for example, 30 years – have already recorded higher debt levels.

De Montfort University, which took out a £90 million public bond in 2012, stands seventh highest in terms of borrowing as a percentage of income (56.5 per cent). And the University of Manchester, which took out a £300 million bond in 2013, is 11th (52.2 per cent).

Only four institutions had borrowing equivalent to more than 70 per cent of income: the University of Surrey (70.2 per cent), Oxford Brookes University (75.7 per cent), the University of Worcester (100.3 per cent) and Queen Margaret University (162.9 per cent, after borrowing to build a new campus).

Chris Hearn, head of education at Barclays, says UK higher education's financial health and level of surplus is "pretty remarkable". The sector's borrowing level of £7 billion needed to be judged against its considerable asset base (which stands at £37 billion), he argues. Looking at borrowing against capital produces a measure known as gearing.

"When you look at the borrowing level against the assets employed across the whole of the sector and you look at the amount of surpluses it is actually creating, the sector continues to be relatively low geared," Hearn says.

The apparent relatively high debt of a university such as Manchester is not the full picture, he continues. "That is because when you raise finance from a bond, as they did in 2013, all the debt comes on to their balance sheet immediately." More orthodox bank borrowing is drawn down gradually.

But Manchester with its bond "will also be sitting on very high sums of cash as well", Hearn adds. "I would be amazed if the bond community doesn't continue to be massively interested in UK universities," he continues.

For universities, the attraction of bonds is that their main asset – their estate – "needs to be constantly maintained", Hearn says. "I think the sector will always have to have a certain level of debt, just to be able to fund its investment in new infrastructure."

He believes that it makes "an awful lot of

SAM FALCONER

FINANCIAL HEALTH OVERVIEW: HOW THE INSTITUTIONS COMPARE, 2012-13

University	Net assets (excluding pension liability) £000s	Net surplus/ deficit before exceptionals 2012-13 £000s	Net surplus/ deficit before exceptionals 2011-12 £000s	Surplus before exceptionals as % of income	Total funding council grants £000s	Funding council grants as % of income	Total research grants and contracts £000s	Tuition fees and education contracts (full-time, home and EU) £000s	Tuition fees and education contracts (overseas) £000s	Endowment and investment income £000s	Total income £000s	Total staff costs £000s	Total staff costs as % of income	Total borrowing £000s	Total borrowing as % of income	Interest paid £000s
University of Aberdeen	492,042	(457)	1,177	-0.20	78,437	34.98	60,274	26,897	18,992	1,059	224,204	131,127	58.49	67,452	30.09	3,248
Abertay University	41,264	603	1,915	1.60	19,776	52.44	1,544	8,521	2,145	622	37,709	22,452	59.54	0	0.00	642
Aberystwyth University	192,120	199	623	0.17	25,808	21.65	18,422	40,942	6,764	1,234	119,224	67,981	57.02	45	0.04	684
Anglia Ruskin University	136,849	6,306	8,623	3.51	35,439	19.75	2,786	58,551	16,173	543	179,463	84,213	46.92	77,595	43.24	4,114
Arts University Bournemouth	27,312	3,045	1,890	10.47	9,434	32.43	0	13,387	2,609	52	29,090	13,027	44.78	5,316	18.27	231
Aston University	89,799	3,482	2,278	2.97	27,924	23.84	11,842	33,562	25,458	343	117,122	64,754	55.29	36,866	31.48	1,420
Bangor University	120,772	(2,412)	(2,062)	-1.77	26,065	19.13	20,349	35,903	19,496	725	136,242	76,279	55.99	12,405	9.11	633
University of Bath	218,691	16,577	10,976	7.96	49,020	23.55	27,389	44,062	33,235	2,431	208,139	110,064	52.88	100,900	48.48	2,819
Bath Spa University	57,203	880	3,435	1.68	14,431	27.47	527	30,543	1,275	606	52,526	27,223	51.83	10,081	19.19	420
University of Bedfordshire	169,899	15,184	13,091	11.37	26,741	20.03	3,083	49,029	25,821	1,182	133,493	61,079	45.75	16,324	12.23	1,557
Birkbeck, University of London	103,753	6,712	6,591	6.97	27,681	28.76	9,157	9,417	5,025	903	96,262	55,987	58.16	905	0.94	0
University of Birmingham	748,125	6,353	5,824	1.29	120,504	24.46	104,588	101,169	57,300	5,272	492,625	265,531	53.90	75,000	15.22	3,355
Birmingham City University	251,308	18,684	17,863	11.57	35,852	22.21	2,492	56,852	15,456	998	161,453	86,732	53.72	22,640	14.02	2,233
Bishop Grosseteste University	27,679	2,403	2,515	13.65	4,425	25.13	88	10,505	0	76	17,606	8,416	47.80	0	0.00	52
University of Bolton	52,242	1,682	3,033	3.73	14,311	31.73	1,614	19,311	3,475	234	45,106	25,646	56.86	4,877	10.81	833
Bournemouth University	74,057	159	1,576	0.13	30,094	24.99	3,076	45,258	11,293	489	120,424	61,531	51.10	35,249	29.27	2,601
University of Bradford	123,118	6,252	5,352	4.87	32,815	25.56	7,997	37,297	18,198	1,479	128,364	70,421	54.86	20,810	16.21	960
University of Brighton	219,208	11,894	9,517	6.71	46,180	26.07	8,326	73,533	13,572	782	177,171	99,658	56.25	49,881	28.15	2,929
University of Bristol	655,200	12,600	10,000	2.74	118,300	25.76	120,100	69,500	51,400	5,400	459,200	246,300	53.64	250,000	54.44	15,200
Brunel University	211,218	2,357	(4,602)	1.28	39,729	21.64	19,772	42,177	30,683	543	183,560	100,509	54.76	93,226	50.79	5,636
Bucks New University	65,719	3,412	3,927	5.48	14,904	23.96	1,001	19,888	1,450	225	62,211	30,492	49.01	29,944	48.13	2,088
University of Cambridge	3,438,000	23,000	5,000	1.60	183,800	12.78	331,800	72,600	62,900	20,000	1,438,000	604,900	42.07	351,600	24.45	19,000
Canterbury Christ Church University	82,331	6,064	5,039	4.97	32,459	26.63	978	44,822	1,938	114	121,910	65,017	53.33	41,061	33.68	1,447
Cardiff Metropolitan University	92,319	1,983	4,316	2.45	10,910	13.48	2,477	37,057	6,931	482	80,948	48,631	60.08	29,999	37.06	2,342
Cardiff University	463,194	9,868	8,451	2.26	95,639	21.90	88,211	78,278	48,060	3,044	436,685	249,121	57.05	22,720	5.20	1,305
University of Central Lancashire	296,219	7,089	14,347	3.66	53,751	27.74	5,661	75,470	13,948	1,246	193,773	108,805	56.15	18,406	9.50	2,528
University of Chester	55,440	4,798	3,123	5.46	23,167	26.38	470	33,323	3,318	82	87,809	50,455	57.46	37,589	42.81	1,878
University of Chichester	57,677	2,001	2,379	4.40	12,234	26.89	152	21,932	1,118	106	45,493	24,501	53.86	5,939	13.05	364
City University London	165,251	(16,209)	621	-8.94	29,696	16.38	9,825	49,203	53,532	1,590	181,321	113,024	62.33	0	0.00	424
Conservatoire for Dance and Drama	599	(20)	(55)	-0.12	8,667	52.11	0	5,701	2,245	1	16,633	326	1.96	44	0.26	0
Courtauld Institute of Art	36,292	430	(646)	3.08	3,130	22.45	1,230	1,579	1,358	1,706	13,942	6,191	44.41	32	0.23	1
Coventry University	262,292	20,715	18,331	9.40	45,187	20.50	8,820	58,843	44,431	1,969	220,433	109,785	49.80	102,000	46.27	6,047
Cranfield University	164,169	(1,508)	1,271	-0.93	27,260	16.80	40,105	66,833	0	494	162,224	80,526	49.64	18,859	11.63	1,928
University of Cumbria	54,358	4,205	7,597	5.72	18,536	25.20	491	28,456	495	85	73,566	40,597	55.18	12,485	16.97	1,173
De Montfort University	252,521	(2,592)	1,527	-1.70	42,062	27.55	5,323	65,421	15,138	865	152,655	85,260	55.85	86,183	56.46	5,933
University of Derby	301,166	4,190	7,007	3.29	40,917	32.13	1,048	43,018	7,160	671	127,365	70,160	55.09	20,731	16.28	2,184
University of Dundee	195,268	3,087	5,853	1.36	81,089	35.79	68,391	21,152	15,957	782	226,573	130,711	57.69	8,500	3.75	871
Durham University	312,292	8,676	10,384	3.06	63,400	22.37	50,612	60,259	40,217	1,443	283,379	155,773	54.97	103,602	36.56	3,431
University of East Anglia	214,970	2,720	141	1.07	52,625	20.63	32,072	45,580	30,943	1,787	255,091	120,680	47.31	87,200	34.18	5,430
University of East London	179,371	7,417	5,835	4.78	33,666	21.67	1,751	78,258	14,872	726	155,325	69,738	44.90	32,159	20.70	3,901
Edge Hill University	145,187	17,363	12,665	16.00	27,784	25.60	607	48,836	1,657	635	108,541	55,659	51.28	43,154	39.76	3,271
University of Edinburgh	1,764,312	37,453	40,974	5.08	204,282	27.69	200,123	64,144	93,435	17,570	737,786	377,265	51.13	109,446	14.83	5,604
Edinburgh Napier University	97,427	5,593	5,888	5.18	55,216	51.19	4,718	17,515	13,358	540	107,870	64,422	59.72	40,000	37.08	3,162
University of Essex	161,660	3,418	3,608	1.92	27,623	15.53	21,626	32,837	29,403	696	177,816	86,147	48.45	76,555	43.05	4,908
University of Exeter	521,369	(2,039)	5,019	-0.68	58,314	19.53	54,346	67,751	44,935	2,023	298,542	152,535	51.09	136,990	45.89	5,110
Falmouth University	104,202	148	1,630	0.30	13,132	26.50	275	18,744	1,514	47	49,562	20,438	41.24	612	1.23	147
University of Glasgow	659,602	11,004	10,325	2.35	154,892	33.03	128,090	40,881	52,558	7,539	468,953	249,558	53.22	0	0.00	1,882
Glasgow Caledonian University	184,453	1,785	2,890	1.58	67,445	59.61	4,124	21,474	9,283	583	113,150	70,486	62.29	0	0.00	0
Glasgow School of Art	67,879	281	4	1.03	13,078	48.16	2,362	3,533	4,085	371	27,154	15,604	57.46	15,129	55.72	289
University of Gloucestershire	73,933	3,988	6,961	5.75	18,111	26.12	1,013	31,443	4,603	160	69,335	37,251	53.73	20,729	29.90	1,947
Glyndwr University	55,120	(3,954)	1,478	-9.01	9,513	21.68	1,941	10,894	9,467	16	43,884	27,109	61.77	1,665	3.79	316
Goldsmiths, University of London	78,287	4,158	1,724	4.58	21,469	23.63	4,953	29,878	17,071	220	90,866	50,822	55.93	26,243	28.88	2,155
University of Greenwich	136,167	10,442	3,783	5.57	47,246	25.18	10,226	56,694	27,575	1,595	187,627	87,101	46.42	34,308	18.29	4,248
Guildhall School of Music and Drama	*	22	(76)	0.11	2,864	14.14	73	4,316	1,425	0	20,256	12,419	61.31	0	0.00	0

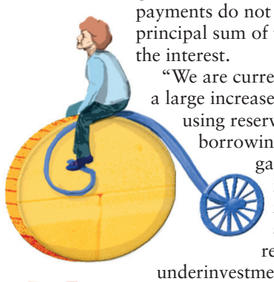
sense" to pay off the debt long-term as the asset is used over time – and this is reflected in the structure of a bond.

RBS' Ward believes that some universities took a cautious approach on new buildings, holding back before the introduction of the new fee regime because of uncertainties about future cash flow. These institutions are now "having to catch up and increase their debt capacity" – because if they do not build they may "damage [their] reputation with students".

But Ward believes that, in general, there is "the scope for quite significant future borrowing across the sector", both in terms of bond placements and more orthodox bank lending.

Highlighting the strong credit ratings assigned to De Montfort, the University of Cambridge and Manchester in their bond placements, he says there is "not a wealth of single A and triple A institutions coming to market", meaning there will be "appetite for investors to be sourcing capital into the higher education space".

But Andrew McGettigan, author of *The Great University Gamble*, has concerns about "non-amortising debt" – debt in which regular payments do not pay off the principal sum of the loan, only the interest.



"We are currently seeing a large increase in investment using reserves and borrowing," McGettigan says. "This, in part, represents an attempt to rectify historic underinvestment. On the other hand, the steep climb away from the sector norms of the past decade and the vogue for non-amortising debt (such as bonds) raise concerns.

> **When folk boast about the financial health of the sector, we need to note that the surpluses can't help but emerge if pay is capped at 0.5 to 1 per cent per annum**

"Charity guidelines impress upon governors the need for 'prudence beyond what would be expected in a commercial operation'. It's not clear how to assess the new tensions arising between long-term stewardship and the competitive edge to market positioning."

While the financial picture under the first year of £9,000 fees is generally positive for universities, some observers offer words of caution.

David Palfreyman, director of the Oxford Centre for Higher Education Policy Studies, says that "when folk boast about the financial health of the sector, [we] need to note that the surpluses can't help but emerge if pay is capped at 0.5 to 1 per cent per annum" – as rises have been in recent years.

While the prospect of the University and

FINANCIAL HEALTH OVERVIEW: HOW THE INSTITUTIONS COMPARE, 2012-13

University	Net assets (excluding pension liability) £000s	Net surplus/ deficit before exceptionals 2012-13 £000s	Net surplus/ deficit before exceptionals 2011-12 £000s	Surplus before exceptionals as % of income	Total funding council grants £000s	Funding council grants as % of income	Total research grants and contracts £000s	Tuition fees and education contracts (full-time, home and EU) £000s	Tuition fees and education contracts (overseas) £000s	Endowment and investment income £000s	Total income £000s	Total staff costs £000s	Total staff costs as % of income	Total borrowing £000s	Total borrowing as % of income	Interest paid £000s
Harper Adams University	41,986	916	1,941	2.66	12,087	35.14	2,045	9,242	1,057	193	34,397	16,585	48.22	12,529	36.42	742
Heriot-Watt University	92,860	2,569	5,318	1.46	39,495	22.50	26,952	16,880	47,435	594	175,513	82,957	47.27	50,000	28.49	1,929
University of Hertfordshire	250,622	12,351	17,630	5.23	49,200	20.82	10,246	68,165	27,546	629	236,275	121,286	51.33	80,138	33.92	3,423
Heythrop College	26,179	(506)	314	-7.58	938	14.05	64	1,998	235	42	6,677	3,573	53.51	0	0.00	0
University of the Highlands and Islands	9,472	2,270	146	4.70	32,249	66.76	2,104	7,190	1,377	84	48,308	8,476	17.55	0	0.00	93
University of Huddersfield	217,925	22,455	21,539	15.76	38,660	27.12	5,191	54,022	16,919	922	142,526	74,150	52.03	0	0.00	429
University of Hull	152,329	10,201	12,475	5.80	43,678	24.82	10,604	65,771	21,511	1,327	176,000	95,311	54.15	6,275	3.57	464
Imperial College London	1,002,100	64,900	60,300	7.88	168,900	20.50	329,500	48,200	103,900	12,500	823,800	392,900	47.69	248,900	30.21	11,200
Institute of Cancer Research	164,150	6,067	(162)	6.29	20,426	21.19	53,949	0	0	540	96,379	49,573	51.44	0	0.00	0
Institute of Education, University of London	105,171	1,441	2,286	2.02	16,223	22.72	13,316	11,330	3,882	665	71,415	41,985	58.79	9,666	13.53	355
Keele University	99,915	5,345	4,893	4.42	26,550	21.97	13,475	36,871	14,490	2,001	120,859	69,744	57.71	33,102	27.39	1,704
University of Kent	176,322	12,547	14,302	6.23	48,981	24.33	13,375	64,543	29,071	1,223	201,313	106,974	53.14	51,250	25.46	3,421
King's College London	811,295	9,565	31,513	1.63	130,671	22.26	164,025	71,123	63,895	6,395	586,948	349,889	59.61	174,842	29.79	12,233
Kingston University	226,897	10,541	10,854	5.20	54,883	27.08	2,934	71,867	24,183	1,110	202,686	106,297	52.44	48,252	23.81	6,265
Lancaster University	207,606	13,663	5,747	6.91	40,689	20.57	26,414	40,680	39,505	1,114	197,839	106,105	53.63	89,958	45.47	4,209
University of Leeds	587,321	21,723	47,711	3.97	128,642	23.49	128,554	100,314	57,810	6,479	547,601	301,773	55.11	46,211	8.44	1,811
Leeds College of Art	20,398	1,940	1,162	15.29	6,579	51.86	0	5,265	77	135	12,687	6,465	50.96	800	6.31	18
Leeds Metropolitan University	251,697	21,924	9,172	11.61	51,635	27.33	2,415	84,827	11,967	623	188,899	94,913	50.25	56,421	29.87	5,537
Leeds Trinity University	30,729	1,093	1,522	4.62	6,233	26.36	0	12,488	456	53	23,645	12,919	54.64	4,050	17.13	238
University of Leicester	190,733	6,984	3,920	2.48	55,055	19.56	55,206	46,483	49,838	830	281,435	152,826	54.30	73,533	26.13	2,922
University of Lincoln	99,759	3,074	3,259	2.98	28,067	27.24	3,436	42,357	7,607	277	103,037	51,921	50.39	53,179	51.61	2,975
University of Liverpool	493,600	11,900	10,600	2.52	102,000	21.59	124,600	70,600	56,700	9,100	472,500	234,100	49.54	132,300	28.00	4,600
Liverpool Hope University	83,241	5,237	7,370	10.12	14,246	27.54	429	25,715	1,272	213	51,723	24,223	46.83	14,063	27.19	1,131
Liverpool Institute for Performing Arts	13,408	1,556	986	16.00	2,382	24.51	0	3,011	1,820	79	9,721	4,694	48.29	0	0.00	1
Liverpool John Moores University	139,923	6,084	4,870	3.53	53,932	31.29	9,047	74,781	7,868	338	172,379	101,079	58.64	46,035	26.71	4,779
Liverpool School of Tropical Medicine	57,092	2,191	2,079	3.65	6,968	11.61	46,607	300	907	229	59,994	17,981	29.97	100	0.17	0
University of London	240,159	4,938	4,567	3.39	10,419	7.16	1,135	618	51,551	3,610	145,508	54,705	37.60	60,250	41.41	2,697
London Business School	103,728	(558)	2,127	-0.50	7,501	6.77	1,464	93,700	0	1,060	110,821	55,268	49.87	0	0.00	224
London Metropolitan University	122,111	(256)	1,249	-0.20	44,550	34.98	1,956	54,026	6,447	549	127,372	78,997	62.02	5,413	4.25	2,055
London School of Economics	432,577	30,642	24,709	11.64	26,605	10.11	23,731	41,942	81,918	7,695	263,213	130,849	49.71	27,900	10.60	3,195
London School of Hygiene & Tropical Medicine	78,376	3,444	1,865	2.75	23,321	18.65	79,341	1,997	4,775	628	125,074	59,472	47.55	16,168	12.93	835
London South Bank University	175,127	6,056	6,515	4.39	34,750	25.21	3,255	38,120	8,456	566	137,854	73,619	53.40	31,062	22.53	3,433
Loughborough University	251,426	8,109	5,805	3.31	56,967	23.26	39,147	57,944	30,689	1,313	244,940	124,303	50.75	72,969	29.79	3,416
University of Manchester	889,344	38,409	48,388	4.64	177,780	21.50	199,622	113,834	130,659	17,889	826,970	424,055	51.28	431,271	52.15	9,248
Manchester Metropolitan University	424,928	20,186	26,195	8.37	69,653	28.89	4,931	108,768	12,067	1,889	241,102	138,012	57.24	41,562	17.24	4,671
Middlesex University	133,467	12,830	7,759	7.11	42,946	23.79	3,475	58,932	30,102	228	180,515	91,316	50.59	93,249	51.66	7,292
Newcastle University	369,400	17,600	8,500	4.24	96,900	23.34	93,400	74,100	61,800	5,100	415,200	218,800	52.70	15,800	3.81	900
Newman University, Birmingham	27,515	1,623	1,149	7.99	6,556	32.28	98	10,375	27	47	20,310	11,683	57.52	1,146	5.64	18
University of Northampton	80,535	444	206	0.44	23,191	22.74	1,164	38,020	9,483	467	101,969	51,578	50.58	42,346	41.53	2,358
Northumbria University	259,007	6,781	6,408	3.11	51,291	23.53	5,595	72,597	26,556	258	217,954	133,044	61.04	66,761	30.63	4,551
Norwich University of the Arts	20,809	2,731	1,737	18.72	4,548	31.17	18	8,299	237	136	14,592	6,715	46.02	1,245	8.53	172
University of Nottingham	659,700	22,000	23,900	3.92	125,000	22.29	111,800	97,400	84,900	1,500	560,900	295,200	52.63	11,700	2.09	2,500
Nottingham Trent University	210,600	5,400	3,600	2.66	51,900	25.60	5,100	86,600	25,500	600	202,700	118,900	58.66	87,400	43.12	6,300
The Open University	349,600	18,800	37,900	4.20	198,100	44.27	14,700	184,000	21,400	3,700	447,500	274,900	61.43	62,100	13.88	(400)
University of Oxford	2,444,000	49,500	44,300	4.55	193,800	17.83	436,800	70,500	65,100	27,800	1,086,900	541,600	49.83	39,900	3.67	2,200
Oxford Brookes University	181,369	6,515	8,749	3.94	32,660	19.73	3,597	48,126	20,963	340	165,548	90,358	54.58	125,273	75.67	4,437
Plymouth University	193,906	2,894	4,209	1.33	71,998	33.06	13,323	68,718	15,739	469	217,791	120,800	55.47	68,660	31.53	4,578
University of Portsmouth	311,161	5,431	5,444	2.94	46,910	25.36	7,002	69,741	23,615	509	184,999	106,746	57.70	11,063	5.98	3,171
Queen Margaret University	41,706	1,472	1,536	4.22	13,848	39.74	3,458	8,317	4,079	131	34,843	18,696	53.66	56,743	162.85	2,843
Queen Mary University of London	297,001	3,688	(9,892)	1.14	87,107	26.92	81,272	51,160	50,147	715	323,609	196,104	60.60	107,291	33.15	2,745
Queen's University Belfast	511,368	11,122	14,593	3.85	95,448	33.08	61,834	44,780	11,773	5,580	288,552	158,326	54.87	45,889	15.90	3,827
Ravensbourne	56,116	608	904	3.36	7,217	39.83	0	8,039	907	112	18,121	6,805	37.55	8,006	44.18	471
University of Reading	350,929	(13,321)	(11,432)	-5.95	44,197	19.74	33,207	46,035	31,159	4,684	223,850	127,891	57.13	130,465	58.28	6,066
Robert Gordon University	205,403	4,679	2,481	4.90	43,099	45.13	2,442	18,593	13,812	1,379	95,495	53,286	55.80	25,205	26.39	1,061

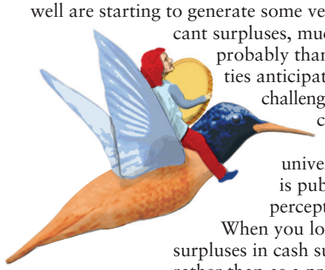
College Union and the sector's other unions winning a big pay award is a distant prospect, Palfreyman notes that "financial health fades away if ever UCU got a catch-up pay award. This has nothing to do with skilled and wise management!"

With the chance of having to shell out for possible pay rises, impending rises in costs in both the Universities Superannuation Scheme and the Teachers' Pension Scheme, as well as an increase in employer National Insurance contributions in April 2016, there is plenty to keep a university finance director awake at night.

David Barnes, partner and head of education at Grant Thornton, says that with the high level of capital expenditure, increasing pension costs and "salary inflation coming in some form", there are certainly "some quite big cash outflows coming".

And while capital expenditure is often being pursued with the goal of making campuses more attractive to students, Barnes asks how much of the new building "is genuinely income-enhancing".

Ward, of RBS, cautions that there is even a potential downside to positive financial results. "Those universities that are doing extremely well are starting to generate some very significant surpluses, much bigger probably than universities anticipated…The challenge that creates for some universities is public perception."



When you look at surpluses in cash sums, rather than as a proportion of income, some of them look rather large. And here, it is the Russell Group that has the largest surpluses. The biggest were Imperial College London (£64.9 million), the University of Oxford (£49.5 million), Manchester (£38.4 million), the University of Edinburgh (£37.5 million) and the London School of Economics (£30.6 million).

> **Big surpluses may lead to questions from the student population and the bank of mum and dad, around 'is our £9,000 fee just paying for surpluses?'**

Ward believes that big surpluses "may lead to some questions from the student population and the bank of mum and dad, around 'is our £9,000 tuition fee just paying for significant surpluses in the sector? What's happening to that cash?'"

He argues that the sector, the government and Hefce should ensure the public understands that surpluses are "needed to ensure we remain a world-dominant sector".

As competition and the more marketised higher education system take hold, we are likely to see even bigger winners and even bigger losers among England's universities in the future. ●

FINANCIAL HEALTH OVERVIEW: HOW THE INSTITUTIONS COMPARE, 2012-13

University	Net assets (excluding pension liability) £000s	Net surplus/ deficit before exceptionals 2012-13 £000s	Net surplus/ deficit before exceptionals 2011-12 £000s	Surplus before exceptionals as % of income	Total funding council grants £000s	Funding council grants as % of income	Total research grants and contracts £000s	Tuition fees and education contracts (full-time, home and EU) £000s	Tuition fees and education contracts (overseas) £000s	Endowment and investment income £000s	Total income £000s	Total staff costs £000s	Total staff costs as % of income	Total borrowing £000s	Total borrowing as % of income	Interest paid £000s
University of Roehampton	37,550	1,487	2,103	1.95	20,882	27.32	766	32,125	5,649	144	76,437	45,264	59.22	20,461	26.77	1,392
Rose Bruford College	9,399	241	150	3.24	3,129	42.03	0	2,918	667	2	7,444	4,012	53.90	431	5.79	29
Royal Academy of Music	115,199	1,144	2,665	6.04	4,076	21.52	117	3,965	4,080	870	18,938	9,390	49.58	0	0.00	0
Royal Agricultural University	19,018	(155)	309	-0.95	3,998	24.46	62	5,035	1,075	47	16,347	7,608	46.54	5,850	35.79	298
Royal Central School of Speech & Drama	23,683	1,057	860	7.49	4,690	33.22	190	4,827	2,270	82	14,118	7,636	54.09	718	5.09	93
Royal College of Art	97,351	(142)	533	-0.40	13,175	37.26	1,875	6,489	9,030	356	35,355	15,036	42.53	8,818	24.94	160
Royal College of Music	76,606	2,018	1,987	9.85	4,146	20.23	93	3,374	4,128	2,878	20,491	10,298	50.26	2,156	10.52	123
Royal Conservatoire of Scotland	40,658	251	313	1.49	10,166	60.45	35	2,771	1,755	113	16,818	11,621	69.10	0	0.00	0
Royal Holloway, University of London	194,703	5,964	7,586	4.20	33,052	23.28	16,175	34,231	23,796	1,817	141,980	76,989	54.23	53,905	37.97	2,165
Royal Northern College of Music	38,804	349	(318)	2.07	5,496	32.60	99	3,110	2,226	1,223	16,858	9,394	55.72	2,705	16.05	174
Royal Veterinary College, University of London	68,120	2,051	2,178	2.78	25,519	34.56	12,479	7,530	4,496	510	73,842	38,125	51.63	24,349	32.97	1,351
University of St Andrews	175,601	2,925	2,432	1.59	42,304	23.00	39,201	15,912	40,811	3,004	183,898	102,606	55.80	91,257	49.62	4,673
St George's, University of London	56,736	193	201	0.23	28,003	33.26	14,749	9,149	2,750	277	84,191	47,714	56.67	24,799	29.46	1,030
University of St Mark & St John	23,581	1,320	2,345	5.52	5,432	22.72	8	11,770	501	210	23,910	12,931	54.08	13,938	58.29	932
University of Salford	130,780	(1,133)	(12,243)	-0.64	46,084	25.98	6,722	50,091	18,789	526	177,375	99,490	56.09	43,003	24.24	3,459
Soas, University of London	97,051	861	3,124	1.21	14,179	19.92	4,009	15,810	17,628	730	71,191	42,582	59.81	8,833	12.41	264
University of Sheffield	694,500	14,800	19,800	3.05	107,500	22.17	114,400	77,300	86,200	2,700	484,800	247,500	51.05	84,500	17.43	6,200
Sheffield Hallam University	209,178	10,637	11,476	4.30	61,496	24.87	7,921	89,040	28,722	2,188	247,309	154,543	62.49	37,000	14.96	1,924
University of South Wales	209,671	4,734	2,201	2.46	53,407	27.74	15,921	72,995	17,766	939	192,545	117,808	61.18	75,540	39.23	5,375
University of Southampton	412,456	5,726	14,230	1.28	97,655	21.84	102,376	79,351	52,297	4,999	447,221	250,770	56.07	105,023	23.48	7,329
Southampton Solent University	83,416	7,697	6,087	7.23	27,047	25.42	321	44,225	7,460	488	106,415	54,342	51.07	28,835	27.10	3,247
SRUC	65,180	(1,541)	(683)	-2.29	29,900	44.47	9,941	2,470	80	34	67,241	36,301	53.99	604	0.90	276
Staffordshire University	115,210	1,928	7,235	1.66	39,246	33.76	1,774	42,557	6,320	329	116,251	62,707	53.94	14,988	12.89	2,573
University of Stirling	80,289	4,648	3,529	4.43	38,280	36.46	10,459	13,553	14,389	648	104,978	60,338	57.48	12,315	11.73	110
University of Strathclyde, Glasgow	290,762	6,593	492	2.73	92,431	38.26	50,411	30,891	27,005	1,733	241,601	132,870	55.00	8,600	3.56	663
University of Sunderland	126,673	679	(51)	0.55	30,799	24.82	1,910	37,568	22,215	322	124,099	59,809	48.19	33,620	27.09	2,715
University of Surrey	225,604	1,648	6,610	0.77	40,157	18.79	28,811	33,667	37,927	10,326	213,667	116,326	54.44	149,965	70.19	7,197
University of Sussex	145,424	14,403	13,749	7.14	41,923	20.78	26,578	46,729	37,777	594	201,752	94,314	46.75	96,564	47.86	5,985
Swansea University	124,766	3,651	5,414	2.00	34,473	18.91	37,194	42,151	20,837	362	182,294	103,910	57.00	17,431	9.56	857
Teesside University	158,990	10,211	11,360	8.16	39,799	31.80	3,067	34,420	7,765	1,572	125,164	72,410	57.85	683	0.55	275
Trinity Laban Conservatoire of Music and Dance	31,138	1,177	1,126	5.30	7,802	35.11	30	3,546	1,148	91	22,221	11,021	49.60	1,410	6.35	185
University of Ulster	299,560	11,246	9,312	5.87	83,902	43.76	19,299	46,595	4,580	1,354	191,723	112,307	58.58	4,648	2.42	1,443
University Campus Suffolk	53,135	921	1,822	2.42	9,665	25.44	290	13,520	346	48	37,987	15,817	41.64	20,263	53.34	1,311
University College Birmingham	106,669	7,995	4,142	17.77	18,482	41.08	0	13,906	5,958	859	44,993	22,145	49.22	0	0.00	258
University College London	811,807	18,558	23,804	1.97	191,160	20.34	334,733	72,353	126,757	5,326	940,019	516,611	54.96	75,181	8.00	5,982
University for the Creative Arts	141,507	(346)	70	-0.59	24,368	41.29	269	23,525	3,212	32	59,015	33,562	56.87	3,954	6.70	478
University of the Arts London	309,722	14,734	10,290	6.39	51,428	22.29	1,355	58,882	72,186	1,119	230,727	118,969	51.56	101,100	43.82	3,862
University of Wales	22,066	(4,082)	(4,931)	-39.45	540	5.22	608	316	0	577	10,346	5,267	50.91	0	0.00	0
University of Warwick	334,800	19,100	30,000	4.16	77,400	16.84	83,700	81,200	89,500	2,100	459,600	224,800	48.91	121,300	26.39	5,800
University of West London	76,707	7,564	8,170	9.84	18,866	24.54	1,034	23,389	9,425	229	76,865	37,449	48.72	5,064	6.59	1,262
University of the West of England	177,700	9,200	12,199	4.13	48,300	21.71	11,500	78,800	13,900	1,400	222,500	123,200	55.37	80,500	36.18	1,900
University of the West of Scotland	111,255	7,684	4,496	7.88	67,396	69.15	2,694	15,366	2,323	364	97,466	58,673	60.20	20,000	20.52	1,009
University of Westminster	175,264	11,098	10,292	6.51	43,122	25.30	4,510	59,999	27,600	657	170,437	90,834	53.29	38,238	22.44	4,167
University of Winchester	61,814	5,443	4,339	10.34	11,329	21.53	483	23,180	2,702	100	52,631	25,906	49.22	10,681	20.29	805
University of Wolverhampton	225,818	12,305	12,589	7.62	41,977	25.99	3,171	54,508	8,564	798	161,500	87,332	54.08	19,316	11.96	2,293
University of Worcester	71,951	4,366	5,511	6.05	16,619	23.04	1,820	33,857	1,572	20	72,127	34,309	47.57	72,351	100.31	3,373
Writtle College	15,095	(95)	440	-0.57	7,416	44.78	91	3,677	840	10	16,560	10,225	61.75	4,478	27.04	501
University of York	240,559	7,937	4,455	2.69	57,148	19.39	49,824	55,260	35,237	1,819	294,701	153,818	52.19	151,970	51.57	6,041
York St John University	80,398	2,387	1,098	4.85	10,046	20.43	332	19,766	3,716	68	49,178	25,676	52.21	12,622	25.67	1,097
Total	**37,218,928**	**1,062,726**	**1,111,052**		**7,030,076**		**4,809,085**	**6,310,001**	**3,365,915**	**288,028**	**29,069,546**	**15,353,731**		**7,021,864**		**402,859**

Notes: Data compiled by Grant Thornton, using universities' 2012-13 financial statements.
Numbers in brackets signify a deficit. The "total income" column includes other sources of income not categorised in this table.
Figures not available for University of Wales, Trinity Saint David or Swansea Metropolitan University, which merged in August 2013.
Accounts for St Mary's University, Twickenham, were not available when the data were compiled.
*Figure not published in the accounts.