

Registered number: 02600590
Charity number: 1012218

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2016

**GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2016

Trustees	Professor J Carter, Vice-Chancellor, University of Winchester (from September 2009, elected as Vice-Chair from November 2011, and re-elected as Chair from November 2015) Professor A Brewerton, Principal, Plymouth College of Art (re-elected as Vice-Chair from November 2015) Professor C J Gaskell, Principal, Royal Agricultural University (elected from April 2015, retired September 2016) Professor J Last, Principal, Norwich University of the Arts (from November 2011 and re-elected as Vice-Chair from November 2015) Rev Canon Prof P Neil, Vice-Chancellor, Bishop Grosseteste University (co-opted from November 2013 to November 2015) (resigned 25 November 2015) Professor S Ofield-Kerr, Vice-Chancellor, University for the Creative Arts (elected from November 2013 and re-elected from November 2015) Professor Nigel Seaton, Principal and Vice-Chancellor, Abertay University (co-opted from January 2016) (appointed 20 January 2016) Mr Paul Kirkham, Chief Executive, The Institute of Contemporary Music Performance (co-opted from January 2016 in absence of immediate past-Chair) (appointed 20 January 2016) Professor Margaret House, Vice-Chancellor, Leeds Trinity University (co-opted from January 2016) (appointed 20 January 2016)
Company registered number	02600590
Charity registered number	1012218
Registered office	Woburn House 20 Tavistock Square London WC1H 9HB
Company secretary	Gordon McKenzie
Chief executive officer	Gordon McKenzie
Independent auditors	Bishop Fleming LLP Chartered Accountants 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

GUILDHE LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2016

The Trustees present their annual report together with the consolidated financial statements and auditors' report of the Charity for the year ended 31/07/2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

CHAIR'S REPORT

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 the last year GuildHE published its new strategy to 2020, outlining the aims of its work with members, the higher education sector, students and government. As a representative body, GuildHE continued to articulate the implications for its members of new proposals in key areas including funding, regulation and quality assurance. The year has seen some significant proposals for change in the sector, including the publication of the White Paper, Success as a knowledge economy, the plans for the implementation of the Teaching Excellence Framework and the HE Bill.

This year we were pleased to launch the report, Making Student Engagement a Reality: Turning Theory into Practice, which provides a body of evidence from GuildHE members, for whom student engagement is a core value.

GuildHE continued its programme of events for heads of institutions and senior staff. As well as holding joint events with the NUS, GuildHE ran a round table event on innovation in the regions, set up a network to focus on changes to the DSA, and is participating in a group looking at what effect leaving the EU will have on higher education.

We look forward to building on this work in the coming year.

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

OBJECTS AND ACTIVITIES

The Charity's core objects, as set out in its Memorandum of Association, 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.

The Charity's aims are as follows:

- **Members:** Provide an excellent service for our members.
- **The higher education sector:** Work with our members to support an effective infrastructure for UK higher education.
- **Students:** Promote excellent student engagement, experience and outcomes as the heart of a quality UK HE sector.
- **Government:** Inform and influence UK higher education policy and practice.
- **As an organisation:** Be an intelligent, flexible and responsive organisation.

The strategies employed to achieve the Charity's aims and objectives are to:

- Highlight the importance of a diverse, internationally successful higher education sector.
- Make the case for a properly funded higher education system that allows diverse institutions to thrive.
- Influence thinking on the future regulation of higher education and the introduction of a HE Bill.
- Influence the development of the TEF and decisions about the future of Quality Assurance.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2016

- Make the case for the positive economic, cultural and social contribution that international students make to the UK.
- Champion the role of higher education as close partners with industries delivering high quality, work relevant, high level skills and professional education.

ACHIEVEMENTS AND PERFORMANCE

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

Policy

Admissions, recruitment and student numbers

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 three times this year and has remained well-attended. Whilst the impact of Brexit on student numbers is not yet known, GuildHE institutions are recruiting at a steady pace. GuildHE's work on degree level apprenticeships will dovetail into work on admissions in the coming year.

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

Regulation and funding

GuildHE has continued to play a central role in influencing the development of ideas on the future regulation of the sector. The BIS White Paper includes further detail about a new regulator for HE, the process for obtaining Degree awarding Powers and University Title and the new Teaching Evaluation Framework (TEF). GuildHE have been a member of the TEF delivery group to ensure that non-traditional universities are not unduly burdened by the changes, and we have submitted responses to all relevant government consultations. Members of the GuildHE Executive have met with the Minister, and have been asked to formally contribute evidence to the committee on the development of the HE Bill.

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 of reducing this funding stream. Likely reductions will remain an issue to address in the year ahead.

HEFCE has revised its approach to specialist funding. GuildHE contributed to the consultation and met with HEFCE colleagues to discuss the changes. While there were disappointing outcomes for some GuildHE members based on HEFCE's new process, discussions continue on transitional funding for those who lose a significant proportion of funding.

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. GuildHE played a pivotal role in the development of an exceptional case fund which will protect smaller institutions from the risk of the changes, and worked with BIS and UUK to develop the Disabled Students Sector Leadership Group to better coordinate practice across the sector.

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 progressed GuildHE has worked with UCAS and SPA to ensure members are informed of the timeline for changes ahead and potential implications for different subject areas. Through our sub-association, ukadia, we responded to the consultation on the government's proposals on the English Baccalaureate and also wrote separately to Ministers highlighting the potential damage that could be caused to the Government's own targets for widening access in higher

TRUSTEES' REPORT (continued)
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education and to its broader social mobility aims.

Student engagement

The events that GuildHE and the 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.

Building on GuildHE's commitment to deliver events for students a fringe event at NUS Annual Conference was held for the second time. This provided delegates from member institutions and other smaller unions with a networking opportunity and was well attended and received.

Student union presidents were invited as delegates to the GuildHE Annual Conference for the first time this year and a session was run for them by the NUS on union development. In addition to this the conference featured a panel of students' union officers and heard from NUS President, Megan Dunn.

GuildHE produced a report with The Student Engagement Partnership, Making Student Engagement a Reality. Designed as a toolkit to develop student engagement practice within institutions and their students' unions, the report explored student engagement good practice through the use of advice supplemented with institutional case studies. The report was well received by the sector and can be read in full here: <http://www.guildhe.ac.uk/wp-content/uploads/2015/11/6472-Guild-HE-Student-Engagement-Report-36pp.pdf>

GuildHE also continued to support the Quality Assurance Agency with its work in developing student engagement practice. In particular, GuildHE has provided copies of Making Student Engagement a Reality as a resource for training days, and supported the event, Evolving Student Engagement, by delivering a key note address and running a workshop event.

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.

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 Home Office, we were consulted around a range of revisions to HTS guidance.

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.

Quality Assessment and complaints

Quality assurance and assessment was a major area of work over the past year with the HEFCE Quality Assessment Review as well as the announcement of the Teaching Excellence Framework (TEF) by Government and the inter-relationship between the two processes. GuildHE has been actively involved in these discussions at all levels – organising round-table discussions, providing media comments, publishing blogs and speaking widely on the topics at events and conferences.

GuildHE organised a round-table discussion for members on the HEFCE QA consultation over the summer, this was also discussed at the Quality Managers Network meetings, as well as GuildHE Executive and Council meetings.

GuildHE spoke at a number of conferences including giving keynote speeches at the Quality Managers Network and speaking at Westminster HE Forum and InsideGov Conferences and sector events including QAA Annual

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Conference.

GuildHE engaged with HEFCE and BIS to continue the development of the policy, highlighting the impacts and concerns of GuildHE institutions. These ongoing discussions resulted in an evolution of elements of the proposals, and in particular discussions with BIS helped lead to proposals in the White Paper and the HE and Research Bill including emphasising the importance of co-regulation in relation to quality and standards and an independent designated body whose governance is based on credibility and representativeness of the HE sector.

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.

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

Teaching Excellence Framework

The Teaching Excellence Framework has been one of the major focuses for GuildHE over the past year. Gathering members' views and contributions to the discussions surrounding the development of the proposals and then responding to the Green Paper in November and the subsequent White Paper and HER Bill in May.

In addition to meeting BIS officials and the Minister regularly to discuss the TEF proposals, GuildHE has been an active member of BIS' TEF Delivery Group, helping to shape the development of the proposals and ensure that it takes account of sector diversity.

This lobbying and engagement activity has been supported by a wide range of public-facing activities including numerous blogs and media comments, speeches and presentations as well as sessions for members to help formulate their views.

Research

2015/16 saw a further expansion of the CREST network to include Southampton Solent and Falmouth Universities. Through CREST, members have been supported in responding to the significant changes being proposed to the research and innovation funding landscape in the UK. Joint GuildHE and CREST responses have been submitted to policy consultations, including the integration of Innovate UK with Research UK (later renamed UK Research & Innovation (UKRI) in the White Paper), and Lord Stern's Review of the Research Excellence Framework (REF). The latter resulted in specific documents describing CREST and its activities circulated to BIS and the Minister of State for Universities and Science.

This year CREST hosted its second Summer School, organised with various key research players of national and international importance, including Nesta, the Wellcome Trust, and the British Library. Following the success of the Jisc funded project, a consortial approach to research data management, which demonstrated the need for research data management systems that met the specific demands of small and specialist institutions, CREST secured a competitive two year grant to run a Research Data Management Shared Service Pilot project. This project will directly contribute to and influence the business case for a Jisc Shared Service from 2018. CREST continues to deliver shared services for members and has supported users of the CREST Collections repository to meet Open Access mandates through developments to the service and provision of training.

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. As the HER Bill progresses through parliament, there will continue to be an important role for GuildHE and CREST in influencing funders to recognise high-impact research in smaller and specialist institutions.

Innovation

In the context of a shifting landscape for Research and Innovation funding in the UK, GuildHE and CREST continued to contribute to consultations and discussions focusing on HEIs, innovation and knowledge exchange including the proposals for UKRI and the National Innovation Plan.

The joint Innovation, Enterprise and Knowledge Exchange (IEKE) network met twice in 2015/16, and has established Terms of Reference and a Chair. Speakers at the network have included knowledge exchange and

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local growth colleagues from HEFCE, business leaders, and Jisc. This network has supported members in navigating changes to third stream funding, such as HEIF and transition funding, and continues to monitor the opportunities available for small and specialists at UK, EU and international levels.

Working with ukadia we have highlighted to government the economic contribution of creative graduates.

Equality and employer issues

GuildHE works with, and contributes to the Equality Challenge Unit (ECU) to support equality and diversity activity in member institutions. GuildHE also works closely with the Universities and Colleges Employers Association (UCEA). 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 members as employers.

Copyright

GuildHE is represented on the Copyright Working Group (CWG) alongside UUK. The remit of the CWG is to negotiate copyright licences for the HE sector where this is beneficial for the sector, and to draft responses for UUK/GuildHE on national and EU copyright initiatives and consultations. The CWG has successfully negotiated the terms of the new three year copying licence for higher education institutions, effective from 1 August 2016. The revised terms include an increase in the level of percentage-based copying allowed under the licence from 5% to 10% of a published work.

Consultations summary

GuildHE responded to a number of consultations during the 2015-16 year.

Major consultations responded to included:

- BIS Select Committee – Productivity Plan Inquiry
- MAC Review of Tier 2
- BIS Disabled student funding changes consultation
- BIS Apprenticeship levy consultation
- BIS Student loans threshold consultation
- NSS consultation
- HESA data futures consultation
- BIS HE Green Paper
- DfE EBacc consultation
- Innovate UK's integration with Research UK
- HEFCE institution-specific funding consultation
- Stern Review of the REF
- BIS National Innovation Plan
- BIS TEF Technical consultation
- HESA DLHE consultation
- BIS Accelerated courses : call for evidence
- HEFCE teaching funding consultation
- HEFCE review of KIS data
- HESA Open Data consultation

A summary and full responses can be found on the Consultations page of the GuildHE website:
<http://www.guildhe.ac.uk/>

Events

GuildHE held the following events during the year:

Annual conference

The 2015 conference was hosted by the University of Worcester. Speakers included Stephen Jones, HE Deputy Director at BIS; Yvonne Hawkins, Director of Universities & Colleges at HEFCE; Smita Jamdar, Partner at Shakespeare Martineau; and author, Andrew McGettigan.

Party Conference events

GuildHE held a joint HE sector event at the Conservative party conference and dinners at both the Conservative

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and Labour party conferences. The event at the Conservative Party Conference was particularly successful with the dinner attended by the Minister for Universities and Science, Jo Johnson MP.

Sector events

The GuildHE CEO provided Keynote speeches at several events including:
 HEPI Annual Policy Briefing
 The Westminster HE Forum event Next Steps for PG Research
 The AUA Midlands Conference
 Council of Validating Universities Conference
 Landex Conference

Networks

GuildHE hosted events for the senior staff in member institutions. Two new networks were initiated, the Policy & Planners Network and a network for Student Support staff.

Network Meeting Summary

Network	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Admissions & Recruitment		1					1				1
Alumni & Fundraising						1					1
Human Resources			1			1				1	
Innovation					1					1	
Marketing & Communications						1					1
Policy & Planning				1						1	
Quality Management	1						1				
RDAP			1							1	
Student Support										1	
Students Union	1							1			
TDAP										1	

Projects

Excellence in Diversity

At the end of the last academic year (1st July 2015) GuildHE produced its major new report, Excellence in Diversity, which showcased 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.

Building on the report and the Parliamentary launch we produced a report microsite to make the report more accessible and this web-version was also supported by a range of new infographics that we were able to tweet and distribute through social media as a way of increasing the impact of the report.

Media and Communications

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.

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GuildHE Blogs 2015/16

GuildHE versus the rest – what do students think?	11-Aug	William Annandale, Quadrant Consultants and James MacGregor, YouthSight
Autumn Term Blues	28-Aug	Alex Bols, Deputy CEO
Future of Quality Assessment	18-Sep	Alex Bols, Deputy CEO
Gently does it: Measuring teaching excellence will take time and subtlety	21-Oct	Alex Bols, Deputy CEO
Doing the Math on Higher Education Data	20-Nov	Gordon Mckenzie, CEO
Enhancing student representation systems	26-Nov	Alex Bols, Deputy CEO
Higher Education, Higher Growth: Universities driving innovation in the regions	07-Dec	Sue Littlemore, Media Advisor
TEF – Measuring what counts, or counting what's measured?	10-Dec	Alex Bols, Deputy CEO
Beyond conspiracy: Why TEF plus fees may drive efficiency	22-Jan	Gordon Mckenzie, CEO
Meeting the supply of teachers	08-Feb	Alex Bols, Deputy CEO
University: What's in a Title?	15-Feb	Alex Bols, Deputy CEO
GuildHE responds to HEFCE revised approach to quality assessment	18-Mar	Gordon Mckenzie, CEO
My First Year as Lay Chair	22-Mar	Monisha Shah, Chair, Rose Bruford College
Your school is turning into an academy, what now?	11-Apr	Declan Spinks, editor of the EduStaff blog
The Social Enterprise Mark	23-Apr	Professor Cara Aitchison, Vice-Chancellor of the University of St Mark and St John
Fairer Home Office regulations for smaller institutions	13-May	Alex Bols, Deputy CEO
Reasons to be cheerful?	25-May	Gordon Mckenzie, CEO
Shining light on a global challenge: leveraging specialisms with EU funded research collaborations	21-Jun	Rachel Persad, Policy Advisor
Is there any hope for part-time HE	10-Sep	Gordon Mckenzie, CEO
Green Paper calls in the Architects	6-Nov	Gordon Mckenzie, CEO
Quality assessment through the looking glass	22-Mar	Gordon Mckenzie, CEO
The HE Bill is not dead and should not be killed	29-Jun	Gordon Mckenzie, CEO

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.

Social Media

GuildHE has increased its presence on Twitter by posting more regularly, engaging with content shared by the sector and members, and by running a live Q&A with Gordon McKenzie. As a result of this the follower count has increased by over 1,000 over the course of the year.

Public Benefit Statement

The Trustees have reviewed the activities of the Charity in the light of the guidance published by the Charity Commission on public benefit. The Trustees are satisfied that GuildHE's activities are for the public benefit. GuildHE 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 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

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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.

FINANCIAL REVIEW

Most of the Charity's income is obtained from membership subscriptions, the use of which is unrestricted to particular purposes.

During the year/period ended 31/07/2016, the Charity received total income of £877,396 and incurred total expenditure of £796,119. The excess of income over expenditure for the year was £81,277.

At the year end the Charity had total reserves of £1,070,274, with restricted reserves of £59,646 and unrestricted free reserves totalling £1,010,628. Reserves are needed to bridge the gap between the spending and receiving of income to cover unplanned repairs and other expenditure. 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 free 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 along with building protection for the future.

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).

The Trustees consider that the ideal level of reserves as at 31/07/2016 would be £400,000. The actual level of free reserves is therefore higher than is needed.

Going concern

The Trustees have reviewed the circumstances of the Charity and consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. The Trustees are of the view that the Charity is a going concern.

Plans for future periods

The Charity has identified the following areas as the key aspects of future plans to be pursued during the next financial year:

- Influencing the Higher Education and Research Bill as it progresses through Parliament and the development of the Teaching Excellence Framework (TEF)
- Showcasing the importance of a diverse higher education sector to a wider public and developing a regulatory landscape that is fit for this diverse sector
- Supporting members following the implications of the outcome of the EU referendum
- Supporting institutions on research and the development of REF2020
- Demonstrating the economic impact of the creative industries and their wider importance

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- Influencing Government on reforms to teacher education to reflect GuildHE's view
- Showcase the importance of active citizenship and the importance within GuildHE institutions

Risk management

The principal risks faced by the Charity are:

- Financial risk – loss of members
- Reputational risk – loss of influence or poor media relations
- Strategic risk – changes in Government direction/policy mean that GuildHE's strategy becomes irrelevant
- Operational risk – business continuity – office inaccessible
- Internal controls – Financial or system errors

The Trustees have a risk management strategy which comprises:

- Regular review by the Executive Group to identify risks and mitigating actions. 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.
- 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.

Investment policy and performance

In order to minimise investment risk, funds are retained in an interest paying deposit account and a proportion placed with Handelsbanken to achieve an improved return on liquid assets. These investment arrangements are kept under close review by the Executive Group.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

GuildHE Limited is a company limited by guarantee and does not have any share capital. It is governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission.

Details of the Trustees who served throughout the year are included in the Reference and Administration Details on page 1.

Members' liability

Each member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they cease to be a member.

Method of recruitment and appointment or election of Trustees

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).

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 three years. Elected trustees may serve for two consecutive terms of three 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. 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

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The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Charity and a chance to meet other staff. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure.

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; presently both roles are undertaken by the same person.

Key management personnel

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Charity to the GuildHE office team led by the Chief Executive Officer.

Related Parties and other Connected Charities and Organisations

None of the Trustees receive remuneration or other benefit from their work with the Charity other than reimbursed travel expenses.

CVCP Properties Plc is the landlord for the premises used by the GuildHE Offices in Central London. During the 2015/16 year GuildHE sub-let part of its office space to the charitable organisation Drama UK.

Sub-associations

The work of GuildHE's sub-associations continued in the 2015/16 year. This included the CREST (Consortium for Research Excellence, Support and Training), ukadia (UK Arts and Design Institutions Association) and the Practical Governance Network. Ukadia welcomed a new member in Hereford College of Arts and 2015/16 also saw a reduction in subscriptions recognising the pressure on institutional budgets and the generally increasing subscriptions across the sector.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of GuildHE Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2016**

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 22/11/16 and signed on the board's behalf by:

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

**Professor J Carter, Chair
Trustee**

**GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUILDHE LIMITED

We have audited the financial statements of GuildHE Limited for the year ended 31 July 2016 set out on pages 15 to 28. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, 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 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 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' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 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; 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' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUILDHE LIMITED

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Bishop Fleming LLP

Pamela Tuckett FCA DChA (Senior statutory auditor)
for and on behalf of

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN
Date: 21-12-16

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Investments	3	4,832	-	4,832	3,611
Charitable activities	2	773,564	99,000	872,564	789,560
TOTAL INCOME		778,396	99,000	877,396	793,171
EXPENDITURE ON:					
Charitable activities	6,7	743,111	53,008	796,119	790,300
TOTAL EXPENDITURE	7	743,111	53,008	796,119	790,300
NET INCOME AND MOVEMENT IN FUNDS		35,285	45,992	81,277	2,871
RECONCILIATION OF FUNDS:					
Total funds brought forward		975,343	13,654	988,997	986,126
TOTAL FUNDS CARRIED FORWARD		1,010,628	59,646	1,070,274	988,997

All activities relate to continuing operations.

The notes on pages 18 to 28 form part of these financial statements.

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02600590

BALANCE SHEET
AS AT 31 JULY 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	10		7,803		21,410
CURRENT ASSETS					
Debtors	11	111,819		127,793	
Cash at bank and in hand		1,108,106		1,023,096	
		<u>1,219,925</u>		<u>1,150,889</u>	
CREDITORS: amounts falling due within one year	12	<u>(81,710)</u>		<u>(114,677)</u>	
NET CURRENT ASSETS			<u>1,138,215</u>		<u>1,036,212</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,146,018</u>		<u>1,057,622</u>
CREDITORS: amounts falling due after more than one year	13		<u>(75,744)</u>		<u>(68,625)</u>
NET ASSETS			<u>1,070,274</u>		<u>988,997</u>
CHARITY FUNDS					
Restricted funds	14		59,646		13,654
Unrestricted funds	14		1,010,628		975,343
TOTAL FUNDS			<u>1,070,274</u>		<u>988,997</u>

The financial statements were approved by the Trustees on 22/11/16 and signed on their behalf, by:



Professor J Carter, Chair

The notes on pages 18 to 28 form part of these financial statements.

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	16	<u>80,178</u>	<u>301,910</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		4,832	3,611
Purchase of property, plant and equipment		-	(2,872)
Net cash provided by investing activities		<u>4,832</u>	<u>739</u>
Change in cash and cash equivalents in the year	17	85,010	302,649
Cash and cash equivalents brought forward		<u>1,023,096</u>	<u>720,447</u>
Cash and cash equivalents carried forward	17	<u><u>1,108,106</u></u>	<u><u>1,023,096</u></u>

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

GuildHE Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

Details of transitional adjustments are found in note 19.

1.3 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.5 INCOME

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

1. ACCOUNTING POLICIES (continued)

1.6 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

1.8 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 OPERATING LEASES

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

1. ACCOUNTING POLICIES (continued)

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 FINANCIAL INSTRUMENTS

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS 102 Section 28 'Employee benefits', the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

1.16 VAT

On the 31st May 2016, part way through the accounting period, the Charity deregistered for VAT. Therefore income and expenditure has been included net or gross where applicable.

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Membership subscriptions	712,574	-	712,574	714,072
Project grants	-	99,000	99,000	21,500
Room hire and subletting income	22,627	-	22,627	21,668
Conferences and events	14,460	-	14,460	8,450
Other income	23,903	-	23,903	23,870
	<u>773,564</u>	<u>99,000</u>	<u>872,564</u>	<u>789,560</u>

In 2015, of the total income from charitable activities, £746,391 was unrestricted funds and £21,500 was restricted funds.

3. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Interest received	4,832	-	4,832	3,611
	<u>4,832</u>	<u>-</u>	<u>4,832</u>	<u>3,611</u>

In 2015, of the total investment income all were unrestricted funds.

4. DIRECT COSTS

	Total 2016 £	Total 2015 £
Recruitment expenses	450	21,707
Invoiced internship	-	2,250
Printing & stationery	1,684	1,943
Research & collaborative projects	41,541	58,664
Accommodation & event costs	30,342	25,962
Grant payments to members - projects	21,000	6,000
Irrecoverable VAT	30,412	50,245
Wages and salaries	304,136	253,993
National insurance	25,055	20,820
Pension cost	40,838	81,047
	<u>495,458</u>	<u>522,631</u>

The pension expense includes any movements in the associated liability for future deficit payments to the USS pension scheme. The contribution rate increased in the year ended 31 July 2015 resulting in an increased in year charge for pensions.

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

5. SUPPORT COSTS

	Total 2016 £	Total 2015 £
Travel claims & expenses	35,466	17,970
Subscriptions	10,957	2,161
Premises rent, rates & service charge	70,073	70,242
Maintenance	53,970	50,146
Insurance	2,573	2,539
Bank charges	1,455	1,360
Printing & stationery	2,699	3,126
Postage & telephone	3,330	3,510
Books & periodicals	-	545
Staff training	2,248	1,654
Sundry expenses	11,472	16,038
Bad debts	600	(2,102)
Professional fees	35,397	43,069
Pension interest	2,508	740
Depreciation	13,607	13,638
	<u>246,355</u>	<u>224,636</u>

6. GOVERNANCE COSTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Auditors' remuneration	5,100	-	5,100	4,225
Auditors' non audit costs	1,440	-	1,440	1,100
Accountancy fees	11,827	-	11,827	12,584
Wages and salaries	28,050	-	28,050	19,842
Employers national insurance	3,214	-	3,214	2,107
Employers pension costs	4,675	-	4,675	3,175
	<u>54,306</u>	<u>-</u>	<u>54,306</u>	<u>43,033</u>

7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on charitable activities	370,029	13,607	358,177	741,813	747,267
Expenditure on governance	35,939	-	18,367	54,306	43,033
	<u>405,968</u>	<u>13,607</u>	<u>376,544</u>	<u>796,119</u>	<u>790,300</u>

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	13,607	13,638
Auditors' remuneration	5,100	4,225
Auditors' remuneration - non-audit	1,440	1,100
Operating lease rentals:		
- other operating leases	63,480	63,480
	<u><u> </u></u>	<u><u> </u></u>

During the year, no Trustees received any remuneration (2015: £NIL).

During the year, no Trustees received any benefits in kind (2015: £NIL).

2 Trustees received reimbursement of expenses amounting to £378 in the current year, (2015: 2 Trustees - £164).

9. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	332,186	273,835
Social security costs	28,269	22,927
Other pension costs	45,513	84,222
	<u><u>405,968</u></u>	<u><u>380,984</u></u>

The average number of persons employed by the company during the year was as follows:

	2016	2015
	No.	No.
	8	8
	<u><u> </u></u>	<u><u> </u></u>

The number of higher paid employees was:

	2016	2015
	No.	No.
In the band £60,001 - £70,000	1	2
In the band £80,001 - £90,000	1	0

All trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration (including employers national insurance and pension contributions) for these individuals is £108,905 (2015: £135,220).

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

10. TANGIBLE FIXED ASSETS

	Furniture, fixtures and fittings £	Computer and office equipment £	Total £
COST			
At 1 August 2015	62,705	25,874	88,579
Disposals	-	(1,996)	(1,996)
At 31 July 2016	<u>62,705</u>	<u>23,878</u>	<u>86,583</u>
DEPRECIATION			
At 1 August 2015	48,334	18,835	67,169
Charge for the year	10,789	2,818	13,607
On disposals	-	(1,996)	(1,996)
At 31 July 2016	<u>59,123</u>	<u>19,657</u>	<u>78,780</u>
NET BOOK VALUE			
At 31 July 2016	<u>3,582</u>	<u>4,221</u>	<u>7,803</u>
At 31 July 2015	<u>14,371</u>	<u>7,039</u>	<u>21,410</u>

11. DEBTORS

	2016 £	2015 £
Trade debtors	79,890	73,013
Other debtors	2,167	2,467
Prepayments and accrued income	29,762	52,313
	<u>111,819</u>	<u>127,793</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	33,594	81,707
Other taxation and social security	-	8,244
Other creditors	9,768	9,768
Accruals and deferred income	38,348	14,958
	<u>81,710</u>	<u>114,677</u>

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	£
DEFERRED INCOME	
Deferred income at 1 August 2015	7,138
Resources deferred during the year	4,334
Amounts released from previous years	(7,138)
	4,334
Deferred income at 31 July 2016	4,334

Deferred income relates to rental income received in advance.

13. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Pension liability	75,744	68,625
	75,744	68,625
	75,744	68,625

14. STATEMENT OF FUNDS

	Brought Forward	Income	Expenditure	Transfers in/out	Carried Forward
	£	£	£	£	£
DESIGNATED FUNDS					
Governance Project	41,712	-	-	-	41,712
Capital reserve for replacement assets	40,000	-	-	-	40,000
Members' Fund from VAT rebate	261,383	-	-	-	261,383
Future funding	-	-	-	267,533	267,533
	343,095	-	-	267,533	610,628
GENERAL FUNDS					
General Funds	632,248	778,396	(743,111)	(267,533)	400,000
Total Unrestricted funds	975,343	778,396	(743,111)	-	1,010,628
RESTRICTED FUNDS					
JISC RDMS Project	13,654	99,000	(53,008)	-	59,646
Total of funds	988,997	877,396	(796,119)	-	1,070,274

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Carried Forward £
Designated funds	343,095	-	-	267,533	610,628
General funds	632,248	778,396	(743,111)	(267,533)	400,000
	<u>975,343</u>	<u>778,396</u>	<u>(743,111)</u>	<u>-</u>	<u>1,010,628</u>
Restricted funds	13,654	99,000	(53,008)	-	59,646
	<u>988,997</u>	<u>877,396</u>	<u>(796,119)</u>	<u>-</u>	<u>1,070,274</u>

DESIGNATED FUNDS

Governance Project

The Governance Project fund is for identifying, building upon and disseminating good practice in governance and the creation of a community 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 three 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 were 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.

Capital reserve

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

Members' Funds

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

Future Funding

The future funding reserve is held for the need of the charity to maintain continuity in protecting it in the event of uncertainties in funding. The funds will allow the charity to maintain operations whilst responding to any changes in funding.

RESTRICTED FUNDS

JISC RDMS Project

CREST, partnering with University of 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 the other smaller and / or specialist institutions with increasingly complete research data management requirements and limited resources.

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	7,803	-	7,803	21,410
Current assets	1,160,279	59,646	1,219,925	1,150,889
Creditors due within one year	(81,710)	-	(81,710)	(114,677)
Creditors due in more than one year	(75,744)	-	(75,744)	(68,625)
	<u>1,010,628</u>	<u>59,646</u>	<u>1,070,274</u>	<u>988,997</u>

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	81,277	2,871
Adjustment for:		
Depreciation charges	13,607	13,638
Dividends, interest and rents from investments	(4,832)	(3,611)
Decrease in debtors	15,974	204,841
(Decrease)/increase in creditors	(25,848)	84,171
Net cash provided by operating activities	<u>80,178</u>	<u>301,910</u>

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	1,108,106	1,023,096
Total	<u>1,108,106</u>	<u>1,023,096</u>

18. PENSION COMMITMENTS

As detailed in the accounting policy, the Charity has accounted for a multi-employer defined benefits pension scheme as a defined contributions pension scheme.

The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £40,902 (2015: £29,675). No contributions were payable to the fund at the balance sheet date and are included in creditors. Included on the balance sheet is a liability for agreed future contributions to the defined benefit pension scheme.

GUILDHE LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

19. FIRST TIME ADOPTION OF FRS 102

It is the first year that the company has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 July 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 August 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 August 2014	31 July 2015
		£	£
Total funds under previous UK GAAP		1,009,232	1,067,389
Recognition of pension deficit recovery plan	A	(23,106)	(78,392)
Total funds reported under FRS 102		<u>986,126</u>	<u>988,997</u>

Reconciliation of net income	Notes	31 July 2015
		£
Net income previously reported under UK GAAP		58,157
Recognition of pension deficit recovery plan	A	(55,286)
Net movement in funds reported under FRS 102		<u>2,871</u>

Explanation of changes to previously reported funds and net income/expenditure:

A As required by FRS 102 Section 28 an adjustment has been made to account for a liability arising from a past service deficit of a multi-employer defined benefit pension scheme in which the charity are participating. The liability has been determined based on future contributions relating to the past service deficit discounted at a rate of 3.2%. The liability is held at fair value and is adjusted to reflect any changes in the liability assumptions.