THE ROYAL VETERINARY COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS 2014

The Royal Veterinary College

ANNUAL REPORT and FINANCIAL STATEMENTS 2014

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GOVERNORS AND ADVISORS

MEMBERS OF THE COUNCIL OF THE ROYAL VETERINARY COLLEGE

Independent Members

The Baron Curry of Kirkharle, KB CBE	*(Chairman from 1 August 2012)- First term from 1 August 2012 – 31 July 2016 +**
Professor J C Milne	*(Vice Chairman from 1 August 2013 – 1 June 2014 +*)* – Resigned from Council 1 June 2014
Mr D Danson	*(Vice Chairman from 1 June 2014) Second term from 1 August 2012 – 31 July 2016 +**
Mr C Perrin, CBE	*(Honorary Treasurer) – Second term from 1 August 2014 – 31 July 2018 +**
Mr E Barnett	*First term from 1 April 2013 – 31 July 2017 +**
Mr R Bright CB	*First term from 1 August 2013 – 31 July 2017 +*
The Rt Hon Frank Dobson, MP	*Second term from 1 August 2012 – 31 July 2016*
Mr J Grosvenor	*First term from 1 August 2011 – 31 July 2015 #*
Mr P Reid	*First term from 1 June 2014 – 31 July 2018 #*
Professor E Simpson	*First term from 1 August 2012 – 31 July 2016*
Professor Dame Lesley Southgate, DBE	*Second term from 1 August 2013 – 31 July 2017 #*
Mr J Walmsley	*Second term from 1 August 2013 – 31 July 2017 #*

Members Elected by the Academic Board

Professor A Boswood	*First term from 1 August 2011 – 31 July 2015*
Professor C Wheeler-Jones	*Second term from 1 August 2012 – 31 July 2016*

President of the Students' Union
Mr C Mays (2013/14)

Principal *(ex-officio)*
Professor SWJ Reid

Senior Academics of Vice-Principal status or equivalent *(ex-officio)*
Professor DB Church (V-P Learning and Student Experience)
Professor J Elliott (V-P Research & Innovation)
Professor S May (Deputy Principal)

Secretary to Council (in attendance):	Mrs E Acaster	*(until 31 August 2013)*
	Mr I Darker	*(Acting Secretary 1 September 2013 – 31 December 2013)* *(Appointed Secretary 1 January 2014)*

The members of Council are considered to be the Trustees.

Members of Council Committees
+ Finance and General Purposes Committee # Audit Committee * Remuneration Committee

Bankers	The Royal Bank of Scotland, London
Auditors	KPMG LLP Chartered Accountants and Statutory Auditors London

CHAIRMAN'S INTRODUCTION
for the year ended 31 July 2014

It is my pleasure to present to you the Annual Accounts of the Royal Veterinary College. The last year has, without doubt, brought its challenges but I am delighted that we can report, once again, a successful out-turn. Not only has RVC met its strategic objectives, it continues to work towards a future that will see major new investments.

Responding to the changes occurring in the external funding environment has required that we look in great detail at issues of sustainability and financial robustness, key factors in our planning cycle as we seek to meet the needs of our students, our patients, our clients, our staff and our many stakeholders. In a competitive environment, it will be how we manage these relationships that will ensure our continued success.

This year, perhaps more than any to date, I have been struck by the effectiveness of the team that makes RVC tick. Amongst the many people dedicated to RVC's mission, I must recognise my fellow councillors for their personal commitment in providing a strategic steer to the Principal and his colleagues as they deliver the day to day business of the Royal Veterinary College.

Having inherited an organisation with a prestigious history, our charge is to ensure RVC's future is every bit as illustrious. I am sure that the pages that follow will provide you with the assurance that our trajectory meets this expectation. I am very grateful to The Principal, Professor Stuart Reid and his team for their leadership and commitment to the continuing success of the RVC.

Lord Curry of Kirkharle

PRINCIPAL'S REPORT
for the year ended 31 July 2014

Higher Education is about the future; whether in our training, our research or in delivering clinical services, the Royal Veterinary College's mission is to ensure that our world is ultimately a better place through the endeavours of our graduates, the impact of our discoveries or through controlling disease. Rising to this challenge can only be achieved by establishing and building on strong foundations at the same time as reviewing and charting progress in an honest and rigorous fashion. And of course, one must define one's direction of travel and one's destination, however distant that may be.

The launch, this year, of our new strategic plan moved our aspirations forward in a way that will provide a framework for the coming five years. In defining six goals we have specifically identified, for the first time, two new areas. The first is that of the student experience, and with it the "hidden" curriculum, and second, our international aspirations and global citizenship. Notably, both of these will require significant expenditure over and above a need to address recurring capital issues and the shortfall that is emerging in "core" funding.

It is therefore heartening to reflect on the last twelve months and to be able to report that our business performance has again been very positive and that the RVC is creating the headroom through which it will be able to make these investments. Looking back, it is even more encouraging to note that our ability to generate funds for our future has been an increasing recent trend and that we are now positioned well to embark on our new plans and, in doing so, transform our campuses and the way in which we deliver our missions, whether at home or abroad.

Our current and continuing financial sustainability depends in part upon our performance in other metrics and it is pleasing to report strong performance in these: our student numbers are buoyant; our submission to the Research Excellence Framework exercise was a significant step up in quality from the last assessment, with impact an important new consideration; our clinical service activity has increased at a rate that is as encouraging as it is challenging. It is also noteworthy that our staffing has now returned to its 2010 levels as we have reshaped and redirected our efforts to deliver the results that are laid out in the pages that follow.

I am once again indebted to my colleagues, through whose commitment and dedication our success is achieved. Ranked in the top three in the UK, beside Oxford and Cambridge, for the quality of our teaching, and global leaders in key measures in the Student Barometer survey; with more publications in the top ranking journals than any year previously; and with surgical procedures taking place in our clinics that are unique in Europe – all of these require individuals that are leaders in their fields and teams that function for the common good.

But it is to our Strategic Plan that I return. Much is made of "satisfaction" in the many audits to which we are subjected or to which we submit ourselves. However, during the process that led to the development of our new objectives, when we considered the key metrics by which we would consider success, we agreed that satisfaction was simply not good enough. Instead, for each goal, we now aspire towards "recommendation" and to be recommended by the relevant stakeholder in each of our missions: by our students to future students, by our staff to potential employees, by our clients to those who do not use our services and by our stakeholders to those with whom we do not yet have a relationship.

And as my Chairman states in his introduction, it is through these many relationships that we will achieve our success whether it is academic, clinical or financial, and underpinning all of this must be an ethos and atmosphere that speaks of our commitment, our caring, our passion and, above all, our professionalism.

Professor Stuart WJ Reid

OPERATING AND FINANCIAL REVIEW
for the year ended 31 July 2014

The Operating and Financial Review considers the College's activities in the year 2013-14 in the context of the challenges and risks within which it operates.

Context and risk analysis

The Royal Veterinary College (RVC), founded in 1791, was the first of its kind in the UK and remains the only independent Higher Education Institution for teaching and research in the veterinary and allied sciences. The RVC has the largest range of veterinary, para-veterinary and animal science undergraduate and postgraduate courses of any veterinary school in the world, and is one of the largest veterinary schools in Europe. The College is a constituent college of the federal University of London.

The key strategic objectives of the College are set out within its new Strategic Plan 2014-2019. At the heart of this are the three pillars of the College's mission: education, the discovery and translation of new knowledge and the delivery of optimal clinical care and opinion. Developing and enhancing excellence across all of the College's activities is paramount.

The College has adopted a range of Key Performance Indicators to assess its overall strength and progress against the Strategic Plan. Areas covered include: student recruitment, retention and employability; improving the student experience in both educational and social terms; financial performance against budgets and longer-term sustainability; quality of research outputs and funding success; growth in clinical caseload driven by targeted investment in services and facilities.

Risk awareness and management is well embedded within the College. The Corporate risk register sets out the key risks. It is compiled on a cyclical basis involving periodic zero based reconstructions by both the Senior Management Group and Council, the cascade of process through mission and regular update by management. The College has recently decided to introduce a standing risk register item on all of its management and governance committees and is currently updating the format and structure of the register to improve its focus and clarity.

Financial risks continue to dominate the risk register. Uncertainties in the external funding environment persist and there are potentially significant pressures on costs from pension reforms. On-going scrutiny ensures the College meets and provides for its historical, current and future obligations. Other significant risks include those impacting on the College's reputation, including performance in the National Student Survey and league tables.

Compared to other Higher Education Institutions, the College derives a relatively large proportion of its income from commercial activities. These are primarily through veterinary fees generated by our veterinary hospitals, first opinion practices and diagnostic laboratories. In addition, the College's wholly owned subsidiary, the London BioScience Innovation Centre, provides laboratory and office space to both small and established biotech and related industry companies. These areas of the College's operations are subject to very different market and competitive conditions when compared to teaching and research activities; appropriately, different leadership, management and risk analyses are in place.

Academic review

Learning and the student experience
The College's taught undergraduate programmes aim to provide education to the whole of the veterinary team as well as to students interested in biomedical research.
Interest in the BVetMed programme continues to be strong. This year again we averaged approximately 9.5 applicants per place for our five-year programme and increased interest in both the Graduate and Gateway entry paths. Regardless of the entry pathway, the BVetMed programme provides the education, skills and knowledge required to practice as a veterinary surgeon. As the only course currently validated by the RVCS, the AVMA, the AVBC and the EAEVA, graduates are effectively able to work as a veterinary surgeon anywhere in the world.

The College remains committed to supporting the concept of the "veterinary team" as the future of veterinary practice and this belief underpins the College's involvement in the training and educational programmes we offer. The College is unique offering a suite of programmes in veterinary nursing including a Foundation Degree (FdSc) and an "in parallel" BSc together with a Graduate Diploma in Practical And Clinical Veterinary Nursing, all of which recruited to target this year. Interest in the undergraduate nursing programmes continues to be exceptional and competition for places is the highest of any of our undergraduate programmes.

OPERATING AND FINANCIAL REVIEW
for the year ended 31 July 2014

Interest in the College's BSc in Bioveterinary Science and Biological Science also continues to increase to the extent that this year we exceeded our already increased recruitment targets by 21%. Despite this significant growth, we believe there are real opportunities to increase further the appeal of this course through modification of the entry requirements, diversification of modules and also offering a combined Bachelors and Masters degree.

The College takes extremely seriously the views of its students, many of which are expressed through a range of different surveys. The College is particularly proud to have been ranked as first in the world for its outstanding staff by the International Student barometer survey and in the Times Higher Survey of UK institutions, the College was ranked third behind Oxford and Cambridge for the quality of its lecturers and overall teaching.

Research and innovation
Research activity across the College continues to deliver. The College submitted its REF return opting for inclusion of a high volume of staff supported by competitive impact case studies. Senior management recognised this strategy might lead to a lower quality profile but modelling of the data suggested the inclusive approach would lead to a better financial return and would recognise the value of our research across the whole spectrum of our activities. The REF strategic appointments made during 2013 are working well within their respective research groups having transferred their funded programmes of work to the College.
The College's Ecosystems Health research group has been successful in the recent Zoonoses and Emerging Livestock Systems (ZELS): Reducing the risk to livestock and people programme. This is a cross Research Council scheme co-ordinated by BBSRC and co-funded by the Department for International Development. The College will be involved in four of the 10 grants funded through this scheme, leading two of the six major programme grants. Following a recent strategic appointment in the field of biology of parasites, the College has been invited to join the London Centre for Neglected Tropical Diseases.

The College's excellence in basic and translational biomedical research has also been recognised by an invitation to join the Global Medical Excellence Consortium (GMEC) in rare diseases. Staff from the College have developed laboratory animal models to test novel treatments for rare neuromuscular disease and are working within the consortium to access funding from the pharmaceutical industry so findings can be translated into new medicines to help people with these life-changing, but neglected, diseases. Membership of GMEC is a very positive development and is expected to increase our access to industrial funding.

The College continues to publish in the top journals with one paper in Nature (from our Structure and Motion Laboratory) and one in Science (from our newly appointed evolutionary geneticist) published since the REF submission.

External grant funding continues to be extremely competitive. Success in the ZELS BBSRC/DFiD initiative has led to another £4.5M in new BBSRC awards within 2013-14, some of which will be distributed to international partners. The Wellcome Trust, who used to be a major funder of the College's biomedical research until they changed their funding strategy, are adopting a new approach to funding which we believe will be more accessible to our researchers.

The College's future success in research is in part driven by the number of PhD studentships and completion rates. Our target is to have 120 active PhD students, and the College remains very close to achieving this despite the drop in Research Council studentships the College is able to access. Funding PhD students is becoming more difficult, and with the move away from BBSRC awarding Doctoral Training Grants to departments and small institutions to the multi-institutional model of doctoral training partnerships, the competition for Industrial CASE students through BBSRC has intensified. The College remains part of the UCL-led BBSRC doctoral training partnership which was recently successful in a bid for renewal of funding for a further 5 years from 2015, with an increase in the number of students making it the largest BBSRC-funded partnership in the UK.

The College has been able to use a University of London endowment fund to increase the number of internally funded scholarships it can offer so numbers of PhD students have remained stable within this financial year. The challenge will be to find new external funders of block grants to support PhD students in the coming years.

Clinical Services
The College's state of the art teaching hospitals and laboratory diagnostic services aim to provide a range of learning opportunities for undergraduate and postgraduate students which are critical to their clinical training by attracting and managing a significant caseload in multiple disciplines across the species.

Our hospitals offer practising veterinary surgeons and animal owner's access to clinical care that is unrivalled in its commitment to quality and innovation, creating strong demand for our clinical services and helping to build the reputation of the RVC as an international centre of reference.

Continued growth in caseload and associated clinical income across our commercial clinical services has provided funds for reinvestment to support the expansion as well as making a positive contribution to College finances, which we anticipate will increase further in the next two to three years.

A focus on innovation, particularly in areas of research strength, and a commitment to transdisciplinary teamwork underpins our goals for strengthening clinical leadership and further enhancement of our reputation.

Corporate responsibility

Staff

The College aims to be an employer of choice, recognising that its success depends on the talent and commitment of all its staff. The College values its highly skilled workforce and encourages personal development at all levels. As such, it offers a broad range of personal, professional and skills-based development opportunities through a structured annual programme including leadership and management, IT, health and safety and wellbeing. There are specific programmes in support of Early Career Researchers, Mentoring and Teaching Observation schemes. Probationary Lecturers are required to complete the College's PGCert in Veterinary Education and encouraged to take up membership of the Higher Education Academy on completion. All staff development is underpinned through personal development objectives agreed via the annual appraisal process. Academic Probation and Promotion Procedures have been re-designed to ensure a robust, transparent and equitable process and are underpinned by the Academic Career Profile Framework.

Employment strategy is considered by the College's Council, through the Finance and General Purposes Committee and the Remuneration Committee. In addition regular meetings are held between the College's management and the Recognised Trade Unions (RTUs). The College strives to work as collaboratively and constructively as possible with the RTUs locally, and contributes nationally to the aims and objectives of the Universities & Colleges Employers Association through participation in annual consultations about national pay award negotiations and other matters.

Staff wellbeing is very important to the College. This is supported through encouraging open communication between staff and their managers, access to an occupational health service and a telephone advice line available at no cost to all employees. Flexible working is encouraged where this is operationally viable.

The scientific nature of the College's work means that certain staff are exposed to conditions for which strict health and safety measures must be in place. The College has a well-established risk assessment process, training programme and set of standard operating procedures in place in these instances, thereby limiting the number of incidents that occur. The Safety Committee reviewed policy and procedure and any incidents and these are reported directly to the College Council.

Equality and diversity

Equality and diversity is widely promoted across the College. There is an Equality Strategy Group responsible for developing strategy and policy as well as monitoring compliance. The Group's remit covers both staff and students, ensuring an integrated approach is taken in this important area.

All staff are required to undertake online equality and diversity awareness training as part of their induction and cannot be confirmed in post until this has been successfully completed. Given demographic trends in the veterinary profession and the composition of its own staff and student bodies, an area of particular importance to the College is women's career and personal development. The College has made a commitment to attaining the Athena Swan Bronze Award which promotes the development of women in STEM subjects.

Financial

The financial statements have been prepared in accordance with the SORP 2007: Accounting for Further and Higher Education, and the relevant accounting standards. The consolidated financial statements cover the activities of the College, the Animal Care Trust (ACT), the London BioScience Innovation Centre Limited (LBIC), RVC Developments Limited, and Royal Veterinary College (Hong Kong) Limited.

OPERATING AND FINANCIAL REVIEW

for the year ended 31 July 2014

CONSOLIDATED RESULTS FOR THE YEAR TO 31 JULY

	2014 £000	2013 £000
Income	75,612	73,842
Expenditure	71,442	71,791
Surplus on Continuing Operations	4,170	2,051
Transfer (to)/from Specific Endowments	(637)	(28)
Surplus retained within General Reserves	3,533	2,023
Investment in Fixed Assets	2,701	1,734
Borrowings	23,448	24,349
Short-term Cash and Deposits	21,528	19,599
Net Cash Flow from Operating Activities	5,222	7,863
Net Liquidity days	118	107

Operating surplus

Income grew by 2.4% compared to 2012-13 whilst expenditure was lower by 0.5%. Overall, the Group achieved a surplus of £3.5m. Whilst only marginally down on the budgeted surplus of £3.7m, the actual surplus was boosted by the release of some prior year residual balances on research grants. Setting these aside, the underlying operating surplus was £2.9m, representing 3.8% of turnover.

Since 2012-13, the balance of funding for the teaching of students has been shifting away from public funds (provided through the HEFCE Teaching Grant) towards contributions directly from students which, for most UK students, are funded from student loans. Nevertheless, the HEFCE Teaching Grant continues to be an important income stream for the College as the vast majority of its programmes are in high-cost subject areas, which continue to receive funding. As a result, the College was particularly hard hit by the imposition of a sector-wide in-year cut in the Teaching Grant, some of which related to the previous year. As a small, specialist institution, the impact on the College of such cuts is more acute than for larger, multi-subject universities. The loss of funding amounted to £0.8m and is equivalent to the shortfall against the budgeted surplus.

Growth in the College's other income streams has been positive. Student recruitment figures for 2013-14 were marginally ahead of target and there was an encouraging increase in international undergraduate numbers such that overseas tuition fees increased by 10%. Earnings from clinical activities again showed positive growth increasing by 8% to £18.6m with an improved overall contribution. Although income from externally-funded research grants and contracts was down compared to the previous year, this is a reflection of the profiling of spend rather than the College's performance in winning grant awards. The College secured grant awards of £13.3m in the 2013 calendar year which was ahead of target and represented a success rate of 30% (by value).

In response to the challenges posed by the reduction in HEFCE funding, the College has tightly managed its expenditure including strict control of its staffing establishment. A number of strategic procurement exercises have been undertaken during the year, which will deliver ongoing savings in non-pay expenditure.

Capital Investment

The College continues to invest in its physical infrastructure. During the year, investment has been made to enhance research, clinical and teaching facilities. New heating and cooling plant was installed in the Biological Services Unit (BSU) replacing obsolete equipment. A new MRI scanner was installed in the Queen Mother Hospital for Animals and a state-of-the-art plastination plant was constructed enabling the College to produce its own animal exhibits in a more environmentally friendly way. The main lecture theatre at Camden was fully refurbished and brought up to modern standards. Additional gym facilities were installed at Camden whilst designs for new sports facilities at Hawkshead were progressed and these should be operational by 2015/16.

Borrowing
Outstanding borrowing at 31 July 2014 was £23.4m, representing a borrowing ratio (borrowings: total income) of 31%. This is a measure used by HEFCE in assessing debt levels and compares to a sector average of 25%. While above the sector average, all of the College's debt has been used to fund activities with a specific on-going income stream, principally student residences. The debt is with the Royal Bank of Scotland and is at fixed rates of interest, thereby giving certainty over future cash flows. The maximum duration of any loan is 25 years.

Treasury policy and investments
The College's Treasury Policy, which was reviewed and updated during the year, seeks to ensure an appropriate return on investments at a level of risk agreed by the College Council.

Having reviewed the requirements and terms of the College's investment management, and following an appropriate selection process, Ruffer LP were appointed in October 2013 to manage the College's long-term investments, the majority of which represent endowment assets. On the transfer of funds from the College's former investment managers, BlackRock, a £0.7m gain was realised from the sale of the assets. At 31 July 2014, £11.2m was held with Ruffer across a range of equity and fixed interest funds. In total, the value of endowment assets increased by £0.2m (1.6%) over the year, after taking account of a £0.9m unrealised loss on the year-end market valuation. The investment return from interest and dividends was an additional 2%.

The investment of working capital funds is monitored by the Finance and General Purposes Committee. The bulk of the College's short-term surplus cash was previously managed by BlackRock; however, with the change in investment manager, this activity has been brought in-house. Funds are placed for fixed-term periods with counterparties approved under the Treasury Policy. In addition, surplus funds are placed in an instant access, interest-bearing account with the College's bankers, Royal Bank of Scotland.

Cash flows
Cash generation from operating activities is a priority if the College is to maintain a sustainable position and fund its capital investment programme. Key financial performance indicators relate to cash generation and utilisable cash balances. The College held cash and short-term deposits of £21.5m at 31 July 2014, an increase of £1.9m on the previous year's position. There has been an improvement in the College's liquidity days to 119 days (2013: 107 days).

Pension funds
Staff at the College are entitled to join either the Universities Superannuation Scheme (USS) or the Superannuation Arrangements of the University of London (SAUL). Both schemes were last formally valued on 31 March 2011 and are currently in the process of being re-valued. The funding positions of both are expected to be below the level required by The Pensions Regulator such that formal action plans to address the funding gap will be required. A consultation on proposals which, if accepted, would involve significant changes to future employee benefits is currently underway in relation to the USS. A similar exercise is expected to be conducted in relation to SAUL.

Financial outlook
The external HE funding environment remains a challenging one. Government funding for teaching continues to reduce under the transition to the new funding regime. Relaxation of student number controls has added to funding volatility and given rise to further cuts to the HEFCE Teaching Grant in 2014-15. The funding cuts come alongside a further year of nil inflation in the (regulated) Home/EU undergraduate tuition fee. There is also uncertainty relating to the outcome of the REF and how it will impact on the College's HEFCE research funding from 2015-16. Along with the rest of the sector, the College's major income streams are, therefore, being squeezed at a time when there are significant pressures on our expenditure, particularly pay-related costs.

Despite these challenges, the College continues to experience strong demand for its teaching programmes, secure major externally-sponsored research grants and grow its business from clinical and commercial activities. The College's Council has approved a budget and financial forecasts which build on these strengths, whilst addressing the funding challenges being faced. The forecasts provide for major investment in the College's estate and IT infrastructure to underpin delivery of its new Strategic Plan including the construction of a new 400 seater lecture theatre at Hawkshead.

The nature of the current funding environment is such that there is inevitably a degree of risk and uncertainty in the College's forward forecasts. Contingency provisions have been included to mitigate some of this risk and pro-active measures are being taken to control our cost base (both pay and non-pay). These forecasts, alongside the positive financial performance delivered in 2013-14, provide assurance that the College is appropriately positioned to deliver the objectives for teaching, research and clinical activities as set out in its Strategic Plan.

CHARITABLE STATUS AND PUBLIC BENEFIT STATEMENT
for the year ended 31 July 2014

The College is an exempt charity under the terms of the Charities Act 2011. It is monitored by HEFCE as Principal Regulator in accordance with the Charities Act 2011.

In setting and reviewing the College's objectives and activities, Council has had due regard to the Charity Commission's guidance on the reporting of public benefit and particularly to its supplementary public benefit guidance on the advancement of education. Attention is also paid to guidance issued by HEFCE in its role as principal regulator on behalf of the Charities Commission.

General principles of public benefit
The main principles of public benefit in the Charities Act are as follows:

Principle 1: There must be an identifiable benefit or benefits
- It must be clear what the benefits are.
- The benefits must be related to the aims.
- Benefits must be balanced against any detriment or harm.

Principle 2: Benefit must be to the public, or a section of the public
- The beneficiaries must be appropriate to the aims.
- Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted:
  - by geographical or other restrictions; or
  - by ability to pay any fees charged.
- People in poverty must not be excluded from the opportunity to benefit.
- Any private benefits must be incidental.

Delivery of public benefit from the mission and strategic aims
The College's mission and goals, approved by Council for the Strategic Plan 2014-2019, address this directly:

Our mission:
To provide inspirational leadership and excellence in veterinary science through innovative scholarship and pioneering clinical activity

Our goals:
- To be leaders in the delivery of high quality programmes in veterinary education and associated subjects
- To provide student focused environments delivering an educational, cultural and social experience that will underpin all College activities
- To deliver relevant, useful and economically sustainable research programmes of international significance to the animal health and comparative biomedical sector in the context of One Health
- To provide patient and client focused clinical care that is unrivalled in its commitment to quality and innovation
- To be the employer of first choice for those seeking to work in the veterinary, biosciences and one health Higher Education sector
- To have an impact on animal and human health through global reach and international partnerships

Delivery of public benefit through education and training
The provision of higher education remains one of the College's core activities. The beneficiaries are the students who participate in higher education at the College. Ultimately higher education provides a skilled population that can contribute to the enhancement of society and the economy through productive careers. In 2013-14, over four hundred and fifty students of the College graduated from programmes of undergraduate, postgraduate and research study. As part of this process, graduates of the College's main undergraduate degree, the Bachelor of Veterinary Medicine, were also admitted into membership of the Royal College of Veterinary Surgeons and many of them go on to work in veterinary practices to provide expert advice and treatment for the benefit of both animals and their owners. The College recognises the growing relevance to society and the economy of the veterinary profession's contribution to food production, the control of disease and animal welfare, and has re-profiled some of its academic activities in response to this.

The College is also the largest supplier of veterinary Continuing Professional Development (CPD) and postgraduate professional certificates accredited by the Royal College of Veterinary Surgeons. It therefore contributes substantially to the public good through state-of-the-art veterinary services.

CHARITABLE STATUS AND PUBLIC BENEFIT STATEMENT
for the year ended 31 July 2014

Since the internet is a publicly available resource, educational providers have recognised the opportunities for distance learning. In recent years the College has been developing better pedagogical expertise and technical capacity to support distance education courses at both undergraduate and postgraduate levels. Distance learning programmes allow students to study at their own pace from any location globally. In some of the College's highly specialised areas, distance learning allows a critical cohort mass of students to be achieved thereby supporting the sustainable sharing of knowledge. The knowledge gained, especially by those from developing countries, is used directly to influence key decisions in the veterinary profession in those countries.

The College also has a unique Centre for Excellence in Teaching and Learning that develops materials for the College's own curricula, and supplies them (free of charge) to other educational institutions, as well as making computer-aided learning packages available via the internet, wikivet, social media, the RVC website, etc.

Delivery of public benefit through research

Researchers at the College are actively engaged in enhancing understanding in the basic biomedical sciences as well as in veterinary sciences. The vast majority of this research is undertaken for publication (often this is a condition of the research funder) and thus the outcomes of research activities add to the publicly available knowledge in these areas. Research is undertaken so that it has the potential to enhance or change society for the better through increasing understanding, influencing behaviours and stimulating economic opportunities.

Increasingly, the outcomes of research into improving animal health and wellbeing are applicable to understanding and improving human as well as animal health (e.g. research into antimicrobial resistance, arthritis, neuromuscular disorders, tendon disease, type II diabetes, effect of dietary factors on vascular function, immune regulation and cancer). The College is actively involved in this 'One Health' agenda. The findings of both areas of this work are being used to inform researchers working on these conditions in humans. A One Health approach is also taken by the College in its research which addresses infectious disease problems that cross between wild and domestic animals and humans (e.g. Avian influenza, Brucellosis, Ecoli 0157, Schistosomiasis, Toxoplasmosis, Campylobacter infections and antimicrobial resistance).

We participate with four other colleges of the University of London in jointly funding the London International Development Centre (LIDC) whose focus is on cross-disciplinary research, training and building local capacity for the developing world. The College is involved, through LIDC, in a number of interdisciplinary projects in which animal, medical and social science researchers are operating collaboratively, the ultimate goal of which is to improve the health and welfare of both humans and animals in developing countries.

Delivery of public benefit through outstanding clinical activity

In the last year, RVC clinical services provided over 37,000 clinical contacts with animals presented through the College's range of clinical facilities, which are staffed and equipped to cater for the full range of farm and companion animal species, from dogs, cats, and horses through to exotic pets and alpacas.

Our clinical teams offer a very broad range of diagnostic techniques and treatment options to optimise care, whether cases are presented for primary care directly by their owners, or at the request of professional colleagues for secondary and tertiary services. Our capabilities range from the provision of routine clinical examinations and basic health care for all species to procedures which are much less widely available such as standing MRI and CT investigations in horses that avoid the need for general anaesthesia, and interventional radiological techniques in dogs and cats that facilitate advanced treatment of cardiac and respiratory disease, enabling access to outstanding care at many different levels. The College's clinical employees are also regular attendees at external events, such as shows and professional exhibitions, delivering lectures and workshops to audiences including the general public and farmers, as well as veterinary surgeons.

Access to Opportunity

The College actively encourages applications from all those with the academic ability to succeed, regardless of their background. A key element of this access to opportunity is through the College's Gateway programme, which is a one-year preparatory course for non-traditional students to provide a route into studying veterinary medicine. The programme is offered to non-selective state school students whose parents have not been to university and who satisfy strict requirements regarding levels of parental income. To encourage participation the College offers a generous bursary to Gateway students, which not only covers the cost of their tuition fees, but also contributes to their living expenses. Bursaries can be made available to all students on undergraduate programmes to encourage potential students from a wide range of socio-economic backgrounds to apply to study. It is felt that these measures contribute to widening participation and ensure the opportunity to participate is not unreasonably restricted by the ability to pay fees.

The College has a dedicated team of individuals within our 'RVC Access' team whose sole purpose is to ensure the wider community, both nationally and internationally, are aware of the range of educational programmes offered by the College as well as our enhanced widening participation activities. The College offers a weekly "Afternoon Anatomy" session to school children, giving them the opportunity to engage with and learn basic elements of anatomy in an informed and fun environment.

Easter and Summer Schools are in place to give potential applicants an introduction to life at the College. In 2013-2014 over 50% of attendees went on to apply to the College. RVC worked in partnership with a range of other HEIs and networks in London and the South East to extend our outreach activity regionally and nationally with over 568 individual events or activities. The academic staff and the student ambassadors have once again demonstrated their commitment to widening participation and the high quality of their work is recognised throughout the sector; we have over 100 registered and trained ambassadors. Overall, in 2013-2014, the College's widening participation activities reached 6,500 school and college students.

In regard to the College's clinical activities, the Beaumont Sainsbury Animals' Hospital in Camden operates as a first opinion practice for the local community, offering very competitive rates for treatment, and also undertakes particular charitable services for Dogs Trust and other charities in neutering animals before re-homing.

Public and community engagement

The year saw the embedding of RVC Lates as a regular College activity with two major events planned for each academic year. The main purpose of the events was to introduce the general adult public to the research undertaken at the RVC, and the first occasion was an outcome from a major international symposium held at the Hawkshead Campus. Public attendance at these events has increased each time with 694 people registered for the "Super Large Animals" (Obesity) theme in October. The RVC now participates three times a year in the Family Days run by the Royal Institution. With over 700 parents and children attending these events are held on Saturdays in Central London.

RVC also works with the following Societies / Organisations in promoting public interest and engagement in Science: The Francis Crick Institute, the Wellcome Trust, Society of Biology, Society of Physiology, Natural History Museum, Royal Institution, Royal Society of Chemistry.

The College's Anatomy Museum continues to be a great educational resource, and as in previous years adult groups, particularly in the age range 55+ visit and, just like the younger students, are introduced to the study of Anatomy and Animal Welfare. The appointment of an Artist in Residence for a year has also enhanced the College's engagement work. Exhibitions have been held around the theme of Art and Science and groups and individuals have visited the Camden Campus to draw our anatomical collection.

Sustainability

The College has been in existence for over two-hundred and twenty years and throughout that time has strived to be a socially responsible organisation which contributes to social and economic development through knowledge exchange, often through active partnerships, to wider audiences.

The College recognises the direct and indirect impact its activities have on the local, regional and global environment. The College is committed to the implementation of an Environmental Policy and has developed actions to reduce environmental impacts across key areas including; energy and carbon, waste, transport and biodiversity.

The College's Council has approved a Carbon Management Plan which sets out a strategy to achieve a 20% reduction in emissions by 2018. Energy consumption during the year has been reduced through the use of smart metering solutions, an improved Building Energy Management System and an ongoing campaign of raising awareness by the environmental staff team. The College is expanding its shuttle bus provision to increase capacity and is considering a weekend service and the number of our bike sheds and usage has been increased greatly reducing the extent of private vehicle travel to and from the campus.

The College has improved its biodiversity by implementing some of the recommendations of an environmental management plan with further works planned over the next five years. Works include: hedge planting, formation of a Nature Trail and land set aside for wildlife.

The operation of the College's estate is an example of the need to balance benefits against any detriment or harm. These are considered during the decision making processes of the College and it is felt that the benefits gained from delivering education, training, research and clinical activities at the College's campuses outweigh the environmental impacts of these activities.

The College has a sustainable procurement policy which encourages and enables staff to set priorities and develop capabilities to deliver sustainable procurement where possible, and actively engages with suppliers to consider sustainable initiatives, where appropriate. Examples of good practice in sustainable procurement during the year include catering, paper, print management and consumables. Under catering, the College encourages the supply and use of fair trade products. With regards to paper, it encourages the use of recycled/ecologically produced paper where possible, whilst compatible recycled toner products are largely purchased for its fleet of desktop printer devices. The College has recently implemented a new print management strategy that is expected to deliver significant savings in the costs of paper, toners, consumables, electricity and cost.

The College is proud to have been awarded the ISO9001 quality management standard certification and as part of its audit procedures, sustainable procurement was highlighted as a key and successful factor contributing towards achieving this accreditation.

RESPONSIBILITIES OF THE COLLEGE COUNCIL

for the year ended 31 July 2014

The Council is required to present audited financial statements for each financial year. The Council is responsible for the maintenance and integrity of the College's corporate and financial information included on the College's website.

RECORD KEEPING AND ACCOUNTING

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable it to ensure that the financial statements are prepared in accordance with the College's Charter, the Statement of Recommended Practice on Accounting for Further and Higher Education 2007 and other relevant accounting standards.

FINANCIAL STATEMENTS

Financial statements are prepared in accordance with the College's Charter. Guided by the College's Statement of Primary Responsibilities, Council ensures the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment. During preparation of these financial statements, the Council has ensured:

- that financial statements are prepared on the going concern basis. The Council is satisfied that the College has adequate resources to continue in operation for the foreseeable future: for this reason the going concern basis continues to be adopted in the preparation of the financial statements;
- that funds from HEFCE are used only for the purposes for which they have been given and in accordance with the Financial Memoranda with the College and any other conditions which the Funding Council may from time to time prescribe;
- that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.

INTERNAL CONTROLS

The College's system of internal control, which is designed to discharge the responsibilities set out above, includes the following:

- clear definitions of the responsibilities and delegated authority of heads of academic and administrative departments;
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets;
- clearly defined and formalised requirements for approval and control of expenditure; investment decisions are subject to formal appraisal and review according to approval limits set by the Council;
- detailed Financial Regulations of financial controls and procedures are approved by the Audit Committee and Council; and
- a professional Internal Audit team, provided by an external firm, whose annual programme is approved by the Audit Committee, and endorsed by the Council and whose head provides the Council with a report on internal audit activity within the College, and the adequacy and effectiveness of the College's system of internal control, including internal financial control.

The Audit Committee, on behalf of the Council, has reviewed the effectiveness of the College's system of internal controls, and found it provides reasonable assurance against material misstatement or loss.

CORPORATE GOVERNANCE
for the year ended 31 July 2014

The College is committed to exhibiting best practice in all aspects of corporate governance. Throughout the year ended 31 July 2014, the College has been in compliance with the Guide for Members of Governing Bodies of Universities and Colleges in England and Wales that was issued by the Committee of University Chairmen (CUC) in 2004 and revised in 2009.

The Council of the College recognizes that there is an on-going process for identifying, evaluating and managing the College's significant risks and that this process has been in place for the year ending 31 July 2014 and up to the date of the Council's approval of the Annual Report and Accounts. The Risk Register is available to Council Members at every meeting and the process for risk management mentioned above accords with the internal control guidance of the CUC (cf. 1 above).

The College can trace its history as a corporate body back to 1791 and is an independent corporation, whose legal status derives from its Royal Charter. Its objects, powers and framework of governance are set out in this Charter and its supporting Statutes, which were most recently revised in 2010.

The Charter and Statutes require that the governance of the College shall be vested in the Council, which, as the governing body, is collectively responsible for overseeing the institution's activities, determining its future direction and fostering an environment to achieve the institutional mission. The Council has a majority of members from outside the College (known as Independent members and numbering 11 out of 18 Council Members) from whom the Chairman, Vice-Chairman and Hon Treasurer are elected. None of the independent members receives any payment for the work done for the College, apart from the reimbursement of expenses.

The Statutes also require that there shall be an Academic Board, members of which are the Professors of the College and representatives of the teaching staff and of which the Principal is Chairman. The Board advises the Council on all academic matters.

The Principal is the Chief Executive of the College, who, under the Statutes, is responsible for the conduct of the College and exercises considerable influence on the development of institutional strategy, the identification and planning of new developments and the shaping of institutional ethos. In these aspects of the Principal's portfolio of responsibilities, senior staff contribute collaboratively. Under the terms of the formal Financial Memorandum between the College and the Higher Education Funding Council for England, the Principal is the Accountable Officer of the College and in that capacity can be summoned to appear before the Public Accounts Committee of the House of Commons.

Although the Council ordinarily meets four times a year, much of its detailed work is initially discussed at its Committees. All Council Committees are formally constituted with terms of reference and specified membership and report to the Council.

The Finance and General Purposes Committee meets four times a year and inter alia recommends to Council the College's annual budgets and monitors performance in relation to the approved budgets. The Remuneration Committee, which is comprised of independent members of Council, meets annually to determine the remuneration of the most senior staff, including the Principal.

The Audit Committee meets four times a year (with the College's external / internal auditors in attendance as appropriate) and considers detailed audit reports, together with recommendations for the improvement of the College's systems of internal control and management's response thereto. It also receives and considers reports from the Higher Education Funding Council for England as they affect the College's business and monitors adherence to regulatory requirements. The Council receives reports on risk and control from the Audit Committee, whose emphasis is on ensuring that the relevant degree of assurance is provided and is not merely reporting by exception. The Council itself also receives regular reports from the Safety Committee which include recommendations for improvement and the Audit Committee's role in this area is confined to a high level review of the arrangements for internal control. Whilst some senior staff attend Audit Committee meetings when necessary, they are not members of the Committee. The Audit Committee does have the opportunity to meet without members of staff being present.

The Principal and the College's senior managers receive reports setting out key risk indicators and consider possible control issues. The Risk Register is regularly reviewed and amended as appropriate. Good progress has been made in implementing the risk management process at the College, however, it is recognised that there is still further work needed to ensure that the process is fully embedded at all levels within the organisation.

In compliance with the Charity Commission [www.charitycommission.gov.uk], the College maintains a Register of Interests of members of the Council. Any enquiries about the constitution and governance of the College should be addressed to the Secretary to the Council.

After making appropriate enquiries the Council has a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the accounts.

The Council has reviewed the College's system of internal financial control. Any system of internal financial control can, however, only provide reasonable but not absolute assurance against material misstatement or loss.

Independent auditor's report to the Council of the Royal Veterinary College

We have audited the Group and Colleges financial statements (the "financial statements") of the Royal Veterinary College for the year ended July 2014 which comprise the Consolidated Income and Expenditure Account, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement, the Statement of Consolidated Total Recognised Gains and Losses, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Council, in accordance with the Charters and Statutes of the College. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Council and auditor

As explained more fully in the Responsibilities of the Council set out on page 15 the Council is responsible for the preparation of financial statements which 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 Group's and College's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Operating and Financial Review 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the Group and College as at 31 July 2014 and of the Group's income and expenditure, recognised gains and losses and cash flows 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 Statement of Recommended Practice – Accounting for Further and Higher Education.

Opinion on other matters prescribed in the HEFCE Audit Code of Practice issued under the Further and Higher Education Act 1992

In our opinion, in all material respects:

- funds from whatever source administered by the University for specific purposes have been properly applied to those purposes;
- income has been applied in accordance with the College's Statutes; and
- funds provided by HEFCE have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter where the HEFCE Audit Code of Practice issued under the Further and Higher Education Act 1992 requires us to report to you if, in our opinion, the statement of internal control included as part of the Corporate Governance Statement is inconsistent with our knowledge of the College and group.

NThomas

Neil Thomas

For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, London E14 5GL
27 November 2014

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 July 2014

	Note	Year ended 31 July 2014 Consolidated £000	Year ended 31 July 2013 Consolidated £000
INCOME			
Funding body grants	1	**23,438**	25,519
Tuition fees and education contracts	2	**15,199**	12,947
Research grants and contracts	3	**11,670**	12,479
Clinical and related earnings		**19,114**	17,219
Other income	4	**5,059**	5,168
Endowment and investment income	5	**1,132**	510
TOTAL INCOME		**75,612**	73,842
EXPENDITURE			
Staff costs	6	**40,410**	38,125
Other operating expenses	9	**24,575**	27,365
Depreciation	11	**5,016**	4,950
Interest and other finance costs	7	**1,441**	1,351
TOTAL EXPENDITURE	8	**71,442**	71,791
Surplus (Deficit) after depreciation of tangible fixed assets at valuation and after tax		**4,170**	2,051
Taxation		-	-
Deficit on continuing operations after depreciation of assets at valuation, disposal of assets and tax		**4,170**	2,051
Transfer (to)/from accumulated income in endowment funds	18	**(637)**	(28)
SURPLUS RETAINED WITHIN GENERAL RESERVES	20	**3,533**	2,023

The consolidated income and expenditure relates wholly to continuing operations.

There is no difference between the surplus in each year and their historical cost equivalents.

The notes on pages 23 to 45 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 31 July 2014

	Note	**Year ended 31 July 2014 Consolidated £000**	Year ended 31 July 2013 Consolidated £000
Surplus on continuing operations after depreciation of assets at valuation and disposal of assets and tax		**4,170**	2,051
Increase/(Decrease) in market value of investments	18	**(875)**	897
New Endowments	18	**278**	487
Endowments transferred to deferred capital grants	18	**(181)**	(138)
Revaluation of heritage assets	11	**507**	-
TOTAL RECOGNISED GAINS/(LOSSES) RELATING TO THE YEAR		**3,899**	3,297
Reconciliation			
Opening reserves and endowments		**39,165**	35,868
Total recognised gains relating to the year		**3,899**	3,297
CLOSING RESERVES AND ENDOWMENTS		**43,064**	39,165

The notes on pages 23 to 45 form an integral part of these financial statements.

BALANCE SHEETS
as at 31 July 2014

	Note	Year ended 31 July 2014 Consolidated £000	Year ended 31 July 2014 College £000	Year ended 31 July 2013 Consolidated £000	Year ended 31 July 2013 College £000
FIXED ASSETS					
Tangible assets	11	**73,665**	**72,840**	75,723	74,697
Investments	10	**20**	**143**	98	123
		73,685	**72,983**	75,821	74,820
Endowment asset investments	12	**11,158**	**9,650**	10,982	9,498
CURRENT ASSETS					
Stocks	13	**807**	**796**	811	800
Debtors – amounts falling due within one year	14	**6,457**	**7,889**	5,746	6,461
Debtors – amounts falling due after more than one year	14	**-**	**2,815**	-	1,206
Short term deposits		**5,000**	**5,000**	14,971	14,778
Cash at bank and in hand		**16,528**	**14,532**	4,628	2,596
		28,792	**31,032**	26,156	25,841
Creditors – amounts falling due within one year	15	**(17,780)**	**(19,321)**	(17,079)	(17,021)
Short term provisions	16	**(3,093)**	**(3,093)**	(4,526)	(4,526)
Net current assets		**7,919**	**8,618**	4,551	4,294
Total assets less current liabilities		**92,762**	**91,251**	91,354	88,612
Creditors – amounts falling due after more than one year	17	**(22,072)**	**(22,072)**	(23,234)	(23,234)
TOTAL NET ASSETS		**70,690**	**69,179**	68,120	65,378
Deferred Capital Grants	19	**27,626**	**27,137**	28,955	28,396
Endowments					
Expendable	18	**3,175**	**1,711**	3,121	1,693
Permanent	18	**7,983**	**7,939**	7,861	7,805
		11,158	**9,650**	10,982	9,498
General Reserve	20	**31,906**	**32,392**	28,183	27,484
TOTAL FUNDS		**70,690**	**69,179**	68,120	65,378

The notes on pages 23 to 45 form an integral part of these financial statements.

The financial statements on pages 19 to 45 were approved by the Council on 26 November 2014 and signed on its behalf on that date by:

Lord Curry of Kirkharle
Chairman

Mr C J Perrin CBE
Honorary Treasurer

Professor Stuart JW Reid
Principal

CASH FLOW STATEMENT
for the year ended 31 July 2014

	Note	Year ended 31 July 2014 Consolidated £000	Year ended 31 July 2013 Consolidated £000
Net cash inflow from operating activities	21	**5,144**	7,863
Returns on investments and servicing of finance	22	**(309)**	(841)
Capital expenditure and financial investment	23	**(1,849)**	(1,154)
Cash outflow before liquid resources and financing		**2,986**	5,868
Management of liquid resources – short-term deposits		**9,971**	(2,568)
Financing	24	**(901)**	(278)
INCREASE/(DECREASE) IN CASH IN THE YEAR		**12,056**	3,022

RECONCILIATION OF CASH FLOW TO MOVEMENT IN NET FUNDS (DEBT)

	Year ended 31 July 2014 Consolidated £000	Year ended 31 July 2013 Consolidated £000
Increase/(decrease) in cash in the period	**12,056**	3,022
Change in short term deposits	**(9,971)**	2,568
Change in short term debt	**901**	416
New loans	-	(138)
Change in net debt	**2,986**	5,868
Net funds/(debt) at 1 August	**(4,046)**	(9,914)
NET (DEBT) AT 31 JULY	**(1,060)**	(4,046)

The notes on pages 23 to 45 form an integral part of these financial statements.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES
for the year ended 31 July 2014

1. BASIS OF PREPARATION
These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2007 and in accordance with applicable accounting standards. The financial statements are prepared in accordance with historical cost convention modified by the revaluation of certain fixed assets.

2. GOING CONCERN
The College's activities, together with the factors likely to affect its future development, performance and position are set out in the Operating and Financial Review. The financial position of the College, its cash flows, liquidity position and borrowing facilities are also described in the Operating and Financial Review. The College has considerable financial resources. As a consequence, the College Council believe that the College is well placed to manage its business risks successfully despite the current uncertain economic outlook. The Council has a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

3. BASIS OF CONSOLIDATION
The financial statements consolidate the results of the College and the Animal Care Trust, a separate registered charity, the London BioScience Innovation Centre Limited, RVC Developments Limited and Royal Veterinary College (Hong Kong) Limited. The subsidiaries have the same year end as the College. The consolidated financial statements do not include those of the Student Union Society because the College does not control those activities, nor do they include those of Westhouse Medical Services plc or Tecrea Limited as the results of these companies are considered immaterial.

4. RECOGNITION OF INCOME
Funding council block grants are accounted for in the period to which they relate.

Fee income is stated gross and credited to the income and expenditure account over the period in which students are studying. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Recurrent income from grants, contracts and other services rendered are accounted for on an accruals basis and included to the extent of the completion of the contract or service concerned; any payments received in advance of such performance are recognised on the balance sheet as liabilities.

Donations with restrictions are recognised when relevant conditions have been met; in many cases recognition is directly related to expenditure incurred on specific purposes. Donations which are to be retained for the benefit of the institution are recognised in the statement of total recognised gains and losses and in endowments; other donations are recognised by inclusion as other income in the income and expenditure account.

Non-recurrent grants received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants. Such grants are credited to deferred capital grants and an annual transfer made to the income and expenditure account over the useful economic life of the asset, at the same rate as the depreciation charge on the asset for which the grant was awarded.

Income from the sale of goods or services is credited to the income and expenditure account when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Endowment and investment income is credited to the income and expenditure account on a receivable basis. Income from restricted endowments not expended in accordance with the restrictions of the endowment, is transferred from the income and expenditure account to restricted endowments. Any realised gains or losses from dealing in the related assets are retained within the endowment in the balance sheet. Increases or decreases in value arising on the revaluation or disposal of endowment assets i.e. the appreciation or depreciation of endowment assets, is added to or subtracted from the funds concerned and accounted for through the balance sheet by debiting or crediting the endowment asset, crediting or debiting the endowment fund and is reported in the statement of total recognised gains and losses.

5. TAXATION STATUS

The College 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 Income and Corporation Taxes Act 1988 (ICTA 1998). Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 505 of the ICTA 1988 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT in relation to tangible fixed assets is included in their cost.

6. LAND AND BUILDINGS

Land and buildings are stated at historical cost. Costs incurred in relation to a tangible fixed asset, after its initial purchase or production, are capitalised to the extent that they increase the expected future benefits to the institution from the existing tangible fixed asset beyond its previously assessed standard of performance; the cost of any such enhancements are added to the gross carrying amount of the tangible fixed asset concerned.

6(a) Depreciation

Freehold land is not depreciated. Buildings are depreciated over their expected useful economic lives to the College of between 20 and 25 years on the amount at which the tangible fixed asset is included in the balance sheet. No depreciation is charged on assets in the course of construction.

6(b) Repairs and maintenance

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is recognised in the income and expenditure account in the period it is incurred. The College has a planned maintenance programme, which is reviewed on an annual basis.

6(c) Heritage Assets

Works of art, other valuable artefacts and the historic library collection (heritage assets) and valued at over £5,000 have been capitalised and recognised, based on valuations carried out by specialist valuers. Heritage assets are not depreciated since their long economic life and high residual value mean any depreciation would not be material.

Works of art classified as Heritage Assets are formally revalued every 3 years. All other classes of Heritage Asset, which are less material in value, are reviewed periodically, not more than 5 years from the previous review, to determine whether a formal revaluation is required.

7. EQUIPMENT

Equipment and furniture costing less than £5,000 per individual item and which does not form part of a larger set of equipment, is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost. All assets are depreciated over their useful economic lives to the College of between 3 and 7 years.

Where equipment is acquired with the aid of specific grants or donations, it is capitalised and depreciated as above, with the related grant credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related equipment.

8. INVESTMENTS

Listed investments held as fixed assets or endowment assets are shown at market value. Investments in subsidiary undertakings are shown at the lower of cost or net realisable value.

9. STOCK

The stock comprises stores held by clinics, farm livestock, produce and consumables. The farm stocks are professionally valued; other stocks are stated at the lower of their cost and net realisable value.

10. CASH FLOWS AND LIQUID RESOURCES
Cash flows comprise increases and decreases in cash. Cash includes cash in hand, cash at bank and deposits repayable on demand. Deposits are repayable on demand if they are available within 24 hours without penalty.

Liquid resources comprise assets held as readily disposable store of value. They include term deposits but exclude any such assets held as endowment asset investments.

11. FOREIGN CURRENCY TRANSLATIONS
Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial year, with all resulting exchange differences being taken to the income and expenditure account in the period in which they arise.

12. ACCOUNTING FOR RESEARCH AND DEVELOPMENT
Expenditure on pure and applied research is treated as part of the continuing activities of the College. Expenditure on development activities is carried forward and amortised over the period expected to benefit where there is a clearly defined project, the related expenditure is separately identifiable and the outcome of the project has been assessed to be reasonably certain.

13. INTRA-GROUP TRANSACTIONS
Gains and losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated.

14. ACCOUNTING FOR CHARITABLE DONATIONS

14(a) Unrestricted donations
Charitable donations are recognised in the accounts when the charitable donation has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the donation will be received and the value of the incoming resources can be measured with sufficient reliability.

14(b) Endowment funds
Where charitable donations are to be retained for the benefit of the institution as specified by the donors, these are accounted for as endowments. There are three main types:

1. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the benefit of the institution.
2. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the institution can convert the donated sum into income.
3. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

14(c) Donations for fixed assets
Donations received to be applied to the cost of a tangible fixed asset are shown on the balance sheet as a deferred capital grant. The deferred capital grant is released to the income and expenditure account over the same estimated useful life that is used to determine the depreciation charge associated with the tangible fixed asset.

15. ACCOUNTING FOR RETIREMENT BENEFITS
The College contributes to the Universities Superannuation Scheme (USS) and the Superannuation Arrangements for the University of London (SAUL). Both schemes are defined benefit schemes and because of the mutual nature of the schemes, the schemes' assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis. In accordance with FRS 17 these schemes are accounted for on a defined contribution basis and contributions to these schemes are included as expenditure in the period in which they are payable.

16. PROVISIONS AND CONTINGENT LIABILITIES

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

Contingent liabilities are disclosed by way of note, when the definition of a provision is not met and includes three scenarios: possible rather than a present obligation; a possible rather than a probable outflow of economic benefits; an inability to measure the economic outflow.

17. RVC DEVELOPMENTS LIMITED PRIOR YEAR RESTATEMENT

In the prior year a purchase invoice for £426,000 relating to works done at Hawkshead New Student Village was not accounted for along with the corresponding recharge of costs from RVC Developments Limited to The Royal Veterinary College amounting to £503,376. These invoices have since been disclosed in the accounts of RVC Developments Limited to 31 July 2014 as a prior year adjustment, but through the consolidation process have not been reflected in the group accounts.

NOTES TO THE ACCOUNTS
for the year ended 31 July 2014

	Note	Year ended 31 July 2014 Consolidated £000	Year ended 31 July 2013 Consolidated £000
1. FUNDING BODY GRANTS – HEFCE			
Recurrent grants (specific grants to be split out)		**21,098**	23,312
Specific grants			
Higher Education Innovation Fund		**1,279**	1,038
Deferred Capital Grants released in year:			
Buildings	19	**916**	1,020
Equipment	19	**145**	149
		23,438	25,519

	Note	Year ended 31 July 2014 £000	Year ended 31 July 2013 £000
2. TUITION FEES AND EDUCATION CONTRACTS			
Full time Undergraduate		**7,973**	6,392
Full time Postgraduate		**1,261**	1,138
Part time Undergraduate		**56**	48
Part time Postgraduate		**144**	77
Overseas Students		**4,938**	4,496
Sub-Total HE course fees		**14,372**	12,151
Research training support grants		**127**	51
Short course fees		**700**	745
		15,199	12,947

	Note	Year ended 31 July 2014 £000	Year ended 31 July 2013 £000
3. RESEARCH GRANTS AND CONTRACTS (to be split)			
Research Councils		**4,375**	4,383
UK based Charities		**1,840**	1,900
UK Central Government, Local, Health and Hospital Authorities		**1,384**	1,158
UK Industry, Commerce, Public Corporations		**1,195**	1,406
EU Government Bodies		**1,748**	2,184
EU Other		**722**	810
Other Overseas		**366**	629
Other		**40**	9
		11,670	12,479

	Note	Year ended 31 July 2014 £000	Year ended 31 July 2013 £000
4. OTHER INCOME			
Residences, catering and conference		**2,597**	2,546
Release from deferred capital grant	19	**953**	1,012
Rent and other income		**821**	1,105
Donations, gifts and legacies received		**688**	505
		5,059	5,168

	Note	Year ended 31 July 2014 £000	Year ended 31 July 2013 £000
5. ENDOWMENT AND INVESTMENT INCOME			
Income from expendable endowments	18	**348**	321
Income from permanent endowments	18	**692**	73
Income from short-term investments		**92**	116
		1,132	510

	Note	Year ended 31 July 2014	Year ended 31 July 2013
		Consolidated	Consolidated
		£000	£000
6. STAFF COSTS			
Wages and salaries		**33,691**	31,914
Social security costs		**2,493**	2,377
Pension costs	30	**3,946**	3,600
Restructuring and redundancy costs		**280**	234
		40,410	38,125

Emoluments of the Principal: Professor S Reid	**12 months**	12 months
Salary	**232**	219
USS Pension Contributions	**39**	37
Other allowances	**39**	12
	310	268

The College's pension contribution for the Principal is paid at the same rate as for other academic staff.

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

	Number	Number
£100,001 to £110,000	**1**	1
£110,001 to £120,000	**2**	2
£120,001 to £130,000	**4**	2
£130,001 to £140,000	**1**	2
£140,001 to £150,000	**1**	1
£150,001 to £160,000	**-**	-
£160,001 to £170,000	**-**	-
	9	8

	FTEs	FTEs
Average staff numbers by major category:		
Teaching and Research Departments	**303**	291
Academic Support Services	**128**	131
Administration and Central Services	**50**	40
Premises	**71**	67
Clinical and related services	**186**	187
	738	716

Both staff costs and FTEs include temporary staff.

	Year ended 31 July 2014	Year ended 31 July 2013
	Consolidated	Consolidated
	£000	£000
7. INTEREST AND OTHER FINANCE COSTS		
Interest on bank loans not wholly repayable within 5 years	**1,441**	1,351
8. ANALYSIS OF TOTAL EXPENDITURE BY ACTIVITY		
Academic departments	**15,611**	14,707
Academic services	**730**	7,080
Research grants and contracts	**8,276**	8,857
Residences and catering	**3,446**	2,371
Premises and maintenance	**10,419**	11,351
Administration	**14,068**	9,631
Clinical and other services – College	**16,294**	15,458
Clinical and other services – Subsidiaries	**2,598**	2,336
	71,442	71,791
9. OTHER OPERATING EXPENSES		
Catering provisions	**633**	486
Consumables and laboratory expenses	**4,916**	4,988
Stationery and publications	**1,243**	1,464
Student and educational expenditure	**3,727**	3,614
Rent, rates, cleaning and insurance	**1,725**	1,739
Electricity, gas, oil and water	**1,767**	1,616
Small equipment and repairs	**2,350**	1,924
Minor works and maintenance	**1,363**	1,546
External auditors' remuneration	**97**	44
External auditors' remuneration – non-audit services	**13**	1
Internal audit	**68**	45
Legal and other outside consultancy	**2,780**	4,115
Travelling subsistence	**2,643**	2,187
Telephone, fax and postage	**438**	387
Miscellaneous expenses	**812**	3,209
	24,575	27,365

The total expenses paid to or on behalf of 11 trustees was £2,826 (2013: £4,667 to 11 trustees)

10. FIXED ASSET INVESTMENTS	**Year ended 31 July 2014** Consolidated £000	**Year ended 31 July 2014** College £000	Year ended 31 July 2013 Consolidated £000	Year ended 31 July 2013 College £000
Market Value at 1 August				
Subsidiary Companies	**-**	**123**	-	142
UK Equities	**98**	**-**	132	-
Additions	**20**	**20**	-	23
Disposals	**-**	**-**	(42)	(42)
Transfers to Endowments	**(98)**	**-**	-	-
Cumulative Market Value Adjustment	**-**	**-**	8	-
Market Value at 31 July	**20**	**143**	98	123
Subsidiary Companies	**-**	**143**	-	123
UK Equities	**20**	**-**	98	-

The College's subsidiaries and its percentage shareholding in each are as follows:

	Nature of Business	**Country of Registration**	**Shareholding**	**No. of Shares**
			£1 Ord Shares	
London BioScience Innovation Centre Limited	Establishment	England and Wales	100%	123,000
RVC Developments Ltd	Construction	England and Wales	100%	2
Royal Veterinary College (Hong Kong) Limited	Education	Hong Kong	100%	2
Other shareholdings:				
Westhouse Medical Services Plc	Stem Cell Technology	England and Wales	£0.15 Ordinary Shares	132,000 0.1%
Tecrea Limited	Cell Delivery Technology	England and Wales	£0.01 Ordinary Shares	20 20%

The College consolidated the results of the Animal Care Trust.

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 July 2014

11. TANGIBLE FIXED ASSETS

Consolidated	Freehold Properties £000	Furniture and Equipment £000	Assets in the course of construction £000	Heritage Assets £000	Total £000
COST					
At 1 August 2013	104,857	5,437	927	3,607	**114,828**
Additions	7	484	2,210	-	**2,701**
Revaluations	-	-	-	507	**507**
Transfers	1,640	224	(1,864)	-	**(0)**
Disposals	(250)	-	-	-	**(250)**
At 31 July 2014	**106,254**	**6,145**	**1,273**	**4,114**	**117,786**
DEPRECIATION					
At 1 August 2013	(35,572)	(3,533)	-	-	**(39,105)**
Charge in the year	(4,223)	(793)	-	-	**(5,016)**
Disposals					
At 31 July 2014	**(39,795)**	**(4,326)**	**-**	**-**	**(44,121)**
Net Book Value at 31 July 2014	**66,459**	**1,819**	**1,273**	**4,114**	**73,665**
Net Book Value at 31 July 2013	69,285	1,904	927	3,607	75,723

College	Freehold Properties £000	Furniture and Equipment £000	Assets in the course of construction £000	Heritage Assets £000	Total £000
COST					
At 1 August 2013	101,399	5,372	927	3,607	**111,305**
Additions	7	473	2,211	-	**2,691**
Revaluation	-	-	-	507	**507**
Transfers	1,640	224	(1,864)	-	**(0)**
Disposals	(250)	-	-	-	**(250)**
At 31 July 2014	**102,796**	**6,069**	**1,274**	**4,114**	**114,253**
DEPRECIATION					
At 1 August 2013	(33,138)	(3,470)	-	-	**(36,608)**
Charge for the year	(4,011)	(793)	-	-	**(4,804)**
Revaluation					
At 31 July 2014	**(37,149)**	**(4,263)**	**-**	**-**	**(41,412)**
Net Book Value at 31 July 2014	**65,647**	**1,806**	**1,274**	**4,114**	**72,841**
Net Book Value at 31 July 2013	68,261	1,902	927	3,607	74,697

Included in the above are assets with a net book value of £27,626,000 (2013: £28,955,000) funded by capital grants (note 20).

Assets in the course of construction once capitalised and subsequently added to Freehold properties will be depreciated over specific life periods. Only at point of completion will the assets in the course of construction be re-classified.

Heritage assets are held for their contribution to knowledge and culture. The assets recognised as such are principally works of art and illustrations of the racehorse Eclipse (the post-mortem examination of Eclipse in 1789 was in effect the beginning of the veterinary profession in the UK) and a collection of historic veterinary books and articles dating from the 18th Century. Works of art are stated at their insurance valuation. These assets are formally re-valued every 3 years. The most recent valuation was undertaken for the year ended 31 July 2014.

	Year ended 31 July 2014		Year ended 31 July 2013	
	Consolidated £000	**College £000**	Consolidated £000	College £000
12. ENDOWMENT ASSET INVESTMENT				
Historical Cost at 1 August	**10,085**	**8,610**	10,264	6,331
Market Value Adjustment at 1 August	**897**	**888**	(235)	2,437
Market Value at 1 August	**10,982**	**9,498**	10,029	8,768
Additions	**10,940**	**9,564**	600	600
Disposals	**(10,694)**	**(9,349)**	(89)	(89)
Transfer to general reserve	**317**	**317**	(315)	(315)
Market Value Adjustment	**(875)**	**(882)**	897	888
Cash Movement	**488**	**502**	(140)	(354)
Market Value at 31 July	**11,158**	**9,650**	10,982	9,498
Represented by:				
Fixed Interest Funds	**3,793**	**3,280**	2,315	2,024
UK Equities	**1,186**	**1,025**	4,498	3,933
Overseas Equities	**5,319**	**4,601**	3,091	2,703
Cash at Bank	**860**	**744**	374	327
Property Unit Trusts	-	-	704	511
Total endowment assets	**11,158**	**9,650**	10,982	9,498

13. STOCK				
Consumables	**577**	**566**	579	568
Farm Stocks	**230**	**230**	232	232
	807	**796**	811	800

14. DEBTORS				
AMOUNTS FALLING DUE WITHIN ONE YEAR:				
Trade Debtors	**3,583**	**3,096**	2,668	2,259
Research grant debtors	**2,047**	**2,047**	2,257	2,257
Subsidiary companies	-	**2,053**	-	1,309
Other debtors	**78**	**85**	81	81
Prepaid expenses and accrued income	**749**	**608**	740	555
Sub total	**6,457**	**7,889**	5,746	6,461
AMOUNTS FALLING DUE AFTER ONE YEAR:				
Subsidiaries	-	**2,815**	-	1,206
	6,457	**10,704**	5,746	7,667

The total debt with the London BioScience Innovation Centre Ltd comprises a loan of £2,256,000 (2013: £2,427,000). During the year a loan repayment provision of £1,620,000 was released to reserves to reflect continued improvements in the London Bioscience Innovation Centre's financial position and its ability to repay the loan in full. The loan is not expected to be fully repaid until 2024.

	Year ended 31 July 2014		Year ended 31 July 2013	
	Consolidated £000	**College £000**	Consolidated £000	College £000

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated £000	**College £000**	Consolidated £000	College £000
Unsecured loans	**1,376**	**1,376**	1,115	1,115
Trade creditors	**2,545**	**2,940**	2,359	2,277
Amounts owed to subsidiary undertakings	**-**	**897**	-	-
Research grants creditors	**8,945**	**9,066**	9,492	9,492
Social Security and other taxation payable	**1,608**	**1,759**	1,010	1,158
Other creditors	**196**	**182**	684	681
Accruals and deferred income	**3,110**	**3,101**	2,419	2,298
	17,780	**19,321**	17,079	17,021

16. PROVISIONS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated £000	**College £000**	Consolidated £000	College £000
Balance at 1 August	**4,526**	**4,526**	2,601	2,601
Increase in provision	**-**	**-**	2,025	2,025
Reversal of provision	**(250)**	**(250)**	(65)	(65)
Utilisation of provision	**(1,183)**	**(1,183)**	(35)	(35)
Balance at 31 July	**3,093**	**3,093**	4,526	4,526

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

Analysis of unsecured loans:	**Consolidated £000**	**College £000**	Consolidated £000	College £000
Due within 1 year	**1,376**	**1,376**	1,115	1,115
Due between 1 and 2 years	**1,328**	**1,328**	1,352	1,352
Due between 2 and 5 years	**3,977**	**3,977**	4,209	4,209
Due in 5 or more years	**16,767**	**16,767**	17,673	17,673
	23,448	**23,448**	24,349	24,349
Due within 1 year	**(1,376)**	**(1,376)**	(1,115)	(1,115)
Due after more than one year	**22,072**	**22,072**	23,234	23,234

Included in the loans are the following:	**Amount £000**	**Term**	**Interest Rate %**
Lender			
Royal Bank of Scotland	1,669	Jan - 26	5.64
Royal Bank of Scotland	1,707	Jan - 26	6.64
Royal Bank of Scotland	2,256	Mar - 24	5.24
Royal Bank of Scotland	17,572	Nov - 34	5.88
Salix	71	Sep - 15	
HEFCE (Revolving Green Fund)	173	May - 15	
	23,448		

All loans are with the College. The College treasury policy has been to ensure certainty of the interest charge by fixing interest rates over the life of the historic loans. The College has achieved this result through taking out floating-to-fixed interest rate swaps. Under the interest rate swaps, the College agrees with other parties to exchange, at specific intervals (primarily quarterly), the difference between fixed contract rates and floating-rate interest amounts as calculated with reference to the agreed notional amounts.

18. ENDOWMENTS	**Unrestricted Permanent £000**	**Restricted Permanent £000**	**Total Permanent £000**	**Restricted Expendable £000**	**2014 Total £000**	**2013 Total £000**
Consolidated						
Balances as at 1 August 2013						
Capital	563	4,673	5,236	9,074	**14,310**	13,064
Accumulated income	294	2,331	2,625	(5,953)	**(3,328)**	(3,035)
	857	7,004	7,861	3,121	**10,982**	10,029
New endowments	20	-	20	258	**278**	487
Investment income	42	650	692	348	**1,040**	394
Expenditure	-	(97)	(97)	(306)	**(403)**	(366)
	42	553	595	42	**637**	28
Transfers between funds	-	-	-	-	-	(6)
(Decrease)/increase in MV of investments	(89)	(648)	(737)	(138)	**(875)**	897
Transfers from General Reserve	317	-	317	-	**317**	(315)
Transfers to deferred capital grants	-	(73)	(73)	(108)	**(181)**	(138)
At 31 July 2014	**1,147**	**6,836**	**7,983**	**3,175**	**11,158**	10,982
Represented by:						
Capital	469	4,188	4,657	9,171	**13,828**	14,310
Accumulated income	678	2,648	3,326	(5,996)	**(2,670)**	(3,328)
	1,147	**6,836**	**7,983**	**3,175**	**11,158**	10,982
College						
Balances as at 1 August 2013						
Capital	626	4,401	5,027	2,022	**7,049**	6,245
Accumulated income	323	2,455	2,778	(329)	**2,449**	2,523
	949	6,856	7,805	1,693	**9,498**	8,768
New endowments	20	-	20	14	**34**	54
Investment income	42	650	692	197	**889**	342
Expenditure	-	(97)	(97)	(36)	**(133)**	(96)
	42	553	595	161	**756**	246
Transfers between funds	-	-	-	-	-	(6)
(Decrease)/increase in market value of investments	(88)	(637)	(725)	(157)	**(882)**	889
Transfers from/to reserve	317	-	317	-	**317**	(315)
Transfers to deferred capital grants	-	(73)	(73)	-	**(73)**	(138)
At 31 July 2014	**1,240**	**6,699**	**7,939**	**1,711**	**9,650**	9,498
Represented by:						
Capital	647	4,402	5,049	2,035	**7,084**	7,049
Accumulated income	593	2,297	2,890	(324)	**2,566**	2,449
	1,240	**6,699**	**7,939**	**1,711**	**9,650**	9,498

18. ENDOWMENTS (continued)

The most significant funds by value:

Fund name	Purpose/restrictions	Balance at 1 August 2013 £000	Movement in year £000	Balance at 31 July 2014 £000
Mellon	Equine research	2,914	162	3,076
Beaumont Animal Hospital	Enhancement of Beaumont Sainsbury Animal Hospital facilities	1,547	129	1,676
Bastable scholarship	Undergraduate student merit scholarships	1,395	142	1,537

19. DEFERRED CAPITAL GRANT

Consolidated	Funding Council £000	Other Donors £000	**2014 Total £000**	2013 Total £000
At 1 August 2013				
Buildings	17,678	10,685	**28,363**	29,551
Equipment	290	302	**592**	803
Total	**17,968**	**10,987**	**28,955**	30,354
Cash receivable				
Buildings	517	40	**557**	643
Equipment	-	128	**128**	138
Total	**517**	**168**	**685**	781
Released to income and expenditure account				
Buildings	(916)	(781)	**(1,697)**	(1,831)
Equipment	(145)	(172)	**(317)**	(349)
Total	**(1,061)**	**(953)**	**(2,014)**	(2,180)
At 31 July 2014				
Buildings	17,279	9,944	**27,223**	28,363
Equipment	145	258	**403**	592
Total	**17,424**	**10,202**	**27,626**	28,955

19. DEFERRED CAPITAL GRANT (continued)

College	Funding Council £000	Other Donors £000	**2014 Total £000**	2013 Total £000
At 1 August 2013				
Buildings	17,677	10,127	**27,804**	28,920
Equipment	290	302	**592**	802
Total	**17,967**	**10,429**	**28,396**	29,722
Cash receivable				
Buildings	517	40	**557**	643
Equipment	-	128	**128**	139
Total	517	168	**685**	782
Released to income and expenditure account				
Buildings	(916)	(712)	**(1,628)**	(1,759)
Equipment	(145)	(172)	**(317)**	(349)
Total	**(1,061)**	**(884)**	**(1,945)**	(2,108)
At 31 July 2014				
Buildings	17,278	9,455	**26,733**	27,804
Equipment	145	258	**403**	592
Total	**17,423**	**9,713**	**27,136**	28,396

20. GENERAL RESERVES

	Year ended 31 July 2014		Year ended 31 July 2013	
	Consolidated £000	**College £000**	Consolidated £000	College £000
Income and expenditure reserve				
At 1 August	**28,183**	**27,484**	25,839	25,062
Revaluation of heritage assets	**507**	**507**	-	-
Write back of subsidiary loan	-	**1,620**	-	-
Transfers (to)/from endowments	**(317)**	**(317)**	321	321
Surplus/(Deficit) retained for the year	**3,533**	**3,098**	2,023	2,101
At 31 July	**31,906**	**32,392**	28,183	27,484

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 July 2014

21. RECONCILIATION OF SURPLUS BEFORE TAX AND PROFIT ON DISPOSAL OF ASSETS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Note	Year ended 31 July 2014 Consolidated £000	Year ended 31 July 2013 Consolidated £000
Surplus after depreciation of tangible fixed assets at valuation and before tax		**4,170**	2,051
Depreciation	11	**5,016**	4,950
Deferred capital grants released to income	19	**(2,014)**	(2,180)
Endowment grants released to income		**(637)**	-
Investment income	5	**(1,132)**	(510)
Interest payable	7	**1,441**	1,351
Decrease in stocks	13	**4**	1
(Increase)/decrease in debtors	14	**(711)**	231
Increase in creditors	15	**440**	44
(Decrease)/increase in provisions	16	**(1,433)**	1,925
Net cash inflow/(outflow) from operating activities		**5,144**	7,863

22. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	Note	Year ended 31 July 2014 £000	Year ended 31 July 2013 £000
Income from endowments	5	**1,040**	394
Other interest received	5	**92**	116
Interest paid	7	**(1,441)**	(1,351)
		(309)	(841)

23. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	Note	Year ended 31 July 2014 £000	Year ended 31 July 2013 £000
Payments made to acquire fixed assets	11	**(2,450)**	(1,734)
Payment for fixed asset investments	10	**-**	-
Payment for endowment assets*	12	**(10,940)**	(600)
Total fixed and endowment assets acquired		**(13,390)**	(2,334)
Proceeds from sale of fixed assets		**-**	-
Proceeds from sale of fixed asset investments		**-**	-
Proceeds from sales of endowment assets*		**10,694**	89
Deferred capital grants received		**685**	604
New endowments received		**162**	487
Net cash (outflow) for capital expenditure and financial investment		**(1,849)**	(1,154)

* During the year the group effected a change in fund manager from BlackRock to Ruffer LLP. As a result of this change all existing positions were closed and the funds generated were reinvested. Consequently there has been significant activity to acquire and dispose of endowment assets during the year under review.

24. FINANCING

	Year ended 31 July 2014 Consolidated £000	Year ended 31 July 2013 Consolidated £000
New loans	-	138
Repayments of amounts borrowed	(901)	(416)
	(901)	(278)

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 August 2013 £000	Cash Flows £000	Non-Cash Changes £000	At 31 July 2014 £000
Cash at bank and in hand:				
Endowments	704	156	-	860
Other	4,628	11,900	-	16,528
	5,332	12,056	-	17,388
Short-term investments	14,971	(9,971)	-	5,000
Debts due within one year	(1,115)	(261)	-	(1,376)
Debts due after one year	(23,234)	1,162	-	(22,072)
	(4,046)	2,986	-	(1,060)

26. CAPITAL COMMITMENTS

Provision has not been made for the following capital commitments at 31 July 2014:

	Year ended 31 July 2014		Year ended 31 July 2013	
	Consolidated £000	College £000	Consolidated £000	College £000
Commitments contracted for	375	375	212	212
Authorised but not contracted for	4,210	4,210	3,950	3,950
	4,585	4,585	4,162	4,162

27. AMOUNTS DISBURSED AS AGENT (CONSOLIDATED AND COLLEGE)

	Year ended 31 July 2014		Year ended 31 July 2013	
	£000	£000	£000	£000
Hardship funds				
Income				
Fund balance at 1 August	(11)		(10)	
Adjustments to opening balance	11		-	
Funding Council grants	38		31	
Total Income		38		21
Expenditure				
Disbursed to students	(35)		(32)	
Funding running costs	-		-	
Total expenditure		(35)		(32)
Fund balance at 31 July		3		(11)

Funding Council Grants are available solely to assist students; the College acts only as paying agent. The grants and related disbursements are therefore excluded from the income and expenditure account.

28. DISCLOSURE OF RELATED PARTY TRANSACTIONS

The operating statements of the RVC include transactions with related parties. In accordance with FRS 8 'Related Party Transactions' these are disclosed where members of RVC's Council and Senior Management Group (SMG) disclose an interest in a body with whom RVC undertakes transactions which are considered material to RVC's Financial Statements and/or the other party. Due to the nature of RVC's operations and the composition of Council (being drawn from local and private sector organisations) and RVC, it is inevitable that transactions will take place with organisations which members of Council or SMG may have an interest. All transactions involving organisations in which member of Council or SMG may have an interest, including those identified below, are conducted at arms length and in accordance with RVC's Financial Regulations and usual procurement procedures.

An updated register of the interests of members of Council and SMG is maintained. RVC has taken advantage of the exemption within FRS 8 and not disclosed transactions with other group entities where it holds more than 90% of the voting rights.

The Treasurer, Mr Charles Perrin, is a member of the SAUL Trustee Company Investment Committee. SAUL received £1,100,000 in pension contributions from RVC in 2013/14 (£953,000 in 2012/13). These transactions are conducted at arms length and in the normal course of business. Mr Charles Mays is President of the RVC Students' Union, which received £108,045 funding in 2013/14 from RVC in the normal course of business (£105,000 in 2012/13).

29. SUBSIDIARY UNDERTAKINGS AND TAX STATUS

London BioScience Innovation Centre Limited (company number 04013123) is a wholly owned subsidiary company registered in England and Wales. Its main business is to facilitate established and start-up biotechnology companies. VAT is reclaimable as part of the College VAT group. VAT is reclaimed on a quarterly basis, October, January, April and July. The company has agreed to remit any taxable profits to the College under the Gift Aid scheme.

RVC Developments Limited (company number 07114564) is a wholly owned subsidiary company registered in England and Wales. Its main business is the provision of construction services. VAT was reclaimable on a quarterly basis until August 2011. Thereafter, VAT is reclaimable on a monthly basis. RVC Developments Limited is not part of the RVC VAT group. The company has agreed to remit any taxable profits to the College under the Gift Aid scheme.

The Royal Veterinary College Animal Care Trust (charity 281571), for which the College is the sole Trustee, operates to support the College's activities. The charity is not registered for VAT.

Royal Veterinary College (Hong Kong) Limited (Company Number 1337151) is a wholly owned subsidiary company registered in Hong Kong. Its main business is to facilitate educational activities. The company is subject to applicable taxes in accordance with Hong Kong law.

30. PENSION SCHEMES

The two pension schemes for the College's staff are the Universities Superannuation Scheme (USS) and the Superannuation Arrangements for the University of London (SAUL).

The total pensions cost for the College and its subsidiaries were:

	2014 £000	2013 £000
USS contributions paid	**2,846**	2,647
SAUL contributions paid	**1,100**	953
Total Consolidated Pension Costs (Note 6)	**3,946**	3,600

USS

The College participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited.

The appointment of directors to the board of the trustee is determined by the trustee company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest triennial actuarial valuation of the scheme was at 31 March 2011. This was the second valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. The actuary also carries out regular reviews of the funding levels. In particular, he carries out a review of the funding level each year between triennial valuations and details of his estimate of the funding level at 31 March 2014 are also included in this note.

The triennial valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An "inflation risk premium" adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by government bonds (particularly when compared to the Bank of England's target of 2% for CPI which corresponds broadly to 2.75% for RPI per annum).

To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.1% per annum, salary increases would be 4.4% per annum (with short-term general pay growth at 3.65% per annum and an additional allowance for increases in salaries due to age and promotion reflecting historic scheme experience, with a further cautionary reserve on top for past service liabilities) and pensions would increase by 3.4% per annum for 3 years following the valuation then 2.6% per annum thereafter.

Standard mortality tables were used as follows:

Male members' mortality S1NA ["light"] YoB tables – No age rating

Female members' mortality S1NA ["light"] YoB tables – rated down 1 year

30. PENSION SCHEMES (continued)

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further improvements in mortality rates. The CMI 2009 projections with a 1.25% pa long term rate were also adopted. The assumed life expectations on retirement at age 65 are:

Males (females) currently aged 65 23.7 (25.6) years
Males (females) currently aged 45 25.5 (27.6) years

At the valuation date, the value of the assets of the scheme was £32,433.5 million and the value of the scheme's technical provisions was £35,343.7 million indicating a shortfall of £2,910.2 million. The assets therefore were sufficient to cover 92% of the benefits which had accrued to members after allowing for expected future increases in earnings.
The actuary also valued the scheme on a number of other bases as at the valuation date. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% per annum (the expected return on gilts) the funding level was approximately 68%. Under the Pension Protection Fund regulations introduced by the Pensions Act 2004 the scheme was 93% funded; on a buy-out basis (i.e. assuming the scheme had discontinued on the valuation date) the assets would have been approximately 57% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, using a AA bond discount rate of 5.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2011 was 82%.

As part of this valuation, the trustee has determined, after consultation with the employers, a recovery plan to pay off the shortfall by 31 March 2021. In 2011 the actuary estimated that if experience remained in line with the assumptions made, the shortfall at 31 March 2014 would be £2.2 billion, equivalent to a funding level of 95%.
However, changes in market conditions between March 2011 and March 2014 have had an impact on scheme funding. The next formal triennial actuarial valuation will take place as at 31 March 2014, and work is currently underway to update the actuarial assumptions and allow for any adjustments to the overall funding approach adopted by the trustee board in consultation with stakeholders.

As work on the 2014 valuation is not yet complete the trustee cannot provide the final figure however, an estimate has been provided using the assumptions used to deliver the 2011 actuarial valuation. On that basis, the actuary has estimated that the funding level under the scheme specific funding regime will have fallen from 92% at 31 March 2011 to 85% at 31 March 2014. This estimate is based on the results from the valuation at 31 March 2011 allowing primarily for investment returns and changes to market conditions.
The funding level has decreased mainly due to a decrease in real gilt yields, reducing the implied net discount rate and therefore placing a higher value on the schemes liabilities. This increase has been partially offset by a higher than expected investment return.

On the FRS17 basis, using an AA bond discount rate of 4.5% per annum based on spot yields, the actuary estimates that the funding level at 31 March 2014 was 75%. An estimate of the funding level measured on a historic gilts basis at that date was approximately 61%.
Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where a surplus could, perhaps, be used to similarly reduce contribution requirements. The sensitivities regarding the principal assumptions used to measure the scheme liabilities on a technical provisions basis as at the date of the last triennial actuarial valuation are set out below:

Assumption	Change in assumptions	***Impact on shortfall***
Investment return (Valuation rate of interest)	Decrease by 0.25%	Increase by £1.6 billion
The gap between RPI and CPI	Decrease by 0.25%	Increase by £1 billion
Rate of salary growth	Increase by 0.25%	Increase by £0.6 billion
Members live longer than assumed	1 year longer	Increase by £0.8 billion
Equity markets in isolation	Fall by 25%	Increase by £4.6 billion

The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions but the allowance for promotional salary increases was not as high. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve was included, in addition, on account of the variability mentioned above.

As at the 2011 valuation the scheme was still a fully Final Salary Scheme for future accruals and the prevailing employer contribution rate was 16% of Salaries.

30. PENSION SCHEMES (continued)

Following UK government legislation, from 2011 statutory pension increases or revaluations are based on the Consumer Prices Index measure of price inflation. Historically these increases had been based on the Retail Prices Index measure of price inflation.

Since the valuation effective date of 31 March 2011 there have been a number of changes to the benefits provided by the scheme although these became effective from October 2011. These include:

New Entrants

Other than in specific, limited circumstances, new entrants are now provided benefits on a Career Revalued Benefits (CRB) basis rather than a Final Salary (FS) basis.

Normal pension age
The normal pension age was increased for future service and new entrants, to age 65.
Flexible Retirement
Flexible retirement options were introduced.
Member contributions increased
Contributions were uplifted to 7.5% p.a. and 6.5% p.a. for FS Section members and CRB Section members respectively.

Cost sharing

If the total contribution level exceeds 23.5% of Salaries per annum, the employers will pay 65% of the excess over 23.5% and members would pay the remaining 35% to the fund as additional contributions.

Pension increase cap

For service derived after 30 September 2011, USS will match increases in official pensions for the first 5%. If official pensions increase by more than 5% then USS will pay half of the difference up to a maximum increase of 10%.

USS is a "last man standing" scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The trustee's role is to set risk and return parameters which reflect the strength of the sponsoring employers and the nature of the scheme's liabilities. These parameters, taken together with the anticipated returns form the basis of the trustee's funding strategy. These parameters are informed by advice from its internal investment team, its investment consultant and the scheme actuary, as well as an independent assessment of the support available from the sponsoring employers. The trustee remains confident that it can continue to take a long-term view of scheme funding, backed as it is by a robust Higher Education (HE) sector.

The fund is invested in a wide range of asset classes, both publicly traded (including equities and fixed income) and private (including private equity, infrastructure, property and timberland). A diversified portfolio helps to spread investment risk across different asset classes and to boost the level of confidence in maintaining sufficient investment returns from the fund as a whole. This investment approach is innovative and responsible, and targeted at achieving returns required to meet the scheme's liabilities. Recently, the trustee has invested directly in infrastructure assets. These investments are typically illiquid, but can achieve attractive inflation-linked returns in ways often not available in the publicly traded markets and which can match the scheme's liabilities to a high degree.

At 31 March 2014, USS had over 162,000 active members and the College had 340 active members participating in the scheme.

The total pension cost for the College was £3,888,594 (2013: £2,523,000).

30. PENSION SCHEMES (continued)

SAUL

The College participates in the Superannuation Arrangements of the University of London "(SAUL"), which is a centralised defined benefit scheme and is contracted-out of the State Second Pension (S2P). SAUL is a "last man standing" scheme so that in the event of the insolvency of any of the participating employers in SAUL, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation. The assets of the scheme are held in a separate fund administered by the trustee, SAUL Trustee Company.

The College has adopted FRS17 for accounting for pension costs. It is not possible to identify the College's share of the underlying assets and liabilities of SAUL. Therefore contributions are accounted for as if SAUL were a defined contribution scheme and pension costs are based on the amounts actually paid (ie cash amounts) in accordance with paragraphs 8 – 12 of FRS17.

SAUL is subject to triennial valuations by professionally qualified and independent actuaries. The last available valuation was carried out as at 31 March 2011 using the projected unit credit method in which the actuarial liability makes allowance for projected earnings. The main assumptions used to assess the technical provisions were:

Assumption	*31 March 2011*
Discount Rate -pre retirement -Post retirement	 6.80% p.a. 4.70%p.a.
General Salary Increases	3.75% p.a. until 31 March 2014, 4.50% p.a. thereafter
Retail prices Inflation	3.50% p.a.
Consumer price Inflation	2.80% p.a.
Pension Increases in payment (excess over GMP)	2.80 p.a.
Mortality- base table	SAPS Normal (year of birth) tables with an age rating of +0.5years for males and -.04 years for females
Mortality – future improvements	Future improvements in line with CMI 2010 projections with a long term trend rate of 1.25% p.a.

30. PENSION SCHEMES (continued)

The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets was £1,506 million representing 95% of the liability for benefits after allowing for expected future increases in salaries.

Based on the strength of the Employer covenant and the Trustee's long-term investment strategy, the Trustee and the Employers agreed to maintain Employer and Member contributions at 13% of Salaries and 6% of Salaries respectively following the valuation. The above rates will be reviewed when the results of the next formal valuation (as at 31 March 2014) are known.

A comparison of SAUL's assets and liabilities calculated using assumptions consistent with FRS17 revealed SAUL to be in deficit at the last formal valuation date (31 March 2011). As part of this valuation, the Trustee and Employer have agreed that no additional contributions will be required to eliminate the current shortfall.

The more material changes (the introduction of a Career Average Revalued Earnings, or "CARE", benefit structure) to SAUL's benefit structure applied from 1 July 2012. As a consequence, the cost of benefit accrual is expected to fall as existing final salary members are replaced by new members joining the CARE structure. This will allow an increasing proportion of the expected asset return to be used to eliminate the funding shortfall. Based on the valuation as at 31 March 2011, the shortfall was expected to be eliminated by 31 March 2021, which is 10 years from the valuation date.

The Royal Veterinary College

UNAUDITED CONSOLIDATED FINANCIAL SUMMARIES

INCOME & EXPENDITURE ACCOUNT	2014 £000	2013 £000	2012 £000	2011 £000	2010 £000
INCOME					
Funding body grants	23,438	25,519	26,775	27,839	29,635
Tuition fees and education contracts	15,199	12,947	10,053	8,969	8,257
Research grants and contracts	11,670	12,479	14,325	12,394	8,820
Clinical and related earnings	19,114	17,219	16,225	15,396	14,707
Other income	5,059	5,168	4,104	3,501	4,007
Endowment and investment income	1,132	510	418	499	406
TOTAL INCOME	75,612	73,842	71,900	68,598	65,832
EXPENDITURE					
Staff costs	40,410	38,125	36,564	38,394	38,243
Other operating expenses	24,575	27,365	26,595	24,156	24,276
Depreciation	5,016	4,950	5,138	4,265	4,227
Interest and other finance costs	1,441	1,351	1,425	1,433	898
TOTAL EXPENDITURE	71,442	71,791	69,722	68,248	67,644
Surplus/(Deficit) after depreciation of tangible assets at valuation and after tax	4,170	2,051	2,178	350	(1,812)
Surplus/(Deficit) before transfer to specific endowments	4,170	2,051	2,178	350	(1,812)
Transfer from/(to) specific endowments	(637)	(28)	372	429	626
SURPLUS/(DEFICIT) RETAINED WITHIN GENERAL RESERVES	3,533	2,023	2,550	779	(1,186)

BALANCE SHEET	2014 £000	2013 £000	2012 £000	2011 £000	2010 £000
Fixed asset and investments	73,685	75,821	79,071	79,614	60,464
Endowment assets investments	11,158	10,982	10,029	12,852	13,050
Cash at bank and in hand and short term deposits	21,528	19,599	14,180	6,367	20,180
Net non cash current liabilities	(13,609)	(10,522)	(12,847)	(9,526)	(6,025)
Long term loans, creditors and provisions	(22,072)	(27,760)	(24,211)	(24,368)	(24,642)
TOTAL NET ASSETS	70,690	68,120	66,222	64,939	63,027
Deferred capital grants	27,626	28,955	30,354	31,403	30,072
Endowment funds	11,158	10,982	10,029	12,852	13,050
Retained earnings	31,906	28,183	25,839	20,684	19,905
TOTAL FUNDS	70,690	68,120	66,222	64,939	63,027