

Integrated Report For the year ending 31 July 2016





#11-11-1¹¹

Principal's Introduction

This is the first of a new style of annual report at Abertay University. We are aiming to give an integrated picture of the development of our University over the last year – hence the title "Integrated Report". The financial aspects are suitably prominent – this is, after all, the annual statement of our accounts – but we present the accounts as part of the wider story.

We have made good progress over the past year, against a challenging background. We continue to be guided by our Strategic Plan 2015-2020. This plan is, for us, a living document that we use to guide our decisions, as well as to measure progress. You can find the plan here:

http://www.abertay.ac.uk/discover/the-university/governance-and-management/corporateinformation/

It is, as always, difficult to list highlights without running the risk of underplaying other successes, but I would mention in particular the following:

- We have introduced a new curriculum, giving a greater breadth to the learning of our students, and allowing us to deliver our teaching more efficiently.
- We have reformed student assessment, to align it more effectively with learning, and to deliver better and more timely feedback to students.
- The first cohort of students studying our accelerated degrees, in which the students graduate in three years rather than four, successfully "accelerated" by undertaking studies over the summer.
- Our effective partnerships with our partner colleges Dundee & Angus College and Fife College continue to support students in their educational development, and to contribute to social mobility; in this year, 34% of our undergraduate intake progressed to Abertay from colleges with full credit.
- We have begun a major programme of investment in our infrastructure (both buildings and ICT) beginning with the creation of new laboratory facilities and innovative learning spaces; this will continue for the rest of the present decade.
- We have, again, a good financial outcome, with an underlying surplus and cash generated of £2.8m.

As you will see in this report, our success has been recognised externally. This year, we went up in all of the main UK university league tables. In the most recent one to be published, the Times/Sunday University Guide, we were the highest ranked modern university in Scotland.

We did very well in the National Student Survey. This is particularly important to me as Principal, because it tells us what our students think of their experience. Our scores improved in every category. In the headline measure of "overall student satisfaction", we went up to 88%, the highest score for a modern university in Scotland. Finally, Abertay is one of six shortlisted for the University of the Year Award, by the Times Higher Education; the winner will be announced on 24 November, after publication of this report.

We are, of course, very pleased to receive recognition in this way. We are doubly pleased that we have done it without aiming specifically at our league-table position (which, like any league table, can be subject to game playing by the participants). On the contrary, our recognition follows from our doing what we think is best for us as a university, and particularly for our students ("choosing our own path", as our Strategic Plan puts it).

Challenges remain. As this report points out, Abertay is a largely publicly funded institution. Financial resource from the Scottish Government, our main funder, has been declining gradually in real terms for the last few years. In the coming year -2016/17 - it will decline in cash terms. The future is hard to foresee, as always, but it is at least possible that public funding for Scottish universities will continue to decline for the next few years. We adapt, of course, by finding ways to operate more efficiently, at the same time as we continue to improve the student experience, but it is plain that this is a challenging situation.

Brexit will have a significant impact on Abertay, as it will on other universities. Many of the effects will, in the short run, be negative as existing relationships are affected in one way or another. Most prominent in our minds at the moment is the impact on students from the European Union. EU students are about 10% of the total at Abertay, and make a valued contribution to our life as a university community. On any of the more likely versions of Brexit – at least as things seem at present – their current fee status (fee paid by the Scottish Government, as for Scottish students) would not continue, and it is likely that fewer EU students would choose to study in Scotland. This is very much to be regretted from our point of view (though, as for many such issues, public-policy arguments can be made in both directions) and will require a significant adjustment, including a new focus on the active recruitment of EU students to Abertay.

The recruitment of international students from beyond the EU is also a challenge, particularly with the UK Government's continuing focus on controlling student immigration. Because of the way they are applied, the current immigration controls have a disproportionate effect on small, modern universities such as Abertay. An intention to introduce further measures to favour or disfavour the immigration of students to study at certain types of universities has just been announced by the UK Government. How such a measure would affect Abertay is uncertain, and the effect might not be negative (if it were based on the quality of the student experience, for example) but it is certainly true to say that the policy environment is a challenging one in this respect.

Despite these challenges and uncertainties, it is right for me to end this introduction on a positive note. This has been an excellent year for Abertay University, thanks to the hard work and commitment of my colleagues, and to our outstanding students.

I hope you find this integrated report informative.

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Abertay History

Our 128 year history of preparing students for the world of work

We became a university in 1994 but our origins date back to 1888 as the "Dundee Technical Institute" with just 238 students. We were described as an "industrial university" by a government-commission report in 1902 and this is still relevant today – we deliver vocationally-relevant degrees to meet the needs of industry & commerce and foster innovation & skills. The first classes delivered at the Institute were in textiles, reflecting Dundee's then preeminent position in the jute industry and we were designated a 'central institution' in 1902; one of the roles of which was to deliver vocationally-relevant higher education. Schools in navigation and marine engineering were included from 1910 and by the 1950s additional subjects including pharmacy, civil, mechanical and electrical engineering and management studies were being offered.

Changing our name to Dundee College of Technology in 1975, we expanded over the next 10 years to 2000 students - becoming an Institute in 1988. This period saw the introduction of higher education courses in computing, software engineering, nursing and accounting amongst others. In the early 1990s, as the Institute aimed for degree-awarding powers and university title, further new courses were added such as in law, retail distribution and management, sports science and there were, by then, 4000 students.

In 1997, we offered the first computer games degree courses in the world and are the only European university listed in the "Princeton Review World Top 25 Games Universities". More recent developments include provision in food, nutrition and consumer science, forensic science, sound and music for games. We offered the first ethical hacking courses in the UK and we are the first university in the UK to offer a range of accelerated degrees (four-year courses can be completed in three years).



Performance Overview

Our strategic execution is on track and we have made good progress towards meeting our targets.

Our activities are guided by the Strategic Plan 2015-2020 and the ambitions we have for beyond 2020.

We have a set of 19 strategic key performance indicators (KPIs) to monitor objectives in the Strategic Plan. The KPIs were agreed by the University Court in April 2015 and are considered by Court twice a year. 2016 was the first full year of reporting on the revised KPI set, with updates provided to Court at its December 2015 and June 2016 meetings.

Choosing our own path	Recognising and developing potential	Expanding horizons	Working in partnership	Making our knowledge accessible
*(1) % of students satisfied with the overall quality of their course]	*(5) % of Scottish- domiciled undergraduate entrants from the 20% and 40% most deprived postcodes	*(9) % of graduates in employment or further study	(14) Retention/ completion rate for entrants articulating to Abertay at stages 2 and 3.	*(17) Total research grant and contract income
(2) % of staff who would say the University is a good place to work	*(6) % Scottish-domiciled entrants articulating with advanced standing	(10) % of graduates in graduate-level employment	(15) Number of alumni involved in mentoring programme	*(18) Total income from knowledge exchange activity
(3) annual operating surplus as % of total income.	*(7) % of undergraduate entrants still in higher education after one year	(11) Number of students taking up work experience opportunities	(16) Staff survey: % of staff who think communication in the University is effective	(19) Number of citations
(4) league table position Guardian	(8) % of undergraduate students projected to receive a degree	(12) International students as % of student population		
		(13) Postgraduate taught students FTE		

* included in the Outcome Agreement (see next section)

The most recent report on progress will be published on our website during October 2016.

Outcome Agreement with the Scottish Funding Council

We have an Outcome Agreement with the Scottish Funding Council (SFC) which sets out the outcomes we will deliver in return for our funding from SFC. The 2016 Outcome Agreement was approved by Court in February 2015 and agreed with SFC in April 2015. Given the need to align our Outcome Agreements with our Strategic Plan ambitions, some of the measures are included in our strategic KPI set. You can find our Outcome Agreement here:

http://www.sfc.ac.uk/funding/OutcomeAgreements/2015-16/AbertayUniversity.aspx

Overview of 2016 performance

Here we summarise our perfomance, using the principles that are articulated in our Strategic Plan 2015-2020.

Choosing our own path

Student satisfaction	The annual National Student Survey (NSS) provides us with feedback from final year students on their experience at Abertay. Over the five years in which we have participated in the NSS, we have seen continued improvement in students' satisfaction levels. 88% of final-year students in the 2016 NSS were satisfied with the overall quality of their course, increasing from 86% the previous year. This was best score yet for the University and the highest score for any modern university in Scotland.
	There was improvement across the board, with scores improving in six of the seven areas of the NSS and remaining level in the seventh. This reflects the transformational changes in our approach to learning and teaching introduced over the last two years. Most notably, our score for 'assessment and feedback' rose to 75% reflecting the implementation of our new approach to assessment and feedback during 2016. This included the introduction of a requirement for feedback to be provided within 10 working days and for students to submit work and receive feedback electronically.
ELIR	 The Quality Assurance Agency for Higher Education (QAA) undertook an Enhancement-Led Institutional Review at Abertay in March and April 2016. The review concluded that the University has effective arrangements for managing academic standards and enhancing the student learning experience. It also highlighted a number of examples of good practice including: The University's approach to managing assessment, including the electronic management of assessments which has helped students better understand their attainment, incentivised student performance and promoted good feedback practice. Student support arrangements through the University's one-stop service, known as the Support Enquiry Zone, which offers a range of activities to effectively support students during their studies.
External recognition	During 2016 we saw improvement in our position in external league tables including a rise of 8 places to 85th in the Guardian University Guide, one of our KPIs, a rise of 9 places to 83 in the Complete University Guide and a rise of 12 places to 85 in The Times and The Sunday Times Good University Guide (ranking Abertay the top modern university in Scotland)
Staff engagement	Feedback from staff in the Staff Engagement Survey which was undertaken in summer 2015 was disappointing, highlighting continuing issues with communication and staff engagement. Since then an action plan has been developed to help us to better understand and address the issues raised through the survey.
Financial position	A strong financial position which will be explored further in this report.

Recognising and developing potential

Access to an	Improving access to higher education and continuing to ensure that we recruit students from a
Abertay degree	diverse range of backgrounds are priorities for Abertay. In 2016 we increased both the number and
	proportion of entrants from the 40% most deprived areas in Scotland, with 35% of undergraduate
	entrants coming from one of these areas. One of the Scottish Government's priorities areas,
	highlighted by the Commission on Widening Access and included in our Outcome Agreement, is to
	increase the number of students from the 20% most deprived areas entering universities. In 2016,
	16% of our entrants were from the 20% most deprived (SIMD 20) areas. This has taken place at
	the same time as our entrance qualifications have increased, reflecting higher demand and improved
	management of our student recruitment and admission processes. Our contextual admissions policy
	also recognises other factors which may impact on a student's educational experience. 13% of our
	entrants in 2016 met the criteria to be eligible for a contextual offer under the terms of our policy.

	Many of these students are not from SIMD 20 areas. Taken together however, contextual entrants and SIMD 20 entrants accounted for 25% of our Scottish-domiciled undergraduate intake in 2016 reflecting the breadth of commitment to offer opportunities to potential students from the widest possible range of backgrounds.
Retention	It is of course important not only to recruit students from a wide range of backgrounds, but also to provide appropriate support for all students to ensure that they are able to complete their degrees. We monitor this through the HESA PIs covering retention and projected degree completions. While the percentage of undergraduate students projected to receive a degree increased for the fourth year in a row, to 73.3% in the latest indicator published in March 2016, the percentage of students retained after their first year dropped to 91.3%. Continuing to improve retention across all areas of the University is a priority for us in the coming year.

Expanding horizons

Employment	One of our strategic aims is to ensure that our graduates have the relevant knowledge and skills to be ready for the world of work. We do this through our curriculum, including regular employer engagement, through the Abertay Attributes, and by ensuring that work experience opportunities are available to all of our students.
	In the most recent survey, which relates to 2014-15 graduates, the proportion of our graduates in employment or further study increased by one point to 92.8%. However, the proportion of graduates in graduate-level employment dropped by one point, to 68.5%.
Internationalisation	Our Strategic Plan highlights our ambition to give our students a more international experience both by increasing the number of international students at Abertay and providing more opportunities for Scottish students to participate in exchanges.
	In 2016, 21% of our student population (FTE) came from outwith Scotland, joining Abertay from over 60 countries around the world. 13% came from other EU countries and 3% from countries outwith the EU.
	Our KPI monitors the international (non-EU) student FTE as a percentage of the total student population. This remained at 3% in 2016, the same as the previous year and the ability to achieve our 2020 target of 7% remains challenging.

Working in partnership

ArticulationOver the last two years we have enhanced our articulation arrangement moving to a model of progression, with the expectation that there are Abertay degrees for students passing their HNDs at partner colleges. The increase, from 27% to 35% in 2016, in the number of undergraduate end advanced standing to second or third year of one of our degree prograsitudents were split between year 2 entrants (40%) and year 3 entrants Students articulated onto programmes in all of our academic schools a articulating students came from our partner colleges (Dundee & Angur remaining 45% coming from colleges elsewhere in Scotland.	lear articulation routes to his led to a significant strants who articulated with news. These articulating 60%). ad subject areas. 55% of

Making our knowledge accessible

Research grant and contract income	2016 saw a 13% increase in research project income driven by new Research Council Awards. The future project pipeline is strong with £1.5m of awards won in 2016 (to be spent over the next 3-5 years).
Knowledge exchange	Our Knowledge Exchange income which includes CPD, consultancy and knowledge transfer was impacted by the conclusion of several multi-year European Structural Fund grants. Income fell by 12%.

Overview of student recruitment and profile of the student body

Our student population, which is predominantly undergraduate, was similar in size to the previous year, reflecting our decision to keep SFC-funded undergraduate numbers at the same level, and the challenges faced across the HE sector in recruiting students from outwith Scotland, particularly to taught postgraduate programmes.



2015-16 FTE	Scottish	EU	RUK	Int'l	Total
Undergraduate	2,908	434	185	28	3,554
PG Taught	71	58	10	27	165
PG Research	54	12	3	42	111
Total	3,032	504	197	97	3,829

Our policy is to maintain SFC-fundable FTE within 10% of SFC-funded places.



Over 40% of entrants join Abertay in year 2 or 3 of a degree,



25% of Scottish entrants are from SIMD20 areas or meet the criteria of our contextual admissions policy.



Later in this report we profile student numbers by academic school.



Our students are s



haping the world...





Financial Overview

We are in a strong and sustainable financial position to deal with future uncertainty

The University is generating a robust level of cash, it has a high level of discretionary reserves and a balance sheet free from debt. Financial benchmarking shows that Abertay is in a stronger position that the Scottish average.

There are further opportunities for improved cost recovery, particularly in research and the trading performance of the commercial service operations (catering and residences).

Clear vision of the future

We have transformed the planning and budgeting framework, improved the quality of management information and put processes in place to allow informed decision making and to optimise resource allocation. We are preparing plans that set out what we need to do to achieve our goals and how to get there (linking resourced activities to target outcomes).

We have a multi-year investment plan which starts with a £4m expenditure in summer 2016 to:

- Create showcase laboratories to be used to teach science disciplines.
- Create new and enhanced food and drink teaching and research facilities.
- Pilot new and innovative ways to teach and facilitate problem-based learning.

Focused business model

We have brought our Scottish and EU student populations into line with the number of SFC funded places to maximise cost recovery and the student experience. We are looking to grow our international (non-EU) student population.

We are making informed research applications ensuring strategic fit of research and balanced portfolio of funders

Key Financial Metrics

The graphic below summarises six key financial metrics, which are explored further later in the report.



Key points to accompany the graphic:

Fall in revenue	 Reduction in SFC core funding. Numerous large and one-off externally funded projects (money in / out) historically accounted through the books of Abertay now coming to an end (£7.1m income in 2015, £5.3m in 2017). e.g. the Dundee Academy of Sport. The University considers it prudent and wise to plan for future recurring cuts in SFC funding - reflected in the revenue projections for 2018 and 2019.
Higher staff costs as a percentage of income	 We are not comparing like for like (against the HE sector average): Medical / bio laboratory disciplines generate high levels of non-staff expenditure (equipment and services); we have only a small proportion of such activities at Abertay. Many universities outsource (a bought-in service reported as non-staff expenditure) their facilities management or commercial service operations. Abertay services are delivered in-house.
Student numbers have stabilised following a decline	This was a deliberate decision to bring our population in line with SFC funded places, which have remained broadly static over the last ten years; this was done to avoid over-trading by teaching additional "fees-only" students for very little additional income.
Appropriate levels of surplus, cash generation and reserves	Universities build surpluses to allow for much needed investment in infrastructure and strategic developments, to maintain and improve outcomes in education, research and innovation.Following a recent period of relative inactivity in capital expenditure, a multi-year investment programme has been agreed and work commenced. The bulk of summer 2016 spend will be paid out in 2017.

University Activities, Governance and Funding

The Audit of Higher Education in Scottish Universities, published this year by the Auditor General for Scotland, assessed how HE is funded and delivered in Scotland, how it contributes to national strategic objectives and how well equipped the sector is to deal with future financial challenges. Highlights of the report, given below, provide external context to the Abertay business model. You can find the report of the Auditor General here:

http://www.audit-scotland.gov.uk/uploads/docs/report/2016/nr_160707_higher_education.pdf

What universities do

Universities and their activities play an important role socially, economically, and culturally in improving Scotland and the wider world.	 There are three core activities (skills, research and innovation) common to all universities in Scotland: Universities produce skilled graduates for the economy. They provide opportunities for improving skills, re-training the existing workforce, and for lifelong learning; Research adds to human knowledge, and discoveries play a key role in all areas of life, both today and for future generations. Research also enhances teaching of students; Universities work with public, private, and third sector organisations to transfer and adapt the knowledge gained from research for practical purposes.
The Scottish HE sector contributed an estimated $\pounds 7.2$ billion to the Scottish economy in 2013/14.	Universities are major employers.They generate investment by spend on estate and facilities.Students spend money in their local areas.
HE is a global business. Scottish HE is delivered across the world.	Increasingly HE is delivered in other countries, either through [their own] overseas campuses, in partnership with overseas organisations, or through distance learning.

How universities are influenced and governed

There are a wide range of bodies that influence Scottish universities. The policy-making, funding, and regulation of Scottish HE involves multiple public, private and third sector bodies from across the UK, EU and rest of the world.

Global events affect Scottish universities. Scottish universities attract students and funding from across the world. This means events in the rest of the UK and in other countries can impact on Scottish universities.	Changes in levels of government investment in HE in other countries can influence the numbers of students choosing to study in their home country and affect the ability of universities to recruit students and staff. Policy decisions on immigration in the UK and in other countries can affect how attractive or otherwise the UK and Scotland, are as places to study for international students. For example, Canada recently changed its visa regulations to actively try to attract international students. Changes in global markets, such as oil and gas, affect levels of industry and governmental funding for related areas, (teaching and/or research).
Universities are independent of the Scottish Government, but they are subject to regulation and accountable for the use of public funds.	Universities are classified as charitable, not public bodies. They are autonomous, which they consider as key to their effectiveness, within legislation, for setting their own strategy and vision, and for managing and governing their own affairs and finances. They have the ability to generate income from multiple sources and to work with a wide range of public, private and third sector partners to achieve their vision. Although universities are independent organisations, in practice, they operate within a context of multiple stakeholders, regulations, and accountabilities. As charitable bodies, they are regulated by the independent Office of the Scottish Charity Regulator (OSCR). Specific elements of their activities are also regulated by a number of other bodies, including the UK Home Office and the Competition and Markets Authority. Universities are also accountable to many funding bodies, including the Scottish Funding Council (SFC), charities, the UK Research Councils, and the EU for use of their funding.
Responsibility for HE is devolved to the Scottish Parliament with exceptions.	 The UK Government is responsible for making policy in, and providing funding for, areas that directly and indirectly affect Scottish universities: Setting UK immigration policy; UK research priorities and funding; Developing policies for the English HE sector, which can affect Scottish HE.
In the UK, there are two main principles that underpin how HE works – academic freedom and the 'Haldane Principle'.	Academic freedom is set out in law across the UK and was most recently redefined in the 2016 HE Governance (Scotland) Act. The 'Haldane Principle' is the idea, generally adhered to by the UK government since the early 1900s, that decisions on individual research proposals are best taken by researchers themselves through peer review.

Higher Education Funding in Scotland Explained

The Scottish Government provided over £1.7 billion in funding for universities and individual students in 2015– through funding to the Scottish Funding Council (SFC) for universities, and to the Student Awards Agency Scotland (SAAS) for individual students.

Funding for universities

The Scottish Government provided £1.1 billion in direct funding to the SFC for universities in 2015.	97 per cent was to fund day to-day running costs, with the remaining three per cent, £30 million, for capital funding.
The SFC is responsible for deciding how to apportion this funding across the different areas it funds and then allocating the funding to universities.	62 per cent (£702 million) was for teaching Scottish and EU students. Research and knowledge exchange grants was the second largest area, at £296 million.
The SFC places limits on the number of university places it will fund for Scottish and EU students undertaking undergraduate courses and selected taught postgraduate courses.	It does this based on its annual budget and the Scottish Government's workforce requirements for areas that are nationally controlled, such as medicine and teaching. The SFC does not control the number of students from the rest of the UK or outside the EU. It is up to individual universities to decide how many of these students they wish to aim for and then recruit, in competition with other universities.
Where universities enrol more Scottish and EU students than their specific allocation of funded places in certain categories, these places are known as 'fees-only'.	Universities receive the tuition fee element from SAAS but they do not receive the accompanying teaching grant from the SFC. Universities can be penalised financially if they go outside agreed limits.
Universities received an average of £6,999 for each Scottish and EU student in 2015.	The SFC teaching grant is based on an annual price per funded place. In 2015 this was, on average, £5,180. Universities also receive £1,820 per eligible undergraduate student in tuition fees from the Scottish Government via SAAS.
Universities are accountable to the SFC for the funding received, and the SFC is accountable, in turn, to the Scottish Government.	The SFC has a financial memorandum in place with each university that sets out the conditions of the funding it provides. Each university is responsible for ensuring they comply with this. Universities' internal and external auditors provide assurance that the memorandum has been complied with and that there are effective risk management, internal control, and governance arrangements in place.

Funding for individual students

Since 2008, the Scottish Government has paid the tuition fees of Scottish and EU students who are undertaking full-time undergraduate courses for the first time and a limited number of postgraduate courses:

- EU students studying in other EU countries are subject to the same fee regime as Scottish students. This means full-time undergraduate students from other EU countries studying in Scotland are entitled to have their tuition fees paid by the Scottish Government.
- This entitlement does not apply within countries, meaning students studying in different parts of the UK can pay different fees. Since 2012/13, undergraduate students from England, Wales and Northern Ireland have paid tuition fees of up to £9,000 a year to study in Scotland.
- Tuition fees for students from outside the EU are decided by individual universities, taking into account competition from across the UK and internationally.

The Scottish Government provided approximately £623 million in support for individual university students in 2015 delivered through SAAS. The single largest amount, approximately £250 million, 40 per cent, was to fund student support and tuition fee payments.

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Best Modern University in Scotland

93%	Graduates in work or further study	3829	Total number of students	91%	Undergraduate student population
89%	Students studying full-time	47%	Female students	88%	Overall student satisfaction score

We educate people with a particular focus on preparing them for the world of work, and having an impact on the local and global economy.

Our strong sense of community has resulted in our students voting us the best modern university in Scotland, via the 2016 National Student Survey.

At Abertay, we like to follow our own path and do things differently if it means we can serve our students, staff and the local community better.

We are incredibly proud of our reputation for innovative and pioneering degree courses. We were the first university in the world to offer a degree in computer games and we remain the only university in Europe listed in the Princeton Review's "World Top 25 Games Universities".

We're committed to preparing our students for employment and are proud to say that 92.8% of our graduates are in work or further study within six months of graduation.

We work with industry to provide a vocationally-relevant curriculum, work placements and business challenges set by real companies. 'Thinking outside the textbook' allows our students to choose their own path, giving them the opportunity to apply knowledge to real world environments.

Our academic operating structure is based on five schools:

The **School of Arts, Media and Computer Games** is home to the first ever computer games course and the first ethical hacking course. The School's computer games programmes are rated the best in Europe and one of the top 25 in the world. Programmes focus on game design and development, sound and music, computing, and ethical hacking. Our state-of-the-art facilities include the largest Sony Playstation laboratory in Europe, the Centre for Excellence in Computer Games Education (which expands the range of graduates who can make an immediate commercial impact and drives the future success of interactive media and computer games industries) and White Space (a knowledge hub for staff, students and local businesses).The School's link to industry is helped by the fact that Dundee is an important city in terms of digital media-based industries. Abertay organises and hosts Dare to be Digital – a major video games development competition for university students – and Dare Protoplay - Scotland's biggest indie games festival – every summer.

The **School of Science, Engineering and Technology** provides programmes which are industrially relevant and focus on science, the natural and built environment, and food and drink technology.

The School is home to the Urban Water Technology Centre which provides wastewater consultancy and management support to the water industry, both in the UK and overseas. It has a broad range of clients from water companies to local authorities, manufacturers and private sector companies involved the construction and civil engineering industries. It is also home to the Food Innovation Centre which offers creative solutions to business challenges providing services which include new product development, product reformulation, consumer evaluation and analysis.

Well-equipped labs – which are undergoing further upgrades as part of the £11m investment in facilities – provide practical experience alongside a commitment to securing industrial placements and supervised work experience.

The **Dundee Business School** was ranked top in Scotland (2016) for employability and student satisfaction. Its goal is to produce highly skilled change-makers who can rise to the challenges of business in the 21st Century global economy. Programmes focus on business, marketing and accounting and are accredited by a range of internationally recognised industry bodies.

The School has well-established links with industry, commerce and finance which range from young industries like new media, to mature industries such as energy and oil. These links play a significant role in ensuring that what our students study is informed by contemporary circumstances and emerging trends.

Students have the training and opportunity to take part in the Innovation for Global Growth event, which allows them to pitch business solutions to high-profile companies.

The **School of Social & Health Sciences** delivers innovative and dynamic programmes in psychology, sociology, counselling, mental health nursing and sport.

Our programmes emphasis the practical application of current theory and research, ensuring students graduate with in-demand, industry-relevant skills. The school has a strong research focus and students are taught by active researchers in state of the art facilities.

The School is establishing a Centre of Excellence in Mental Health Nursing and has made progress towards this with a series of joint NHS appointments and the development of a new MSc in Mental Health Nursing. We explore later in this report how Abertay scholarship has contributed to the development of mental health nursing.

The School hosts the Dundee Academy of Sport, an exciting project funded by the Scottish Funding Council, delivered by Abertay in partnership with Dundee & Angus College. The aim is to use sport as a vehicle for engaging young people in education at school, to further develop the region's workforce in the sport and leisure industry and to establish, working with Dundee & Angus College, the Dundee Academy of Sport as the region's best provider of sports education.

Our **Graduate School** is a dedicated modern facility providing support, training and professional development opportunities to our vibrant postgraduate community. Specially designed to promote integration and regulation of interdisciplinary working in our next generation of researchers, postgraduates study and learn together at Abertay. Constantly developing and evolving, the Graduate School supports the Abertay research community in the development of research and professional careers.

	Staff Establishment Full-time equivalent	Registered Students Full-time equivalent	Expenditure (2016)
Arts, Media and Computer Games	43.2	1,175	2.2
Science, Engineering and Technology	44.3	688	3.3
Dundee Business School	35.6	617	2.0
School of Social & Health Sciences	61.2	1,350	3.4

Equality and Diversity

We believe that all employees and students have the right to expect, and the University has a responsibility to ensure, that no individual will be disadvantaged as a consequence of their age; disability; gender reassignment, marriage and civil partnership; pregnancy and maternity; race (including colour, nationality and ethnic or national origins); religion or belief; sex; or sexual orientation.

The University benefits from having employees and students from many varied nationalities, cultures and backgrounds. The University confirms its commitment to a policy of equal opportunities in its selection, recruitment and treatment of students and employees. The University aims to ensure that all individuals will be treated with dignity and respect and that an environment is achieved where unlawful discrimination is not tolerated. Additionally the University aims to foster good relations between people from different groups, to tackle prejudice and to promote understanding between people from different groups, characteristics and backgrounds.

In 2014 the University was among the first UK Higher Education Institutions to sign up to a pilot scheme for the new Race Equality Charter and in 2015 the University was awarded the Athena Swan Bronze Award to recognise its commitment to advancing the careers of women in science, technology, engineering, maths and medicine (STEMM) employment in higher education and research.



Celebrating our success

A selection of press releases have been chosen from our website:

http://www.abertay.ac.uk/discover/news/

Best Modern University in Scotland

Abertay is the best modern university in Scotland, according to its students. In the National Student Survey 2016 (published August 2016), Abertay has an overall satisfaction rating of 88%.

This is the highest figure among all the seven Scottish institutions known as modern universities.

The National Student Survey covers six groups of questions about teaching, assessment and feedback, academic support, organisation and management, learning resources and personal development.

Abertay's students rated it Scotland's top modern university for teaching, assessment and feedback, and academic support.

They also rated it second-highest for learning resources, third-highest for personal development, and fourth-highest for organisation and development.

The University's ratings had improved in all but one of the areas compared with last year's survey, and remained level in the sixth.

Almost three quarters of Abertay's final-year students took part in the survey earlier this year, along with more than 300,000 students across the UK.

"This is fantastic news and testament to the dedication and hard work of staff right across the University. The NSS is our best way of finding out what students think is great about studying at Abertay, and what could be improved about their learning experience. We are committed to continuous improvement in the teaching and learning experience for future generations of students."

Professor Steve Olivier, Vice-Principal and Deputy Vice-Chancellor (Academic)

The full NSS results can be found on the HEFCE website: www.hefce.ac.uk/lt/nss/results

Abertay climbs eight places in the Guardian University Guide 2017

Abertay has risen eight places in the Guardian University Guide 2017 (GUG) published (May 2016).

This is the third-highest rise in Scotland and takes Abertay to 85th, from 93rd in last year's table. The University is now 11th out of the 14 Scottish institutions in the table, leapfrogging both Queen Margaret University and Glasgow Caledonian University.

The rise is due to improved scores in six of the eight measures used by the GUG. As reported when the Complete University Guide 2017 was published last month, Abertay is currently enjoying its highest scores of the last 10 years in student satisfaction, proportion of firsts and 2:1s, staff-student ratio and completion rates.

There are also many successes to report in the GUG's individual subject tables. In the Business, Management and Marketing table, Abertay has risen 33 places to 68th out of 118; in Civil Engineering, 26 places to 15th out of 48; in Biosciences, 18 places to 17th out of 101; in Psychology, 11 places to 43rd out of 112, and in Sociology 10 places to 60thout of 87.

Abertay's success in the GUG 2017 continues a trend seen over the past few years across all league tables. The University has climbed in the GUG from 119th in 2013 to 85th this year, and in the Complete University Guide from 111th in 2013 to 86th this year.



Internationally Recognised Research and Impact

We have a successful cross-disciplinary and collaborative Research and Knowledge Exchange strategy

Complexity and interconnectedness affect our lives both positively and negatively. Benefits include social interaction unfettered by distance and time zones; globalised trading; high standards of living in safe environments; reliable energy supplies; affordable food and drink supply chains; and accessible healthcare. But these benefits are not universal, and their maintenance, extension and development require cross-disciplinary and collaborative solutions to 'big' research questions.

Abertay is compact and focused, and this enables us to work effectively across traditional research boundaries. Subject expertise from a range of areas is integrated to pose new questions and find creative solutions to the problems facing societies. We are committed to maintaining our world-leading role in aspects of environmental sciences, developing our nascent groups in inclusive technologies for sustainability, well-being and security, and growing research activity, income, impact and demand driven Knowledge Exchange based on inter-disciplinary research themes that align with our teaching activities and government priorities.

Collaboration is the ethos of our Research and Knowledge Exchange (RKE) strategy, R-LINCS (Research-Led Innovation Nodes for Contemporary Society) which aims to bridge conventional boundaries between disciplines to devise innovative approaches to address societal challenges.

Building on existing areas of expertise and our industry facing heritage, strategic research activity is focused around themes to address key local, national and international priorities. Our four themes (Creative Industries, Environment, Security and Society) serve as a focus for interaction and development and are led by experienced research academics committed to fostering and supporting RKE activity and excellence. Our Outreach and Public Engagement Network fosters staff and student engagement with the local, national and international community, making Abertay an accessible and open community asset.

We have a thematic structure



Abertay is recognised as a world leader in computer games and computer arts education, a reputation earned over nearly two decades of leadership in the field. Over this period the constant evolution of interactive digital media has penetrated all domains of the creative industries and grown to encompass an increasing array of interdisciplinary research interests from technological innovation, to psychobiological measurement; experience design to curatorship and museology.

We are building on established relationships with some of the world's leading technology manufacturers, digital content creators and service providers to undertake research and development, knowledge exchange and collaborative content creation in dedicated facilities and centres.



Combining research in environmental science and engineering, food science and innovation, environmental and systems biology and sustainable technologies to deliver the solutions needed to address contemporary global environmental challenges. We combine fundamental and industry-focussed research fuelled by interactions between discipline experts, experimentalists and theoreticians. New ways of thinking, notably in the emerging disciplines of computer games technology, the interface between life and physical sciences, and emergent behaviour of complex systems, are interlinked across disciplines.



Our strategic approach to the Security challenges of the 21st Century is an interconnected and interdisciplinary platform based around cyber security, forensic psychology, forensic science and law.

For example, the development and availability of new technologies is frequently accompanied by increasingly sophisticated criminal activity and organised crime. It is important to consider cyber security in the development of new technology so that secure features are embedded at the outset, as well as being able to continue to test the security of cyberspace as new technological advances are made. Forensic psychology plays an important role in all aspects of the legal system by drawing on many areas of psychological science. Our researchers focus on child forensic interviewing, eyewitness memory, effective police training and guidelines, legal issues surrounding vulnerable victims, multiplex video environments, CCTV, camouflage, and individual differences.

No aspect of the human, technological, cultural and natural world is unaffected by 'Society'. People create social relations and institutions, ranging from the local interactions of groups, technologies, communities, organisations, nations, through to the emerging global society. All areas of public policy acknowledge that no activity takes place outside of society and that society itself changes in



Media and Culture

- Business, Economies, Management
- Psychology
- Sociology

- Mental Health and Well-Being
- Sport, Performance and Exercise
- Law of Employment

A better understanding of the social universe will help improve decision-

often unanticipated ways.

making, social solidarity and public policy.

Research Excellence Framework (REF2014) – internationally recognised research

Commissioned by the four UK higher education funding bodies to assess the quality of research in UK HE, the outcomes were published in December 2014, and the results for Abertay were very encouraging. Our overall score rose by almost 18% compared with the previous national Research Assessment Exercise in 2008 (RAE2008) and we scored some significant successes in individual subjects with increases in the proportion of research judged to be 'internationally excellent' or 'world-leading'.

Unlike most other universities, Abertay deliberately chose to submit more subjects and more staff than it did in RAE2008. This is central to our long-term plan to embed a research-led culture right across Abertay, underpinning everything we do in research, knowledge-exchange and especially teaching. The overall improvement in REF2014 was particularly pleasing as our explicitly interdisciplinary research strategy potentially hampered success in a subject-driven assessment process.

Our overall score was 2.15, which REF2014 describes as 'quality that is recognised internationally in terms of originality, significance and rigour'. This is a significant step-change from the 1.83, 'national recognition', we achieved in RAE2008.

Unit of Assessment	REF2014	RAE2008
Psychology, Psychiatry and Neuroscience	2.73	1.70
Sports and Exercise Sciences, Leisure and Tourism	2.53	-
Earth Systems and Environmental Sciences	2.51	2.40
General Engineering	2.08	1.95
Sociology	2.00	-
Law	1.63	2.00
Biological Sciences	1.60	-
Overall	2.15	1.83

REF2014 ranked research in each Unit of Assessment (UoA) on a four-grade scale, with 3* equating to 'internationally excellent, and 4* equating to 'world-leading'. This table gives the proportions of research graded 3* and 4* in each UoA submitted:

Unit of Assessment	3*	4*
Psychology, Psychiatry and Neuroscience	51%	12%
Sports and Exercise Sciences, Leisure and Tourism	19%	19%
Earth Systems and Environmental Sciences	48%	2%
General Engineering	20%	3%
Sociology	17%	5%
Law	9%	0
Biological Sciences	13%	2%

The table shows that almost two-thirds of Abertay's psychology research and more than half of its sports science research and environmental research is rated as 'internationally excellent' or 'world-leading'.

Also significant was the fact that we scored a proportion of research as 4^* in six of the seven UoAs in 2014.

Even more significantly, an alternative ranking of the results by Times Higher Education maps university performance against the proportion of eligible staff submitted, to counter the tactic of getting a high score with a small submission and to create a level playing field. This analysis puts Abertay at 76th equal in the UK, part of the leading group of modern universities and ahead of some older universities as well as the other Scottish modern universities.

In total, Abertay submitted 36% of its academic staff to REF 2014; compared with only around 22% submitted by the other five modern universities in Scotland. We believe that an Abertay student now has a better chance of being taught by an academic of international or world-leading quality than most students at other universities. We are determined to use that advantage to deliver the truly exceptional quality of learning experience that is our central aim and purpose.

Sector leading Intellectual Property (IP) policy

In 2016 we launched a transformative IP Policy to make it easier for our research and knowledge exchange base to be exploited, to contribute a significant positive change to Scotland's priority economic sectors and to play a leading role in the innovation improvement agenda. We are committed to a research strategy which delivers real world solutions to end users.

We are the first university in Scotland, and one of the first in the UK, to grant both students and academic staff ownership of the IP that they create (except in specific circumstances defined in the policy or where agreed with an external funder).

We believe the inventors are better placed to identify potential end-users and applications for their research and knowledge. Our new policy removes a barrier to working with businesses who have long argued that negotiation of IP rights with universities slows down and/or prevents collaboration. This will increase the application of research and knowledge to address real-world problems and to stimulate innovation in Scottish SMEs and the wider economy.

As a modern, business-facing university we deliver local, national and international research and knowledge exchange which focusses on the needs of businesses and other end-users. We build upon our expertise in food technology, environmental management and computer games and apply it to a broad range of industries (for example, through visualisation technology).

"Intellectual Property" covers all IP of any description including but not limited to all inventions, designs, information, specifications, formulae, improvements, discoveries, know-how, data, processes, methods, techniques and the intellectual property rights therein, including but not limited to, patents, copyrights, database rights, design rights (registered and unregistered), trademarks, trade names and service marks and the right to apply for any of the above as recognised in any country in the world.

Our research and scholarship activities have a demonstrable impact on society and the economy beyond academia.

There are different ways in which our research and scholarship can impact, including:

- **Public engagement** where we communicate to the public with the ultimate goal of bringing about positive change or benefit.
- Policy engagement where we are able to influence policy debate and decision making.
- Industry engagement is about enabling future innovations that can be taken to market by industry.

It is recognised that knowledge exchange between academia and public services and the third sector is central to the delivery of key societal and cultural benefits. It does not always lead to immediate or direct commercial benefits. In the first of our case studies that follow we showcase how Abertay scholarship has contributed to the development of mental health nursing. We then explore three small and medium-sized enterprise case studies (Ivan Wood & Sons, ThePodcastHost.com and Occles) and how Abertay provided something that industry was unable to do itself.

Case Study: The development of mental health nursing



Abertay is a provider to the Scottish Government solely of pre-registration mental health nurse education. Our undergraduate nursing students experience a unique mental health-focused professional preparation including extensive theoretical and skills-oriented physical health education. This reflects our commitment to contribute to the reduction of the serious health inequalities faced by people with mental health problems in Scotland. The programme is delivered by a team of mental health and adult nurses with specialist contributions from our counselling team. The quality of mental health nurse education at Abertay is reflected in some of the highest satisfaction scores in Scotland in the National Student Survey, and in the employability of our students following graduation. Abertay is the only Scottish university to offer a bespoke fourth year of education to undergraduates, boosting their status to a Bachelor of Science degree with Honours. Completion of dissertation and leadership modules in the fourth year supports employability and readiness for practice. We believe that the commitment of those who choose to undertake this additional year marks them as future nurse leaders in advanced practice, managerial, consultancy, and academic roles.

Abertay's nurse education team are highly qualified, committed professionals with extensive experience in practice, education, and research. In addition to the undergraduate BSc(Hons) mental health nursing programme, the team deliver Scotland's only post-registration Masters programme in mental health nursing. The programme, aided by the blended mix of attendance and distance learning, has attracted mental health nurses from across Scotland and internationally. Modules in Recovery-oriented Practice, Crisis Resolution, Working with Older People, Motivational Interviewing, and Research Methods provide learners with the high-level skills and knowledge to take back to clinical practice in order to improve patients' lives. The final-year dissertation module provides a space to study a chosen aspect of practice. Supervision is provided by staff who themselves publish their academic and scholarly work frequently. Lecturers have expertise in poor care and whistleblowing, crisis resolution, personal recovery, counselling skills for mental health nurses, cognition, and pluralistic counselling. We work closely with our stakeholders including colleagues in NHS Fife and NHS Tayside, contribute to national mental health nursing activity including hosting the 2016 Scottish Mental Health Nursing Research Conference.

Our Masters by Research (MbR) programme provides the opportunity to develop a dual nurse researcher-clinician role as envisaged in the Scottish Government's 'Setting the Direction' strategy for nursing workforce development. Through this programme we aim to make a major contribution to nursing research capacity in NHS Scotland. Supervision is led by Professor Geoff Dickens, along with subject-specific experts from the team. Geoff is jointly appointed by NHS Fife and is an internationally-respected nursing researcher with over 100 publications in mental health nursing related academic journals. He has extensive experience in forensic and secure mental health, risk assessment and management, medicines administration, borderline personality disorder, systematic reviews, and research ethics. His PhD and MbR students have conducted or are currently conducting studies in clinical risk assessment for outcomes including self-harm and aggression, supporting people who repeatedly go missing, improving the violence prevention climate in hospital, managing anger, individualised music therapy for people with moderate to severe dementia, self-harm management, prison healthcare, agitation, and reduction of use of sedative medication in older adults with dementia. Our aim is to facilitate students to design, conduct, disseminate, and implement feasible and impactful research of publishable quality and with the potential to improve practice and patient outcomes.

Case Study: Ivan Wood & Sons: Innovations in Filtration

Ivan Wood and Sons Limited is a family business with a difference. Working in partnership with Abertay, it has transformed new regulation into a business opportunity.

As a company which prepares and supplies fresh and pre-prepared fruit and vegetables to the catering trade, Ivan Wood and Sons faced the same challenge as many others in the industry. The Waste (Scotland) Regulations 2012 prevent non-rural businesses which produce food waste from depositing this waste in a public drain or sewer.



In response, the company has developed a solution in the form of a new basic filtering system concept which recovers starch before disposing of waste water.

The company's innovative approach was recognised through the 2016 Scottish Knowledge Exchange Awards, in which they were shortlisted in the 'Innovation of the Year' category.

This system could potentially be used by a wide range of food businesses such as fish and chip shops or other prepared vegetable suppliers. Further development of the filtering system was required to make it a saleable product.

This is where Abertay was able to step in and assist in the development process. With its interdisciplinary approach, the University was ideally placed to conduct this research by bringing together the expertise of its teams working on food technology and water treatment for maximum research capability.

The project – which was funded through a UK government – enabled a 'Knowledge Transfer Associate' (KTA) to be appointed. The KTA who is based at Ivan Wood and Sons Ltd but jointly supervised by the University and company, is developing and testing the starch removal process so that it can be commercialised.

Dr Jonathan Wilkin, Lecturer in the Division of Food and Drink at Abertay said: "The knowledge transfer scheme brings together industry and academics. These partnerships are a great opportunity to help businesses improve their competitiveness."

As well as the environmental benefits of the new system, the research has created two new business opportunities. Sale of the new filtration system in response to the demand created by businesses faced with the new Regulations and the opportunity for developing new ranges of vegetable and vegetable-based stocks using the recovered starch.

Malcolm Wood of Ivan Wood & Sons said: "Working with Abertay has allowed the company to open many doors that once were normally closed to industry. We have our KTA working alongside the company and the University to establish new products and help with the developments of the new filtration system."

Dr Wilkin said: "The project has provided an excellent example of how Abertay's interdisciplinary approach to research can provide solutions to real issues. This project will also contribute to the development of research within Abertay and will generate academic publications in both the fields of food processing and waste treatment."

Case Study: ThePodcastHost.com

With four million adults in the UK now listening to podcasts, this relatively new media channel offers access to what is potentially a very large market. Yet its use as a marketing tool has been slow to take off. Abertay PhD student Colin Gray noticed a gap around technical support for 'would-be podcasters'. He created ThePodcastHost.com to provide straightforward training and production advice for all those keen to start podcasting.



Colin's PhD research at Abertay focused on developing engaging online courses. This knowledge was incorporated into the development of ThePodcastHost.com. Following his PhD, Colin was awarded a Royal Society of Edinburgh Enterprise Fellowship, hosted by Abertay. He was able to tap into the University's internationally recognised expertise in online design to transform his concept into a working business.

ThePodcastHost.com now employs two and half full time staff and attracts around 500 visitors per day.

The Fellowship will help further develop the company by creating a range of tailored courses, producing a high volume of quality written content for the website, and developing the use of software and business systems to deliver excellent service to customers.

"Podcasting is going from strength to strength right now as a way for businesses to engage with their customers. It's the personal connection that does it: something comes across really powerfully by voice. I've been working in this area since 2007, but we're reaching more and more people now thanks to the help we've had from both Abertay and the Royal Society of Edinburgh. It's made it possible for us to grow quickly, keeping up with the medium!"

Colin Gray, Creator of ThePodcastHost.com

Professor Gregor White, Head of the School of Arts, Media and Computer Games at Abertay sees the development of ThePodcastHost.com as an example of the way in which the practical research at Abertay is grounded in the real issues we face in the digital age and is leading the way in finding solutions.

"Colin's success demonstrates the way in which our research – which focuses on practical, real world problems – can contribute to business development. The expertise we have with online design is internationally recognised and can be used to accelerate business growth in a wide number of industries."

Case Study: Occles 21st Century Sleepmask

In 2011, Edinburgh couple Hugh Robertson and Lynne McLeod developed a concept that would revolutionise travel eyewear. While struggling to rest their eyes in the strong sunlight on a Greek beach, they looked around and noticed that their fellow holiday makers were using any means at their disposal to block out the light. "The most popular was the 'towel over the head' method." said Lynne. "At that moment, we knew there had to be a better way."

They developed an innovative 21st Century travel sleepmask. With a wraparound, bridgeless design they fit seamlessly over eyelids blocking out light completely. A flexible, contoured neckband stays out of the way.



Having developed the product and taken care of the intellectual property, the couple were convinced that they had a strong product. What they didn't have was the evidence of tangible benefits for potential investors and customers. They also needed help in developing their marketing strategy and to identify key markets.

With extensive expertise of marketing and business development, Abertay was able to move the project to the next stage. Using funding secured through the Scottish government's Innovation Voucher the University was able to provide the consultancy needed to propel the project from concept to marketplace.

"We enjoyed the opportunity to work with Dr Mullholland at Abertay a few years back." said Lynne. "This work highlighted the demographic profile of our potential customers which in turn helped define our media and marketing material."

Abertay's expertise of managing focus groups proved key to the successful collaboration. "Focus group findings provide companies with real feedback on how an innovative product such as Occles will be received by consumers." said Lynne. "Disruptive products always challenge the status quo, therefore how your product presents to your consumer is highly important."

"There is a common perception that universities simply come up with new inventions and then leave it for businesses to take these to market." said Professor Gavin Reid, Head of Dundee Business School. "The project with Occles demonstrates how universities can work with businesses in developing and refining their marketing and business strategies. As a modern, business facing university, we are always interested in working with businesses at all stages in their development."

Occles were launched worldwide through a successful crowdfunding campaign in 2015. In March 2016 the product was featured by CNN as one of the 'hottest new accessories for travellers'. The company is currently expanding their export business in the USA.
Research Performance Metrics

Funding for research is administered under a dual support scheme. Abertay received £2m of research funding in 2016 - £1m in the form of a block grant from the SFC, and £1m from a range of bodies (public and private, UK, EU and international) for specific research projects. The following table is an excerpt from our Strategic Plan 2015-2020.

Our Principle	Strategic Aims	By 2020 we will	KPIs (2014 baseline)
Making our knowledge accessible	Align our research innovation and knowledge exchange (KE) strategy with national and local priorities.	Increase our research project income by 10%. Target 4500 citations	Total research grant and contract (project) income. Number of citations.
	Provide tailored support to business and public sector clients, using our expertise to help them to develop innovative and practical solutions.	Implement a business development strategy, including new and innovative consultancy services, to increase our KE income by 10%.	Total income from KE activity.



(in the financial year £m)



Future Project Pipeline

(awards won in the financial year £m)



KE Income

(financial year £m)



Number of Citations





13% increase in research project income driven by new Research Council Awards (total research council +138%).

The future project pipeline is strong with £1.5m of awards won in 2016 (to be spent over the next 5 years).

12% decrease in Knowledge Exchange income (CPD, consultancy and Knowledge Transfer). This is because a number of one-off multi-year European Structural Fund grants have come to an end.

Citations increased by 6% in 2015 (calendar year). Part way through 2016 we are on track to exceed the 2015 number.



Strategic Planning and Resource Allocation

Transformed planning & budgeting framework Better management information for informed decision making

The 2017 budget is a turning point for Abertay marking a first; the introduction of a new financial model to inform resource allocation, and a last; the move away from annual budget meetings to longer term multi-year strategic planning from which the annual budget is an extract.

Strategic Planning Landscape



Delivering 2020 outputs:

- Review and refresh of our aims.
- Multi-year plan for deliver and how we will do it (operating enablers).
- Implementation plans for each School and Service.

Beyond 2020 outputs:

- Future shape and focus.
- Understanding of what that means for current plans and investment decisions.

Operating Enablers:

• Clear understanding of the processes, systems and behaviour needed to deliver our plans.

Planning Review - what do we need to do

A review was undertaken in 2016 with each School and Service with follow up thematic reviews during the late summer / autumn. The purpose was to identify and agree what:

- The University needs to achieve over the next 3-5 years to deliver the targets contained within our Strategic Plan 2015-2020, the actions it needs to take and how it will do it (and how we will resource it).
- Is expected of each School and Service, their contribution to the overall targets and parameters within which they can operate, linking activities to target outcomes.
- Our priorities for beyond 2020 based on a clear understanding of our strengths, weaknesses and potential opportunities in the future.

This shift in emphasis will alleviate the staccato and stop-start nature of an annual budget process, improve linkages between strategic priorities, activities, outcomes and resource allocation and heighten the sustainability focus at a time of a tightening in public funding.

Financial Model to Inform Resource Allocation

The purpose of the new model is to understand the current position, set tramlines and track the multi-year direction of travel of the four academic schools. It examines the Student Staff Ratio and Financial Contribution per full-time equivalent (FTE) member of academic staff.

The key drivers of the model are student numbers (income) and staff numbers (expenditure). The principles of the model are that:

- Income and expenditure is mapped to each academic school to calculate the financial contribution to the University. Income is as earned (SFC teaching & research grant, tuition fees and external project).
- The model does not allocate to Schools the cost of support services or space / estates.
- Income and student FTE are adjusted for service teaching (where a school teaches a module to students registered on a degree programme of a second school).

Until this point operational budgets were largely historical. The new model has allowed us to start to address the prioritisation and reallocation of resources (which includes staff establishment).

Financial Strategy

To maintain financial sustainability and provide the resources to enable delivery of strategic goals

"An institution is being managed on a sustainable basis if taking one year with another it is recovering its full economic costs across its activities as a whole and its investment in its infrastructure (physical, human and intellectual) is at a rate adequate to maintain its future production capacity appropriate to the needs of its strategic plan and student, supports and other customers' requirements."

Research Councils UK

"A sustainable financial position requires institutions to generate the necessary level of cash to finance an institution's operations and strategic needs over the medium to long term, including its investment in human and physical resources. Achieving a sustainable financial position is therefore complex. It requires medium to long-term decision making, backed up by a strong and clear financial strategy.

Viewing surpluses or deficits in isolation can be misleading as there are various levers that can be used to generate them, and some of these levers may be short-term measures that do not contribute to the overall financial sustainability of the institution. Assessing institutional sustainability not only requires consideration of financial surpluses, liquidity and financial health, but goes beyond this to include appropriate non-financial performance measures. It involves considerably longer timescales and must be forward-looking, including an understanding of the vision and strategy of an institution and the changing external environment in which it operates."

Financial Sustainability Strategy Group

Investment Cycle



Universities build surpluses to create cash.

Cash gives the capacity to leverage external funding to invest in infrastructure and strategic developments.

Investment decisions are taken to maintain and improve outcomes in education, research and innovation.

We generate between £2-3m of cash annually

Cash Generation £m	2015 Act	2016 Act	2017 Bud
Reported Surplus	(0.5)	1.4	0.2
Add back :			
Depreciation	1.3	1.7	1.5
Pension accounting	1.9	1.0	1.0
Other accounting	(0.5)	(1.4)	(0.6)
Underlying Surplus / Cash	2.1	2.8	2.1

The reported surplus includes non-cash charges and accounting items.

The generation of cash and one-off proceeds from disposal of non-core property will fund the Capital Investment Plan.

Financial Benchmarking shows that we are in a stronger position than the Scottish sector average

2015	England	Scotland (Excl Edinburgh)
Reported Surplus	4.3%	1.8%
Borrowing	28.1%	17.0%
Liquidity	113 days	85 days
Operating Cashflow	8.4%	3.2%

Edinburgh University excluded from the above because of the distortive size of its balance sheet to the rest of Scottish HE.

Benchmarking highlights the effects of differing funding models in England & Scotland. This impacts financial sustainability and the ability to invest.

The Higher Education Funding Council for England has warned that the current levels of surplus are not sufficient to be truly financially sustainable and support the continued level of investment required.

The Abertay 2015 reported surplus (under the old SORP and adjusted for asset impairment) was consistent with the Scottish sector. The strong cashflow, high levels of discretionary reserves and absence of debt mean that Abertay is in a stronger position than the Scottish sector average.

Simultaneous challenges mean that operating in a sustainable manner has gone from being a long standing objective to an essential priority for most universities:

- Increased student expectations –give rise to the need for increased levels of investment.
- Increased competition for international student recruitment.
- Increased volatility and less certainty in income streams.
- Increased diversity in the range of initiatives and partnership activity necessary to diversity sources of income.

We need to take maintain the current level of surplus to maintain the cash generation to maintain the investment.

TRAC analysis shows that there are further opportunities to improve our cost recovery

TRAC (Transparent Approach to Costing) is a sector wide process of taking expenditure information from published accounts, adding sustainability adjustments to represent the full sustainable cost of delivery, and then applying cost drivers to allocate these costs into the primary activities of Teaching, Research and Other/Commercial Activities. Income is then allocated to determine the recoverability of cost.

All universities are required to make an annual return to the SFC and to Research Councils UK indicating how much each of these activities costs to the University, how much income is generated and the resulting surplus or deficit by activity.

2015	Abertay	Peers	Scotland	UK
Teaching - Publicly Funded - Non-Publicly Funded	100% 105%	105% 112%	94% 138%	102% 141%
Research	49%	56%	85%	77%
Other Activities	92%	100%	118%	114%
Total	92%	98%	98%	97%

Publicly funded teaching: Scottish, EU and "rest of UK" (RUK).

Non-publicly funded: overseas students.

Research includes PGR supervision, externally funded research and internally funded research.

Observations on Abertay's position from the most recent (2015) return:

- Non-publicly funded teaching operates at a lower premium than our benchmarks. This reflects both the lower volume of international fee income to offset against our international related fixed costs and our tuition fees pricing;
- Research operates at a lower cost recovery than our peer average. c45% of our research activity is self-funded. We will increase our focus on the volume of externally funded research, the associated cost recovery and our research funding strategy (strategic fit of research and balanced portfolio of funders);
- "Other activities" include the residences and catering facilities which have operated historically at a financial loss.

Action plans will be prepared to maximise cost recovery. In 2017 we will review the way we allocate staff costs between teaching and research activities (which may impact on the allocation of cost above) to improve the quality of the management information and insight.



The Strategic Plan is underpinned by our financial strategy

Investment Expenditure Strategy

In everything we do, we will strive to provide appropriate and high quality facilities.

The Investment Expenditure plan sets out the priorities for capital investment in the estate, equipment and IT infrastructure and provides an indication of the resources likely to be available to support delivery of these priorities over the plan period. Work is normally carried out in the summer months to minimise student disruption and the prioritised annual programme approved by Court the previous December.

Context

- Concentrating on Bell St (Dundee city centre) and Gardyne (the planned location for the Dundee Academy of Sport subject to external funding).
- Parts of the Bell St estate are relatively new or recently refurbished, but significant issues remain, partly with the age of underlying infrastructure.
- There is a continuing requirement for maintenance (to prevent further deterioration and ensure compliance).
- We have an overprovision of space across the estate.
- The nature of teaching and learning spaces is changing.
- Changes in student demand for social facilities.
- Changes to the way support services are delivered would require reconfiguration to secure efficiencies.
- There is a need to upgrade and integrate our IT systems.
- IT equipment investment was made in 2013 (PCs, AV). We need to plan renewal (from summer 2017).

Principles

- An ambitious (aspirational but doable) programme to position the infrastructure and student experience to the sector.
- Investment has to be financially and environmentally sustainable and aligned with a timetabling and space strategy.
- Strong project governance (including stakeholder and Court representation) should oversee the design, procurement, delivery and post-evaluation.

Funding strategy

The Auditor General noted that capital funding (from the SFC), needed to maintain buildings and to buy teaching and research equipment for staff and students has fallen by 69% in real terms since 2011. And yet universities' estates will continue to require significant investment over future years. 22% of the overall higher education estate in Scotland is in poor or very poor condition and 38% of the estate dates from the 1960s and 1970s.

Our investment plan is to spend $\pounds 11m$ over the next 4 years. This would be funded from annual cash generation and the disposal of non-core property (in 2016 and 2017). The University is debt free and has the second highest levels of discretionary reserves in Scotland. We are looking at ways to accelerate the programme further (to $\pounds 15m$ spend over the next 4 years) by drawing down a small amount from these reserves.

Teaching and Learning Enhancement strategy

Our Teaching and Learning Enhancement strategy was approved in 2013 and is still in the process of being implemented (our new undergraduate degree programmes will be delivered from September 2016). In parallel, our postgraduate taught degree programmes have been through a period of significant reform. All of our new taught provision is founded upon ten common principles and significant progress has already been made with positive impact achieved in terms of increased student satisfaction, increased retention, attainment and employability. The new programmes will offer students increased choice, flexibility and provide more breadth of knowledge as well as depth e.g. through the new suite of interdisciplinary electives for stage 1 and 2 students.

Technology-enhanced learning plays an increasingly important role in teaching and supporting learning. In recognition of the need for a more co-ordinated strategic approach, the Teaching and Learning Committee established a working group in spring 2015 to investigate how this might be best achieved. One of the four priority areas for development was Learning Spaces.

The direction of travel in the sector is greater capital investment in technology-enhanced learning and environments which support greater student engagement, enhance their learning and to help "inspire and enable our students, staff and graduates to achieve their full potential".

Key points are that:

- Solutions should be pedagogic-led rather than estates-led or technology-led. The right pedagogic model is fundamental, technology and estates then play a critical role to create the right environment to support new pedagogic approaches.
- Creating a "sticky" campus is important. In other words, we should create an overall environment where students will want to come and, importantly, stay. This will include a balance between formal teaching spaces and open spaces for informal learning.
- More active, collaborative learning environments are required. This is a general trend as more active learning environments lead to higher student engagement and better learning outcomes. Active learning environments are not as space efficient as, say, lectures, however overall space utilisation is better as they are used more often by students for informal learning outside of class time.
- Lecture theatres still have a place. But again, there is a trend towards creating spaces with low angle seating tiers, seating in groups with tables, curved set ups which may be used in didactic or collaborative learning modes. Lighting can be controlled by the lecturer and might include spotlights on particular tables as they report back.
- Technology is key. Trends include improved connectivity and power to enable "bring your own device", "flipped classroom" (links with active learning), online and blended learning, lecture capture (especially short video summaries rather than full blown lecture recording) and learning analytics. Interactive smartboards are excellent tools to promote collaboration and creativity between instructor and students or in team meetings.
- Notion of well-being leads to better productivity/ better learning. This includes a number of environmental factors such as air quality, lighting, temperature and acoustics. There is also the need to factor in spaces which facilitate brief interactions/ chance meetings, circulation routes through buildings, areas which promote collaboration and with flexibility of set-ups.

"There is a real appetite from the student body for these types of spaces, and in particular collaborative social study space. This approach must be teaching-led, and not led by other priorities. The Student Association's teaching and learning working group have discussed that too much of our existing space is used for the traditional didactic lecturing style and that by creating new spaces for new ways of teaching it will stimulate a culture change which will help academics to rethink the way they deliver content and engage with their students. Spaces must also

allow academic staff to better engage students who cannot make into in for a lecture/tutorial by including recording facilities or using technology for live online interaction e.g. by using Adobe Connect.

Whilst the student body welcomes the investment into the estate this year, there is wide agreement that this cannot be the end point, instead it is the necessary beginning towards transforming the estate into a future proof and attractive space. Our campus has to feel like a worthwhile place to come to and stay in, where our student body stop being just students and can truly become a community." (Conor Marshall, President of Abertay Student Association)

There is a recognition that we need to develop new spaces as soon as possible but that this is part of a sustained effort to improve campus facilities. As such, it is possible that we might not get everything right first time and the new spaces should be seen as experiments which will generate valuable lessons for future enhancement. We should therefore trial a variety of new spaces rather than focussing on any single type.

The following have been identified as emerging priorities for development:

- Wet teaching labs
- Flexible, problem-based learning spaces
- Dedicated online learning, recording facilities
- "Ted talk"-type lecture theatre
- Various technologies to promote student engagement in and out of the classroom

Wet Teaching Labs (phase I – completion early 2017)

Phase I is a £3.5m programme to refurbish level 4/5 of the north wing of the Kydd building and south facing externals. This space is occupied by specialist science and food / drink teaching laboratories.

The outcomes will be:

- Showcase laboratories to be used to teach science disciplines.
- New and enhanced food and drink teaching and research facilities.

Phase II is being scoped to refurbish the laboratories on level 3 of the north-wing and to replace the north facing external windows and cladding.



- More informal learning spaces
- Better IT infrastructure to support "bring your own device"
- Review of the Library

Problem-Based Learning (completed summer 2016)

We have developed a new problem-based learning room which is designed to create an active learning environment for approximately 30 students, equipped with state of the art learning technologies and using a combination of Kramer Via Connect software and Top Tec Synergy furniture. It is ideally suited to students bringing their own devices and the setup works with any internet enabled device including smartphones, tablets and laptops.

The room will be used as a pilot in the autumn semester with the aim of opening it out to all staff in the spring of 2017. It is also hoped that students will be able to use the room outwith formal teaching hours for collaborative study on e.g. group projects.



If successful it is hoped to roll out further problem-based spaces over the coming years,

Library Transformation (proposal – summer 2017)

Proposed redevelopment to improve the student learning environment providing a state-of-the-art and technologyrich study facilities that will better meet the needs of students and staff now and in the next twenty years.

The library was opened in 1998 and although, at the time, the design was forward thinking, the needs of students and staff have continued to evolve, as has the use of technology in delivery of information resources, in teaching and learning and in society more generally. In addition, many of the fixtures and fittings are now looking dated while there are significant issues related to the control of temperature, light and ventilation, which often feature in student feedback. Changes to services in recent years provide an opportunity to consider how best to locate support staff so that students can easily access the support they require.

There has also been an increase in demand for social learning spaces, where conversation and social interaction are seen as an essential part of learning yet the current configuration of floor spaces and associated technology is not always best-suited to support planned and/or ad-hoc group-work. Student feedback also consistently highlights dissatisfaction with the amount of noise pollution in the silent study zone, together with a demand for improved support for use of personal devices and requests for improved provision of food and drinks on-site via a café type facility.

There will also be an opportunity to refurbish the 'seminar' rooms in the library so that they better meet the needs of the academic staff that use them for timetabled activities, and so that the purposes these rooms can be used for complement the improvements taking place across our campus.

Financial Review of 2016

A strong financial performance, in line with our strategy and better than expected

This is the first year of reporting under the new SORP (FRS 102). Prior year comparators have been restated.

We report a surplus of £1.4m. Income is up: core fees and funding body grants. Expenditure has fallen 5%: staff costs are down 4% and salaried FTEs down 5%.

There is continued strength in the underlying balance sheet. Pension liabilities have increased (58%) because of Corporate Bond market conditions (post-Brexit) which are used to calculate employer defined obligations (using a snapshot at 31 July 2016). This has a presentational impact on the comprehensive income (as an actuarial loss).

Discretionary reserves have increased 15% due to annual cash generation – with the majority of summer 2016 capital payments falling into 2017.

The full set of financial statements and notes to the account can be found in the Technical Annex to this Integrated Report. The annex also includes a full set of new SORP reconciliations.

£m	2016	2015	% Change
Income	34.3	34.1	1%
Expenditure	(33.0)	(34.8)	5%
Disposals of fixed	0.1	0.2	(55%)
assets and investments			
Surplus	1.4	(0.5)	n/a
_			
	(6.2)		
Actuarial (loss) pension	(6.3)	12.4	n/a
scheme			
Other comprehensive	-	0.2	n/a
income			
Total comprehensive	(4.9)	12.1	n/a
income			
Non-current Assets	33.2	32.8	1%
Net current assets	7.1	5.0	41%
Pension liabilities	(20.0)	(12.6)	(58%)
Net assets	20.3	25.2	(20%)
Discretionary Reserves	18.8	16.3	15%
Net Liquidity Days	215	179	20%
External Borrowing	0	0	
Staff Costs % Income	66%	69%	3%
% Expenditure	68%	67%	(1%)
/ Enpenditure	0070	01.10	(1,0)



Income

Funding body grants and tuition fees continue to account for over 85% of income.

Total income has increased:

- Core income (tuition fees and main funding body grants) increased by 2% to £28m.
- Other sources (mostly money in money out for specific activities) decreased by (7%) to £6m.

Funding council grants stayed flat, although there were significant offsets underlying the position:

- Core teaching and research grants +3%.
- Other specific grants money in money out decreased by (26%)

Tuition fees fell slightly (1%) in line with our student population (see recruitment and profile review).

Other income has increased 5% in part due to £0.1m of Research and Development Expenditure Credit. We made a successful claim under the tax rules (designed to incentivise research and development) for the 2013, 2014 and 2015 financial years and recognised the net income in 2016. No subsequent claims will be permitted as the entitlement for universities to claim has now been removed.

Research grant income has increased by 13% (see Research Performance review).

Investment income is slightly down reflecting market volatility in 2016. Analysis of our investments can be found later in this report.

£m	2016	2015	%
	2010	2015	Change
Funding body Grants	21.1	21.1	n/m
Tuition Fees	8.8	8.9	(1%)
Other income	3.2	3.0	5%
Research grants and contracts	0.9	0.8	13%
Investment income	0.3	0.3	(3%)
Donations and endowments	0.0	0.1	n/m
Total Income	34.3	34.1	1%

£m – 2016	2016	Core	Other
Funding body Grants	21.1	19.3	1.8
Tuition Fees	8.8	8.8	-
Other income	3.2	-	3.2
Research grants and contracts	0.9	-	0.9
Investment income	0.3	-	0.3
Donations and endowments	0.0	-	0.0
Total Income	34.3	28.0	6.3

Year on Year Change	Total	Core	Other
Funding body Grants	n/m	3%	(26%)
Tuition Fees	(1%)	(0.4%)	n/m
Other income	5%	-	5%
Research grants and contracts	13%	-	12%
Investment income	(3%)	-	(3%)
Donations and endowments	n/m	-	n/m
Total Income	1%	2%	(7%)

Surplus

The calculation of surplus has changed to comply with the new SORP. The actual result and prior year comparators have been restated; the biggest change being to exclude from staff and other operating expenditure the actuarial loss in respect of the pension scheme. Surplus is income after expenditure and after the gains or losses from disposals of fixed assets and investments.

Expenditure

Total expenditure has fallen by 5% (year on year):

- Staff costs continue to account for the majority of expenditure (68%).
- Other operating expenditure is a broad range from utilities, teaching and research equipment, staff development, travel and training and inputs for catering. It fell by 8%.
- Depreciation for equipment and buildings has been fairly constant in recent years. It will increase rapidly from 2017 reflecting the University's commitment to investing in quality infrastructure and equipment.
- There was a £0.4m one-off depreciation charge relating to the Dundee Academy of Sport.
- Pension finance costs fell 56% to £0.4m.

Core expenditure has fallen by 7%. Other expenditure (money in-money out activities, research projects and the commercial operations; residences and catering) have increased by 5%.

The biggest areas of expenditure (by HESA category) are academic related (47%):

- Academic schools (34%)
- Academic services (11%)
- Research grants (3%)

Academic Services includes the International Office, Teaching & Learning Enhancement, Student Academic Support, ICT and the Library. Administration includes Registry, the Student Association block grant, student recruitment, as well as the corporate services (e.g. Finance and HR).

Disposal of Assets

Two items of non-core property were disposed:

- 9 West Bell St (the proceeds equalling the carrying value).
- Former Hillside halls of residence (£0.1m gain).

Completion of the sale of the Alloway hall of residence will take place in autumn 2016.



Staff Expenditure

Average salaried FTEs decreased by 5% to 471. Non-academic FTEs which include support staff, senior management and researchers fell to 293 (snapshot 285 FTE - 31st July 2016). Academic FTEs fell to 178 (snapshot 171 FTE).

The 2017 establishment is for 197 academic FTE and the budget has been prepared for an average of 190 (taking into account leavers and delay in recruitment).



Our most valuable resource is our staff; underlying salary and related costs to sustain this were (£21.4m), down 3.2%, driven by a fall in FTE, offset in part by the 1% annual pay award (August 2015), and (3.4%) increase in national insurance contributions (April 2016). There were £0.6m of restructuring costs in the year.



Staff are eligible to join one of three pension schemes – the Scottish Teachers' Superannuation Scheme (STSS – for academic staff) and the local government Tayside Superannuation Fund (TSF – for support staff), and the USS (normally where staff have transferred from another institution).

Pensions are a significant staff benefit and the employer cost to the University was $\pm 2.7m$ (17% of pensionable salary). Further analysis can be found later in this report.

Balance Sheet

We are pleased to report continued strength in the underlying balance sheet. This strength was a key factor in preparing our long term capital investment plan. All balance sheet financial metrics are resilient. The calculation and presentation of the balance sheet has changed to comply with the new SORP and this introduces some volatility into reporting, particularly to pension liabilities.

Fixed assets have fallen (2%) because of depreciation. The majority of the summer 2016 programme expenditure will fall into 2017 and increase next year's net book value to £30m.

Investments within non-current assets have increased 20% because of annual cash generation.

Net current assets are up 41%. The cash and fund component has increased 13% whilst the creditors due within 1 year have fallen by (11%).

Pension liabilities (TSF scheme) have increased (58%) due to bond yields. This will be explored in more detail overleaf.

SORP Accounting

As a first-adopter this was a choice to revalue fixed assets at the date of transition (using either Depreciated Replacement Cost or Market Value) or to continue as is (historic cost).

Following third party revaluation of land and buildings, we have elected to revalue the commercial estate (catering and residences) at Market Value and the teaching and learning estate at Depreciated Replacement Cost. The result is a prudent (9%) net reduction in fixed asset values reflecting both the current state of the Dundee property market (proven by our disposal of Alloway halls) and the capital investment plans we have prepared to transform our teaching and learning estate.

Fund Accounting

The general and endowment funds are reported at the lower of historic cost (\pounds 7.8m) or current market value (\pounds 10.1m). The mandate is an unconstrained objective with a low / medium degree of risk, portfolio of 50/50 fixed interest and equities, investment time horizon 3-5 years with ethical investment restrictions (no tobacco, armaments or alcohol and divestment from fossil fuels).

$\pounds m - 31^{st}$ July	Historic Cost		storic Cost Market	
	2016	2015	2016	2015
General Fund	7.1	6.9	9.2	8.7
Endowment Fund	0.7	0.7	0.9	0.8
-	7.8	7.6	10.1	9.5

Net Assets

£m	2016	2015	% Change
Non-Current Assets	33.2	32.8	1%
Net current assets	7.1	5.0	41%
Pension liabilities	(20.0)	(12.6)	(58%)
Net assets	20.3	25.2	(20%)

Non-current assets are as follows:

£m	2016	2015	% Change
Land & Building	26.3	27.0	(2%)
Equipment	0.8	0.8	n/m
Fixed Assets	27.1	27.8	(2%)
Investments	6.0	5.0	20%
Non-Current Assets	33.2	32.8	1%

The University has £19m of discretionary reserves which are held in various forms of cash and third party managed funds (general & endowment). They are reported under the following headings:

£m		2016	2015
Non-Current	Bank deposits > 95 days	6.0	5.0
Net Current	Instant, deposits < 95 days	4.7	3.5
	General fund	7.1	6.9
Net Assets		17.9	15.5
	Endowment fund Other Endowments	0.7	0.7
Restricted Res		0.2	$\frac{0.1}{0.8}$
Total		18.8	16.3

Our strategy is to make our cash balances work hard before required to fund the long term capital plan. We are achieving an average return of 0.75%.

The total return of the General Fund for the year to 31st July 2016 was 8.3% versus the benchmark of 9.0%. The monies invested in direct equities within the General Fund have not done nearly as well as the Global Equity Funds part of the portfolio.

Pensions

We have taken the exemption permitted to disclose STSS as a defined contribution scheme - STSS not being able to calculate individual employers' share of the overall deficit. The TSF scheme is disclosed as a defined benefit. The USS scheme is defined contribution but with an agreed deficit recovery plan.

	Assets	Liabilities	Deficit	Active	
	£m	£m	£m	Members	
STSS		Not known			
LGPS - TSF	£59.4m	£79.2m	£19.8m	10	
USS	Not known		£0.2m	173	
Total Members	£59.4m	£79.2m	£20.0m	475	

Pension liabilities and active members

Defined benefit pension schemes continue to record deficits relative to their forecast liabilities. In general, participating in a defined benefit pension scheme means that the University is exposed to a number of risks:

- Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way;
- Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

We acknowledge the resultant volatility that this will bring to the balance sheet each year, but it does recognise the liability the University would have if the scheme ceased.

Contributions for the TSF scheme are set every three years as a result of the actuarial valuation of the Fund - the next will be carried out as at 31 March 2017 and will set contributions for the period 2018-21. There are no minimum funding requirements but the contributions are generally set to target a funding level of 100%.

Abertay currently participates in a pool with other TSF employers in order to share experience of risks they are exposed to. At the 2014 valuation, the deficit for the whole pool was calculated and allocated to each employer in proportion to their value of liabilities. The next reallocation will be carried out at the 2017 valuation, should the Employer remain in the pool.

The TSF financial assumptions are set with reference to market conditions at 31st July of each year.

The discount rate is the annualised yield at the 21 year point on the Merrill Lynch AA-rated corporate bond yield curve - chosen to meet the requirements of the SORP and with consideration of the estimated duration of the employer's liabilities (the weighted average time to pay the future expected cashflows for every member based on the data from the last actuarial valuation).

Bond yields have fallen very sharply over the second half of the year and are much lower than at the start of the year. This has had a significant effect (26% increase) on employers' defined obligations (20 year duration liabilities) and has increased the deficit disclosed on the balance sheet.

The chart shows the change in corporate bonds yields over the last year based on durations of 10, 15, 20 and 25 years.

31 st July	2016	2015	2014
Discount rate	2.6%	3.8%	4.3%
Pension increase	2.2%	2.6%	2.7%
Salary increase	3.2%	4.4%	4.9%



Cash

Cash is the lifeblood of the organisation and a sustained focus on cash generation will create a cash position that gives the University flexibility to invest strategically and support the estates programme.

Discretionary reserves have increased from $\pounds 16m$ to $\pounds 19m$ driven by disposal of non-core property assets and annual cash generation. Reserves are expected to fall to $\pounds 16m$ (2017) due to capital expenditure programmes.

Cash Generation £m	2015 Act	2016 Act	2017 Bud
Reported Surplus	(0.5)	1.4	0.2
Add back :			
Depreciation	1.3	1.7	1.5
Pension accounting	1.9	1.0	1.0
Other accounting	(0.5)	(1.4)	(0.6)
Underlying Surplus / Cash	2.1	2.8	2.1

£m	Cash	Funds	Reserves
2015 Actual	8.5	7.8	16.3
Investment Expenditure	(0.3)	-	(0.3)
Disposal of Fixed Asset	0.5	-	0.5
Underlying Cash	2.8	-	2.8
Other	(0.7)	0.2	(0.5)
2016 Actual	10.8	8.0	18.8
Investment Expenditure	(5.1)	-	(5.1)
Disposal of Fixed Asset	1.0	-	1.0
Underlying Cash	2.1	-	2.1
Other	0.3	-	0.3
2017 Latest	8.3	8.0	16.3



10 Risks and Opportunities

Increasing our agility as we expect the unexpected to continue

"There are known knowns; there are things we know we know. We also know there are known unknowns; that is to say we know there are some things we do not know. But there are also unknown unknowns — the ones we don't know we don't know."

Donald Rumsfeld

The Principles articulated in our Strategic Plan 2015-2020 define the way we think, work and act – one being that we choose our own path. To build an agile culture we are looking outwards scanning the horizon for risks and opportunities; we are making the necessary investments in our management information systems (decision relevant information); we are investing in people who will ask the right questions (to lead to the right decisions to manage risk); we are making the organisational changes to free the organisation to respond instantly.

Risk management

We refreshed our Risk Management Framework and Policy in 2015. The revised framework, which includes a statement of the University's risk appetite, was approved by Court in December 2015 along with an updated Strategic Risk Register. The risk register is now is considered by Court twice a year at its June and December meetings.

The risk register highlights a range of risks, from those associated with future changes in governance arrangements to risks to our continued operations. These are summarised in the table overleaf. We believe that the greatest risk though is the current uncertainty around future Scottish Government funding for universities and the likelihood that pressure on funding will lead to a more challenging environment with increased competition in student recruitment particularly for Scottish students. This is compounded by the result of the EU referendum and the current uncertainty around the outcome of, and the timescale for, the Brexit negotiations. It is likely to lead to a reduction in the number of EU students coming to Scottish universities and in the funding associated with those students. It may also make the UK seem less attractive to international students and therefore make it more difficult to meet

our strategic plan goal of increasing the number of international students at Abertay. Continued uncertainty may also impact on our ability to recruit and retain the best academic staff in future.

Although the ongoing discussions around future funding present risks, Abertay is well placed to benefit from greater concentration of funding in activities which support delivery of Scottish Government priorities. Our success in widening access and articulation clearly link to the priority areas highlighted by the Commission on Widening Access and to Scottish Government ambitions to streamline the learner journey. Our growing reputation, improvements in league table positions and significant progress in student satisfaction will help to offset some of the potential challenges in future recruitment.

Specfic Risk	Re	Risk Owner	
	1		25
Failure to deliver outcome agreement expectations results in reduction in SFC funding.			PVC University Services
Change in Scottish Government/SFC funding policy result in significant loss of income			PVC University Services
Failure to recruit international students			PVC University Services
Insufficient numbers of students progressing from partner institutions to Abertay degree.			PVC University Services
Disruption to University operations arising from major incident, omission, failure or external attack			PVC University Services
Increased competition for students and associated SFC resources leads to predatory attack from competitors			PVC University Services
Change averse / risk averse culture prevents delivery of key strategic objectives			PVC University Services
Failure to comply with legislation/changes in legislation			University Secretary
Damage to University's academic reputation			PVC Academic
Lack of alignment of systems to business needs			PVC University Services
Loss of capacity (academic, professional, management) to deliver as a result of inability to recruit and retain high performing staff.			PVC University Services
Portfolio and curriculum reform fail to meet student expectations and improve student experience			PVC Academic
Failure of governance following an inability to recruit an appropriately qualified Chair of Court under the provisions of the HE Governance legislation			University Secretary

Strategic Risk Register June 2016

Outlook

A strong financial position with vision for the future

Eighteen months ago we started preparing for a worst case reduction in Scottish public funding; a recurring annual cut exacerbated by wage pressure and increased taxation (national insurance contributions).

The 2017 SFC settlement resulted in a (2.9%) reduction to the main teaching - annual price per funded place. The research and postgraduate student grants were held flat (at sector level). Because of the way the research grants were allocated across the sector, Abertay received an increase in research grant of 16% and a reduction in total teaching grants of (2.3%). This resulted in an overall reduction of $(\pounds 0.1m)$ (0.7%). Some universities had overall reductions of (3.9%).

There are no surprises in the 2017 budget – the underlying surplus and cash consistent with 2015 and 2016. Key movements between 2016 and 2017:

(£0.1m)	Reduction in SFC funding.
(£0.3m)	Cost increase (pay inflation, national insurance)
(£0.2m)	Additional depreciation charge as a result of the summer 2016 capital investment.
(£0.4m)	Strategic investment in academic staff (FTE).
-	Externally funded projects coming to an end;
	• (£1.3m) reduction in revenue
	Corresponding £1.3m fall in expenditure
£0.2m	Improvement in commercial services performance as a result of the closure of Alloway
	hall and non-repeat of the 2016 provision for Victoria Chambers hall.

The budget assumptions are ambitious (aspirational <u>but</u> doable). We have not included speculative increases in overseas student numbers for 2017, instead factoring increases where confirmed. We have made a conservative assumption about growth in future years whilst we put in place the supporting infrastructure.

There are a number of approved academic positions in recruitment which may be subject to delay in being filled as we identify suitably qualified and experienced candidates. This would have a favourable impact on the 2017 financial results but a negative impact on our strategic delivery.

We expect proposals for transformational change to emerge from the strategic planning review, to build on the key projects / initiatives already planned for 2017:

- Additional resource reallocated to ICT to facilitate transformational change to our processes and systems (HR and Customer Relationship Management Information projects).
- Sustained investment in our student ICT equipment, in our estate and our learning & teaching infrastructure.
- Procurement function to drive cost savings, ensure compliance & facilitate more efficient ways of working.
- Appointment of a Director of External & Corporate Relations and restructuring of the team (to lead the University in both its outward facing activities engagement, student recruitment, and our internal corporate relationships and communications).
- We will continue to invest in our staff in order that they can achieve their potential.
- The academic year 2016-17 will also be the first following the curriculum reform.

Future uncertainty: a challenging environment expected beyond 2017

We consider it prudent and wise to plan for future recurring cuts and rising costs. We would like to be surprised by a more favourable funding settlement but should not plan on one.

The outlying years of 2018 and 2019 were prepared ahead of the Abertay planning review (which will determine what we need to deliver our sustainable vision; resource allocation and underpinning investment in people, processes, systems and infrastructure). There is a currently a funding gap in 2018 and 2019 if we model a reduction in public funding whilst maintaining existing activities and wishing to report a breakeven result. Only some of this may be offset by new sources of income (including international students) in the short term. Should it happen it would require discussion with the SFC about what this would mean for the those activities.

2018 and beyond will witness further reductions in revenue (and corresponding expenditure) as externally funded activity comes to an end (e.g. the Dundee Academy of Sport). It will also mark the end (July 18) of the long term lease of Victoria Chambers hall (leading to a small financial improvement). This is in addition to the disposal of Alloway hall (summer 2016).

Corporate Governance Statement

The University Court is the governing body of the University. The composition, functions and powers of the Court are set out in the University of Abertay Dundee (Scotland) Order of Council 1994, which incorporates parts of the Dundee College of Technology Scheme 1975. Under the Order, the objects of the University are to provide education, undertake and carry out research, make suitable and adequate provision for such activities, and conduct the affairs of the University in ways that promote its objects. The University is committed to exhibiting good practice in all aspects of corporate governance. *This summary describes the manner in which the University has fully complied with the principles -in so far as they apply to the higher education sector - set out in the UK Corporate Governance Code (2010), in the Turnbull Guidance on Internal Control (2005) and in the Scottish Code of Good HE Governance (2013).*

As the Governing Body of the University, Court is responsible for the system of internal control, which includes internal audit; delegation of responsibilities within a regulatory framework; and reviewing its effectiveness. The system is designed to fulfil the responsibilities related to accountability, transparency and value for money inherent in good corporate governance practice. It emphasises the effective management of risk, using well thought-out and controlled risk-taking, leading to improved delivery of the University's objects, proper regard for organisational development, and ensuring the institution's long-term sustainability. However, any such system can only provide reasonable and not absolute assurance against material misstatement or loss.

Court undertakes a continuous review of the process used by the University to identify, measure and manage its key risks. These risks comprise both business and financial risk and derive from operating in the environment of the higher education sector. The identification, measurement and management of risk are conducted through the University's Risk Management framework. This process is reviewed by the Audit Committee of Court, and accords with the internal control guidance for directors on the UK Corporate Governance Code.

Court comprises lay (independent) members, *ex officio* members and staff members, with a maximum membership of 25 people. Lay members have '*experience of industrial, commercial or employment matters or the practice of any profession*', include at least one person having experience in each of '*local government*' and '*the provision of education*', and remain an absolute majority. Of the maximum 25 members, up to 18 are lay

members, 4 are *ex officio* (Principal, 2 Vice-Principals and the President of the Students' Association) and 3 represent Senate, academic staff and support staff.

Under its governing Order, Court is required to meet at least three times per year. Court met five times in the year to 31 July 2016 and the aggregate attendance rate was 88% (compared with 80% in the preceding session). The table overleaf shows the attendance of all members at meetings of Court and its main committees. During the year to 31 July 2016, two new lay members joined Court following the conclusion of previous members' periods of appointment; and two staff members were elected to Court; one following an election from amongst academic staff and the other following an election from amongst support staff. Four members attended external governor development programme events as part of their on-going training and participated in university-provided induction and briefing activity. The new members of Court attended a formal (internal) induction session.

In line with the Scottish Code of Good HE Governance, Court conducted an annual effectiveness review. It also received reports on the application of its approved Scheme of Delegation; on approved Key Performance Indicators; and on executive officers' engagements with key stakeholders. The agendas and paper for Court and its committees are all published and available to staff and students of the University. Approved Court minutes are published on the University's website along with the register of interests of each Court member, the Secretary to Court and the Director of Finance and Research Funding.

Court members' attendance at meetings of Court and Court Committees (to 31 July 2016)

	Court	Court Committees					
		Audit Committee	Finance & Corporate Performance Committee	Governance & Nominations Committee	Chair's Committee	Remuneration Committee	People, Health & Equality Committee
	5 meetings	5 meetings	5 meetings	5 meetings	5 meetings	2 meetings	5 meetings
Mr M Batho	5		5		5		
Ms A Boyle OBE +	4						
Mr J Burt OBE +	4				4		5
Mrs L Baxter +	4			5			
Ms A Cameron	5						4
Dr A Cornish +	5	4					
Mr D Dorward +	4		4		3	1	
Mr R Fletcher +	5						4
Mr E W Frizzell CB +	5			5	5	2	
Ms G Ghafoor + (from 01.01.2016)	3 (of 3)						
Mr M Grossi +	2	2					
Dr M Hinfelaar +	4		5				
Mr G MacDougall +	4						5
Mr C Macdonald +	2						
Mr A Macmillan Douglas OBE + (to 31.12.15)	2 (of 2)						
Mr C Marshall	4		5	4			2
Mr I McDonald +	4	5	3 (of 3)				
Professor S Olivier	5				3		
Rt Rev Dr N Peyton +	5			3			
Mr C Rae (from 01.01.2016)	3 (of 3)			1 (of 1)			
Dr J Rees +	3						2
Mrs S Scott +	4			4	4	2	
Professor N Seaton	5			4	5		
Mr M Shaw +	4		4			2	
Mrs H Smith (to 31.12.2015)	2 (of 2)			2 (of 2)			
Dr S Waiton	4						
Professor E Wilson +	3	4			4	2	
Aggregate attendance level (figures for year to 31 July 2015)	88% (80%)	63% (70%)	93% (78%)	85% (97%)	83% (88%)	90% (70%)	73% (58%)

+ Non-executive/lay member

The Principal is the chief executive of the University with delegated powers to discharge the functions of Court relating to the management of the University and to discipline therein. He is supported by three other members of an executive group; the Vice-Principal (Academic), the Vice-Principal (University Services) and the University Secretary; and a wider senior management group including Heads of academic Schools.

Court has formally constituted a number of Committees, all of which have clearly defined remits and a lay member as Chair. The Committees are: Audit Committee; Chair's Committee; Governance & Nominations Committee; Finance & Corporate Performance Committee; People, Health & Equality Committee; and the Remuneration Committee. Court delegates to Senate its functions relating to the overall planning, co-ordination, development and supervision of the academic work of the University. Senate has formally constituted a number of committees, all of which have clearly defined remits.

The Audit Committee, which met five times during the session, advises Court on all audit-related matters and assists Court in ensuring the discharge of its responsibilities for proper financial management. It is also responsible for the effectiveness of the internal control and management systems, for the efficiency and effectiveness of the University's financial activities, for monitoring mechanisms designed to ensure value for money across all of the University activities and for monitoring compliance with the University's risk management framework. It received reports at each meeting on internal control and twice in the year it received reports on strategic risk management. In the reporting period, there were 13 strategic risks identified for the University, all with residual risk scores, trends over time and risk owners. The University's risk appetite and tolerance thresholds have also been defined.

The University does not have an in-house internal audit function, but contracts the services of an external provider, which provides access to a wider set of specialist expertise as well as benchmark data to help inform Court. The internal auditors adopt a risk-based approach to identifying future audits, taking into account the University's strategic objectives, and areas audited include core business and operational risks as well as financial risks. The internal auditors conducted seven reviews during the year ended 31 July 2016 including a review of the implementation of recommendations arising from the previous year's reviews. The auditors also reviewed the University's compliance with the Scottish Funding Council Financial Memorandum with Higher Education Institutions, with the Scottish Code of Good HE Governance, and with the University's system for determining and reviewing severance payments. The auditors confirmed that the University is in compliance with the main Principles in this Code and, overall, there were only five low-priority recommendations with suggestions for improvement.

The Chair's Committee acts in the name of Court in cases of urgency, subject to any decision being reported to the next meeting of Court. The Chair's Committee held five meetings in the session. The Chair's Committee did not take any decisions on behalf of Court during the reporting period.

The Finance & Corporate Performance Committee oversees and supervises the receipt, expenditure and control of all revenues. It advises Court on all strategic financial matters. The Committee met five times during the session. In addition to standing items including key performance indicators, investment performance, oversight of Students' Association accounts, and reports on procurement, the Committee received a new integrated and holistic report on finance and a new five-year expenditure and investment plan, new proposals for estate development including refurbishment of laboratories and for the disposal of a hall of residence. Members were provided with detailed information relating to the new Statement of Recommended Practice for higher education accounting.

The Governance & Nominations Committee's purpose is, *inter alia*, to consider and bring forward recommendations in relation to issues relating to good practice in institutional governance. It also acts as a Nominations Committee, considering recommendations for the appointment of lay members to Court, which are then referred to Court. The Committee met five times during the session. The focus of the Committee's work in the year to 31 July 2016 was the University's response to the draft HE Governance Bill developed by the Scottish Government. In line with ongoing work, the Committee also addressed the skills and diversity matrix for Court membership and looked at new methods for developing Court's engagement with Senate and with staff and students.

The People, Health & Equality Committee oversees the development of HR strategy and policies, considers staff consultative processes and oversees equality and diversity and health and safety matters relating to students and staff. The Committee met five times during the session. In addition to receiving regular

updates on employee relations and annual reports on equality and diversity and on health and safety, the main work during the session included consideration of the results of the University's staff engagement survey and on actions arising from these results; and on the University's work in relation to the Race Equality Charter Mark and further Athena Swan developments.

The Remuneration Committee, which met twice in the financial year, comprises lay members of Court and considers and determines the levels of salary and terms and conditions of service of executive officers as well as the principles behind the approach adopted for considering the salaries for other senior staff whose salaries are about the national pay-scale. The framework for determining the performance of the Principal & Vice-Chancellor is set by the Chair of Court and this was discussed with Court (including staff and student members but without the executive officers present) at the Court meeting in June 2015 to inform decisions by the Remuneration Committee in September 2015, following which a report was provided back to Court.

The Court, through its Governance & Nominations Committee, carries out regular reviews of its effectiveness. The last effectiveness review took place in session 2011/12 and was conducted by a consultant working under the auspices of the UK Leadership Foundation for Higher Education. A report was approved by Court at its meeting in June 2012. The overall conclusion was that the University had an effective governance structure with a strong working relationship between the Court and the Executive. Court also reflects annually on its effectiveness through various means including through individual discussions between the Chair and members; through an evaluation by all members of the effectiveness of the Chair by discussion led by the Court 'Intermediary' (a lay member appointed by and from amongst the lay members of Court); and through the work of the Governance & Nominations Committee in continually developing corporate governance to ensure that it is aligned with good practice. In session 2015/16, Court met one of its targets of having women form at least 40% of the lay membership.

The primary responsibilities of Court, as the governing body of the University, are:

- 1. To approve the mission and strategic vision of the University, long-term academic and business plans and key performance indicators (KPIs); to ensure that these meet the interests of stakeholders; and to ensure that there are opportunities for Court to provide strategic input in the development of key strategies and long-term plans such that their approval can be considered by Court without conflict of interest.
- 2. To appoint a Principal and Vice-Chancellor as chief executive, and to put in place suitable arrangements for monitoring his/her performance.
- 3. To appoint a secretary to Court and to ensure that, if the person appointed has managerial responsibilities in the University, there is an appropriate separation in the lines of accountability.
- 4. To delegate authority to the Principal and Vice-Chancellor, as chief executive, for the academic, corporate, financial, estate and personnel management of the University; and to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the Principal.
- 5. To ensure the quality of Institutional education provision.
- 6. To ensure adherence to the funding requirements specified by the Scottish Funding Council in its Financial Memorandum and other funding documents.
- 7. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and 'whistle-blowing' complaints and for managing conflicts of interest.
- 8. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against the plans and approved key performance indicators, which should be where possible and appropriate benchmarked against other comparable institutions.
- 9. To establish processes to monitor and evaluate the performance and effectiveness of Court itself.
- 10. To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
- 11. To safeguard the good name and values of the University.
- 12. To be the employing authority for all staff in the University and to approve a human resources strategy.
- 13. To ensure that non-discriminatory systems are in place to provide equality and diversity of opportunity for staff and students.
- 14. To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the University's assets, property and estate.

- 15. To be the University's legal authority and, as such, to ensure that systems are in place for meeting all the University's legal obligations, including those arising from contracts and other legal commitments made in the University's name.
- 16. To make such provision as it thinks fit for the general welfare of students, in consultation with Senate.
- 17. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.
- 18. To ensure that the University's constitution is followed at all times and that appropriate advice is available to enable this to happen.

The strategic development of the University involves development of a Strategic Plan; initially produced by the management group, then considered by Senate, by Finance & Corporate Performance Committee and, finally, by Court. Court holds regular conferences at which strategic development issues are discussed and receives regular updates on implementation of objectives. In April 2016, Court held a strategic conference in which Court and senior management considered the progress being made against the current Strategic Plan 2015-2020 and also considered planning for the sustainability of the institution beyond the period of the current Plan, focusing on areas requiring more momentum and on areas of potential risk to future sustainability.

There were no changes to the other significant commitments of the Chair of the Court during the year.

Going concern

The University Court considers that the University has adequate resources to continue in operation for the foreseeable future.

Signed by

Mr Edward W Frizzell CB

Chair, University Court

The University Court would like to express its thanks to all those who have served on Court or as members of Committees of Court during the course of the year.

Background to the Integrated Report

Universities are diverse, complex and unique. They are places of education, of research and innovation. They are major employers and are an important part of the local economy.

Finance Directors have a role in helping their university capture the complexity and to explain it in a relevant, engaging and effective way. Annual Reports and Financial Statements have traditionally been viewed as pages of numbers for accountants to pore over, impenetrable and with limited use to non-financial stakeholders.

Integrated Reporting can help us

An integrated report says who we are and where we are going. The Integrated Reporting website (www.integrated reporting.org) says it is "a concise communication about how an organisation's strategy, performance and prospects... lead to the creation of value over the short, medium and long term".

It looks at both style and substance. The Integrated Reporting framework sets out a suite of guiding principles and content elements that should form the backbone of an Integrated Report. It is very different from what universities have done in the past.

We can tell our stories more effectively

Most universities are yet to prepare Integrated Reports. With some exceptions, the institutions' annual reports are simply a presentation of their financial statements. Unless the reader knows how to interpret the numbers, such reports don't do the story justice.

Universities need to get better at talking about themselves. There is a compelling story to tell and it is more important now than ever before to explain clearly to staff, students and society the importance of what they do.

Abertay is a modern university with a global outlook, rooted in its local and national communities. We have made our mark with high quality, well-directed teaching and research, and a stimulating and enriching experience for our students. We have a clear vision for the future. We understand our current performance both where it is favourable and less so, and the reasons why. We have put in place frameworks and plans to progress towards meeting our targets, to manage the risks and to exploit our opportunities.

We are in a strong and sustainable financial position to manage future uncertainty and to make strategic investments.

Guided by best practice from the British Universities Finance Directors Group, this report is the first step by Abertay towards Integrated Reporting. This document tries to adopt a more strategic and forward-looking focus, to provide a more comprehensive picture of the activities and performance at Abertay, and doing more to show our relative position and role, and impact on society. It is accompanied by a technical annex which sets out the full financial disclosures and reconciliations.

This report has been reviewed and approved by the Executive and Court. It has been prepared by the Directors' of Finance & Research Funding and Strategic Planning, the University Secretary and with the input of a broad range of senior management colleagues.



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