

GuildHE Limited

31 July 2015

COMPANY NUMBER: 2600590

CHARITY NUMBER: 1012218

REPORT AND ACCOUNTS

GuildHE LIMITED

YEAR ENDED 31 JULY 2015

BISHOP FLEMING LLP

CHARTERED ACCOUNTANTS

Plymouth

GuildHE LIMITED

REPORT AND ACCOUNTS

for the year ended 31 July 2015

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GuildHE LIMITED
REPORT OF THE TRUSTEES
31 July 2015

1. Report Preamble

1.1 The Trustees are pleased to present their annual report, together with the financial statements for the year ended 31 July 2015, which are also prepared to meet the requirements of the directors' report and accounts for Companies Act purposes. The financial reports comply with the Memorandum and Articles of Association, Charities Act 2011, the Companies Act 2006 and the Statement of Recommended practice – Accounting and Reporting by Charities (SORP 2005).

1.2 Reference and administrative details

Charity name:	GuildHE Limited
Charity registered number:	1012218
Company registration number:	2600590
Registered office:	Woburn House, 20 Tavistock Square London, WC1H 9HB

Directors and trustees:

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

Professor A Brewerton – *Principal, Plymouth College of Art* (co-opted from March 2012, elected as Vice-Chair with effect from November 2013)

Professor J Carter - *Vice-Chancellor, University of Winchester* (from September 2009, elected as Vice-Chair from November 2011, and elected as Chair from November 2013)

Professor R S Farwell – *Vice-Chancellor, Buckinghamshire New University* (Chair from August 2009 and acting as immediate past Chair from November 2013 to retirement in November 2014)

Professor C J Gaskell – *Principal, Royal Agricultural University* (elected from April 2015)

Professor V Gore - *Vice-Chancellor, Southampton Solent University* (elected to the Executive with effect from November 2012; retired with effect from August 2014)

Professor J Last – *Principal, Norwich University of the Arts* (from November 2011 and elected as Vice-Chair from November 2013)

Rev Prof P Neil – *Vice-Chancellor, Bishop Grosseteste University* (co-opted from November 2013)

Dr. S Ofield-Kerr – *Vice-Chancellor, University for the Creative Arts* (elected from November 2013)

Professor M Scott - *Vice-Chancellor, Glyndwr University* (co-opted with effect from November 2012 to November 2014)

Secretary: Gordon McKenzie

Auditors: Bishop Fleming LLP, Chartered Accountants and Registered Auditors, Salt Quay House, 4 North East Quay, Sutton Harbour, Plymouth, PL4 0BN

Bankers: Bank of Scotland, 33 Old Broad Street, London, PO Box 1000, BX2 1LB

Solicitors: Eversheds, 1 Wood Street, London, EC2V 7WS

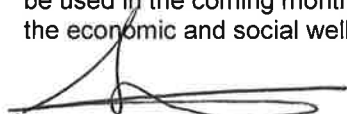
2. Chair's Report

2.1 This year GuildHE has again delivered public benefit through its contributions to a number of policy debates, and in responding to consultations on proposed changes that will shape the higher education sector in the coming years. In its role as a representative body, GuildHE was able to articulate the implications for smaller, regionally focused and specialist institutions of new proposals in key areas including funding, regulation and quality assurance.

2.2 GuildHE hosted a range of events for heads of institutions and senior staff, and continued its focus on working with students. As well as holding joint events with the NUS, GuildHE began a blog series on student engagement and worked with The Student Engagement Partnership on embedding student engagement across institutions.

2.3 The GuildHE research network, CREST, continues to support members in their research activities. With the publication of the Research Excellence Framework (REF) results, many GuildHE institutions were deemed to have produced significant research that was 'world-leading' and 'internationally excellent', and it is worth noting the success of these institutions in achieving a significant intellectual, cultural and economic impact.

2.4 Our report, 'Excellence in Diversity', was put together with input from all members and provides an excellent body of evidence of the unique contribution of GuildHE member institutions. These examples will be used in the coming months as we continue to demonstrate how the diversity of the sector contributes to the economic and social well-being of the UK.



**Professor Joy Carter, Vice Chancellor, University of Winchester
Chair, GuildHE Limited**

3. Structure, Governance and Management

Governing Document

3.1 GuildHE Limited is a company limited by guarantee and does not have any share capital. It was incorporated in 1991 as the Standing Conference of Principals (SCOP), and changed its name to GuildHE on 20 September 2006. It is a registered charity, governed by its Memorandum and Articles of association which were reviewed and updated during 2008 with the approval of the Charity Commission. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Organisation

3.2 A Council, consisting of all members of the company, meets four times per year and is involved in major decisions and policy approval. The charity and company is administered for normal business by its board of trustees/ board of directors, comprising the Executive Group, which meets six times per year. A Chief Executive Officer and a Company Secretary are appointed by the trustees to manage the day-to-day operations of the charity and company; presently both roles are undertaken by the same person.

Appointment of trustees

3.3 The Directors of the Company are also charity Trustees for the purposes of charity law and are known in the company's Articles as members of the Executive Group. Under the requirements of the Memorandum and Articles of Association, the Executive Group comprises up to 8 members of the company of which 5 (including the Chair and two Vice Chairs) are elected by the whole membership. Up to three further trustees may be co-opted by the Executive Group (one of whom is normally the immediate past Chair of the organisation).

3.4 All members are circulated with invitations prior to the AGM and as vacancies occur, advising them of retiring trustees and requesting nominations. Elected trustees serve for an initial period of two years. Elected trustees may serve for two consecutive terms of two years but shall not serve for at least one subsequent year before further reappointment to the Executive Group. When considering trustees for co-option, the Executive Group has regard to the diversity of member institutions. Co-opted trustees must stand down after two years in office but may subsequently be reappointed after a period of not less than one year thereafter. If a member of the Executive Group is elected as the Chair or a Vice Chair, then the above time limits shall be extended to allow completion of the period of office.

Trustee induction and training

3.5 All Trustees are members of the company and, therefore, already familiar with the work and structure of the organisation of GuildHE. The following information is made available to new Trustees: their obligations under charity and company law; the content of the Memorandum and Articles of Association; the company's operational plan and recent financial performance; and the overall decision making arrangements.

Risk management

3.6 The Trustees manage financial risks through the implementation of the charity's financial strategy, which is used in the context of setting future budgets with reference to the charity's policies on subscription income, planned expenditure and reserves.

3.7 The risk register is regularly reviewed by the Executive Group and mitigating actions identified. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. Key areas of risk and new opportunities are integrated into the regular business of the Executive Group. In order to minimise investment risk, funds are retained in an interest paying deposit and a proportion placed with Royal London Cash Management (RLCM) to achieve an improved return on liquid assets. These investment arrangements are kept under close review by the Executive Group.

3.8 Future forecasts have been reviewed and analysis undertaken of alternative funding scenarios and responses for mitigation of any negative effects. A detailed update of health & safety and associated risk assessment together with related issues takes place annually, undertaken under the supervision of Stallard Kane who act as "competent person" for GuildHE.

Related parties

3.9 The work of GuildHE's sub-associations continued in the 2014/15 year. This included the CREST (Consortium for Research Excellence, Support and Training) and ukadia (UK Arts and Design Institutions Association).

3.10 CVCP Properties Plc is the landlord for the premises used by the GuildHE Offices in Central London. During the 2014/15 year GuildHE continued to sub-let part of its office space to the charitable organisation Drama UK.

4 Public benefit

The Trustees have reviewed their obligations under section 4 of Charities Act 2006 regarding the duty to provide public benefit. GuildHE's charitable purposes are indicated below. It provides public benefit to those planning to undertake, those undertaking and those with an interest in the outcomes of UK higher education as a consequence of the assistance it gives its members and their institutions. Through the direct advice, information and press comment it provides into the public domain and into policy frameworks, it informs the public debate and raises public awareness of a range of educational and other professionally-based issues at subject level. By supporting the heads of institutions, it enables them to lead their charitable and educational organisations more effectively. As a consequence GuildHE has an impact on delivery of higher education through good practice exchange and advice on policy. The organisations that GuildHE members lead provide a range of higher education opportunities to students from the UK and abroad; and they have public benefit impact on the cultural, social and intellectual development of their communities.

5. Objectives and Activities**5.1 Objects of the Charity**

The objects of the charity are to promote and improve higher education in the United Kingdom and elsewhere in direct furtherance of the objects and missions of Company members by the promotion of discussion and consultation, the formulation of policies and the provision of representation, information, advice and assistance.

5.2 GuildHE is a recognised representative organisation within the higher education sector, with a diversity of institutions in membership and an acknowledged position as:

- an inclusive body, with members across universities, university colleges, higher education specialist institutions and colleges;
- the key advocate for institutional diversity within the higher education sector;
- a champion for the distinctive and high quality higher education provided by its member institutions carrying responsibility with its representational and owner-member status for the support of higher educational infrastructures including national agencies.

5.3 GuildHE's mission and purpose are set out below:

GuildHE is formally recognised within UK higher education, representing a range of universities and higher education institutions, championing specialism and diversity as essential features of a world class sector.

It is our job to:

- Understand policy and its impact, informing institutions and the wider sector;
- Think about higher education policy and to talk to those that make it;
- Have good ideas about how to improve what we and others do;
- Campaign for sectoral diversity, institutional distinctiveness and specialism;
- Be a creative, independent and trusted voice for UK higher education;
- Highlight the interests of our members and their communities;
- Identify, promote and share good practice;

In our work we will:

- Represent the views of our members proactively to Government, to funding bodies and other agencies;
- Influence, develop, shape and anticipate policy trends, engaging with ideas, evidence and opinion;
- Work with students in everything we do;
- Support members to work with business and their communities to help inform strategy, teaching, learning and research;
- Champion our members, supporting their different missions and values as well as their creativity, dynamism and distinctiveness.

6. Achievements and performance 1 August 2014 to 31 July 2015

6.1 Detailed activity summaries are listed below under the following headings: Policy, Events, Projects and Media & Communications.

Policy

6.2 Admissions, recruitment and student numbers

Demand for higher education continues to recover after the dip in 2012 although the pattern across institutions, subject-areas and across UK territories continues to vary. The HE market is set to become more competitive going forward with the removal of the student number cap in England.

6.3 The Admissions & Recruitment Network remains a valued forum for supporting and informing GuildHE's institutions on recruitment and admissions issues and policy as they make the transition to this more competitive environment, and serves to put GuildHE's recruitment and admissions-facing staff in direct contact with UCAS and the Supporting Professionalism in Admissions Network. It has met twice this year and has remained a well-attended network thanks in large part to the leadership of the outgoing network chair. A new member takes up the chair in October 2015 and we are currently reviewing the group's membership and activities to ensure we are providing the services our members need.

6.4 Several GuildHE members are also members of the UCAS Board and GuildHE is also represented on the UCAS Council and SPA Steering Group.

6.5 Regulation and funding

GuildHE has continued to play a central role in influencing the development of ideas on the future regulation of the sector. This will be a key area of focus in the year ahead, with the development of the BIS Green Paper in autumn 2015 and the outcomes of the BIS review of Degree Awarding Powers expected.

6.6 GuildHE produced a series of blogs looking at a range of aspects of the regulatory landscape based on papers and discussions at the September and January meetings of the GuildHE Council. These focused on issues such as the strength of the private sector, tiers of regulation, student protection and institutional failure. These blogs also formed the basis of a number of meetings with BIS and HEFCE to inform their work.

6.7 Widening participation spending has largely been protected this year and remains a priority for protection in the BIS grant letter, in line with the advocacy of GuildHE and other sector groups, despite considerations by Government over the last two years about reducing this funding stream. Possible reductions will remain an issue to address in the year ahead.

6.8 HEFCE has revised its approach to specialist funding and over the year ahead our advocacy in this area will continue to be critical to ensure sustainable funding for all specialists in the transition to a new specialist funding model.

6.9 GuildHE institutions tend to recruit larger proportions of students with registered disabilities. In the face of Government plans to reduce funding for Disabled Students Allowance (DSA), GuildHE has worked with other sector groups and the National Union of Students to advocate for the continuation of an appropriate level and structure for support for disabled students. Considerations on reforming this funding are still being made by Government so it will remain a key topic next year.

6.10 Pre-HE qualification reform

The Department for Education's (DfE's) programme of reforms to pre-HE qualifications continues to roll out and learners taking the new qualifications will soon be applying to HE. As the reforms have been rolled out we have worked with UCAS and SPA to ensure our members are informed of the timeline for changes ahead and potential implications for different subject areas.

6.11 GuildHE will have a role over the year ahead, alongside partner organisations such as SPA and UCAS which provide expertise in these areas, in following and responding to further development of reforms such as the EBacc which may affect different subject areas.

6.12 Student engagement

GuildHE has continued to be actively engaged in the work to provide more data to inform the choices that students make when applying for higher education programmes, including new activity surrounding improved information for PGT students. GuildHE are members of the HE Public Information Steering Group (HEPISG).

6.13 HEFCE are currently reviewing the National Student Survey (NSS) and GuildHE has been actively engaged in these discussions, pressing for greater focus in the questions on engaging students in their learning.

6.14 After several years of GuildHE and others pressing for a change in the NSS reporting thresholds this was reformed in 2015. This means that fewer courses will show "no data" or need to aggregate over different years or with other courses, so improving student choice.

6.15 The events that GuildHE and NUS deliver in partnership for staff and student representatives from GuildHE member institutions continue to be well received and well attended. The programme for these events is carefully planned so as to reflect topical issues of common interest. An event held in September 2014 looked at issues such as complaints and appeals, student engagement and quality assurance. The Annual Conference in November had a panel of students' union officers and heard from the NUS President and Vice President (Higher Education). We also ran a fringe event at NUS Annual Conference for the first time to provide a networking opportunity for delegates from member institutions.

6.16 GuildHE also held a bilateral meeting with senior NUS officers and staff looking at how we could work more closely together and heard from NUS at our September and January Council meetings.

6.17 GuildHE continues to support The Student Engagement Partnership, providing funding and sitting on its advisory group. We also produced a series of blogs looking at student engagement and featuring case studies from member institutions.

6.18 International - work with the Higher Education International Unit and on the Points Based System for immigration

The implementation of the Government's policies on controlling migration into the UK from outside the European Economic Area and the application of Tier 4 (the student route) of the points based system, have continued to have a high profile over the year. A series of high level reports, including relevant Select Committee reports, have expressed concerns about the implications of including students in the net migration figures. GuildHE has worked closely with Universities UK in pursuing issues relating to international recruitment.

6.19 GuildHE is also working with Universities UK in a Home Office led Co-Regulation group and Education Sector Forum designed to achieve practical improvements in some of the ways in which the policies impact on higher education institutions. Through this, and numerous additional meetings, including meetings with the Immigration Minister and with the Home Office, we were consulted around a range of revisions to HTS guidance.

6.20 Work to try to improve the experience of higher education institutions in seeking to comply with the requirements of Tier 4 of the points based system for visas has continued. Through the Home Office led co-regulation group, GuildHE has engaged in ongoing discussions on arrangements for Tier 4 compliance audits and the arrangements in place for feedback from those audits. We invited the Head of HTS at the Home Office to attend the January Council meeting.

6.21 Following the Immigration Minister's Parliamentary statement in June 2014 about the suspension of Highly Trusted Status from 60 institutions including 3 universities, following investigations into the provision of English language testing by Educational Testing Services (ETS) BV, GuildHE was been a member of the Home Office Working Group developing processes to support affected students - which lasted over six months and developed a Course Information Tool to help displaced students find alternative institutions.

6.22 *Quality and complaints*

Quality assurance and assessment was a major area of work over the past year with several consultations by HEFCE that are still ongoing, as well as the announcement of the Teaching Excellence Framework (TEF) by Government. GuildHE has been actively involved in these discussions at all levels.

6.23 GuildHE continues to be engaged with the work of the QAA, including nominating representatives and observers to their Board, and speaking at their annual conference.

6.24 GuildHE was quick off the mark to respond to the Government TEF, organising a round-table on the day that the Chancellor of the Exchequer linked the TEF to raising tuition fees by inflation, and producing a substantial response to BIS based on the round-table and member feedback.

6.25 GuildHE has engaged as members of the advisory groups reviewing the foundation degree characteristics qualification benchmark and QAA's guidance on International Students studying in the UK.

6.26 A separate consultation was issued by the QAA Board on arrangements to strengthen quality assurance of trans-national education, with GuildHE taking an active role in the advisory group.

6.27 GuildHE also engages with the Office of the Independent Adjudicator (OIA), nominating a Board member.

6.28 *Research*

2014/15 saw a further expansion of the CREST network. Through CREST, members have been supported in developing their approach and response to the Research Excellence Framework (REF) over the past year. The outcomes of the REF2015 saw good research funding outcomes from many GuildHE institutions, with particularly strong performances against the new "impact" metric. This year CREST also hosted its first Summer School, organised with various key research players, including the Wellcome Trust and the British Library. Over the course of two highly competitive funding rounds, the consortium also secured funding from JISC for the project 'A consortial approach to research data management'.

6.29 Smaller and specialist institutions still receive only a tiny proportion of the overall research funding in the UK, and are excluded from many research and innovation funds due to high thresholds. There will continue to be a role for GuildHE and CREST in influencing funders to recognise high-impact research in smaller and specialist institutions.

6.30 *Equality and employer issues*

GuildHE works with, and contributes to the Equality Challenge Unit (ECU) to support equality and diversity activity in our member institutions. GuildHE also works closely with the Universities and Colleges Employers Association (UCEA), the body that represents HEIs as employers. Meetings of the GuildHE Human Resources Network over the year have had input from UCEA and others so as to allow for informed discussion of issues relevant to GuildHE HR Directors.

6.31 *Copyright*

The joint Universities UK/GuildHE Copyright Group acts on behalf of its membership in negotiations with the Copyright Licensing Agency (CLA) and the Educational Recording Agency (ERA). Negotiations between the CLA and UUK/GuildHE Copyright Working Group are due to start this September over a new CLA HE license commencing 1 August 2016. The ERA have agreed that from 1 August 2015, the current HE tariff for the new single ERA license fee will remain in place until 31 July 2017. There will be continued negotiations between the ERA and the UUK/GuildHE Copyright Working Group about the practicalities of the ERA licence and how resources can be enabled and supported by the ERA licence.

6.32 *Consultations summary*

GuildHE responded to a number of consultations during the 2014-15 year.

Major consultations responded to included:

- BIS FE Loans
- International REF
- Scottish HE Governance
- Competition and Markets Authority
- BIS Alternative Providers
- HEFCE Specialist Institutions
- HEFCE Quality Assessment
- Nurse Review
- BIS PGR Loans
- HEFCE Knowledge Exchange

A summary and full responses can be found on the Consultations page of the GuildHE website:

<http://www.guildhe.ac.uk/>

Events

6.33 GuildHE held the following events during the year:

Annual conference

The 2014 conference was hosted by Royal Central School of Speech and Drama. Speakers included Prof. Madeleine Atkins, Rt. Hon. Liam Byrne MP, Megan Dunn, and Paul Manners.

Party Conference events

GuildHE held joint events with HEPI, WonkHE and University Alliance at the three political party conferences, including dinners at both the Conservative and the Labour Party Conferences; attendees included David Willetts and a No. 10 policy adviser. Both the CEO and Deputy CEO also spoke on panels at fringe meetings organised by other organisations during the conferences and so further extended our reach.

Networks

GuildHE hosted events for the senior staff in member institutions. Two new networks were initiated, the Alumni & Fundraising Network and a network for Innovation, Enterprise and Knowledge Exchange (IEKE). IEKE builds on the Innovation project conducted by GuildHE, CREST, and the OECD LEED Programme and brings together senior staff in the relevant fields.

Network Meeting Summary

Network	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Admissions & Recruitment					1					1	
Alumni & Fundraising									1		
Human Resources						1				1	
IEKE					1					1	
Marketing & Communications							1				1
Quality Management						1			1		
Student	1							1			

Projects

6.34 Excellence in Diversity

GuildHE has produced a major new report, *Excellence in Diversity*, showcasing the excellence of a wide range of higher education institutions. This report brings together case studies from a number of member institutions, is grounded in real examples of excellent practice, demonstrating how the diversity of the higher

education sector contributes to the educational, economic and social well-being of the UK. The report will be a timely contribution to inform government policy and spending commitments over the next parliament.

6.35 The report was launched at a well-attended reception in the House of Lords hosted by Lord Curry of Kirkharle with a wide range of attendees including MPs and Peers, sector representatives as well as attendees from member institutions and their students' unions.

6.36 In addition to the full report we produced a series of monthly briefings looking at particular aspects of the report including research and innovation; student experience and engagement; buildings and infrastructure; and educational diversity and social mobility.

6.37 Innovation

GuildHE and CREST contributed to consultations and discussions focusing on HEIs and innovation systems as part of the HEFCE Strategic Development Fund (SDF)-funded project examining the contribution of small, specialist and regional HEIs to local, regional, national, and international growth. GuildHE and CREST staff worked closely with HEFCE - alongside colleagues charged with enabling innovation and engagement working in GuildHE members' institutions and at complementary HEIs, and with researchers at the OECD - in order to prepare the report.

6.38 The final report was published in November 2014 and launched at the Annual Conference. 'Innovation systems and the role of small and specialist Higher Education Institutions' is available on the Issuu platform to read and download:
http://issuu.com/guildhecrest/docs/crest_innovation_systems_single_pa.

The final report has been and will be used to stimulate further discussions and collaborations with national and international audiences and partners.

6.39 This work, as well as the advocacy that it enabled, continues to underpin members' bids to relevant funding opportunities, including the Catalyst Fund. The project has also led to the creation of a new network for members, Innovation, Enterprise and Knowledge exchange (IEKE), which met twice in 2014.

Media and Communications

6.40 Web and Social media

There has been an increased number of contributors to the GuildHE blog this year. As well as the GuildHE CEO and Deputy CEO contributions, blogs have been written by representatives of GuildHE student unions and other colleagues. GuildHE sponsored the higher education policy blog, Wonkhe.com, and had content featured on the website.

GuildHE Blogs 2014/15

Student engagement in smaller institutions	29-Aug	Alex Bols, Deputy CEO
As the OECD highlights graduates lack basic skills, is it time to end the blame game?	16-Sep	Sue Littlemore, Media Adviser
Student engagement series: The student view on governance	13-Oct	Daniel Whitby, Student Union President at the University of St Mark & St John
Teaching teachers: What makes a great teacher?	22-Oct	Alex Bols, Deputy CEO
Autumn statement	03-Dec	Andy Westwood, CEO
Students Engaging with 'Student Engagement'	09-Dec	Tom Lowe, Vice President Education and Cassie Shaw, Student Engagement Assistant at Winchester SU
REF: 10 things to bear in mind (in case you haven't read enough on this already...)	19-Dec	Andy Westwood, CEO

50 shades of dross?	23-Feb	Alex Bols, Deputy CEO
World-class infrastructure: Smaller institutions in the spotlight	25-Feb	Sarah Hall, Policy Officer
Student Engagement: Q&A with Jon Renyard	11-Mar	Rhys Wait, Project Officer, talks to Jon Renyard, University Secretary and Director of Student Experience at Arts University Bournemouth
Protecting the Student Interest	17-Mar	Alex Bols, Deputy CEO
Student Voices heard at the University of Chichester	27-Mar	Jodie Hope, UCSU President
Tiers before bedtime? Registers, gateways and regulatory tiers in higher education	20-Apr	Alex Bols, Deputy CEO
Internationalising the curriculum at Bishop Grosseteste University	01-May	Jamie Caress, BG Students' Union Vice President
Protecting the Student interest in the case of institutional exit	10-Jun	Alex Bols, Deputy CEO
Old Lace; New Life – How Knowledge Exchange Makes a Real Difference	16-Jun	Rachel Brockhurst, Policy Adviser
Removing the fuzzy edges from the TEF (published on Wonkhe)	9-Jul	Gordon McKenzie, CEO

6.41 External Communications

During the year GuildHE was supported by Media Advisor, Sue Littlemore, who assisted in media planning and releases, provided media advice to members and chaired various events.

7. Main Objectives for 2015/16

7.1 GuildHE strategy will focus on the following aims:

- To provide an excellent service for our members
- To work with our members to support an effective infrastructure for UK higher education
- To inform and influence UK higher education policy and practice
- To promote excellent student engagement and experience
- To be an intelligent, flexible and responsive organisation.

These aims will form the basis of GuildHE's programme of activities during 2015/16.

8. Financial Review

Summary review of the year

8.1 The results for the year for GuildHE were again positive and secured a further stable position for the charity despite continuing low returns on investments. This positive outturn was largely due to continued stability in membership, some successful cost cutting and some further changes in staffing structure which had produced in year savings.

Plans for future periods

8.2 In 2015/16 GuildHE intends to further expand its membership (some institutions have already confirmed their interest in joining GuildHE in the coming year).

Trustees' responsibilities in relation to the financial statements

8.3 Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 charity will continue in business.

8.4 The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware;
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Reserves Policy

8.5 The charity has free, unrestricted reserves (those not designated or tied up in fixed assets) of £689,231. These funds are held for the benefit of members and financial sustainability of GuildHE in meeting current and future obligations, including any pension deficit arising from GuildHE's membership of USS. The charity aims to have free reserves of £400,000 to cover at least 12 months' worth of expenditure, and a contingent reserve for meeting future pension obligations that may arise out of the USS future valuations. The formal policy on reserves was reviewed and amendments agreed at the July 2015 meeting of the GuildHE Executive. It states:

The trustees have set a reserves policy which requires:

- Reserves be maintained at a level which ensures that the premises and staffing costs of the organisation's core activity could continue during a period of unforeseen difficulty. In this respect the charity will hold in unrestricted reserves a minimum balance of £400,000 equating to one year's costs.
- This proportion of reserves be maintained in a readily realisable form.
- Any surplus reserve over this level of funds be designated for the replacement of assets and support of the completion of any GuildHE strategic projects.

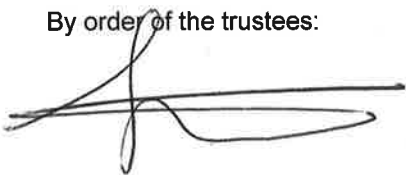
The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle. It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted.
- Planned activity levels.
- The charity's commitment with respect to staffing and lease costs within the financial year.
- The pension liability share that will be attributable to the charity through its membership of the Universities Superannuation Scheme (USS).

9. Auditors

A resolution will be proposed at the Annual General Meeting that Bishop Fleming be re-appointed as auditors to the charity for the ensuing year.

By order of the trustees:

A handwritten signature in black ink, appearing to be 'Joy Carter', written over a horizontal line.

Professor Joy Carter (Chair)

Date: 25 November 2015

INDEPENDENT AUDITORS' REPORT**Auditors' report to the members of
GuildHE Limited**

We have audited the financial statements of GuildHE Limited for the year ended 31 July 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit. or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

Bishop Fleming LLP

Pamela Tuckett FCA DChA (Senior Statutory Auditor)
For and on behalf of
BISHOP FLEMING LLP
Chartered Accountants and
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 26-01-16

GuildHE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(Including summary income and expenditure account)

for the year ended 31 July 2015

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES					
Incoming Resources from charitable activities					
Membership subscriptions		714,071	-	714,071	646,404
Contracted Services		-	-	-	10,000
Conference fees		8,450	-	8,450	26,623
Investment income		3,611	-	3,611	2,781
Grant Funded Projects		-	21,500	21,500	13,120
Other income		45,538	-	45,538	41,021
Exceptional Item	2	-	-	-	261,383
Total incoming resources	3	771,670	21,500	793,170	1,001,332
RESOURCES EXPENDED					
Charitable activities	4	684,133	7,846	691,980	684,720
Governance costs	6	43,033	-	43,033	43,915
Total resources expended		727,166	7,846	735,013	728,635
NET MOVEMENT IN FUNDS					
		44,503	13,654	58,157	272,697
Fund balances brought forward		1,009,232	-	1,009,232	736,535
Transfers between Funds		-	-	-	-
Fund balances carried forward		1,053,735	13,654	1,067,389	1,009,232

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

COMPANY NUMBER: 2600590

GuildHE LIMITED

BALANCE SHEET

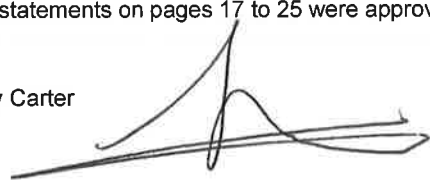
at 31 July 2015

		2015		2014	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	10		21,410		32,176
CURRENT ASSETS					
Debtors	11	127,792		332,633	
Cash at bank		1,023,096		720,447	
		<u>1,150,888</u>		<u>1,053,080</u>	
CREDITORS: amounts falling due within one year					
	12	104,909		76,024	
NET CURRENT ASSETS			<u>1,045,979</u>		<u>977,056</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>1,067,389</u></u>		<u><u>1,009,232</u></u>
FUNDS					
Unrestricted	13		1,053,735		1,009,232
Restricted	14		13,654		-
Total reserves	15		<u><u>1,067,389</u></u>		<u><u>1,009,232</u></u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 17 to 25 were approved by the trustees on 25 November 2015 and signed on its behalf by:

Professor Joy Carter
Chair



GuildHE LIMITED

NOTES TO THE ACCOUNTS

31 July 2015

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standards for Smaller Entities (effective April 2008) on the grounds that it qualifies as a small company under the Companies Act 2006.

The financial statements are prepared in accordance with Charities Statement of Recommended Practice (SORP 2005) and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008).

1.2 Incoming resources

Membership

Membership income is invoiced and recognised across the term of membership.

Grants

Income from grants is included in incoming resources when these are receivable, except as follows:

- When donors specify that grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

1.3 Outgoing resources

Grants

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.4 Interest receivable

Interest is included when receivable by the charity.

1.5 Depreciation

Depreciation is provided on all tangible fixed assets calculated to write off their cost less estimated residual value of each asset evenly over its expected useful life, as follows:-

Computer equipment	25%-33%	straight line
Office equipment	20%	straight line
Furniture, fixtures and fittings	15%	straight line or remaining term of lease if shorter

All depreciation is calculated on a straight-line basis. Assets are only capitalised where their value exceeds £1,000 net of Value Added Tax. New acquired Furniture, fixtures and fittings are depreciated on a straight line basis to the current lease expiry date of November 2016.

1.6 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Certain expenditure is directly attributable to charitable activities and has been included in direct charitable expenditure. Certain other costs have been apportioned between direct charitable expenditure and management and administration expenditure on the basis of an estimate of the preparation of time spent by staff on those activities.

NOTES TO THE ACCOUNTS continued

31 July 2015

1 ACCOUNTING POLICIES (continued)**1.7 Taxation**

The company is an exempt charity within the meaning of the Taxes Acts and accordingly is not liable to Corporation Tax or Capital Gains Tax.

1.8 Leasing commitments

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

1.9 Pensions

GuildHE participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. GuildHE is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period. The liabilities are valued every three years by a professionally qualified actuary using the projected unit method; the rates of contribution payable being determined by the trustee on the advice of the actuary. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which GuildHE benefits from the employees' service.

1.10 Fund accounting

Funds held by the charity are either:

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- *Designated funds* – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- *Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

NOTES TO THE ACCOUNTS continued

31 July 2015

2 EXCEPTIONAL ITEM

The exceptional item in 2013/14 related to an agreed change in the treatment of VAT on subscriptions under Item 1(d), Group9 Schedule9 VAT Act 1994, whereby subscriptions can be treated as exempt. The amount shown here, and under Debtors was the net reclaim of VAT for the period 1st August 2010 to 31 July 2014. The net reclaim amounted to the reversal of VAT raised on subscription income less ineligible input tax relating to exempt activities. This VAT reclaim was received in full in November 2014. The AGM in November 2014 approved the proposal that GuildHE should retain any repaid VAT but will put this towards a number of potential member benefits such as future membership subscription discounts and collaborative projects.

3 INCOME

Income is stated net of value added tax; this represents amounts invoiced to third parties and is attributable to one continuing activity, the promotion, encouragement and development of higher education within the United Kingdom with the aim of advancing education for the public benefit.

4 CHARITABLE EXPENDITURE

	2015	2015	2015	2014
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Staff Costs	325,270	-	325,270	280,996
Publications, Research & Collaborative Costs	60,607	-	60,607	49,408
Conferences and Events	25,175	786	25,961	74,815
Support Costs	156,997	1,060	158,057	189,993
Office Costs	22,771	-	22,771	30,345
Irrecoverable VAT	50,245	-	50,245	-
Professional Fees	43,069	-	43,069	50,163
Grant Payments to Members in Respect of Innovation Project	-	6,000	6,000	9,000
	<u>684,133</u>	<u>7,846</u>	<u>691,980</u>	<u>684,720</u>

During the year two trustees received £164 (2014: £219) as reimbursed travel expenses.

NOTES TO THE ACCOUNTS continued

31 July 2015

5 RESEARCH AND COLLABORATIVE PROJECTS (EXPENDITURE)

There were 5 main strands of activity during the year. These and other smaller grants are detailed below:

Name	Purpose	£
Equality Challenge Unit	Contribution to running costs	7,296
International Unit (UUK/GHE)	Contribution to running costs	5,300
NUS	Student Engagement and Joint NUS Events	11,446
Other	Supporting Development of Educational policy - Party Political Events and Parliamentary Reception	21,119
Excellence in Diversity	Publication of Research Findings	13,504
		<u>58,664</u>

6 GOVERNANCE COSTS

	2015	2014
	£	£
Staff costs	25,124	25,400
Professional Fees	17,909	18,515
	<u>43,033</u>	<u>43,915</u>

NOTES TO THE ACCOUNTS continued

31 July 2015

7 EMPLOYEE EMOLUMENTS

	2015	2014
	£	£
Salaries	274,105	247,757
Social security costs	22,927	19,916
Pension contributions	31,655	38,722
	<u>328,687</u>	<u>306,395</u>

The average number of employees during the year was 6.48 ftes (2014: 5.04 ftes).

There were 2 employees who earned between £60,000 - £70,000 (2014: 1 between £70,000 - £80,000). Pension contributions in the year relating to the employees amounted to £ 20,154 (2014: £12,800).

No remuneration was paid to any of the trustees or persons connected to them directly or indirectly (2014: Nil).

6 employees have accrued pension contributions during the year (2014: 7).

8 PENSION SCHEMES

The amount charged to the Statement of Financial Activities in respect of the Universities Superannuation Scheme (USS) during the year was £31,655 (2014: £38,722). No amount was outstanding at the year end.

9 NET INCOMING RESOURCES

This is stated after charging:-

	2015	2014
	£	£
Depreciation of owned fixed assets	13,638	30,671
Auditors' fees	4,225	3,640
Auditors – non audit services	1,100	2,700
	<u>19,963</u>	<u>37,011</u>

NOTES TO THE ACCOUNTS continued

31 July 2015

10 TANGIBLE FIXED ASSETS

	Computer and Office Equipment	Furniture, Fixtures and Equipment	Website	Total
Cost	£	£	£	£
1 August 2014	23,421	62,705	70,274	156,400
Additions	2,872	-	-	2,872
Disposals	(419)	-	(70,274)	(70,693)
31 July 2015	25,874	62,705	-	88,579
Depreciation				
1 August 2014	16,406	37,544	70,274	124,224
Provided during the year	2,848	10,790	-	13,638
Eliminated on disposals	(419)	-	(70,274)	(70,693)
31 July 2015	18,835	48,334	-	67,169
Net book amount				
31 July 2015	7,039	14,371	-	21,410
1 August 2014	7,015	25,161	-	32,176

The above fixed assets are used for direct charitable activities.

NOTES TO THE ACCOUNTS continued

31 July 2015

11 DEBTORS

	2015 £	2014 £
Trade debtors	73,011	35,334
VAT Current Year Reclaim	-	2,032
Exceptional VAT Reclaim	-	267,552
Prepayments and accrued income	52,313	26,689
Staff Season Ticket Travel loans	2,467	1,026
	<u>127,792</u>	<u>332,633</u>

The staff loans are interest free and repayable within one year.

The Exceptional VAT reclaim in 2014 related to a change in the treatment of VAT on subscriptions from 1 August 2010 to 31 July 2014.

12 CREDITORS: amounts falling due within one year

	2015 £	2014 £
Trade creditors	81,708	40,609
VAT	8,244	-
Accruals and deferred income	14,958	35,415
	<u>104,909</u>	<u>76,024</u>

13 UNRESTRICTED FUNDS OF THE CHARITY

	Balance at 1 August 2014 £	Incoming/ (Outgoing) for the year £	Transfer between funds £	Transfer To/From Unrestricted funds £	Balance at 31 July 2015 £
Designated funds					
Governance Project	41,712	-	-	-	41,712
Capital reserve for replacement of assets	40,000	-	-	-	40,000
Members' Fund from VAT rebate	-	-	261,383	-	261,383
Undesignated funds-					
General funds	927,520	44,503	(261,383)	-	710,640
	<u>1,009,232</u>	<u>44,503</u>	<u>-</u>	<u>-</u>	<u>1,053,735</u>

NOTES TO THE ACCOUNTS continued

31 July 2015

14 RESTRICTED FUNDS

	At 1 August 2014	Incoming Resources	Outgoing Resources	Transfer (to)/From Unrestricted Funds	At 31 July 2015
	£	£	£	£	£
JISC RDMS Project	-	21,500	(7,846)	-	13,654
Total restricted funds	-	21,500	(7,846)	-	13,654

The Governance Project fund was for identifying, building upon and disseminating good practice in governance and the creation of a community of practice between Chairs, their Clerks and Heads of institution across GuildHE institutions and other small and medium sized higher education providers. The funding had been provided through the HEFCE Leadership, Governance and Management Fund, where the University College Plymouth St. Mark & St. John was the accountable body, contracting with GuildHE to undertake the work. The balance of costs on the Governance project have been transferred to designated funds within unrestricted funds now that the funded project has reached a conclusion. These funds are to be utilised in the re-establishment of the Governance Group within the network of members.

The capital reserve is towards the cost of future capital projects.

The Members' Fund from VAT rebate is to be used towards supporting the membership fees in future years.

CREST, partnering with University for the Creative Arts (UCA), Leeds Trinity University and partners, secured funding from JISC for the project, 'A Consortial Approach to Building an Integrated RDM System (RDMS)'. The project explored the possibility of building a research data system that could be used by a consortium of CREST members, and simultaneously provide a model for other smaller and / or specialist institutions with increasingly complex research data management requirements and limited resources.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund £	Restricted Fund £	Total £
Tangible assets	21,410	-	21,410
Debtors	106,292	21,500	127,792
Cash at bank and in hand	1,030,942	(7,846)	1,023,096
Other current liabilities	(104,909)	-	(104,909)
	<u>1,053,735</u>	<u>13,654</u>	<u>1,067,389</u>

NOTES TO THE ACCOUNTS continued

31 July 2015

16 GUARANTEE

The Company is limited by guarantee and has no share capital. The limit of each member's guarantee is £1. The membership at the balance sheet date was 36 (2014: 36).

17 LEASING COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows:-

	2015
	£
Operating leases which expire in next five years:-	
Land and buildings (lease expires November 2016)	85,049
	<u>85,049</u>

18 OTHER COMMITMENTS

As at 31 July 2015 the charitable company was committed to paying grants to third parties to the value of £12,596 in aggregate (2014 £15,040).

19 RELATED PARTY

All subscriptions are from the members of GuildHE Limited. At the year-end £66,535 (2014: £27,993) was owed by the members.

GuildHE LIMITED
CHARITABLE EXPENDITURE - BREAKDOWN

for the year ended 31 July 2015

	Unrestricted	Restricted	2015	2014
	£	£	£	£
Staff costs				
Salaried Staff	301,313	-	301,313	280,996
Recruitment Costs	21,707	-	21,707	-
Invoiced Internship	2,250	-	2,250	-
	<u>325,270</u>	<u>-</u>	<u>325,270</u>	<u>280,996</u>
Publications and Research				
Printing and stationery	1,943	-	1,943	1,019
Research and Collaborative Projects	58,664	-	58,664	48,389
	<u>60,607</u>	<u>-</u>	<u>60,607</u>	<u>49,408</u>
Conferences and meetings				
Accommodation & Events Costs	25,175	786	25,961	74,815
Support costs				
Travel claims and expenses	16,909	1,060	17,969	29,422
Subscriptions	2,161	-	2,161	1,279
Accommodation	70,243	-	70,243	68,155
Maintenance	50,146	-	50,146	56,992
Insurance	2,539	-	2,539	2,509
Depreciation	13,638	-	13,638	30,672
Bank charges	1,360	-	1,360	964
	<u>156,997</u>	<u>1,060</u>	<u>158,057</u>	<u>189,993</u>
Office costs				
Printing and stationery	3,126	-	3,126	2,443
Postage and telephone	3,510	-	3,510	3,867
Books and periodicals	545	-	545	391
Staff training	1,654	-	1,654	4,824
Sundry expenses	16,038	-	16,038	16,869
Bad debt - movement in provision	(2,102)	-	(2,102)	1,951
	<u>22,771</u>	<u>-</u>	<u>22,771</u>	<u>30,345</u>
Professional fees				
Legal, Professional and consultancy fees	43,069	-	43,069	50,163
Grant payments to members	-	6,000	6,000	9,000
	<u>43,069</u>	<u>6,000</u>	<u>49,069</u>	<u>59,163</u>
VAT				
Irrecoverable VAT input tax	50,245	-	50,245	-
Total direct charitable expenditure	<u>684,133</u>	<u>7,846</u>	<u>691,980</u>	<u>684,720</u>

GuildHE LIMITED
GOVERNANCE COSTS
for the year ended 31 July 2015

	2015	2014
	£	£
Staff costs		
Gross salaries	19,842	20,000
Employers national insurance contributions	2,107	2,200
Employers pension contributions	3,175	3,200
	<u>25,124</u>	<u>25,400</u>
Professional fees		
Payroll management costs	668	656
Audit fees	4,225	3,640
External Auditors - payments for non-audit services	1,100	2,700
Accountancy fees	11,916	11,519
	<u>17,909</u>	<u>18,515</u>
Total governance costs	<u><u>43,033</u></u>	<u><u>43,915</u></u>