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Report of the Board of Governors

For the Year Ended 31st July 2005

Constitution and Activities

The University is an independent higher education corporation, its legal status and powers having been established by the Education Reform Act 1988 as amended by the Further and Higher Education Act 1992. In accordance with the terms of the Act the Corporation is also a charity. The University exists primarily to provide higher education, to carry out research and to engage with business and industry. There have been no changes in these objectives during the year.

Background and History

The University is a multi-disciplinary higher education institution which is funded by the Higher Education Funding Council for England, (HEFCE). It is active in 15 of the cost centres designated by the Higher Education Statistics Agency, (HESA), with a higher presence in the science and technology subjects than is typical within the sector. There are two main campuses, both located close to the town centre and one which contains over 300 of the University's buildings on a single site within easy walking distance of both campuses.

Students are drawn predominantly from the local region but there is significant national and international activity. International activity is an increasing element of the business, both taught in Bolton and taught overseas, particularly in the Far East. Part of the distinctiveness of the University arises from the fact that more than half of its students are over the age of 25 and around half are part

In July 2003 the University approved a new six-year Strategic Plan which clearly states our position within UK higher education as a ground-breaking and distinctive provider and sets out a number of key strategies for our continued development and prosperity. A new plan is currently under development for commencement in 2006-07.

Scope of the Financial Statements

For 2004-05 the period of account was 1 August 2004 to 31 July 2005. During this period the University maintained a 100% shareholding in Bolton Institute Enterprises Ltd, a company established for the purpose of commercial exploitation of intellectual property rights and know-how; and also took up a 24.9% holding in Auxetic Technologies Ltd. These financial statements comprise the whole of the activities of the group. Under the terms of the Financial Memorandum between institutions and HEFCE, financial statements are to be prepared in accordance with the Statement of Recommended Practice (SORP) on Accounting for Further and Higher Education Institutions.

Results for the Year

7KH*UR\$Y/LQFRPHH\$HQGLW\$MHDQGUHV\$ØWVIRUWKHSHULRG\$XV\$ to 31 July 2005 is summarised as follows: -

The group has returned an operating deficit of £2,958k and a historical deficit of £1,922k. This is after charging staffing restructuring costs of £976k, a depreciation increase of £1,429k from the previous year, which is principally due to a revaluation of the estate in the summer of 2004, and an impairment write down of £346k on a newly refurbished building. Without these three exceptional items

Cashflow

The Cash flow Statement for the period indicates a net cash inflow of £178k, but there is a decrease in short-term deposits of £1,501k, which is principally due to continuing investment in the estate.

Future Developments

The University is continuing to plan for its estate renewal which will take a number of years to complete. Changes in how and where students are taught, our increasing involvement with the economic regeneration of the sub region and changing property values have caused us to commission a new Estates Strategy for publication during 2005-06. There is also a change in the way that space will be managed in order to drive greater flexibility and utilisation. Like activities are being zoned into shared space with the concept

Information on the University is available on our web site. Broadly, full time home fees will be charged at the rate of £3,000 although bursaries and scholarships will be available to many of these students to a maximum of £1,000 (base price 2004-05).

University Title

In April 2004 the Privy Council confirmed that an application to use a University title would be approved and after a statutory process in 2005. As a University we continue to focus on developing our students in a challenging academic environment that prepares them for real jobs in a real world. University status has strengthened our reputation in research and development and supports our plans to expand enterprise activity. It also supports our international standing and will help to create new partnerships around the world. The Board of Governors recognises the hard work of staff and students but most particularly congratulates Mrs Temple for her tireless determination and tenacity in achieving this much deserved outcome.

Vice Chancellor

**Members of the Board of Governors
1 August 2004 to 31 July 2005**

Name	Category	Note
Mrs L Brannan	Independent	Chair of the Board from January 2005
Dr B Tomkins	Independent	Deputy Chair of the Board from January 2005

Principal Advisers to the University

Bankers

Co-operative Bank plc, PO Box 101, 1 Balloon Street Manchester, M60 4EP

Solicitors

Cyril Morris Arkwright, Churchgate House, 30 Churchgate, Bolton BL1 1

Responsibilities of the Board of Governors

In accordance with the Education Reform Act 1988 the Board of Governors is responsible for the administration and management of the University and to ensure that the financial statements are prepared in accordance with the Education Reform Act 1988 for each financial year.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and to enable it to ensure that the financial statements are prepared in accordance with the Education Reform Act 1988 (as amended by the Further and Higher Education Act 1992), the Statement of Recommended Practice: Accounting for Further and Higher Education and other relevant standards. In addition, within the terms and conditions of Financial Memorandum

Report of the Auditors, KPMG LLP to the Members of The University of Bolton hec

Independent Auditors' report to the Board of Governors of The University of Bolton hec

We have audited the financial statements on pages 10 to 32 which have been prepared under the historic cost convention (as modified by the revaluation of certain fixed assets) and in accordance with the accounting policies set out on pages 10 to 12.

Statement of Principal Accounting Policies (Continued)

(ii) Equipment

On 1 April 1989 the University acquired unrestricted title to all assets then in use. Because accurate inventories were not available valuation of transferred equipment for balance sheet purposes has been agreed with the auditor on the basis of one half of insured value, this has now been fully depreciated. Purchases greater than £10,000 since 1 April 1989 have been capitalised at purchase price and will be written down over the period indicated as follows : -

Equipment	Economic Life (Years)
Equipment acquired after 1 August 1998	3
Telephone Equipment	5
Halls of Residence Furniture	10

d) HEFCE Grants

HEFCE grant income is accounted for in accordance with the purpose of the grant. Recurrent and other revenue grants are credited directly to the Income and Expenditure Account. Grants, which are applied to acquire tangible fixed assets, are credited to the Income and Expenditure account over the estimated useful life of the assets. Grants received from HEFCE, which are attributable to future years, are included in creditors as deferred credits.

e) Other Grants

Certain grants are received for specific purposes. Income from continuing research grants and contracts has been included in the financial statements to the extent that it is due.

f) Taxation

The University is an exempt charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of section 506(1) of the Taxes Act 1988. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within the categories covered by section 505 of the Taxes Act 1988 or section 256 of the Chargeable Gains

Statement of Principal Accounting Policies (Continued)

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**Balance Sheets
As at 31 July 2005**

	Note	Consolidated 2004-05 £000	University 2004-05 £000	Consolidated 2003-04 £000	University 2003-04 £000
Fixed Assets					
Tangible Assets	13	52,705	52,705	52,710	52,709
Investments	14	16	0	1	0
		<u>52,721</u>	<u>52,705</u>	<u>52,711</u>	<u>52,709</u>
Endowment Asset Investments	15	103	103	101	101
Current Assets					
Debtors	16	2,478	2,479	2,827	2,810
Investments	17	0	0	0	0
Short Term Deposits	18	2,684	2,684	4,185	4,185
Cash at Bank and in Hand		328	328	150	146
		<u>5,490</u>	<u>5,491</u>	<u>7,162</u>	<u>7,141</u>
Creditors: Amounts Falling Due within one Year	19	5,744	5,744	6,046	6,000
		<u>(254)</u>	<u>(253)</u>	<u>1,116</u>	<u>1,141</u>
Net Current (Liabilities)/Assets					
Total Assets Less Current Liabilities		<u>52,570</u>	<u>52,555</u>	<u>53,928</u>	<u>53,951</u>
Creditors: Amounts Falling Due after more than one Year	20	8,009	8,009	8,212	8,212
Provisions for Liabilities and Charges	21	2,590	2,590	2,242	2,242
		<u>41,971</u>	<u>41,956</u>	<u>43,474</u>	<u>43,497</u>
Total Net Assets					
Represented by:					
Deferred Capital Grants	22	10,180	10,180	9,038	9,038
Endowments					
Specific	23	103	103	101	101
Reserves					
Revaluation Reserve	24	28,901	28,901	29,626	29,626
Income and Expenditure Account	25	2,787	2,772	4,709	4,732
Total Reserves		<u>31,688</u>	<u>31,673</u>	<u>34,335</u>	<u>34,358</u>
		<u>41,971</u>	<u>41,956</u>	<u>43,474</u>	<u>43,497</u>
Total Funds					

The financial statements on pages 10 to 32 were approved by the Governors on 30th November 2005, and signed on its behalf by :

Mrs L Brannan, Chair of the Board of Governors

Mrs M Temple, Vice Chancellor

**Consolidated Cash Flow Statement
For the Year Ended 31 July 2005**

	Note	2004-05 £000	2003-04 £000
Net Cash (Outflow)/Inflow from Operating Activities	28	0	2,866
Returns on Investments and Servicing of Finance	29	(612)	(655)
Capital Expenditure and Financial Investment	30	(554)	(1,659)
Cash (Outflow)/Inflow before use of Liquid Resources & Financing		<u>(1,166)</u>	<u>552</u>
Management of Liquid Resources (Short-term Deposits)	32	1,501	(935)
Financing	31	(157)	(123)
Increase/(Decrease) in Cash	32	<u>178</u>	<u>(506)</u>

Reconciliation of Net Cash Flow to Movement in Net Debt

	Note	2004-05 £000	2003-04 £000
Increase/(Decrease) in Cash in the Period		178	(506)
(Decrease)/Increase in Short Term Deposits	32	(1,501)	935
Repayment of Debt	31	157	123
Change in Net Debt		<u>(1,166)</u>	<u>552</u>
Net Debt at 1st August		(4,031)	(4,583)
Net Debt at 31st July	32	<u>(5,197)</u>	<u>(4,031)</u>

**Statement of Consolidated Total Recognised Gains and Losses
For the Year Ended 31 July 2005**

	Note	2004-05 £000	2003-04 £000
(Deficit) after Depreciation of Assets at Valuation and Tax		(2,958)	(629)

Notes to the Accounts

1. Funding Council Grants

	HEFCE £000	LSC £000	TDA £000	Total £000	2003-04 Total £000
Recurrent Grant					
Teaching	16,507	270	0	16,777	15,252
Research	163	0	0	163	226
Widening Access	1,535	0	0	1,535	1,820
Total Recurrent Grants	18,205	270	0	18,475	17,298
Specific Grants					
Foundation Degree Development	99	0	0	99	0
Knowledge Transfer Capability	155	0	0	155	0
Restructuring and Collaboration - Strategic	100	0	0	100	73

2. Academic Fees and Support Grants

	2004-05 £000	2003-04 £000
Fees paid by or on behalf of individual students		
UK Higher Education Students	3,270	3,334
European Union (excluding UK) Students	97	121
Non-EU Students	3,357	2,799
UK Further Education Students	153	178
Part-time Fees	1,841	1,659
Other Fees and Grants	69	66
Total fees paid by or on behalf of individual students	8,787	8,157
NHS Contracts	366	366
Total Fees	9,153	8,523

Notes to the Accounts

3. Research Grants and Contracts

	2004-05 £000	2003-04 £000
Research Councils	223	170
UK Based Charities	41	21
EU Government Bodies	252	136
Other Grants and Contracts	1,218	1,120
Releases from Deferred Grants (Note 22)	0	5
	<u>1,734</u>	<u>1,452</u>

4. Other Operating Income

	2004-05 £000	2003-04 £000
Residences, Catering and Conferences	1,549	1,480
Other Income Generating Activities	1,532	1,766
Releases from Deferred Capital Grants (Note 22)	33	72
EU Government Bodies	407	218
Other Income	472	331
	<u>3,993</u>	<u>3,867</u>

5. Endowment Income and Interest Receivable

	2004-05 £000	2003-04 £000
Income from Short Term Investments	<u>217</u>	<u>174</u>

Notes to the Accounts

6. Staff Costs

	2004-05 £000	2003-04 £000
Staff Costs:		
Wages & Salaries	17,841	16,827
Social Security Costs	1,430	1,341
Other Pension Costs (Note 33)	2,198	2,036
	<u>21,469</u>	<u>20,204</u>
Contribution to Pension Provision (Note 21)	321	353
Restructuring Costs - Enhanced Pensions (Note 21)	169	0
Restructuring Costs - Cash	807	278
	<u>22,766</u>	<u>20,835</u>

The average pay award during 2004-05 for academic and support staff was 3.0% (2003-04, 3.44%); and, 4.78% (2003-04, 3.77%) for, locally reviewed, management salaries.

Notes to the Accounts

Notes to the Accounts

13. Tangible Assets

	Land & Buildings Freehold £000	Land & Buildings Leased £000	Equipment £000	Leased Equipment £000	Total £000
Valuation or Cost					
At 1st August 2004 - Valuation	21,289	6,686	0	0	27,975
- Cost	16,563	7,514	12,099	599	36,775
At 1st August 2004	37,852	14,200	12,099	599	64,750
Reclassify	(26)	0	26	0	0
Written Out on Liquidation of Subsidiary	0	0	(1)	0	(1)
Additions at Cost	751	0	662	0	1,413
Building in the Course of Construction	1,096	0	0	0	1,096
Revaluation of Land and Buildings (Note 24)	139	0	0	0	139
Revaluation of Design Centre	(175)	0	0	0	(175)
	1,785	0	687	0	2,472
At 31 July 2005	39,637	14,200	12,786	599	67,222
Depreciation					
At 1st August 2004 - Valuation	0	0	0	0	0
- Cost	0	0	11,441	599	12,040
At 1st August 2004 - Valuation	0	0	11,441	599	12,040
Charge for year - Valuation	840	172	0	0	1,012
Charge for year - Cost	650	166	649	0	1,465
	1,490	338	649	0	2,477
At 31st July 2005 - Valuation	1,490	338	12,090	599	14,517
Net Book Value					
<u>At 31st July 2005</u>	38,147	13,862	696	0	52,705
<u>At 1st August 2004</u>	37,852	14,200	658	0	52,710

Financed by CapVaf364 178.34 Tm 0 Tc[2]3(,)-5(4)3(7)3(7)3(v)JTJET7oer(N563

Under the requirements of FRS15 a valuation of all the University's tangible assets was carried out in accordance with the Appraisal and Valuation Manual on 31st July 2004 by the University's Valuers

Eddisons Chartered Surveyors
Oak House
New North Road
Huddersfield
HD1 5LG

Notes to the Accounts

The valuation was made upon the basis of depreciated replacement cost for all land and buildings with the exceptions of Cubaran House and the I-Zone building which were based on market values (£750,000 and £150,000 respectively).

The 31 July 2004 valuation of the land and buildings comprising the Design Centre was less than the cost of works, the shortfall amounting to £347,000 not covered by the Revaluation Reserve has been written off to the Income and Expenditure Account.

Land and Buildings with a net book value of £22,500,000 and cost of £14,207,000 have been funded from Treasury sources: should these particular buildings be sold, the University would have to surrender the proceeds to the Treasury or use them in accordance with the Financial Memorandum with the Higher Education Funding Council.

Included within land and buildings is land valued at £4,780,000 (freehold) and £1,350,000 (leased) which is not depreciated.

Notes to the Accounts

The University owns 100 £1 Ordinary Shares in Bolton Institute Enterprises Ltd, a wholly owned subsidiary of the University; and 25% of Auxetic Technologies Ltd.

Bolton Institute Enterprises Ltd holds 30,000 £1 Ordinary shares, valued at £1,456, in c-Lect medical Ltd; and 1 £1 Ordinary Share in I-Zone Incubation Ltd. I-Zone Incubation Ltd was incorporated and started trading on 4th October 2002 to develop intellectual property and manage the I-Zone building. The investment in I-Zone Incubation Ltd represented 50% of its issued capital, with the other 50% being held by Campus Ventures Ltd. However, since the University did not have control of I-Zone Incubation Ltd, it was treated as an associate, and its results to 31st July 2004 were consolidated with the University. On 12th January 2005 I-Zone Incubation Ltd was declared insolvent as a consequence of the insolvency of Campus Ventures Ltd, and it has now been written out of the consolidated accounts. Auxetic Technologies Ltd was set up in October 2004 to develop some of the UQLYHUVLWYLQWOOHFWDORSLSHWnt being 25% of its issued capital (with the remainder being held by Rising Stars Growth Fund 45%; the founders 25%, and others 5%). Since the University does not have control of Auxetic Technologies Ltd, it has been treated as an associate, and its results to 31st

Notes to the Accounts

19. Creditors: Amounts Falling Due Within One Year

	Consolidated 2004-05 £000	University 2004-05 £000	Consolidated 2003-04 £000	University 2003-04 £000
Mortgages and Unsecured Loans (Note 26)	50	50	50	50
Obligations Under Finance Leases (Note 26)	150	150	104	104
Payments Received on Account	1,000	1,000	529	529
Creditors	2,241	2,241	2,661	2,615
Social Security and Other Taxation Payable	835	835	744	744
Accruals and Deferred Income	63	63	63	63
Government Grants	1,405	1,405	1,895	1,895
	<u>5,744</u>	<u>5,744</u>	<u>6,046</u>	<u>6,000</u>

20. Creditors: Amounts Falling Due After More Than One Year

	Consolidated 2004-05 £000	University 2004-05 £000	Consolidated 2003-04 £000	University 2003-04 £000
Mortgages secured on residential and other properties repayable by 2010	375	375	425	425
Obligations under Finance Leases (Note 26)	7,634	7,634	7,787	7,787
	<u>8,009</u>	<u>8,009</u>	<u>8,212</u>	<u>8,212</u>

The mortgage is a secured loan upon Chadwick Campus, repayable by equal instalments of principal of £50,000 pa, and at an effective annual interest rate of 7¼%.

The leases are repayable by rentals (covering principal and interest), and both expire in June 2018.

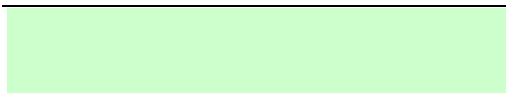
The rentals on the Hollins residence escalate at 3% pa; the effective annual interest rate is 11¼%.

The rentals on Orlando residence are variable, based on the 3 month London Inter Bank Offered Rate (LIBOR).

21. Provision for Liabilities and Charges

	Consolidated 2004-05 £000	University 2004-05 £000	Consolidated 2003-04 £000	University 2003-04 £000
Pension Enhancement:				
Balance at 1st August	2,242	2,242	2,029	2,029
Utilised in Year	(142)	(142)	(140)	(140)
Transfer from Income and Expenditure Account	490	490	353	353
Balance at 31st July	<u>2,590</u>	<u>2,590</u>	<u>2,242</u>	<u>2,242</u>

Notes to the Accounts



23. Specific Endowments

Group and University

	2004-05 £000	2003-04 £000
Balance at 1st August	101	100
Income for the year	2	1
Balance at 31st July	<u>103</u>	<u>101</u>
Represented by:		
Fellowship and Scholarship Funds	34	34
Prize Funds	44	42
Other Funds	25	25
	<u>103</u>	<u>101</u>

24. Revaluation Reserve

Group and University

	2004-05 £000	2003-04 £000
Balance at 1st August	29,626	9,719
Released in Year (Depreciation)	(1,036)	(362)
Realised in Year (upon Disposal)	0	(300)
Revaluation of Fixed Assets (Note 13)	139	20,569
Revaluation of Design Centre	172	0
Balance at 31st July	<u>28,901</u>	<u>29,626</u>

Notes to the Accounts

25. Income and Expenditure Account	Consolidated 2004-05 £000	University 2004-05 £000	Consolidated 2003-04 £000	University 2003-04 £000
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26. Financing Obligations	Group and University			
	Loan 2004-05 £000	Lease 2004-05 £000	Total 2004-05 £000	Total 2003-04 £000
Financing Obligations fall due as follows:				
Between two and five years	200	1,119	1,319	1,097
Over five years	175	6,515	6,690	7,115
Total over one year (Note 20)	375	7,634	8,009	8,212
Within one year (Note 19)	50	150	200	154
	425	7,784	8,209	8,366

*Rentals due on Orlando Residences Lease are geared to 3 month LIBOR, the amount included here is based upon the assumption that this rate remains at that prevailing as at 31st July 2005.

27. Capital Commitments	Group and University	
	2004-05 £000	2003-04 £000
Committed contracts at 31st July	3,323	432
Authorised but not contracted at 31st July	1,730	1,925
	<u>5,053</u>	<u>2,357</u>

28. Reconciliation of Consolidated Operating (Deficit) to Net Cash from Operating Activities	2004-05 £000	2003-04 £000
(Deficit) before tax	(2,958)	(629)
Depreciation (Note 13)	2,477	1,048
Deferred capital Grants Released to Income (Note 22)	(829)	(403)
Investment income (Note 5)	(217)	(174)
Interest Payable (Note 10)	831	830
Reduction on Revaluation (Note 9)	347	0
Decrease in Debtors	349	324
(Decrease)/Increase in Creditors	(348)	1,657
Increase in Provisions	348	213
Net Cash (Outflow)/Inflow from Operating Activities	<u>0</u>	<u>2,866</u>

Notes to the Accounts

30. Capital Expenditure and Financial Investment

	2004-05 £000	2003-04 £000
Investments in Associated Company	(15)	0
Tangible Assets Acquired (other than leased equipment) (Note 13)	(2,509)	(5,948)
Endowment Asset Investments Acquired (Note 15)	(2)	(1)
Total Fixed and Endowment Asset Investments Acquired	(2,526)	(5,949)
Receipts from the sale of assets	1	300

31. Analysis of Changes in Consolidated Financing During the Year

	Mortgages & Loans £000	Finance Leases £000	Total £000
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32. Analysis of Changes in Net Debt

	At 1 August 2004 £000	Cash Flows £000	Other Changes £000	At 31 July 2005 £000
Cash at Bank and in hand	150	178	0	328
Short Term deposits	4,185	(1,501)	0	2,684
Debt due within one year	(154)	157	(203)	(200)
Debt due after one year	(8,212)	795	(592)	(8,009)

Notes to the Accounts

33. Pension Schemes

The two principal pension schemes for the University are the Teachers' Pension Scheme (TPS) and the Greater Manchester Pension Fund (GMPF) for those staff not included as academic. Details on each scheme and the assumptions, plus other data that have the most significant effect on the determination on the contribution level are as follows :

Teachers' Pension Scheme (TPS)

The University participates in the TPS, which is an unfunded defined benefit pension scheme where contributions payable are credited to the Exchequer and a notional set of investments maintained. The pension cost is assessed every five years by the Government Actuary.

The contributions payable by the University during the accounting period were equal to 9.1% of total pensionable salaries, amounting to £1,314,000 (£1,243,000 2003-04). This contribution rate has remained at 13.5% for the year of account. The pensions charge recorded by the University during the accounting period was equal to the contributions payable.

FRS17

The TPS is a multi-employer scheme where the share of the assets and liabilities applicable to each employer is not identified. The University will therefore account for its pension costs on a defined contribution basis as permitted by FRS17. This includes the additional 5.15% contribution payable from April 2003 to make up the deficiency in funding level disclosed above.

	TPS
Latest actuarial valuations	31st March 2001
Actuarial method	Prospective Benefits
Gross Rate of returns per annum	7.0%
Real Earnings growth per annum	1.5%
Real Rate of Return in excess of Prices per annum	3.5%
Market value of assets at date of last valuation	£102,010 million
Proportion of members accrued benefits covered by the actuarial value of the assets	100.0%

The contribution rate rose from 13.2% to 13.5% from 1st April 2003.

Greater Manchester Pension Fund (GMPF)

The University participates in the GMPF, which is a funded defined benefit pension scheme where contributions payable are held in a trust separately from the University.

The University paid contributions averaging 13.2%, amounting to £884,000 (£793,000 2003-04) for the accounting period as recommended by the actuary. The contribution rate rose in April 2005 from 13.9% to 14.2% although following the 2004 valuation this rate will remain in operation until March 2008.

FRS17

The University participates in the GMPF, a defined benefit scheme operating in the UK.

Under the transitional requirements of FRS17 the University is required to disclose further information on its share of assets and liabilities of the GMPF on an FRS17 market value basis at the end of the accounting period.

The Actuary has now completed the 2004 valuation exercise, and accordingly the University's valuation as at 31st July 2005 has been based on the data from the full fund actuarial valuation carried out at 31st March 2004 by a qualified independent actuary. The main assumptions used by the actuary were :

Major Actuarial Assumptions

	2004-05	2003-04	2002-03
Rate of Increase in Pensions	2.8%	2.9%	2.6%
Rate of Increase in Salaries	4.3%	4.4%	4.1%
Discount Rate	5.0%	5.8%	5.5%

33. Pension Schemes (continued)

The assets in the scheme and the expected rate return were :

Scheme Assets

	Long term Return Expected 2004-05 %	Value at 2004-05 £000	Long term Return Expected 2003-04 %	Value at 2003-04 £000	Long term Return Expected 2002-03 %	Value at 2002-03 £000	Long term Return Expected 2001-02 %	Value at 2001-02 £000
Equities	7.3%	14,643	7.9%	11,980	8.0%	10,455	8.0%	8,725
Bonds	4.7%	3,450	5.4%	2,913	5.0%	2,183	5.5%	2,497
Property	5.4%	1,986	6.7%	1,769	6.0%	1,501	6.0%	1,245
Cash	4.5%	1,729	4.5%	1,028	3.5%	1,009	4.0%	883
		21,808		17,690		15,148		13,350

The following amounts at 31st July were measured in accordance with the requirements of FRS17 :

If the above amounts had been recognised in the financial statements, the University's net assets at 31st July would be :

Notes to the Accounts

33. Pension Schemes (continued)

Additionally, if the pension costs had been recognised in accordance with FRS17, the following components of the pensions charge would have been recognised in the Income and Expenditure Account and the Statement of Recognised Gains and Losses for the year ended 31st July 2005.

Analysis of Amounts Charged to Income and Expenditure Account

	2004-05 £000	2003-04 £000
Current Service Cost	958	998
Past Service Cost	68	0
	<u>1,026</u>	<u>998</u>
Financing - Expected return on Scheme Assets	(1,298)	(1,105)
- Interest on Expected return on Scheme Liabilities	1,317	1,132
- Net Return	19	27
	<u>1,045</u>	<u>1,025</u>

Analysis of Amounts Recognised in Statement of Total Recognised Gains and Losses

2004-05 £000	2003-04 £000
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The total, the movement in the University's share of the scheme's deficit is as follows:

Movement in the University's Share of the Scheme's (Deficit)

	2004-05 £000	2003-04 £000
Deficit on Scheme at August 1st	(4,542)	(4,888)
Movement in Year		
Current Service Cost	(958)	(998)
Contributions	907	814
Contributions in respect of Unfunded Benefits	7	7
Past Service Costs	(68)	0

Note to the Accounts

Due to the nature of the University, it is inevitable that transactions take place with organisations in which a member of the Board may have an interest. All transactions involving organisations in which a member of the Board may have an interest are carried out in accordance with the University's policies and procedures.

Trust Fund Balances
As at 31st July 2005

The University administers the following Trust Funds, but they do not form part of the University's FR&WV

	2004-05	2003-04
	£	£
Ryder Brothers "Beehive" Prize Fund	1,234	1,212
Samuel Crompton Prize Fund	14,125	13,868
BIHE Mechanical Engineering Fund	986	968
William McKinlay Prize Fund	482	473
J T Fielding Scholarship	797	782
Sydney Bannister Memorial Fund	1,305	1,282
F C Openshaw Memorial Fund	16,654	16,827
C H Booth Legacy	538	528
Mike Avis Prize Fund	615	805
Janis Williamson Prize Fund	556	646
Bob Williamson Prize Fund	312	406
	<u>37,604</u>	<u>37,797</u>

I have examined the transactions of the above trust funds and certify that the balances as at 31st July 2005 are as stated.

◀

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30th November 2005