Grosseteste University continues to develop its commercial apprenticeship End-Point Assessment service, Awarding UK, to enable the University to assess apprenticeships delivered by other training providers. Our application for Ofqual recognition was submitted during the year and, following a rigorous process of assessment, the End-Point Assessment Unit has been approved.

During 2019/20 BGU, like the rest of the HE sector, had to respond quickly to the evolving Covid-19

situation. The University had to transition the delivery of learning and teaching from a predominantly on-campus, in-person delivery approach, to completely on-line, remote delivery in the shortest possible time. This change was successfully implemented with the collaborative effort of the Faculty, professional support services, BGU's Students' Union and our students. A number of additional measures were introduced across the full spectrum of the student experience to ensure that our students could complete their studies and also receive the support they needed throughout lockdown. These included:

- extending the academic calendar by two weeks to ensure that the learning outcomes of all modules and programmes could be achieved. This maintained the continuity of learning and the integrity of qualifications completed during 2019/20.
- resetting assessment deadlines and examination boards to ensure that emergency academic regulations were implemented and that differential academic performance relating to Covid-19 was accounted for.
- providing IT equipment to students mitigating the impact of digital poverty.
- adapting how student-facing services such as Student Support, the Library, IT and the Centre for Enhancement in Learning and Teaching (CELT) were provided to ensure that students were able to access the support they needed; and
- closing the campus in accordance with Government guidance, whilst providing additional support to those who required it.

Recruitment of international students to on-campus programmes at BGU continues to grow. Last year (2019/20), nine new international students came to study at the University whilst for 2020/21 we have seen a 50%+ increase in applications which resulted in 13 new international arrivals. In addition to the 19 full-time, new and continuing international students, we welcomed eight Erasmus students from partners across Europe in the first semester.

In response to the uncertainty of international travel, the International Office working with Recruitment and Admissions and the Faculty developed more pre-arrival contact and support for our international and EU students including quarantining arrangements, travel advice and a more comprehensive welcome package.

In June 2020, BGU announced an enhanced Student Support Package, the primary aim of which is to improve the mental health and wellbeing of our students by ensuring they can access the support they need, when they need it. In addition to the student-facing support services already available on campus, students have 24/7 access to confidential support from qualified professionals either over the phone or through structured counselling 365 days a year.

Research and Knowledge Exchange

A review of Initial Teacher Education (ITE) programmes in Thailand's Rajabhat universities was commissioned by the government of Thailand and funded by the UK Foreign and Commonwealth Office (£25,000) in response to concerns about the underperformance of Thailand's young people in international matrices. The research continues to impact directly ITE provision across the Kingdom of Thailand and is also influencing other reforms across the region.

Since the publication of the report in 2018 Thailand's Minister of Education has implemented a number of the recommendations. These have included: expanding the graduate route into teaching and, most significantly, reducing the length of ITE programmes from five to four years with an expanded role of schools in a more integrated teaching practice. Thailand's Minister of Education issued a Ministerial Decree in March 2019 implementing the selected curriculum reforms with immediate effect. The change in curriculum has affected all of Thailand's undergraduate trainee teachers - circa 32,000 students graduating each year from Thailand's 130 universities. More recently, it has influenced other reforms across the region such as the review of initial teacher education currently underway in Myanmar led by the British Council.

As part of the work of the Well-being and Workload in Education Research and Knowledge Exchange Unit, BGU has been awarded €178,000 of funding by Erasmus+ to research and develop a toolkit to support the well-being of ITE students. The funding builds upon an international pilot project on teacher trainee well-being involving innovative visual methods for capturing the resources, challenges and changes over time for trainee teachers in the three countries. The findings have been presented in the UK and internationally at various conferences. Furthermore, a successful bid to the British Academy will see the Unit investigate the

impact of Covid-19 on the training and experiences of Newly Qualified Teachers from the 2020/21 cohort.

The University launched two significant Research Centres during 2019/20: the Edward Bailey Centre for Implicit Religion, funded by the Edward Bailey Foundation and led by Dr Francis Stewart, and the Alister Hardy Religious and Spiritual Experience Research Centre, funded by the Templeton Foundation and headed by Professor Jeff Astley. Both of these centres bring international expertise and raise the profile of theology and religion at the University.

The Edward Bailey Centre is the first dedicated centre for the study of implicit religion in the world. It will serve as a hub for a wide range of activity and aims to create new degree modules that are relevant and focused on implicit religion, to develop new degree courses that will bring international postgraduate students to BGU and be accessible for the residents of Greater Lincolnshire.

The Alister Hardy Religious and Spiritual Experience Research Centre is a collaborative research project with the Centre for Mind and Culture, Boston University, USA. The project is designed to build on the pioneering research initiated by Sir Alister Hardy in Oxford in 1969 into the science of religious and spiritual experience.

This initiative is also consistent with the vision of Bishop Robert Grosseteste who in the thirteenth century was eminent as both theologian and scientist.

Two significant Postdoctoral Research Fellowships have been awarded, one in the area of Implicit Religion and the second a highly sought after British Academy Postdoctoral Fellowship examining the work of Bishop Robert Grosseteste.

Together, three interdisciplinary landmark co-edited collections during 2019/20 showcase the work BGU researchers across the humanities, the social sciences and education studies:

- [Robert Grosseteste and theories of education](#) [The Ordered Human](#) (Routledge) by Dr Jack Cunningham and former BGU staff member, Associate Professor Steven Puttick, brings together academics from the fields of medieval history, modern science and contemporary education to illustrate how Grosseteste was a key figure in the intellectual history of medieval Europe.
- [The reception of William Blake in Europe](#) (Bloomsbury) by Dr Sibylle Erle and international collaborator, Martin Paley, is a comprehensive and systematic reference guide to Blake's influence on literature, art, music and culture across Europe.
- [Bring my smile back – Working with unhappy children in education](#) (Nova) by Dr Maria Efstratopoulou and international collaborator, Maria Sofologi, explores the link between emotions, wellbeing and learning and the wider social factors affecting children's happiness.

Bishop Grosseteste University is committed to making a full and positive contribution to society in the City of Lincoln and the wider Lincolnshire and East Midlands regions. It also seeks to stimulate economic growth and regeneration, informed by the Industrial Strategy, and the priorities identified by the Greater Lincolnshire Local Enterprise Partnership and other sector organisations and enterprises.

The University aims to build its Knowledge Exchange activities through public and community engagement, external partnerships with the local and regional social and cultural sectors and with its local and regional business communities, and to provide bespoke knowledge and skills support.

Bishop Grosseteste University's lead units for delivering KE are LORIC and the BG Futures Business and Enterprise Centre. The support provided is wide-ranging, and includes: space for start-ups; CPD courses and workshops; open-data analysis; market research; mentoring and consultancy; networking and collaboration; student placements and volunteering.

The Lincolnshire Open Research and Innovation Centre originated as a project that was part funded by both the European Regional Development Fund and BGU, to connect businesses with specialists and researchers, offer dedicated space for collaboration, providing knowledge sharing events and to develop tailored advice to individual businesses. More specifically, the Centre uses research and open data to help businesses in decision-making, designing new

strategies, identifying gaps in the market, creating new products and models, supporting investment and innovation and developing digital capability.

Since the end of the initial funding period, in June 2019, LORIC has continued to deliver services to local businesses and other partners, and to collaborate with agencies such as: Lincolnshire County Council, the Greater Lincolnshire Local Enterprise Partnership (GLLEP), NHS Neighbourhood Teams, and the Department for Environment, Food and Rural Affairs. The Centre's support work includes: preparing reports on economic regenerations, highlighting best practices, suggesting successful local interventions to be rolled out on a regional and national basis, and helping to influence policy.

This project contributes to the local economy and informs policy decisions which impact positively upon the lives of the residents of Greater Lincolnshire. Proposed by Skills Reach as part of an ongoing project with Lincolnshire County Council, the project used open data sources to map out the existing needs and vulnerabilities of the labour force in the coastal wards in the county.

This specific geographical area was selected for study because it has historically been one of the most deprived areas in the county; as a result of an intersection of multiple factors of deprivation, local residents are considered to be in a uniquely vulnerable position both in terms of employment and in general quality of life. The objective of the report was therefore to provide the necessary intelligence on which skills-based interventions for the local labour force could be developed.

The final report on the Lincolnshire Coastal Skills Market was delivered to Skills Reach and Lincolnshire County Council in April 2020 and, in response to the Covid-19 pandemic, also contained information about how the crisis might impact the local labour force.

The project has informed the economic and social regeneration of the Lincolnshire coastal community by identifying the types of training programmes which the GLLEP and Lincolnshire County Council should fund, as well as being a catalyst to partnership creation with the purpose of diversifying the coastal economic portfolio.

Since April 2020 the focus has been on working with partners to prioritise delivery of the proposals and setting out data-driven implementation plans, which take account of the need to support the economic recovery post-Covid.

The three-year Business Inspiration project came to a successful conclusion at the end of 2019. Financed through the European Regional Development Fund (£461k) and private matched funding (£147k), it provided a programme of support to over 125 SMEs Greater Lincolnshire, including peer-to-peer knowledge exchange, educational led workshops, one-to-one specialist mentoring and access to a total of over £150k in grant funding. The project was set up to help SMEs enhance their entrepreneurial capability and capacity for growth, to support SMEs in identifying opportunities for innovation and growth and to enhance business sustainability – socially, economically and ethically. It exceeded all targets.

The Greater Lincolnshire MOVE project was originally funded for three years from July 2016 by the National Lottery Community Fund and the European Social Fund as part of the Building Better Opportunities programme. This work supports the 'levelling up' of the communities by providing longer-term solutions to unemployment; it is well recognised that 'unemployed adults tend to occupy more disadvantaged social-economic positions and face negative health outcomes'.

The project aimed to support unemployed and economically inactive adults to get back into work

or explore other options, such as, learning or volunteering. It was delivered through BG Futures – the University's careers, employability and enterprise team – and focused on careers guidance, employability skills, psychometric testing, life coaching, business start-up and on-going personal support. From this cohort of 31 participants, almost half secured employment, embarked on a programme of further learning or engaged in Jobsearch. During this year students have volunteered to support unemployed adults as mentors, through the network of 26 delivery partners. There is particular value to this for our counselling, education and psychology students in terms of employability. It also supports our community engagement and contributes to the commitments of our Civic University Agreement. It is a project that really is changing lives.

Managed by BG Futures, with a total of £861k of grant funding available to distribute, The Greater Lincolnshire Local Enterprise Partnership Employment and Skills European Social Fund Grant Programme began in January 2020. It provides grants to third sector and other small organisations to support delivery to people who are unemployed or who are distant from the labour market, face multiple disadvantages and profound barriers to work. Projects will help participants to move forward into employment or learning. This complements a number of other projects the University leads, through its Business and Enterprise Centre and BG Futures, both of which focus on employability, skills and business support and growth.



BISHOP
GROSSETESTE
UNIVERSITY

Collaboration and Partnerships

Bishop Grosseteste University became a signatory to the Lincoln Civic University Agreement (2020), which is part of a national initiative to strengthen the connections between universities and communities. This landmark statement of collaboration and partner-working was signed by the Vice-Chancellors of Lincoln's two universities and by the Leader of the City of Lincoln Council. The Agreement seeks to build on the universities' civic activities that reflect the priorities of the people of Lincoln. Furthermore, they will work with other local institutions, businesses and community organisations and local authorities to deliver a unified vision for the city through a clear set of priorities; this will be achieved through collaboration, the alignment of resources and activities with each other and with the GLLEP. An ambitious five-year Action Plan will focus activity on five interconnected pillars education, skills and aspiration; growth, economy and the local industrial strategy; health and wellbeing; housing and social cohesion; and the climate emergency. These are supported by three cross-cutting enablers, namely city-wide leadership; data and digital technologies; and research and innovation.

Bishop Grosseteste University's International Office has also been working with the Faculty to develop a number of collaborative projects with partners in other countries including:

- a consultancy role to support Vytautas Magnus University, Lithuania over the next two years in developing their international strategy with a particular focus on internationalising their curriculum offer;
- a funded project to work with European partners to explore well-being amongst teacher trainees across the EU;
- an opportunity to deliver an international Masters in Education programme to students in Thailand, with the assistance of an external partner; and
- virtual mobility opportunities for TESOL students with partners in Thailand.

The University introduced a new online performance management system which is much more focused on staff development and supporting our employees with career development. This was complemented by new promotion opportunities and a new Leadership Development Programme; this aims to equip future

leaders to focus on behaviours conducive to increasing employee morale and retention, improving productivity and promoting better decision making. We were also able to deploy a significant proportion of our Apprenticeship Levy through staff studying the Senior Leadership Master's Degree Apprenticeship, which is a recent addition to the University's portfolio.

Bishop Grosseteste University was awarded the prestigious Armed Forces Covenant Silver award as part of their Employer Recognition Scheme by the Ministry of Defence. This award recognises employers who have actively demonstrated their support for the Armed Forces community, through implementing practical policies in the workplace. The Scheme has three levels, Bronze, Silver and Gold, for organisations that pledge, demonstrate or advocate support for Defence and the Armed Forces community. To achieve Silver, organisations must proactively demonstrate that the Armed Forces community are not unfairly disadvantaged as part of their recruitment policies. They must also actively ensure their workforce is aware of their positive policies towards Defence people issues for veterans, Reserves, Cadet Force Adult Volunteers, and spouses and partners of those serving in the Armed Forces. This year BGU was one of only 22 organisations to be awarded Silver status.

During the year we also made a number of adjustments to mitigate the impact of Covid-19 on our staff:

- we did not reduce pay for any staff or introduce a voluntary salary sacrifice scheme;
- all furloughed staff were paid 100% of salary;
- we had made a commitment to ensure none of our staff endured financial difficulties during the pandemic;
- we introduced increased flexibility in relation to annual leave over the next two years;
- we did not create any redundancies because of financial implications resulting from Covid-19;
- staff were awarded a 'wellness day' as well as additional leave at Christmas; and
- the academic promotions round was conducted despite the pandemic.



Infrastructure

Bishop Grosseteste University was approached by 3DCrowdUK, which is a Non-Profit Voluntary Organisation. The University's Hardy Building was subsequently transformed into a logistics hub for Lincolnshire collecting and redistributing PPE being manufactured all over the county. Alongside our offer of facilities a number of our furloughed staff volunteered in various capacities including: Hub Coordinator, Logistics Coordinators and drivers. Bishop Grosseteste University was also able to use its 3D printing facilities to produce face shields that went to staff at the East Midlands Ambulance Service, Lincoln County hospital, local care homes and A & E departments.

An Inclusive University

Over half of BGU students reside in POLAR4 Q1 and Q2 areas (24% and 32% respectively in 2018/19), meaning that they are more likely to be the first generation in their family to attend university. This is higher than the national student average where 12% are from POLAR4 Q1 areas and 16% are from POLAR4 Q2 areas. It is also notable that in 2018/19 78% of POLAR4 Q1 and 72% of POLAR4 Q2 students graduated from BGU with either a first or a 2:1 degree. On graduating from BGU, 88% of students from POLAR4 Q1 and Q2 areas go on to further study or employment within 6 months of graduating.

Nationally, 16% of UK students declare a disability. However, the percentage of BGU students who cite having at least one disability was 26% in 2019/20. In terms of attainment 65% of those students who identify as disabled graduated with either a 1st or 2:1 degree. Subsequently, 89% went on to further study or employment.

In the Graduate Outcomes survey, 91% of BGU graduates go on to further study or employment within 6 months of graduation. The table below (table 1) shows our Graduate Outcomes results by the characteristics used in our Access and Participation Plan (APP).

Area	All Respondents	BAME	Disabled	IMD Quintiles 1 and 2	POLAR Quintiles 1 and 2	Mature	Male
Employment	81.8%	94.1%	73.5%	79.7%	81.0%	81.8%	83.1%
Study	9.2%	0.0%	15.7%	8.3%	8.6%	8.1%	7.6%
Other	9.0%	5.9%	10.8%	12.0%	10.4%	10.1%	9.3%

Table 1. Graduate Outcomes survey results by APP characteristics

Source: Graduate Outcomes survey results

First Steps is a programme delivered by BGU aimed at engaging students in years 9 to 11 with a combination of taster days and outreach sessions to help raise aspirations and encourage young people from disadvantaged backgrounds to enter higher education. Its focus is to develop study skills while allowing students to find out more about university.

The programme is delivered free of charge and is available to schools throughout Lincolnshire and those near the border in surrounding counties. Participants take part in activities suitable for their age group including an Introduction to Higher Education and sessions on revision skills, budgeting skills, debating and presentation skills. All of the sessions are designed to aid students' knowledge of Higher Education and help their progression onto university in the future.

Next Steps is aimed at engaging students in Year 12 in a combination of taster days and outreach sessions to help raise aspirations and encourage young people from disadvantaged backgrounds to enter higher education. Its focus is to develop study skills while allowing students to find out more about university. The programme is delivered free of charge and is available to schools and colleges throughout Lincolnshire and those in surrounding counties.

LiNCHigher is a pan-Lincolnshire consortium of 29 stakeholders led by BGU and is part of a wider national initiative, the Uni Connect Programme which is funded by the OfS. Its primary aim is to increase aspirations amongst young people by targeting areas low of participation in HE. During 2019/20 external engagement work was affected significantly by the Covid-19 pandemic and the closure of schools across the county. Yet in spite of that, LiNCHigher provided funded support to 32 schools and other support to 11 others. There were 316 outreach activities between August 2019 and March 2020 which supported 4,899 students.

Section 172 Statement

Pursuing our purpose (p. 9) and priorities (p. 10) means focusing primarily on strategic issues, while having regard to our values (p. 9), and economic, political and social issues as well as other relevant external matters which may influence or affect the development of BGU's business. Through working collaboratively with the University's many stakeholders, BGU produced the Strategy 2019-25 which was released in October 2019. A series of focus groups and multi-stakeholder groups were held to facilitate extensive dialogue and feedback.

The Strategy sets out a series of objectives which will ensure BGU achieves success over the long-term and delivers value to its students and other stakeholders. Performance against the Strategy is monitored frequently by the Vice-Chancellor's Executive Group and reported to University Council, as well as risks (p. 26) to the delivery of its objectives. A key pillar of the Strategy is Collaboration and Partnerships. These concepts are at the heart of the University and are implicit in the way we work with students, collaborate to conduct research and knowledge exchange and situate ourselves within Greater Lincolnshire and the City of Lincoln. BGU has engaged with a broad range of stakeholders on a range of topics throughout the year. This report contains many examples of the work the BGU has undertaken including:

- Lincoln Civic University Agreement (2020) (p. 22)
- The Greater Lincolnshire MOVE Project (p. 21)
- Business Inspiration Project (p. 21)
- The Lincolnshire Coastal Skills Project (p. 20)
- The Lincolnshire Open Research and Innovation Centre (p. 20)

In addition to working to support businesses in the region we also depend on the capability and performance of our suppliers, contractors and other partners, such as small businesses and sector peers to help deliver our services. Our workforce is key to our success and our people help us to maintain our strong reputation for high standards of business conduct and are fundamental to the delivery of the Strategy. The Executive engages with staff through a number of fora to enable it to better understand their interests and concerns; namely the Staff Survey and Staff Forum (p. 50). This year there has also been a number of initiatives focussing on the professional development of our staff (p.22), including promoting the values and leadership behaviours which will help to promote a strong sense of culture at BGU.

Streamlined Energy and Carbon Report

The Streamlined Energy and Carbon Reporting Regulations are designed to increase awareness of energy costs and to provide reliable data to inform the adoption of energy efficiency measures, which help to reduce the impact on the environment. The table below discloses the University's energy consumption and emissions for the 2019/20 reporting period.

UK Greenhouse gas emissions and energy use data for the period 1 August 2019 to 31 July 2020	
Energy consumption used to calculate emissions (kWh)	1,489,010
Scope 1 Emissions (KgCO₂e)	
Gas consumption	483,867
Total scope 1	483,867
Scope 2 Emissions (KgCO₂e)	
Purchased electricity	320,048
Scope 3 Emissions (KgCO₂e)	
Fleet vehicles:	
Petrol	4,965
Diesel	5,105
Business travel in employee owned vehicles	7,050
Total gross emissions (KgCO₂e)	378,505
Intensity ratio (KgCO₂e per FTE student)	170
Quantification and Reporting Methodology :	
We have followed the 2019 HM Government Environmental Reporting Guidelines, the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.	
Intensity measurement:	
KgCO ₂ e per FTE student for the financial year 2019/20.	
Measures taken to improve energy efficiency:	
Bishop Grosseteste University has recognised the importance of work regarding sustainability and the environmental agenda and it is included in the recently launched Strategy. It has also identified the importance of sector recognition through the EcoCampus Award and ultimately the ISO standard, and has begun working towards the EcoCampus Bronze Award. The newly formed Sustainability Working Group will ensure that strategic and operational targets will be delivered as we work towards Net Zero Carbon by 2030 to be achieved.	



Key Performance Indicators

Student Numbers

Enrolments (Headcount)

The total headcount of enrolled students has shown a modest increase in each of the last three years (see figure 1). With 2,523 enrolled in 2019/20 the growth comprises an increase in the number of Undergraduate (UG) students of over 9% since 2018/19. But this is offset by a reduction in the number of Postgraduates (PG) from 722 to 716 (down 1%).

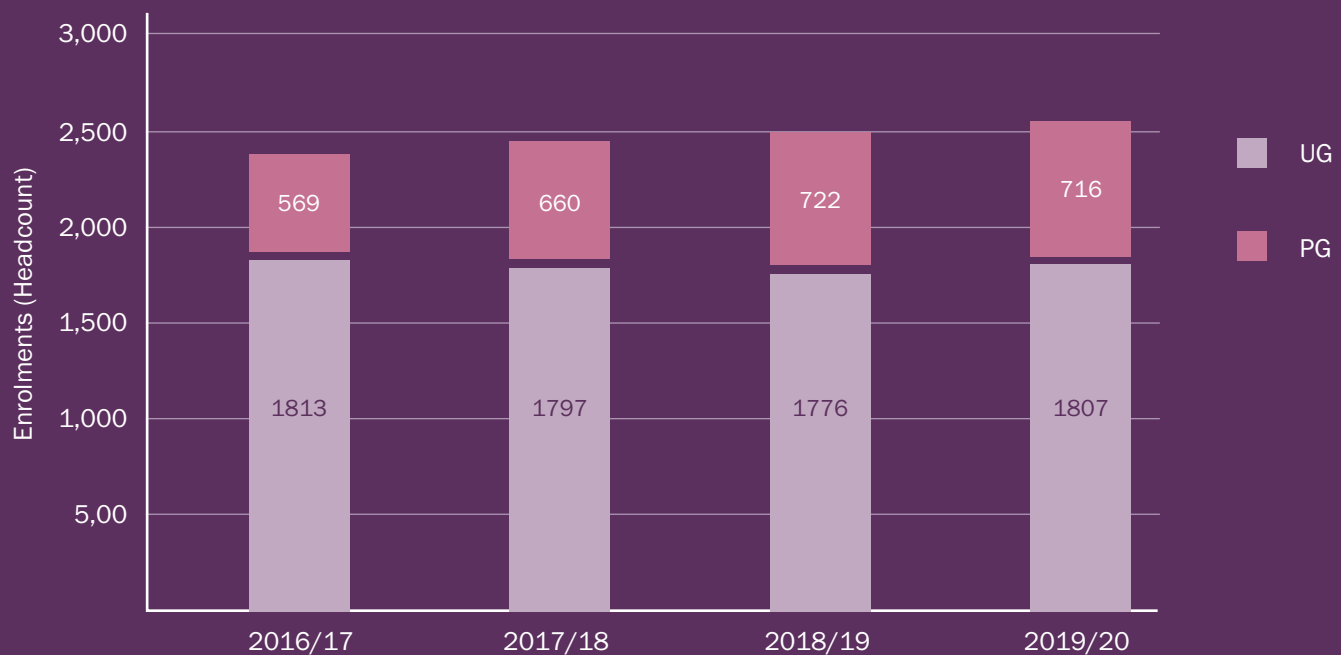


Figure 1. BGU Student Numbers, 2016/17 to 2019/20

Source: Students Record System

National Student Survey

Percent satisfied with course and overall

The National Student Survey measures the level of satisfaction of final year undergraduate students against several performance indicators. ‘Overall course satisfaction’ (see figure 2) features in many of the national university league tables and we are pleased to report an increase of 3% to 85% in 2019/20 when compared to 2018/19.

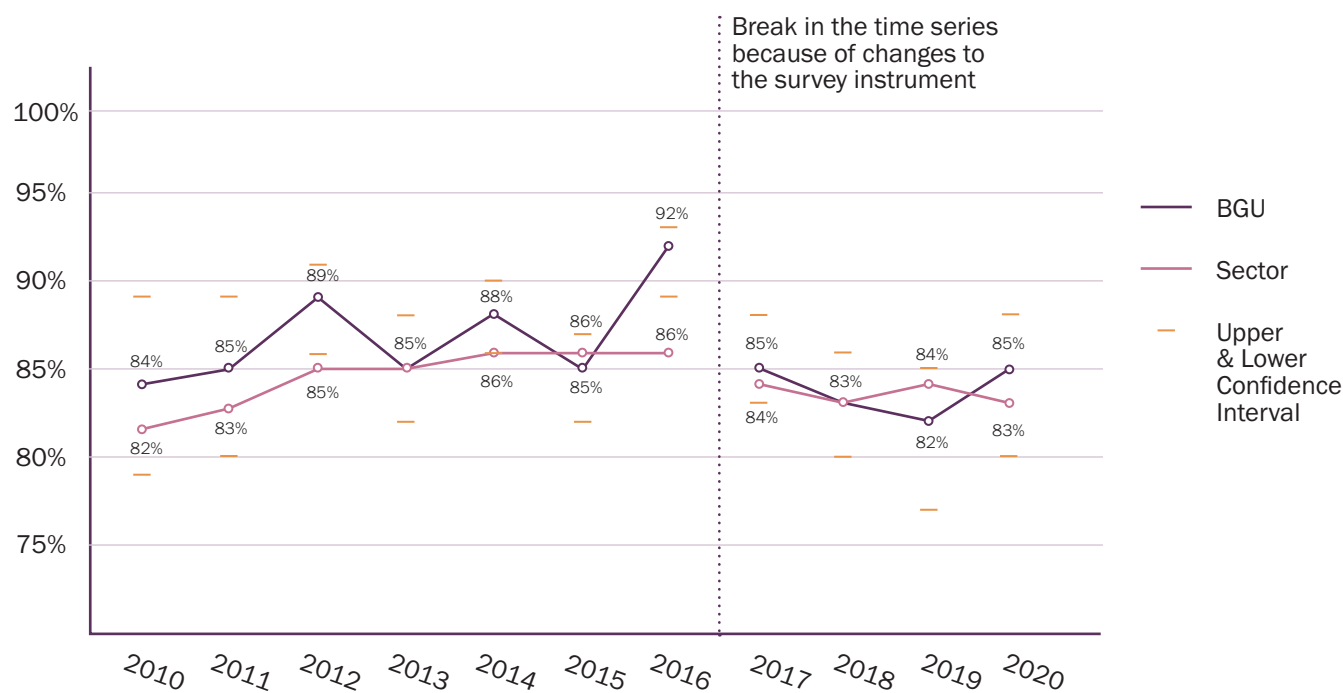


Figure 2. National Student Survey overall course satisfaction – BGU and sector, 2010 to 2020
Source: National Student Survey Results 2010 to 2020

BGU Student Satisfaction Survey

Percentage satisfied with course and University overall

The BGU Student Satisfaction Survey measures many of the same variables as NSS, but for all other students. For 2019/20, 93.2% of students were satisfied with BGU overall, whilst 93.1% of students were satisfied with their course overall (see figure 3). This survey provides the platform for the University to work with students to improve its provision prior to them progressing into their final year.

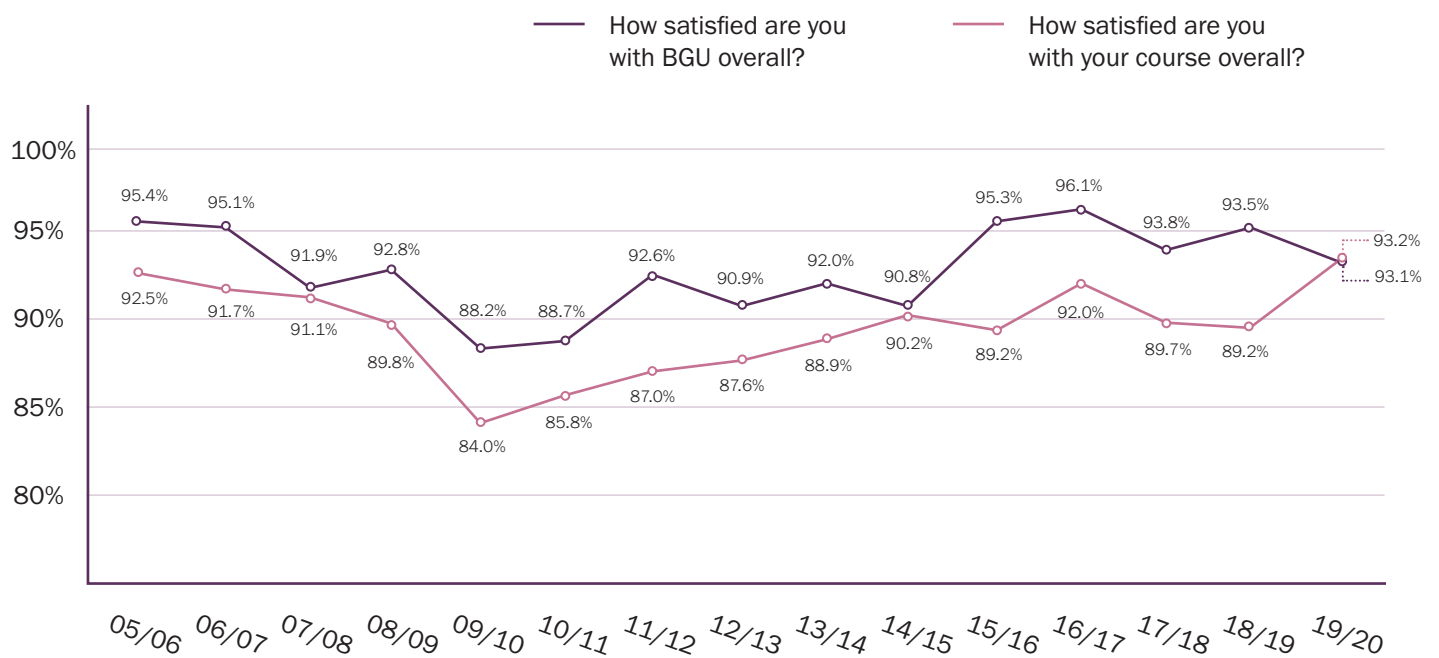


Figure 3. BGU student overall course and University satisfaction, 2005 to 2020
Source: BGU Student Satisfaction Survey Results 2005 to 2020

Retention

Percentage no longer in Higher Education

The University invests in support for students to ensure that retention is high. Measured by the level of non-continuation of full-time undergraduate students as they progress from year one to year two of their studies, at 6.8% BGU continues to outperform the sector benchmark of 7.8% (see figure 4).

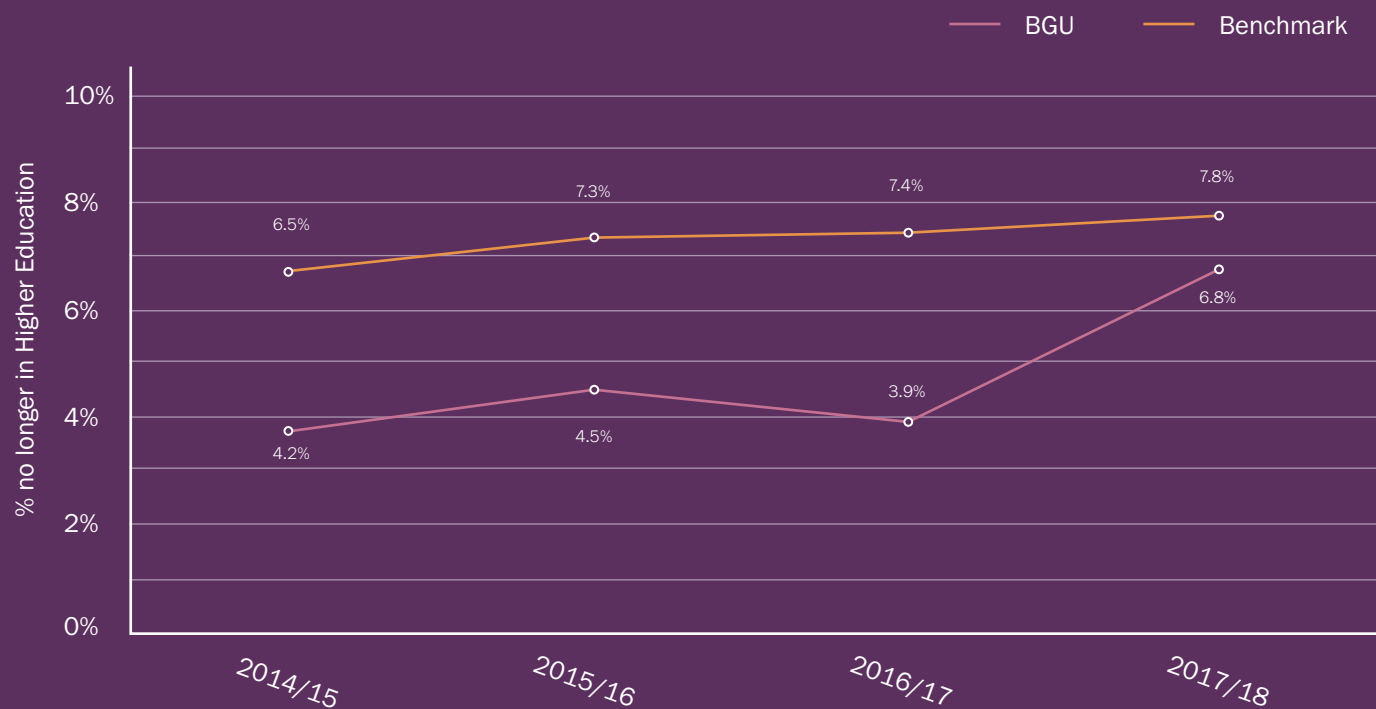


Figure 4. Non-continuation of full-time students following year 1 – BGU and benchmark, 2014/15 to 2017/18
Source: HESA

Financial Review

The Financial Statements for the year ended 31 July 2020 consolidate the results of the University and its subsidiary company, BG (Lincoln) Limited. The accounts have been prepared in accordance with Financial Reporting Standard 102 and the Statement of Recommended Practice on Accounting for Higher and Further Education 2019.

The Financial Strategy is concerned with financing the University's corporate objectives by providing a sound and prudent financial planning and management framework. Within this strategy, the main objectives are to:

- maintain the financial health of the

University and ensure its long-term viability;

- generate sufficient cash to maintain productive capacity to meet current objectives on infrastructure, capital and revenue expenditure to ensure the sustainability of the University's business; and
- manage and mitigate financial risk, identify opportunities, and ensure value for money in the University's operations.

Results for the Year

The consolidated income and expenditure results are summarised as follows:

	2019/20		2018/19	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income	22,652	21,706	24,280	22,957
Expenditure	24,914	23,802	25,958	24,635
(Loss) for the year	(2,262)	(2,096)	(1,678)	(1,678)
Actuarial Loss	5,171	5,028	2,329	2,233
Transfer from Revaluation Reserve	36	36	36	36
Total Comprehensive Income for the Year	(7,397)	(7,088)	(4,007)	(3,911)

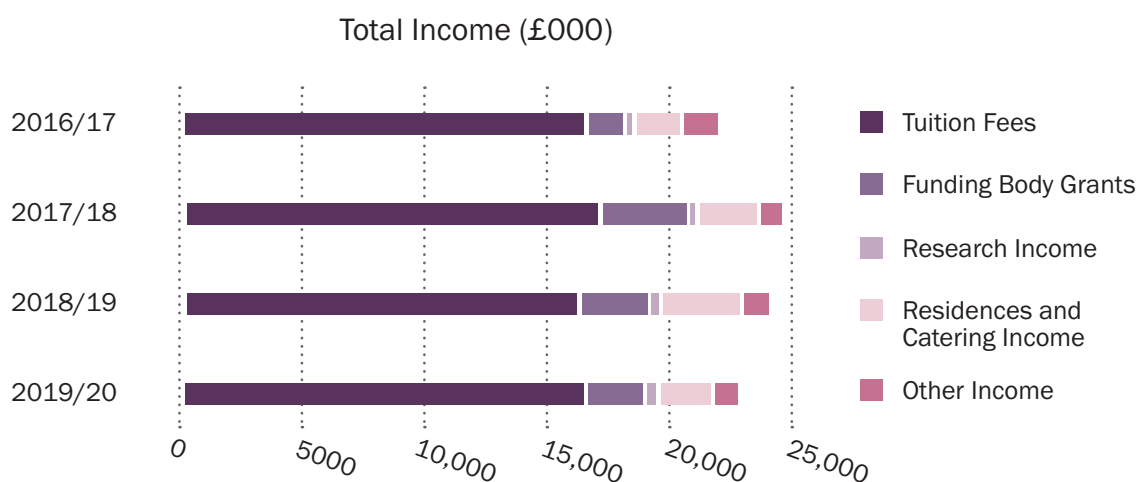
The impact of FRS102 regarding the actuarial and accounting treatment of pensions has resulted in a non-cash adjustment of £1,279,000 being made to the Income and Expenditure account, increasing the operating deficit of £947,000 into the reported deficit of £2,262,000.

It continues to be important for the University that a cash surplus is generated from operations each year. This enables the institution to continue to invest in delivering its strategic priorities.

Income

Total income of £22.6m decreased by 7% from last year. As in previous years, tuition fees were the primary source of income representing 75% of total income (2018/19: 69%).

Income from residences, catering and conferences decreased by 4% contributing 8% of total income (2018/19: 12%), after being hit by the Covid-19 campus closure. The third payment was waived for student accommodation, and all conferences and events to be held after March 2020 were cancelled.

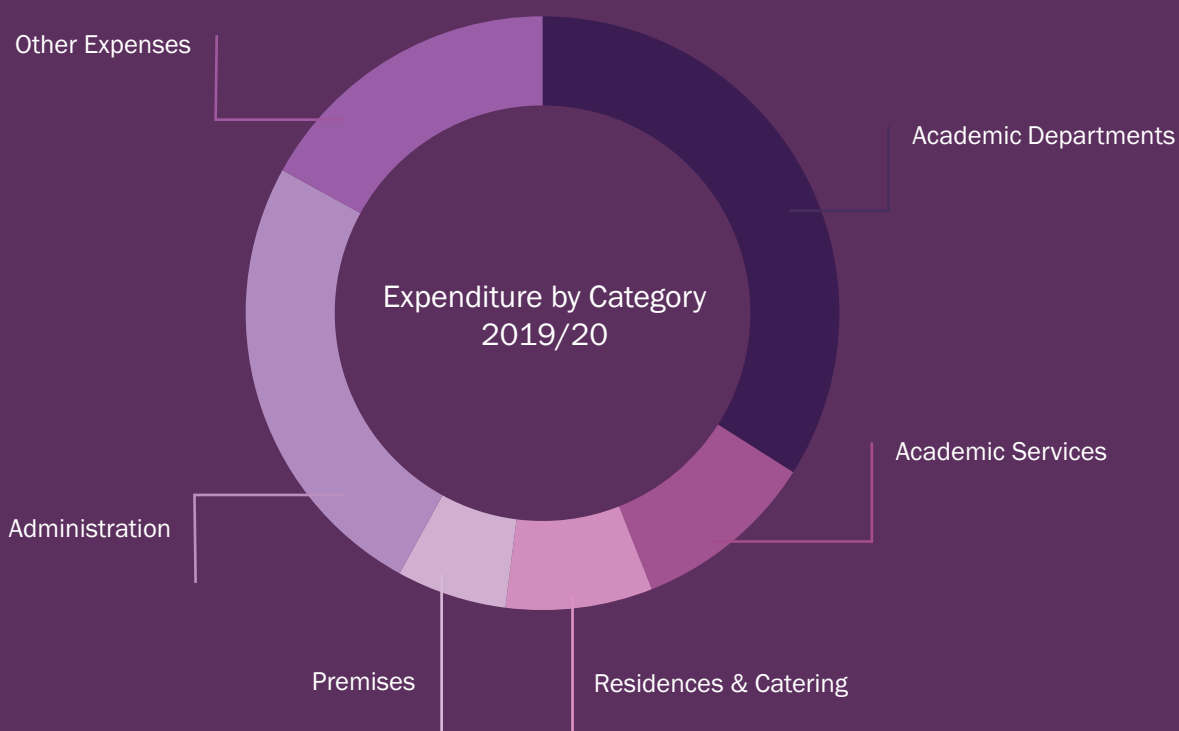
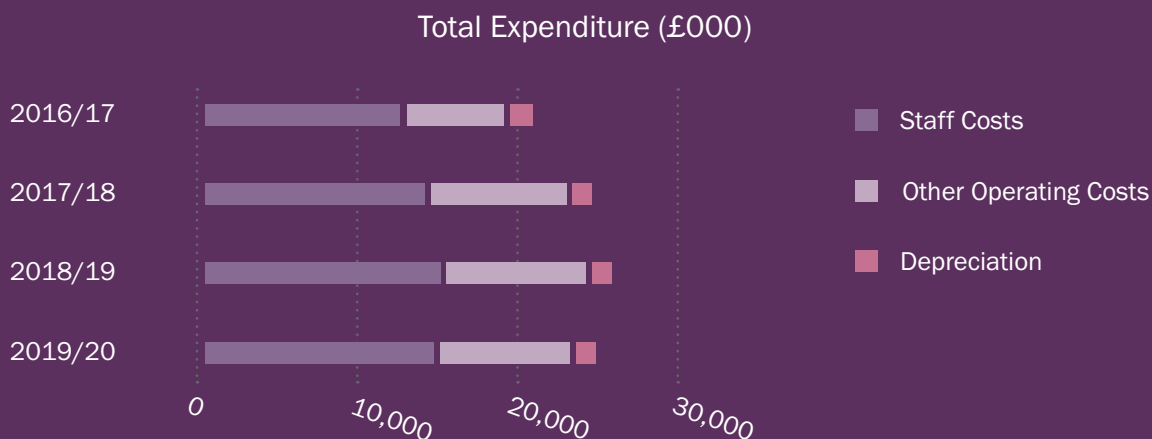


Expenditure

Total expenditure of £24.9m decreased by 4% from last year.

Staff costs remain the most significant cost for the University, at 61.4% as a percentage of income (2018/19: 61.5%), reflecting the impact of workforce investments, pay inflation and pension costs.

Other operating expenses decreased to £8.1m, compared to £8.6m in 2018/19.

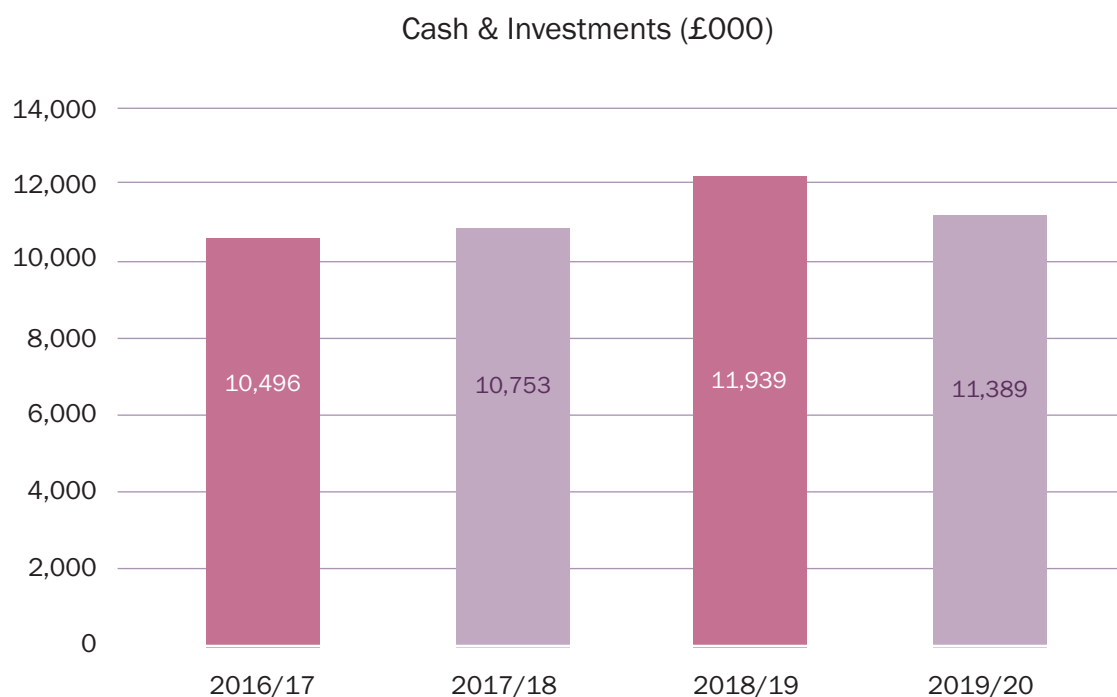


Balance Sheet

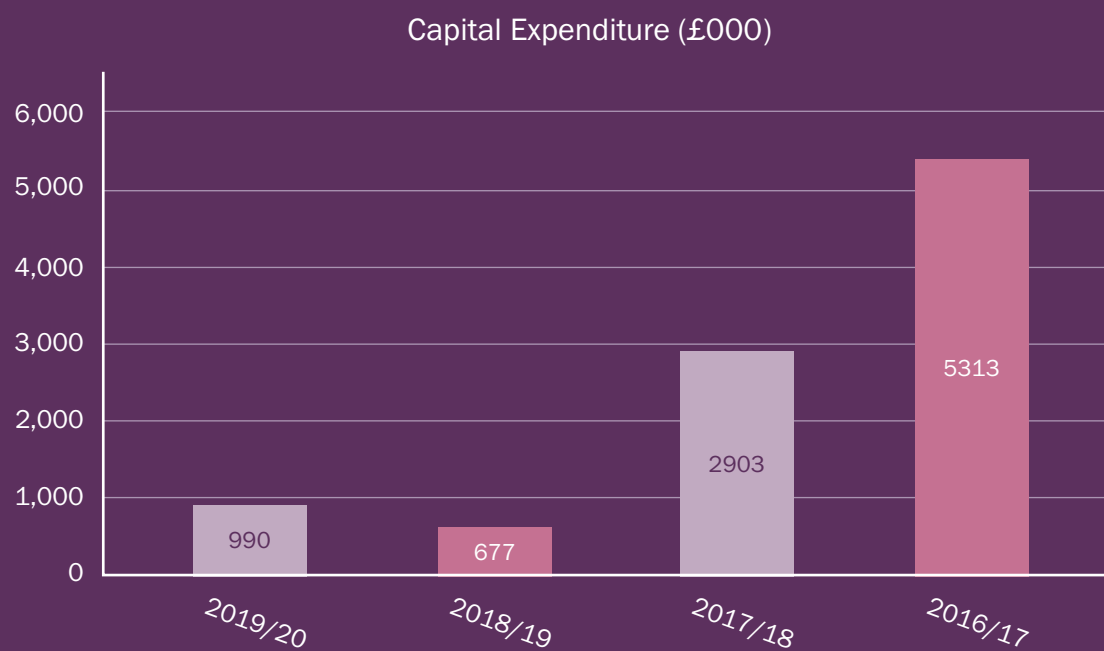
Cash and cash equivalents of £11.3m at 31 July 2020 (July 2019: £11.9m) ensure that the University has the ability to finance its strategic objectives and have the financial strength to weather the current HE and economic uncertainties. The current ratio, a measure commonly used to measure liquidity (current assets / current liabilities), reduced from 5.9 in 2019 to 5.0 this year. Cash days in hand, a measure of Institutional solvency, improved to 184 from 179 the previous year.

The University's employees belong to five principal pension schemes, the Church of England Funded Pensions Scheme, the Teachers' Pension Scheme (TPS), the Local Government Pension Scheme (LGPS), the Universities Superannuation Scheme (USS) and the Bishop Grosseteste University Flexible Retirement Account provided by Friends Life. Four of these schemes are defined benefit schemes with the Bishop Grosseteste University Flexible Retirement Account being a defined contribution scheme.

Total pension deficit provisions increased from £8.3m to £14.5m.



The University continues to invest in its infrastructure and equipment. Capital investment was funded from capital grants received in the year and the use of reserves. The University invested £990k in fixed assets and intangibles. Covid-19 and the closure of campus had delayed projected capital building works and deferred these projects into the following year.



Risk

In common with all organisations, we are affected by a large number of different risks. However, informed risk taking is essential if the University is to innovate and succeed. Effective risk management is about ensuring that all significant risks are understood and prioritised – as part of business as usual – to increase the probability of successful outcomes, while protecting the reputation and sustainability of the University.

Our approach to risk management

The University has a responsible approach to risk management, seeking to recognise and manage exposure to risks. The pursuit of knowledge, innovation, strategic aims, and implementing strategic developments will always have risks. Risk also has to be balanced against the University's obligations to use charitable funds and public money responsibly and prudently. Effective risk management increases the probability of successful outcomes while promoting the reputation and sustainability of the University. A balanced assessment of risks has to be taken; there will be occasions when taking calculated risks will be appropriate if commensurate with potential reward, and there are also risks involved in doing nothing.

The University's approach to the management, oversight and monitoring of risks has been to build risk management into its structures and processes through a framework comprising:

- Governance
- Identification, evaluation and management of significant risks
- Policy
- Control environment.

The University's approach is to minimise its exposure to compliance, reputational and financial risk. The University has a very low risk appetite where there is a likelihood of significant and lasting damage to its provision of teaching and research; loss of life or harm to students, staff, visitors; significant and lasting reputational damage; significant financial loss or negative variations to financial plans; illegal or unethical activity; and breaches of regulatory compliance. The University will endeavour to eliminate such risks or reduce them to the lowest practical level. The University has a high appetite for risk in the context of encouraging and promoting critical enquiry, academic freedom, and open debate. The University is also open to innovation in education and student experience where such activities support and enhance its reputation and position, and do not expose it to undue finance, compliance, or reputational risk.

The Vice-Chancellor's Executive Group monitors and reviews emerging and changing risks throughout the year. It reports to both the Finance, Employment and General Purposes Committee and to the Audit Committee. Each year, an annual report on its risk management work is produced.

Risk owners assess risk regularly, and the risk register is reviewed by the Finance and Business Planning Group. All major projects have individual risk registers, and risk assessment is incorporated into planning and decision-making processes. Each year, the Internal Audit function base their audit plan around the risk register, undertaking reviews of key areas according to a rolling plan.

Our Risks

The management of risk Oversight of the management of corporate risks rests with the Vice-Chancellor's Executive Group (VCEG), the membership of which includes all the corporate risk owners. The corporate risks are considered in detail by VCEG several times a year. Assurance oversight for risk rests with the Audit Committee.

The main risks facing the University in 2019/20 were (not in rank order):

1. Pensions liabilities
2. Covid-19
3. Student Record System (SRS)
4. Financial sustainability
5. Brexit
6. Cyber security
7. Portfolio fitness for future
8. Establishing BGU as a research University
9. Data Quality
10. Fire safety in student accommodation
11. BGU's ongoing registration with the OfS
12. Academic partnerships
13. Digital Poverty
14. Cyber security
15. Planned industrial action
16. Racial equality and Black Lives Matter

Future plans for risk management at BGU will include some "worst case" scenario planning, alongside assurance mapping. Risk mitigation has included the formation of the Finance and Business Planning Group which has been charged with overseeing the development of strategic initiatives across the University, designed to respond to the rapidly changing environment.





Governance



Charitable Purpose and Public Benefit Statement

Bishop Grosseteste University has no linked charities and its charitable objectives are for the public benefit to advance education through the provision of a university at or near Lincoln; such a university is to be designated as having a Church of England character. Its students, potential students and the general public are the principal beneficiaries.

As a university with an Anglican Foundation, we are committed to fostering a community that welcomes and hosts a diverse population of students and staff that lives out the values of respect, integrity, courage, excellence, resilience and inclusion. We are committed to widening access and aim to encourage applications from all potential learners, particularly those currently under-represented in higher education generally, and at the University specifically. Bishop Grosseteste University has a strong track record in widening access to and improving participation in higher education for students from state schools and low participation neighbourhoods. More challenging areas include the following. (1) The recruitment of Black, Asian and Minority Ethnic (BAME) students when compared to sector benchmarks. (2) The recruitment of male students (including from disadvantaged backgrounds). (3) The recruitment of mature students and (4) the improvement of outcomes for students with access needs.

Bishop Grosseteste University has delivered a highly successful outreach programme since 2006 and is committed to maintaining core activities and expanding the scope of the programme in order to maximise participation from target groups. The outreach programme targeting WP groups is made up of First Steps 2 Study (Yrs. 9/10/11), Next Steps 4 Study (Yrs. 12/13) and a Year 12 residential summer school. Additional input is provided to support individual students from under-represented groups (e.g. care leavers, estranged students) to help engagement with procedures associated with the admissions procedure (e.g. UCAS applications, student finance, securing accommodation). We also have a number of student support services, which includes centres offering counselling, financial advice, academic and study skills, careers advice, placement and volunteering services, health services, specialist dyslexia and disability assessment and various other services.

Our Access and Participation Plan outlines our WP activities as well as the financial mechanisms in place that help to ensure that the opportunity to benefit from higher education is not restricted by the ability to afford fees or living costs. These arrangements are intended to complement the Government's provision of loans and maintenance grants and are targeted at those identified as being most in need. During 2019/20, £656,000 of bursaries and learning fund awards were paid out to students from low income backgrounds, students experiencing financial hardship during their studies, disabled students and students from care.

The Learning Fund distributed an extra £35,000, predominantly in early summer, in response to the financial needs of our students brought about the pandemic.

Bishop Grosseteste University has also led a number of projects which provided benefits to the local community as well as our students. BG Futures has worked collaboratively with the Careers Team at the University of Lincoln on the Graduate Skills Builder Programme which engaged groups of students to deliver projects for large employers across the Greater Lincolnshire region. The aim of the project was to develop the skills of students and broaden their perception of the opportunities that Greater Lincolnshire has to offer. Alongside this, it was designed to allow local employers to better understand the value that graduates can bring to their businesses.

Also delivered through BG Futures, the Greater Lincolnshire MOVE project supported unemployed and economically inactive adults to get back into work or explore other options, such as, learning or volunteering. It focused on careers guidance, employability skills, psychometric testing, life coaching, business start-up and on-going personal support. During this year students have volunteered to support unemployed adults as mentors, through the network of 26 delivery partners.

Bishop Grosseteste University became a signatory to the Lincoln Civic University Agreement (2020) which is part of a national initiative to strengthen the connections between universities and their communities. The Agreement seeks to build on the University's civic activities that reflect the priorities of the people of Lincoln. We will work with other local institutions, businesses and community organisations and local authorities to deliver a unified vision for the city through a clear set of priorities. An ambitious five-year Action Plan will focus activity on five interconnected pillars: education, skills and aspiration; growth, economy and the local industrial strategy; health and wellbeing; housing and social cohesion; and the climate emergency.

Corporate Governance

The University is committed to exhibiting best practice in all aspects of corporate governance. This section summarises and explains the arrangements for the governance of the University that applied during the financial year 2019/20.

In August of 2019, the University became a Private Limited Company by guarantee without share capital

use of 'Limited' exemption. The Articles of Association can be found at <https://www.bishopg.ac.uk/about-bgu/governance/articles-of-association>.

Broadly speaking, University Council is responsible for overseeing the running of the University and specifically for the effective, efficient and economic use of resources, the approval of annual budgets and senior appointments. The Vice-Chancellor is responsible for the organisation and management of the University and for making recommendations to University Council on the matters for which it is responsible. The Members of University Council are Directors under the Companies Act 2006.

These arrangements for 2019/20 are set out in the University's Articles of Association; the terms of reference of committees of University Council; the University's Schedule of Delegation; the University's financial regulations; and such resolutions as University Council may from time to time adopt, including Byelaws. The University's governance arrangements were (and continue to be) consistent with good practice and Committee of University Chairs (CUC) Higher Education Code of Governance.

Roles and Responsibilities

The Articles of Association (2019) empowered University Council to delegate certain of its functions to committees of University Council or to the Vice-Chancellor. University Council could not delegate responsibility for:

- (a) the pursuit of the charitable object and the determination of the educational character and mission of the University;
- (b) the approval of the annual estimates of income and expenditure;
- (c) ensuring the solvency of the University and the safeguarding of its assets;
- (d) the process of appointment or dismissal of the Vice-Chancellor; and
- (e) the recommendation to the University in general meeting for the varying or revoking of these Articles.

Senior Executive Group

The Senior Executive Group has responsibility for planning, directing and controlling the activities of the University.

University Council: Constitution

When complete, under the 2019 Articles, University Council has 16 to 22 members, appointed for four years and eligible for one re-appointment for consecutive service, with the exception of the Vice-Chancellor, the President of the Students' Union, the elected Student member of Council and the Bishop of Lincoln. The composition of Council under the 2019 Articles is as follows:

- (a) The Bishop;
- (b) The Vice-Chancellor;
- (c) Four persons appointed by the Bishop's Council of Diocesan Trustees, or any successor body, after consideration of the skills required by the University Council;
- (d) One member of the academic Staff of the University elected by the academic Staff in accordance with rules established from time to time by the University Council;
- (e) One member of the support Staff of the University elected by the support Staff in accordance with rules established from time to time by the University Council;
- (f) Two representatives of the Students elected by the Students in accordance with rules established from time to time by the University Council; and
- (g) Six to twelve Members appointed by the University Council in accordance with rules made by the University Council.

The Chair's term of office as an appointed position is for three years with a possible renewal period of three years. During 2019, Mr Bob Walder was re-appointed for a further three years as Chair of Council.

The Bishop, by notice in writing to the Council, may appoint a representative to act as alternate director in their absence from meetings of University Council. During 2019/20, Stephanie Gilluly was Secretary to University Council, ensuring that appropriate procedures were followed to support the governance processes in line with best practice. The Vice-Chancellor was (and remains) the accountable officer in respect of reporting to the OfS.

The Governance Office maintains a register of financial and personal interests of University Council. The register for 2019/20 is available for inspection at the University address.

During 2019/20, University Council and its committees met as follows:

University Council

9 October 2019
27 November 2019
19 May 2020 (Extraordinary)
8 July 2020

Audit Committee

5 November 2019
4 March 2020
10 June 2020

Finance, Employment and General Purposes

5 November 2019
26 February 2020
4 June 2020

Remuneration Committee

6 November 2019
29 June 2020

Governance and Nominations Committee

16 October 2019
12 February 2020

Selection Committee

27 July 2020

Membership and Attendance 2019-20	Committee Attendance (Number of Committee Meetings Attended/Total number of meetings possible to attend during 2019/2020)					
	University Council	Audit	Finance, Employment and General Purposes	Governance and Nominations	Remuneration	Selection
Mr David Babb	3/4	N/A	3/3	N/A	1/2	N/A
Reverend Sonia Barron (from 1 August 2019)	3/4	N/A	N/A	1/2	N/A	N/A
Miss Erin Bell (from 25 March 2020)	2/2	N/A	N/A	N/A	N/A	N/A
Mrs Clarissa Bown (from 1 August 2019 to 3 February 2020)	0/2	N/A	N/A	N/A	N/A	N/A
Dr Stephen Critchley	4/4	3/3	N/A	2/2	2/2	1/1
Mrs Jackie Croft	2/4	N/A	3/3	N/A	2/2	1/1
Reverend David Dadswell	3/4	2/3	N/A	N/A	N/A	N/A
Mr Jordan Fane (from 25 March 2020 to 31 August 2020)	2/2	N/A	N/A	N/A	N/A	N/A
Mr Alan Foster (from 1 August 2019 to 28 February 2020)	2/2	N/A	N/A	N/A	N/A	N/A
Mr Richard Hallsworth	4/4	3/3	N/A	N/A	N/A	N/A
Professor David Head	4/4	N/A	N/A	2/2	N/A	1/1
Professor Marianne Howarth (from 1 August 2019)	3/4	2/3	N/A	N/A	N/A	N/A
Mr Stephen Lawrence	3/4	N/A	2/3	N/A	N/A	N/A
Mr Walter Leschenko (from 25 March 2020)	2/2	N/A	1/1	N/A	N/A	N/A
Air Vice-Marshall Gavin Mackay	4/4	N/A	3/3	N/A	N/A	N/A
Dr Sacha Mason	4/4	N/A	N/A	2/2	N/A	N/A
Reverend Dr Sally Myers	3/4	2/3	N/A	N/A	N/A	N/A
Reverend Canon Professor Peter Neil	4/4	N/A	3/3	1/2	N/A	1/1
Rt Reverend Dr Nigel Peyton	4/4	N/A	1/3	N/A	2/2	1/1
Mr Alan Stacey	4/4	N/A	N/A	N/A	N/A	N/A
Mr Bob Walder (Chair of University Council)	4/4	N/A	N/A	2/2	2/2	1/1
Mr Philip Wright (Co-opted Sub-committee member to January 2020)	N/A	1/1	N/A	N/A	N/A	N/A
Mrs Wendy Cundy (Co-opted Sub-committee member)	N/A	N/A	N/A	N/A	1/2	N/A

Recognising that decisions may sometimes be required at times when it is not possible or expedient for University Council as a whole to meet, University Council has agreed a Schedule of Delegation in line with sector best practice and in accordance with the guidance from the Committee of University Chairs (CUC).

This Schedule was updated at the July 2019 meeting to align to the revised Articles of Association of the Company incorporating the Instruments and Articles of Governance of the University. University Council also has an approved Decisions in Writing procedure. Further details can be found at: www.bishopg.ac.uk/about/Governance.

University Council delegates certain of its functions to committees. University Council determines the membership of its committees, which then elect their own Chair. During 2019/20, these committees were as follows:

Committee:	Responsible for:
Audit	Monitoring the performance and effectiveness of internal and external audit, reviewing the effectiveness of the internal control system and a range of other matters relating to financial efficiency, effectiveness and propriety.
FE and GP	Considering, and advising University Council on, such employment, financial and administrative matters as the Council may refer to it.
Governance and Nominations	Advising the University Council on matters of governance and Council effectiveness as well as on the appointment of independent members to the University Council and the membership of committees of the University Council, other than the Governance and Nominations Committee itself.
Remuneration	Advising the University Council on the remuneration and terms and conditions of employment of senior staff, including the Vice-Chancellor.
Selection	Managing the appointment process for senior posts and advising the Council members about such appointments.

Senate is a committee of the staff of the University whose composition and functions during 2019/20 were defined in the Articles of Association (2014). During the reporting period, it made recommendations to the Vice-Chancellor or University Council, as appropriate, about the content of University curricula, academic standards and a range of related matters.

The statement of corporate governance covers the financial year and up to the date of approval of these financial statements by University Council on 1st February 2021.



Statement of University Council's Responsibilities

University Council is the Governing Body of the Institution. Subject to the powers of Senate as provided for in the Instruments and Articles, it has ultimate responsibility for the affairs of the University. In accordance with the University's Articles of Association, University Council is responsible for the administration and management of the University's affairs, including ensuring an effective system of internal control, and is required to present audited financial statements for each financial year to Companies House and the Charity Commission.

The Council is responsible for ensuring that the University has appropriate systems of controls, financial and otherwise. The Council is also responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the University and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011 and regulations made thereunder. The Council is also responsible for safeguarding the assets of the University and ensuring their proper application under law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In addition, in accordance with the requirements of the Office for Students, University Council, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the income and expenditure, surplus or deficit, changes in reserves and cash flows for that year.

In preparing the financial statements the University Council are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019; and of the Office for Students Accounts direction;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in business.

On 1 August 2019, the University incorporated as a company limited by guarantee (company number 11963500) and a registered charity (charity number 1184682). This has modernised and strengthened the governance arrangements. As part of this process all assets and liabilities of the unincorporated University were transferred to the new company. Further information can be found within Note 3 of the Accounting Policies section of the Financial Statements below.

University Council has taken reasonable steps to:

- ensure that funds from the Office for Students and the Teaching Regulation Agency are used only as permitted by the relevant agreements and any other conditions which the funding bodies may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and prevent and detect fraud;
- secure the economical, efficient and effective management of the University's resources and expenditure; and
- ensure that the executive has an adequate system of internal control designed to manage rather than eliminate the risk of failure to achieve business objectives, providing only reasonable and not absolute assurance against material misstatement or loss and that it regularly monitors and reviews the effectiveness of that system.

The key elements of the University's system of internal control, which is designed to discharge the responsibilities set out above, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, senior managers;

- comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets;
- regular reviews of the performance dashboard including risk and key performance indicators and termly reviews of financial results involving variance reporting and updates of forecast outturns;
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by University Council;
- financial regulations, detailing financial controls and procedures, discussed at the Finance, Employment and General Purposes Committee and agreed by University Council; and
- a professional Internal Audit team whose annual programme is approved by the Audit Committee and endorsed by University Council, and whose head provides University Council with a report on internal audit activity within the University and an opinion on the adequacy and effectiveness of the University's system of internal control, including financial control.

Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

Statement of Internal Control

1. As the University Council of Bishop Grosseteste University, we have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible, in accordance with the: University's Articles of Association, Office for Students' Terms and Conditions of Funding for Higher Education Institutions; other funding bodies' conditions, the CUC Higher Education Code of Governance and the Charity Commission.
2. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.
3. The system of internal control is based on an on-going process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31 July 2020 and up to the date of approval of the financial statements and accords with the Office for Students' guidance.
4. As the University Council, we have responsibility for reviewing adequacy and effectiveness of the system of internal control and arrangements for the management and quality assurance of data submitted to Higher Education Statistics Agency, Student Loans Company, the Office for Students and other bodies. The following processes have been established:
 - a. regular meetings (at least termly) are held to consider the plans and strategic direction of the University;
 - b. the Audit Committee oversees risk management and receives regular reports from the Head of Internal Audit, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement;
 - c. the University's Risk Register is actively reviewed by the Vice-Chancellor's Executive Group, Audit Committee and University Council and informed by robust internal and external audits;
 - d. regular updates are received from the Chair of the Audit Committee concerning internal control, and we require regular reports from the Vice-Chancellor on the steps being taken to manage risks, including progress reports on key projects; and
 - e. an effectiveness review of Council and all sub - committees was undertaken during 2016/17. The University commissioned an independent appraisal of the effectiveness of the implementation of the subsequent actions.

These actions were accepted as complete during 2018/19. A review will be undertaken in 2020/21 aligned to the new CUC Higher Education Code of Governance.

6. Our review of the effectiveness of the system of internal control is informed by the internal audit service, reviewed for effectiveness by the HEFCE Audit Service in December 2017. The internal auditors submit regular reports that include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the University's system of internal control, with recommendations for improvement.
7. Our review of the effectiveness of the system of internal control is also informed by the work of the Vice-Chancellor's Executive Group, which has responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

During 2018, the OfS came into being as the independent regulator of Higher Education in England. The University was registered with the OfS in September 2018 in the category of Approved (fee cap).

Principal Risks

Monthly reporting of risk to the Vice-Chancellor's Executive Group is undertaken to inform decisions of the Vice-Chancellor's Executive Group and University Council. The Vice-Chancellor's Executive Group considers core risks and the mitigation actions proposed. The Risk Register is then submitted to the Audit Committee for consideration and core risks (together with mitigating actions) pertaining to business, operational, compliance and finance are reported to Council. These risks (and the effectiveness of mitigating actions) are submitted to the Governing Body for consideration within the Vice-Chancellor's report.

The Risk Register is a dynamic strategic tool that is influenced by external factors and the University's overall 'risk readiness'. High level risks affecting the University over 2019/20 have been impacted by national events – including Brexit and Covid-19. The financial management actions of the University (together with the cash reserves) have meant that financial sustainability (whilst a risk) has not triggered any substantive conversations or actions with the

Regulator and the University continues as a healthy going concern. Pension liabilities remain an ongoing concern. Risks addressed and reduced include risks pertaining to the accuracy of data and specific health and safety matters.

A core risk to the University during 2020 arose from Covid-19. The impact on the 2019-20 academic year was monitored with appropriate mitigation put in place to enable the completion of the academic year. Whilst the protection of health and safety was a key issue, the University also worked to ensure student interests were protected through the maintenance of appropriate degree standards. The University developed and published its Covid Risk Assessment to enable staff and students to return to campus in the summer of 2020, together with a Covid Outbreak Response Plan approved by the local Health Protection leads.

Having taken all reasonable steps to assure itself (e.g. through scrutiny of internal and external audit reports and opinions, the University's Risk Register and KPIs and the consideration of the regular reports to the Audit Committee), the Audit Committee have identified no significant control weaknesses that should be disclosed.

The statement of internal control covers the financial year and up to the date of approval of these financial statements by University Council on 1st February 2021.

Employee Engagement

University Council (and, therefore, the Board of Directors) includes:

- One member of the academic Staff of the University elected by the academic Staff in accordance with rules established from time to time by the University Council; and
- One member of the support Staff of the University elected by the support Staff in accordance with rules established from time to time by the University Council.

The academic staff member on University Council regularly reports to Senate (the highest academic committee in the University) on matters discussed at Council. There is an annual joint meeting of Senate and University Council to discuss the academic health of the institution.

Regular staff fora are held throughout the year to discuss key strategic items and ensure a common understanding of the financial and business planning activities of the University. Topics included for discussion at these meetings in 2019/20 included:

- Financial challenges affecting the higher education sector and BGU's response;
- the Introduction of the Faculty; and
- the University's response to Covid-19 and subsequent return to campus.

The University is a recognised Union environment, UCU and Unison are regularly consulted with through the Joint Consultation Committee (JCC). The Director of HR meets with BGU Union chairs on a weekly. They also cascade information to union members. Unions have played a key role in the business continuity group which was formed due to Covid-19.

Bishop Grosseteste University is a member of the

Dr S. Hill

Vice-Chancellor
1 February 2021

Universities and Colleges Employers Association (UCEA) who represent the University interests during pay negotiations Joint Negotiating Committee for Higher Education Staff (JNCHES) alongside the Unions. Council minutes and the University's finances are made publicly available on the University's website.

Disclosure of Information to Auditors

University Council members who held office at the date of approval of this report confirm that so far as they are each aware there is no relevant audit information of which the University's auditors are unaware; and each Council member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the University's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Bob Walder

Chair of University Council
1 February 2021



Independent Auditor's Report to the Members of the Council of Bishop Grosseteste University

We have audited the financial statements of the Bishop Grosseteste University (the 'University') and its subsidiary (the 'group') for the year ended 31 July 2020 which comprise the Consolidated Statements of Comprehensive Income and Expenditure, the Consolidated and University Balance Sheet, the Consolidated and University Statement of Changes in Reserves, the Consolidated Statement of Cash Flows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the University's affairs as at 31 July 2020, and of the group's and University's deficit, comprehensive income and expenditure and changes in reserves and of the group's cash flows for the year then ended;
- The financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice;
- In all material aspects, funds from whatever source administered by the University for specific purposes have been properly applied only for those purposes for which they were received, and managed in accordance with relevant legislation;
- in all material respects, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- The requirements of the Office for Students' Accounts Direction have been met. We have nothing to report in respect of the following matters in relation to which the Office for Students requires us to report to you, if in our opinion:

- The Group and University's grant and fee income, as disclosed in note 1 to these financial statements has been materially misstated; and
- The Group and University's expenditure on access and participation activities for the financial year has been materially misstated.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ((UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Members of the Council, who are also directors for the purposes of the Companies Act, use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Members of the Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Institution's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

- The Members of the Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Institution's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Members of the Council are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Members of the Council's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Members of the Council's report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the University and its environment obtained in the

course of the audit, we have not identified material misstatements in the Members of the Council's report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters which we are required to report to you if, in our opinion:

- The statement of internal control included as part of the Corporate Governance Statement is inconsistent with our knowledge of the Institution;
- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of members' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the statement of responsibilities of the members of the Council, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Members either intend to liquidate the University or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the University's members, as a body, in accordance with the University's Articles of Governance and Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the University's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the University's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hugh Swainson
For and on behalf of Buzzacott LLP,
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP

15 February 2021



Financial Statements



Consolidated Statement of Comprehensive Income and Expenditure**Year Ended 31 July 2020**

		Year ended 31 July 2020		Year ended 31 July 2019	
	Notes	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	1 & 2	16,944	16,944	16,812	16,812
Funding body grants	1	2,380	2,368	2,925	2,925
Research grants and contracts	1 & 3	268	268	226	226
Other income	4	2,999	2,065	4,265	2,942
Investment income	5	61	61	52	52
Total income		22,652	21,706	24,280	22,957
Expenditure					
Staff costs	6	15,294	14,727	15,955	15,259
Other operating expenses	7	8,162	7,637	8,614	8,004
Depreciation / amortisation	10&11	1,288	1,275	1,258	1,245
Interest and other finance costs	8	170	163	131	127
Total expenditure	9	24,914	23,802	25,958	24,635
Loss before other losses		(2,262)	(2,096)	(1,678)	(1,678)
Loss on disposal of fixed assets		—	—	—	—
Loss before tax		(2,262)	(2,096)	(1,678)	(1,678)
Taxation		—	—	—	—
Loss for the year		(2,262)	(2,096)	(1,678)	(1,678)
Actuarial loss in respect of pension schemes	23	(5,171)	(5,028)	(2,329)	(2,233)
Transfers between revaluation and income and expenditure reserve		36	36	36	36
Total comprehensive expenditure for the year		(7,397)	(7,088)	(3,971)	(3,875)
Represented by:					
Unrestricted comprehensive expenditure income for the year		(7,433)	(7,124)	(4,007)	(3,911)
Revaluation reserve comprehensive income for the year		36	36	36	36

All items of income and expenditure relate to continuing activities in the current and prior years.

As described in the notes to the accounts, the Charity's net assets and activities were transferred on a going concern basis to the newly registered charitable company with effect from midnight on 31 July 2019.

The overarching principles of merger accounting, as stipulated by section 19 of FRS 102, have been applied in these financial statements in recognition that the new legal entity is continuing with the charitable purposes and beneficiaries of the previous entity. Consequently, the comparative figures presented above and in these financial statements relate to Bishop Grosseteste University (Charity Registration Number: 527276) for the year ended 31 July 2019.

All recognised gains and losses are included in the above consolidated statement of income and expenditure.

Consolidated Statement of Changes in Reserves

Year ended 31 July 2020

Consolidated	Income and expenditure account		Revaluation reserve	Total
	<i>Restricted £'000</i>	<i>Unrestricted £'000</i>	£'000	£'000
Balance at 1 August 2018	844	26,215	3,477	30,536
Deficit from the income and expenditure statement	—	(1,678)	—	(1,678)
Other comprehensive expenditure	—	(2,329)	—	(2,329)
Transfers between revaluation and income and expenditure Reserve	—	36	(36)	—
Total comprehensive expenditure for the year	—	(3,971)	(36)	(4,007)
Balance at 1 August 2019	844	22,244	3,441	26,529
Deficit from the income and expenditure statement	—	(2,262)	—	(2,262)
Other comprehensive expenditure	—	(5,171)	—	(5,171)
Transfers between revaluation and income and expenditure Reserve	—	36	(36)	36
Total comprehensive expenditure for the year	—	(7,397)	(36)	(7,433)
Balance at 31 July 2020	844	14,847	3,405	19,096

University Statement of Changes in Reserves

Year ended 31 July 2020

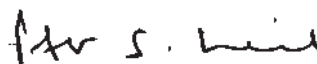
University	Income and expenditure account		Revaluation reserve	Total
	<i>Restricted £'000</i>	<i>Unrestricted £'000</i>	£'000	£'000
Balance at 1 August 2019	844	26,259	3,477	30,580
Deficit from the income and expenditure statement	—	(1,678)	—	(1,678)
Other comprehensive expenditure	—	(2,233)	—	(2,233)
Transfers between revaluation and income and expenditure Reserve	—	36	(36)	—
Total comprehensive expenditure for the year	844	(3,875)	(36)	(3,911)
Balance at 1 August 2020	844	22,384	3,441	26,669
Deficit from the income and expenditure statement	—	(2,096)	—	(2,096)
Other comprehensive expenditure	—	(5,028)	—	(5,028)
Transfers between revaluation and income and expenditure Reserve	—	36	(36)	—
Total comprehensive expenditure for the year	—	(7,088)	(36)	(7,088)
Balance at 31 July 2020	844	15,296	3,405	19,545

Consolidated and University Balance Sheets

Year ended 31 July 2020

	Notes	As at 31 July 2020		As at 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Intangible assets	10	79	79	68	68
Fixed assets	11	28,207	28,191	28,516	28,486
		28,286	28,270	28,584	28,554
Current assets					
Stock	12	15	—	17	—
Trade and other receivables	13	1,056	1,033	1,217	1,052
Cash and cash equivalents	14	11,389	11,396	11,939	11,849
		12,460	12,429	13,173	12,901
Less: Creditors: amounts falling due within one year	15	(2,497)	(2,477)	(2,245)	(2,094)
Net current assets		9,963	9,952	10,928	10,807
Total assets less current liabilities		38,249	38,222	39,512	39,361
Creditors: amounts falling due after more than one year	16	(4,646)	(4,646)	(4,706)	(4,706)
Provisions					
Pension provisions	18	(14,507)	(14,031)	(8,277)	(7,986)
Total net assets		19,096	19,545	26,529	26,669
Restricted Reserves					
Income and expenditure reserve - endowment reserve	19	697	697	697	697
Income and expenditure reserve - restricted reserve	19	147	147	147	147
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		14,847	15,296	22,244	22,384
Revaluation reserve		3,405	3,405	3,441	3,441
Total Reserves		19,096	19,545	26,529	26,669

The financial statements were approved by the Governing Body on 1st February 2020 and were signed on its behalf on that date by:



Vice-Chancellor
1 February 2021



Chair of University Council
1 February 2021

Consolidated Statement of Cash flows

Year ended 31 July 2020

		Year ended 31 July 2020		Year ended 31 July 2019	
	Notes		£'000		£'000
Cash flows from operating activities					
Loss for the year			(2,262)		(1,678)
Adjustment for non-cash items					
Depreciation and amortisation		10 & 11	1,288		1,258
Decrease in stock		12	2		5
		14			
Decrease in debtors		3	161		281
Increase (decrease) in creditors		15,16	250		(313)
(Decrease) increase in pension provision		18	(220)		243
Defined benefit pension costs less contributions payable			1,109		937
Defined benefit pension finance costs			170		127
Adjustment for investing or financing activities					
Investment income		5	(61)		(52)
Movement in Salix loan		15, 16	56		58
Capital grant income			(219)		(229)
Net cash provided by operating activities			274		637
Cash flows from investing activities					
Capital grants receipts			105		1,174
Investment income		5	61		52
Payments made to acquire fixed assets			(990)		(677)
Net cash (used in) provided by investing activities			(824)		549
(Decrease)/Increase in cash and cash equivalents in the year			(550)		1,186
Cash and cash equivalents at beginning of the year		14	11,939		10,753
Cash and cash equivalents at end of the year		14	11,389		11,939
Analysis of change in net debt		At 1 August 2019	Cash flows	Other non-cash changes	At 31 July 2020
		£'000	£'000	£'000	£'000
Cash		11,939	(550)	—	11,389
		11,939	(550)	—	11,389
Loans falling due within one year		(12)	—	12	—
Loans falling due after more than one year		(46)	(56)	(12)	(114)
Total		11.881	(606)	—	11,275



1. Statement of principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

2. Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2015 (the 2019 FE HE SORP) and in accordance with Financial Reporting Standards 102 – “The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)”. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the University’s accounting policies.

The financial statements are prepared under the historical cost convention modified by the revaluation of certain fixed assets, and are presented in £000s.

3. Merger accounting

The assets, liabilities and activities of the charitable trust were transferred to the new incorporated entity on 31 July 2019. Merger accounting has been applied in these financial statements in accordance with overarching principles of section 19 of FRS102, in recognition that the new legal entity is continuing with the charitable purposes and beneficiaries of the previous entity. Consequently, the comparative figures presented in these financial statements relate to the legacy charity of the same name for the year ended 31 July 2019. The accounting policies of the successor organisation are unchanged from those of the predecessor entity.

4. Basis of consolidation

The consolidated financial statements include the University and its subsidiary undertaking, BG (Lincoln) Limited. Intra-group sales and profits are eliminated fully on consolidation. The consolidated financial statements do not include the income and expenditure of the Students’ Union as the University does not exert control or dominant influence over policy decisions. All financial statements are made up to 31 July 2020.

5. Recognition of income

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Income and Comprehensive Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Investment income is credited to the statement of income and expenditure on a receivable basis.

Funds the University receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding:

Government revenue grants including funding council block grant and research grants are recognised in income over the periods in which the University recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Capital grants:

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

6. Maintenance of premises

The University has produced a long-term maintenance plan. The plan includes all recurring work, the number of years necessary to complete a full maintenance cycle, and the likely annual cost. The cost of long-term and routine corrective maintenance is charged to the income and expenditure account as incurred.

7. Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling either at year-end rates or, where there are related forward foreign exchange contracts, at contract rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

8. Pension schemes

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling either at year-end rates or, where there are related forward foreign exchange contracts, at contract rates.

Retirement benefits for most employees of the University are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes which are independently administered schemes, funded by contributions from the University and the employees. Contributions to the TPS are charged to the income and expenditure so as to spread the cost of pensions over employees' working lives with the University in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quadrennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the University is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year. The assets of the LGPS are measured using closing market values. LGPS liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability.



8. Pension schemes

The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the Statement of Comprehensive Income and Expenditure.

The institution participates in the Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS102 "Employee benefits", the institution accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Bishop Grosseteste University also participates in the Church of England Funded Pension Scheme which is a defined benefit scheme but the University is unable to determine its share of the underlying assets and liabilities on a consistent and reasonable basis. The Scheme is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The University operates a defined contributions pension scheme, the Bishop Grosseteste University Flexible Retirement Account. The assets of the scheme are held separately from those of the University in an independently administered fund.

9. Enhanced pensions

The actual cost of any enhanced on-going pension to a former member of staff is paid by the University annually. An estimate of the expected future cost of any enhancement to the on-going pension of a former member of staff is charged in full to the University's income and expenditure account in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using guidance prepared for the OfS by Deloitte & Touche Actuarial & Benefit Services.

10. Tangible fixed assets

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

- Market value of the fixed asset has subsequently improved;
- Asset capacity increases;
- Substantial improvement in the quality of output or reduction in operating costs; and
- Significant extension of the assets life beyond that conferred by repairs and maintenance.

a. Land and buildings

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

The basis of valuation is open market value for existing use or, where such a valuation is not practicable, depreciated replacement cost. A full valuation of the land was carried out by Hodgson Elkington Chartered Surveyors on transition to FRS 102.

Land is held freehold and is not depreciated. Buildings are depreciated over their expected useful lives of 50 years from 1 August 1993 or from the date of acquisition. Subsequent capital improvements to existing buildings are depreciated over the remaining useful life of the building to which the expenditure relates.

No depreciation is charged on assets in the course of construction.

b. Equipment

All equipment, including computers and software costing more than £10,000 per individual item and having an expected life of more than one year is capitalised. Equipment, including motor vehicles, is stated at cost and depreciated over its expected useful life of 5 years.

11. Intangible assets

Computer software is carried at cost less accumulated amortisation and any recognised impairment loss. Externally acquired computer software and software licences are capitalised and amortised on a straight-line basis over their useful lives of five years. Amounts capitalised include the total cost of any external products or services and labour costs directly attributable to development. The addition during the year relates to the purchase of a software intangible asset. The amortisation period is 5 years.

12. Stocks

The stocks are catering provisions and shop items. Stocks are stated at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

13. Taxation

The University is an exempt charity within the meaning of Part 3 of the Charity Act 2011. It is considered to pass the tests set out in paragraph 1 schedule 6 of the Finance Act 2010 and accordingly the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income is applied to exclusively charitable purposes. The University receives no similar exemption in respect of value added tax (VAT).

For this reason, the University is generally unable to recover input VAT it suffers on goods and services purchased. Non-pay expenditure is therefore shown inclusive of VAT with any partial recovery netted off against these figures.

The University's subsidiary company, BG (Lincoln) Ltd, is subject to corporation tax and VAT in the same way as any commercial organisation.



14. Cash and cash equivalents

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. No investments, however liquid, are included in cash.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

15. Provisions

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

16. Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

17. Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

18. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Members of the Council has made the following judgements:

Tangible fixed assets

Tangible fixed assets, other than investment properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The University receives no similar exemption in respect of value added tax (VAT). For this reason, the University is generally unable to recover input VAT it suffers on goods and services purchased. Non-pay expenditure is therefore shown inclusive of VAT with any partial recovery netted off against these figures. The University's subsidiary company, BG (Lincoln) Ltd, is subject to corporation tax and VAT in the same way as any commercial organisation.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability.

Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 July 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Universities Superannuation Scheme

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the Statement of Comprehensive Income and Expenditure in accordance with section 28 of FRS 102. The Members of the Council are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

Bad debt provision

Provision is made for debts that are not considered to be collectable – referred to as a bad debt provision. This provision is calculated based on experience of previous years' collectability of differing type of debt and applied to the amount of outstanding debt.

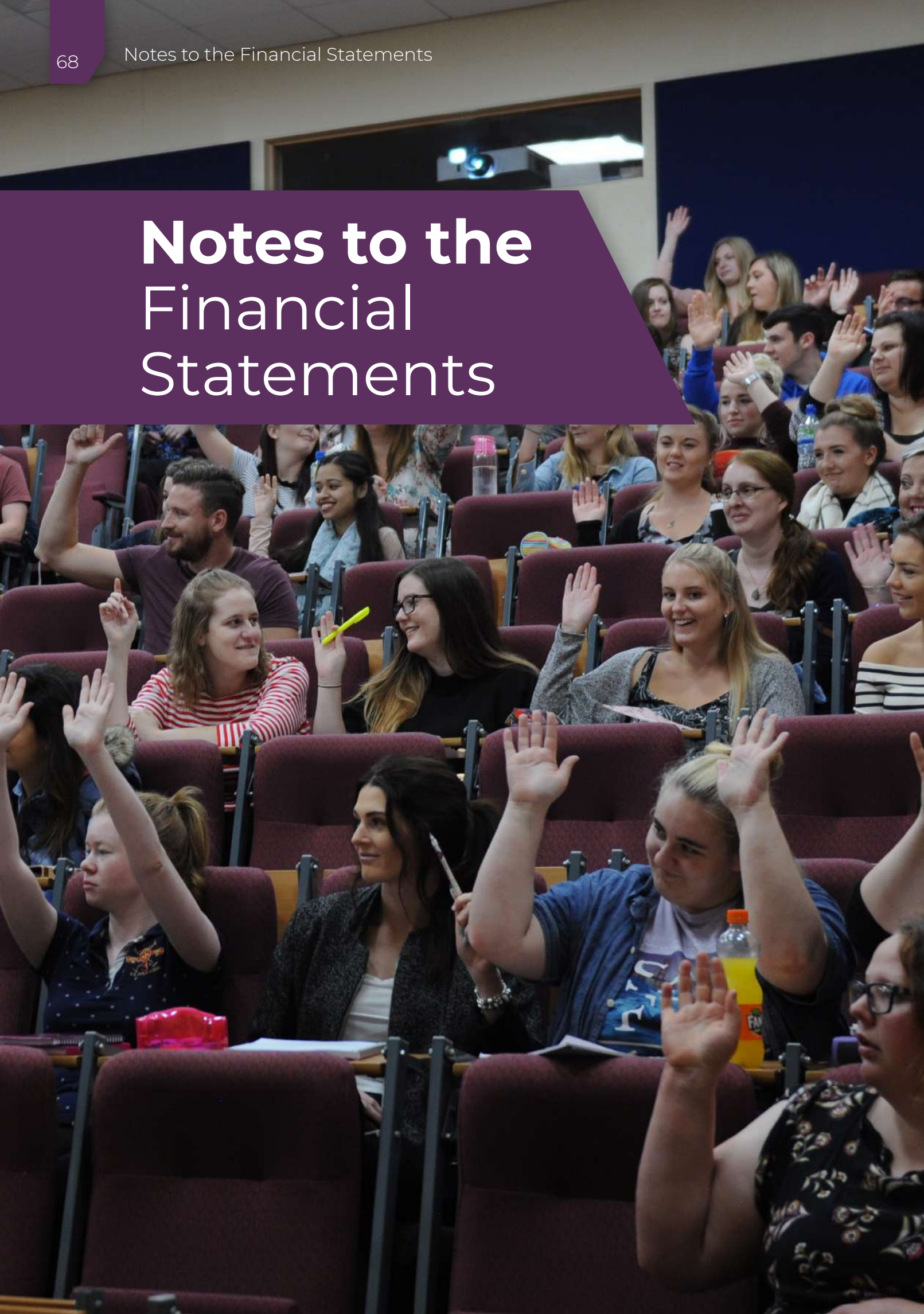
Assessment of going concern

In making their assessment of going concern, the Members of Council have considered the current financial position and adequate reserves of the University, in particular the healthy cash balance, and the positive outcome of student recruitment.

During the financial year 2019-20, the COVID-19 outbreak has spread extensive disruption to businesses and to global economic activities. The impact of this outbreak on the University has been considered, and it has been recognised that the impact on the future operations and to plan effectively for the medium term would be affected. It is however, not anticipated at this current time that the overall financial position of the University would be adversely affected.

University Council therefore considers that there are no material uncertainties about the University's ability to continue as a going concern.

Notes to the Financial Statements



1	Grant and fee income	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Grant income from the OfS	1,495	1,495	1,619	1,619
	Grant income from other bodies	796	784	1,112	1,112
	Fee income for taught awards (see note 2)	16,944	16,944	16,812	16,812
	Fee income from research awards (see note 3)	268	268	226	226
	Total grant and fee income	19,503	19,491	19,769	19,769
	Deferred capital grants released in year				
	Office for Students	89	89	194	194
		19,592	19,580	19,963	19,963
2	Tuition fees and education contracts	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	UK Higher Education Students	16,944	16,944	16,812	16,812
3	Research grants and contracts	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Research councils	128	128	74	74
	Research charities	60	60	136	136
	Government (UK and overseas)	80	80	16	16
		268	268	226	226
4	Other income	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Residences, catering and conferences	1,770	836	2,862	1,400
	Non-funding council capital grant release	130	130	35	35
	Other income	1,099	1,099	1,368	1,507
		2,999	2,065	4,265	2,942
5	Investment income	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Investment Income from short-term deposits	61	61	52	52
		61	61	52	52

6	Staff costs	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Salaries	11,114	10,680	11,436	10,838
	Social security costs	1,056	1,022	1,047	1,013
	Movement on USS provision	(204)	(204)	266	266
	Other pension costs - FRS102 adjustment	1,109	1,074	1,196	1,168
	Other pension costs	2,219	2,155	2,010	1,974
	Total	15,294	14,727	15,955	15,259
	Emoluments of the Vice-Chancellor:			2020	2019
				£	£
	Basic Salary			195,362	191,908
	Bonus			—	—
	Benefits			9,572	5,923
				204,934	197,831
	Pension contributions to USS			40,700	35,503
				245,634	233,334

The pension contributions in respect of the Vice-Chancellor are in respect of employer's contributions to the Universities Superannuation Scheme and are paid at the same rate as for other employees. In addition, the Vice-Chancellor also receives a non-taxable benefit of on-site accommodation with a rental value of £10,800.

The Remuneration Committee determines the base salary and other benefits of the Vice-Chancellor. The Vice-Chancellor is in attendance of the Remuneration Committee, but is not involved in, or present at, any discussions or decisions of the Committee in relation to his own salary or benefits.

To enable the Remuneration Committee to assess the value and performance of the Vice-Chancellor the following information is provided to the Committee:

1. A summary of discussions at the Vice-Chancellor's personal development review (PDR) meeting with the Chair and Deputy Chair of the University Council.
2. An assessment of achievement against the Vice-Chancellor's personal objectives for the year.
3. A summary of the salary and benefits received by the Vice-Chancellor.
4. Details of the remuneration received by the Vice-Chancellor in previous years.
5. Guidance and advice provided by the Committee of University Chairs on the setting of senior staff remuneration
6. Benchmarking data gathered by the Universities and Colleges Employers Association with a particular focus on, post-92 by income up to £70 million, institutions within the membership of the Cathedrals Group of Universities and Rest of England income.
7. Lowest paid staff members pay ratio and median pay rate ratio data for the University.

Remuneration of other higher paid staff, excluding employer's pension contributions:

	2020	2019
	No.	No.
£110,000 to £114,999	1	1

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, and the cash equivalent transfer value of pensions.

Pay Multiples (as at 31 July 2020)	2020	2019
Vice-Chancellor basic salary (£)	195,362	191,908
Median basic remuneration (£)	25,941	26,142
Ratio	7.53	7.34

Pay Multiples (as at 31 July 2020)	2020	2019
Vice-Chancellor total remuneration (£)	256,434	243,134
Median total remuneration (£)	30,006	30,363
Ratio	8.55	8.01

The Vice-Chancellor's basic salary is 7.5 (2019 – 7.3) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

The Vice-Chancellor's total remuneration is 8.5 (2019 – 8.0) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

	2020	2019
Average staff numbers by major category:	No.	No.
Academic	129	119
Management & Administrative	199	168
Other	46	59
	374	346

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University and include members of the Senior Executive Team and University Council. Staff costs paid to key management personnel are as follows:

	Year Ended 31 July 2020	Year Ended 31 July 2020
	£'000	£'000
Key management personnel compensation	614	492

	Year Ended 31 July 2020		Year Ended 31 July 2020	
	No.	£'000	No.	£'000
Compensation for loss of office				
Compensation payable recorded within staff costs	8	138	17	227

In making the above payments, the University followed 'Guidance on decisions taken about severance payments in HEIs' published by the CUC, as per paragraph 15 of the OfS accounts direction.

	Year Ended 31 July 2020
	£'000
Access and Participation	
Access investment	1,541
Financial support	527
Disability support (excluding expenditure included in the two categories above)	397
Research and evaluation	86
Total	2,551

£1,629,000 of the above costs are included in the overall staff costs figures included in note 6.

The 2019/20 Access and Participation Plan can be found at: <https://2019.bishopg.ac.uk/wp-content/uploads/2018/10/Access-and-Participation-Plan-Approved-by-OfS-Sept-2018.pdf>

Council members

University Council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the compositions of the Council, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations in which a member of Council may have an interest, including those identified below, are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures.

No University Council member has received any remuneration from the group during the year (2019: none).

The total expenses paid to or on behalf of council members was £7,755 (2019: £11,919). This represents travel and subsistence expenses incurred in attending Council, Committee meetings and Charity events in their official capacity.

7	Other operating expenses	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Residences, catering & conferences operating expenditure	1,113	603	249	641
	Residences - long-term maintenance	—	—	37	37
	Consumables and laboratory expenditure	47	47	335	335
	Books and periodicals	213	213	257	257
	Heat, light, water and power	293	293	328	328
	Repairs and general maintenance	180	180	201	201
	Non-residential - long-term maintenance	37	37	61	61
	Grants to BG Students' Union	131	131	131	131
	External auditors' remuneration				
	Financial statements audit	24	20	19	17
	Other services	5	5	—	—
	Internal auditors' remuneration	32	32	59	59
	Bursary payments to students	869	869	863	863
	Other expenses	5,218	5,207	5,074	5,074
		8,162	7,637	8,614	8,004

8	Interest and other finance costs	Notes	Year ended 31 July 2020		Year ended 31 July 2019	
			Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Net charge on pension scheme	23	170	163	131	127
			170	163	131	127

9	Analysis of total expenditure by activity	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Academic Departments	8,435	8,435	7,658	7,658
	Academic Services	2,600	2,600	1,950	1,950
	Residences & Catering	1,986	943	2,080	802
	Premises	1,609	1,609	1,453	1,451
	Administration	6,176	6,165	6,245	6,245
	Other expenses	4,108	4,050	6,573	6,528
		24,914	23,802	25,958	24,635

*2018-19 split redistributed to better reflect the underlying operational activity

10	Intangible assets	Consolidated and University	
		£'000	£'000
	Software		
	Cost		
	At 1 August 2019	1,611	1,611
	Additions	63	63
	Disposals		
	At 31 July 2020	1,674	4,050
	Amortisation		
	At 1 August 2019	1,543	1,543
	Charge for the year	52	52
	Disposal		
	At 31 July 2020	1,595	1,595
	Net book value		
	At 31 July 2020	79	79
	At 31 July 2019	68	68

11	Fixed Assest						
	Consolidated	Land	Leashold Land	Buildings	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
		£'000	£'000	£'000	£'000	£'000	£'000
	Cost or valuation						
	At 1 August 2019	2,700	8	31,565	3,211	395	37,879
	Additions	—	—	223	312	392	927
	Transfers	—	—	24	159	(183)	—
	At 31 July 2020	2,700	8	31,812	3,682	604	38,806
	At Valuation	2,700	—	2,500	—	—	5,200
	At Cost	—	8	29,312	3,682	604	33,606
		2,700	8	31,812	3,682	604	38,806
	Depreciation						
	At 1 August 2019	—	1	6,822	2,540	—	9,363
	Charge for the year	—	—	833	403	—	1,236
	At 31 July 2020	—	1	7,655	2,943	—	10,599
	Net book value						
	At 31 July 2020	2,700	7	24,157	739	604	28,207
	At 31 July 2019	2,700	7	24,743	671	395	28,516
	University						
	Cost and valuation						
	At 1 August 2019	2,700	8	31,565	3,131	395	37,799
	Additions	—	—	223	312	392	927
	Transfers	—	—	24	159	(183)	—
	At 31 July 2020	2,700	8	31,812	3,602	604	38,726
	At Valuation	2,700	—	2,500	—	—	5,200
	At Cost	—	8	29,312	3,602	604	33,526
		2,700	8	31,812	3,602	604	38,726
	Depreciation						
	At 1 August 2019	—	1	6,822	2,489	—	9,312
	Charge for the year	—	—	832	391	—	1,223
	At 31 July 2020	—	1	7,654	2,880	—	10,535
	Net book value						
	At 31 July 2020	2,700	7	24,158	722	604	28,191
	At 31 July 2019	2,700	7	24,743	641	395	28,486

Certain buildings have been partially funded from external sources. Should these buildings be sold, the University may either have to surrender the proceeds to the external party or use them in accordance with the financial memorandum agreement made with that particular external party. A full valuation of the land was carried out by Hodgson Elkington Chartered Surveyors on transition to FRS102.

12	Stock	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	General consumables	15	—	17	—
		15	—	17	—

13	Trade and other receivables	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Amounts falling due within one year:				
	Other trade receivables	347	324	209	44
	Prepayments and accrued income	709	709	1,008	1,008
		1,056	1,033	1,217	1,052

14	Cash and cash equivalents	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	At 1 August 2019	11,939	11,849	10,753	10,704
	Cash flows	(550)	(453)	1,186	1,145
	At 31 July 2020	11,389	11,396	11,939	11,849

15	Creditors: amounts falling due within one year	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Trade payables	1,217	1,007	749	550
	Social security and other taxation payable	278	278	301	301
	Accruals	574	11,574	690	690
	Payments received in advance	214	214	170	170
	Deferred capital grants	203	203	189	189
	Salix loan	—	—	12	12
	Amounts owed to subsidiary	—	190	—	48
	Amounts owed to funding councils (Note 22)	11	11	134	134
		2,497	2,477	2,245	2,094

16	Creditors: amount falling due after one year	Consolidated and University £'000	
		Year ended 31 July 2020	Year ended 31 July 2019
	Salix loan	114	46
	Deferred capital grants (see note 17)	4,532	4,660
		4,646	4,706



17	Deferred capital grants	Consolidated and University £'000		
		Office for Students	Other	Year ended 31 July 2020
	At 1 August 2019	2,034	2,815	4,849
	Cash received/receivable	100	5	105
	Released to income and expenditure account in respect of depreciation	(89)	(130)	(219)
	At 31 July 2020	2,045	2,690	4,735
	Of which:			
	Due to be released within one year (note 15)	85	118	203
	Due to be released after one year (note 16)	1,960	2,572	4,532
		2,045	2,690	4,735

18	Provisions for liabilities				
		Obligation to fund deficit on USS Pension	Pension enhancements on termination	Defined benefit obligations (Note 23)	Total
	Consolidated	£'000	£'000	£'000	£'000
	At 1 August 2019	431	336	7,510	8,277
	Utilised in year	(198)	—	—	(198)
	Additions in 2019/20	—	—	6,450	6,450
	Unused amounts reversed in 2019/20	—	(22)	—	(22)
	At 31 July 2020	233	314	13,960	14,507

	University				
		Obligation to fund deficit on USS Pension	Pension enhancements on termination	Defined benefit obligations (Note 23)	Total
		£'000	£'000	£'000	£'000
	At 1 August 2019	431	336	7,219	7,986
	Utilised in year	(198)	—	—	(198)
	Additions in 2019/20	—	—	6,265	6,265
	Unused amounts reversed in 2019/20	—	(22)	—	(22)
	At 31 July 2020	233	314	13,484	14,031

USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

Enhanced pension provision

The calculation of the cost of early retirement provisions charged to the income and expenditure account in the year of retirement is based on the total capital cost of providing enhanced pensions with allowance for future investment at 2% in excess of price inflation. The overall provision has been based on the revised recovery plan for USS considering the 2018 actuarial valuation results. Provision will be released against the cost to the University of enhanced pension entitlements over the estimated life expectancy of each relevant ex-employee.

The enhanced pension provision relates mostly to early retirements whereby an expectation of the payment existed prior to retirement.

19	Restricted reserves	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Permanent endowment reserves				
	At 1 August 2019 and at 31 July 2020	697	697	697	697
	Other restricted reserves				
	At 1 August 2019 and at 31 July 2020	147	147	147	147
	Total restricted reserves at 31 July 2020	844	844	844	844

Other restricted reserves

During 2006, the University sold a property with proceeds of £147,000. The proceeds from the sale were to be re-invested within 3 years from the sale date. The funds were used to assist with the building of a new administration office at the University.

Permanent endowment reserves

Permanent endowment reserves are made up from the sale of two properties previously owned by the University. As required by the Charity Commission, University Council obtained and considered proper advice before investing this money. To date £332,000 has been used to purchase an additional residential building and the remaining funds are currently held in an interest-bearing account.

As part of the incorporation process of the University, legal documents in relation to its land and buildings were reviewed by the University's legal advisers. They identified a potentially significant portion of the estate that may need to be transferred to the permanently endowed fund of the University but there was substantial uncertainty over which elements and the amounts attributed to each. The matter was referred to the Charity Commission in January 2020 for advice on a resolution of this matter. At the time of approving these Financial Statements no response has been received from the Charity Commission so no reclassification adjustments to the University's fund balances have been made. The University will keep this matter under review and seek a resolution during 2020/21.

Provision has not been made for the following capital commitments at 31 July 2020:

20	Capital and other commitments	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Commitments contracted for				
	Land and buildings	336	336	439	439
	Equipment	28	28	68	68
		364	364	507	507

21	Lease obligations	Consolidated and University			
		Year ended 31 July 2020			Year ended 31 July 2019
	Total rentals payable under operating leases:	Land and Building £'000	Plant and Machinery £'000	Total £'000	£'000
	Payable during the year	401	70	471	629
	Future minimum lease payments due:				
	Not later than 1 year	401	134	535	600
	Later than 1 year and not later than 5 years	1,603	—	1,603	1,603
	Later than 5 years	3,607	—	3,607	4,008
	Total lease payments due	5,611	134	5,745	6,211

22	Training bursaries	Consolidated and University	
		Year ended 31 July 2020 £000	Year ended 31 July 2019 £000
	Balance brought forward as 1 Aug	134	117
	NCTL Grants	1,834	1,561
	Disbursed to Students	(1,957)	(1,544)
	Balance unspent at 31 July, included in creditors	11	134

NCTL grants are available solely for students; the University acts only as a paying agent. The grants and related disbursements are therefore excluded from the Statement of Comprehensive Income and Expenditure.

23 Pension and similar obligations

The University's employees belong to five principal pension schemes, the Church of England Funded Pensions Scheme, the Teachers' Pensions Scheme (TPS), the Local Government Pension Scheme (LGPS), the University Superannuation Scheme (USS) and the Bishop Grosseteste University Flexible Retirement Account provided by Friends Life. Four of these schemes are defined benefit schemes with the Bishop Grosseteste University Flexible Retirement Account being a defined contribution scheme.

Total pension cost for the year

The pension contributions for the year were £2,219,000 (2019: £2,010,000) excluding the FRS 102 adjustment.

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Teacher's Pension Scheme: contributions payable	1,061	1,061	730	730
Local Government Pension Scheme: charge to the Consolidated Statement of Comprehensive Income & Expenditure	992	960	1,166	1,130
Universities Superannuation Scheme: contributions payable	96	96	82	82
Church of England Funded Pension Scheme	10	10	9	9
Bishop Grosseteste University Flexible Retirement Account: Charge to the Consolidated Statement of Income & Expenditure	60	28	23	23
Total Pension Cost for the Year (excluding FRS 102 adjustment)	2,219	2,155	2,010	1,974

Church of England Funded Pensions Scheme

Bishop Grosseteste University participates in the Church of England Funded Pensions Scheme and employs 1 member of the Scheme out of a total membership of approximately 8,500 active members. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

The Church of England Funded Pensions Scheme is a defined benefit scheme, but Bishop Grosseteste University is unable to identify its share of the underlying assets and liabilities - each employer in that scheme pays a common contribution rate. A valuation of the Scheme was carried out as at 31 December 2018. This revealed a shortfall of £50m, with assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- Discount rate 3.2%
- RPI 3.4%
- Pension increases:
Increasing in line with RPI (capped at 5%) 3.2%
Increasing in line with RPI (capped at 3.5%) 2.7%
- Rate of increase of pensionable stipends 3.4%
- Post-retirement mortality: 95% of the S1NMA and S1NFA mortality tables projected from 2013 in line with the CMI 2018 core projections with a long-term annual rate of improvement of 1.5% p.a. for both males and females

For schemes such as the Church of England Funded Pensions Scheme, paragraph 28.11 of FRS102 requires Bishop Grosseteste University to account for pension costs based on contributions actually payable to the Scheme in the year. A valuation of the scheme is carried out once every three years. The next valuation is due to be carried out on the 31 December 2021.

Bishop Grosseteste University contribution rate is 39.9% of pensionable stipends of which 11.9% will be in respect of the £50m shortfall in the Scheme, 26.5% is in respect of accrual of future benefits and the day-to-day expenses of running the Scheme and 1.5% as contributions towards administrative expenses.



Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The University is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the University has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The University has set out above the information available on the plan and the implications for the University in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19).

The employer's pension costs paid to TPS in the period amounted to £1,061,000 (2019 - £730,000). A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The next valuation result is due to be implemented from 1 April 2023.

Universities Superannuation Scheme

The University participates in the Universities Superannuation Scheme (USS), a defined benefit scheme. The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. The company is required to contribute a specified percentage of payroll costs to the pension scheme to fund the benefits payable to the company's employees. The employer contribution rate is 18%.

The total cost charged to the profit and loss account is £96,000 (2019: £82,000). There was neither a prepayment nor an accrual at the end of the financial year in respect of these contributions. The disclosures below represent the position from the scheme's financial statements.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2018 is underway but not yet complete.

Since the institution cannot identify its share of USS Retirement Income Builder assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

Defined benefit liability numbers for the Scheme for accounting purposes have been produced using the following assumptions as at 31 March 2019 and 2020:

	2020	2019
Discount Rate	2.59%	2.44%
Pensionable salary growth	n/a	n/a
	4.20%	2.11%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 Actuarial Valuation. The mortality assumptions used in these figures are as follows:

	2020
Mortality base table	<u>Pre-retirement</u> 71% of AMCOO (duration 0) for males and 112% of AFCOO (duration 0) for female
Future Improvements to mortality	<u>Post retirement:</u> 96.5% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% for females.

The current life expectancies on retirement at age 65 are:

	2020	2019
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9
	2020	2019
Scheme assets	£63.7bn	£60.0bn
Total scheme liabilities	£67.3bn	£67.5bn
FRS 102 total scheme deficit	£3.6bn	£7.5bn
FRS 102 total funding level	75%	89%

Bishop Grosseteste University Flexible Retirement Account

The University operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the University in an independently administered fund. The pension cost charge represents contributions payable by the University to the fund and amounted to £28,000 (2019 - £23,000).

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 July 2020 was £1,280,000 (2019 - £1,402,000), of which employer's contributions totalled £992,000 (2019 - £1,075,000) and employees' contributions totalled £288,000 (2019 - £327,000). From 1 April 2020, the agreed contribution rate was 23.5% plus an annual lump sum of £76,000 for employers. Contributions are between 5.5% and 12.5% depending upon salary for employees.

The financial assumptions used to calculate scheme liabilities under FRS102 are:

Assumptions		
	At 31 July 2020	At 31 July 2019
	%pa	%pa
Price Inflation	2.10%	2.40%
Rate of increase in salaries	2.40%	2.80%
Discount rate	1.40%	2.10%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65.

	Males		Females	
	Pensioner	Non-pensioner (currently aged 45)	Pensioner	Non-pensioner (currently aged 45)
At 31 July 2019	21.2 years	22.5 years	23.5 years	25.25 years
At 31 July 2020	21.4 years	22.4 years	23.7 years	25.2 years

Analysis of plan assets		
	At 31 July 2020	At 31 July 2019
Equities	68%	74%
Bonds	21%	15%
Property	10%	10%
Cash	1%	1%

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Analysis of the amount shown in the balance sheet				
Scheme assets	22,901	22,147	23,038	22,191
Scheme liabilities	(36,861)	(35,631)	(30,548)	(29,410)
Deficit in the scheme – net pension liability recorded within pension provisions (Note 18)	(13,960)	(13,484)	(7,510)	(7,219)
Current service cost	2,051	1,986	1,885	1,822
Past service costs	50	48	127	122
Total operating charge:	2,101	2,034	2,012	1,944
Analysis of the amount charged to interest payable/credited to other finance income				
Interest cost	(663)	(638)	(715)	(689)
Expected return on assets	493	475	588	566
Net charge to other finance income	(170)	(163)	(127)	(123)
Total profit and loss charge before deduction for tax				
Analysis of other comprehensive income:				
Gain on assets	(1,472)	(1,332)	957	922
Experience loss on liabilities	115	(15)	—	—
Changes in Financial Assumptions	(3,293)	(3,176)	(4,940)	(4,746)
Changes in demographic assumptions	(521)	(505)	1,654	1,591
Total other comprehensive income before deduction for tax	(5,171)	(5,028)	(2,329)	(2,233)
	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Analysis of movement in the fair value of scheme obligations				
Scheme obligations at beginning of year	30,548	29,410	24,622	23,710
Employee contributions	288	280	327	318
Benefits paid	(438)	(427)	(414)	(406)
Current service cost	2,051	1,986	1,885	1,822
Past service costs	50	48	127	122
Other finance charge	663	638	715	689
Gain recognised in other comprehensive income	3,699	3,696	3,286	3,155
Scheme obligations at end of year	36,861	35,631	30,548	29,410

Analysis of movement in the fair value of scheme assets	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000		University £'000
Fair value of assets at the start of the year	23,038	22,191	20,505	19,752
Expected return on assets	493	475	588	566
Actuarial gain on assets	(1,472)	(1,332)	(957)	(922)
Actual contributions paid by University	992	960	1,075	1,039
Actual member contributions (including notional contributions)	288	280	327	318
Actual benefit payments	(438)	(427)	(414)	(406)
Fair value of scheme assets at the end of the year	22,901	22,147	23,038	22,191

Sensitivity Analysis

The sensitivities for the University regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 July 2020:	Approximate increase to Defined Benefit Obligation	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	13%	4,615
0.5% increase in Salary Increase Rate	2%	551
0.5% increase in the Pension Increase Rate	11%	3,967

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, a one-year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%.

24 Related Party Transactions

Due to the nature of the University's operations and the composition of University Council (being drawn from public and private sector organisations), it is inevitable that transactions will take place with organisations in which a member of University Council may have an interest. All transactions involving organisations in which a member of University Council may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. Other than as detailed in note 6, no transactions were identified which should be disclosed under the provisions of FRS 102. In the opinion of University Council, there is no controlling party.

25 Investment

The University holds all issued ordinary share capital of BG (Lincoln) Limited, a trading company registered in England and Wales, (Company number 2467793) the principal activity of which is the organisation of functions and conferences and catering. The University's interest in the company at 31 July 2020, comprised share capital of £2 (2019: £2). During the year ended 31 July 2020, the company had turnover of £1,078,000 (2019 - £1,462,000) and total costs of £1,243,000 (2019 - £1,462,000) resulting in a net loss of £165,000 (2019 - £nil) before any actuarial gains or losses. Net liabilities at 31 July 2020 were £448,000 (2019 - £140,000).

26 Post Balance Sheet Events

No significant events have occurred since 31 July 2020.



CONSTITUTION:

The University is Private Limited Company by guarantee without share capital use of 'Limited' exemption and a Registered Charity (Charity Number 1184682). It is governed by the Articles of Association of the Company incorporating the Instruments and Articles of Governance of the University dated instruments and articles of governance dated 1 August 2019.

COUNCIL AND ADMINISTERING TRUSTEES:

The Council members who served in the year and up to the date of the signature of the financial statements were:

Memberships 2019/19 and 2020/21

Chair

Mr B Walder

Ex-OFFICIO

Bishop's Nominee: Rt Rev Dr Nigel Peyton
Rev. Canon Professor Peter Neil

DIOCESAN COUNCIL NOMINEES

Rev. David Dadswell
Rev. Dr Sally Myers
Rev. Sonia Barron
Rev. Dr Sarah Lawrence (from 01 September 2020)

HE INSTITUTION

Professor David Head

CO-OPTED COUNCIL MEMBERS

Mr David Babb
Dr Stephen Critchley
Mrs Jackie Croft
Mr Richard Hallsworth
Professor Marianne Howarth
Mr Stephen Lawrence
Mr Walter Leschenko (from 25 March 2020)

Air Vice-Marshal Gavin MacKay

ELECTED STAFF

Dr Sacha Mason
Mr Alan Stacey

STUDENTS' REPRESENTATION:

Miss Erin Bell, SU President: Union Development (from 25 March 2020)
Mr Alan Foster, SU President (from 1 August 2019 to 28 February 2020)
Mrs Clarissa Bown, SU Representative (from 1 August 2019 to 3 February 2020)
Mr Abraham Hall, SU Representative (from 1 September 2020)
Mr Jordan Fane, SU Vice-President: Representation and Voice (from 25 March 2020 to 31 August 2020)

Co-opted Committee members (non-Council)

Mrs Wendy Cundy
Mr Philip Wright (to 31 January 2020)

REGISTRAR AND SECRETARY:

Mr Stephen Deville, Secretary (until 14/10/2019)
Ms Stephanie Gilluly (from 14/10/2019)

BANKERS:

National Westminster Bank plc

PRINCIPAL SOLICITORS:

Chattertons, 1 Flavian Road, Nettleham Road, Lincoln, LN2 4GR

EXTERNAL AUDITORS:

Buzzacott LLP, 130, Wood Street, London, ECV2 6DL

INTERNAL AUDITORS:

UNIAC, Armstrong House, Oxford Road, Manchester, M1 7ED

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