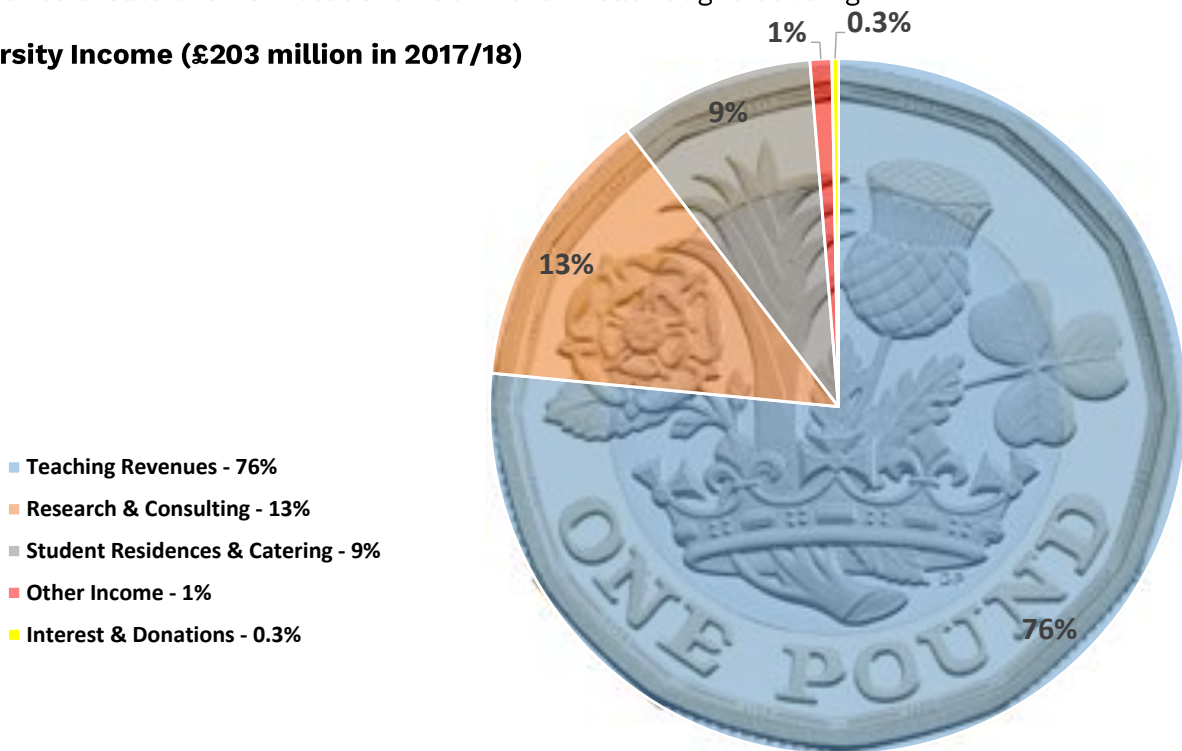University Finances Explained

The University's mission is to transform lives through inspired teaching and learning. All of our activities – including how we earn and spend money – are focused on our strategic objectives which, as well as changing our students' lives through providing outstanding teaching, includes enhancing science and society through our research and enterprise. We do not seek to make a profit, but we aim to make a small surplus annually to reinvest in improving our facilities and enhancing outcomes for our students and for research. This is essential for our long-term sustainability. In 2017/18 we received £203m in income, and spent £199m; in addition we invested over £19m in new facilities during the year, principally in order to create the new student hub in the Dreadnought building.

University Income (£203 million in 2017/18)

- Teaching Revenues - 76%
- Research & Consulting - 13%
- Student Residences & Catering - 9%
- Other Income - 1%
- Interest & Donations - 0.3%

Teaching revenues make up three quarters of our revenue. This largely comes from student fees, either directly paid by our students or by bodies such as the Student Loan Company on our students' behalf. The Office for Students and institutions such as the NHS also make contributions towards certain courses (for example some courses are particularly expensive to run) and to allow us to support students who may be under-represented in Higher Education (we are recognised for our work in widening access and ensuring successful outcomes for our diverse student population).
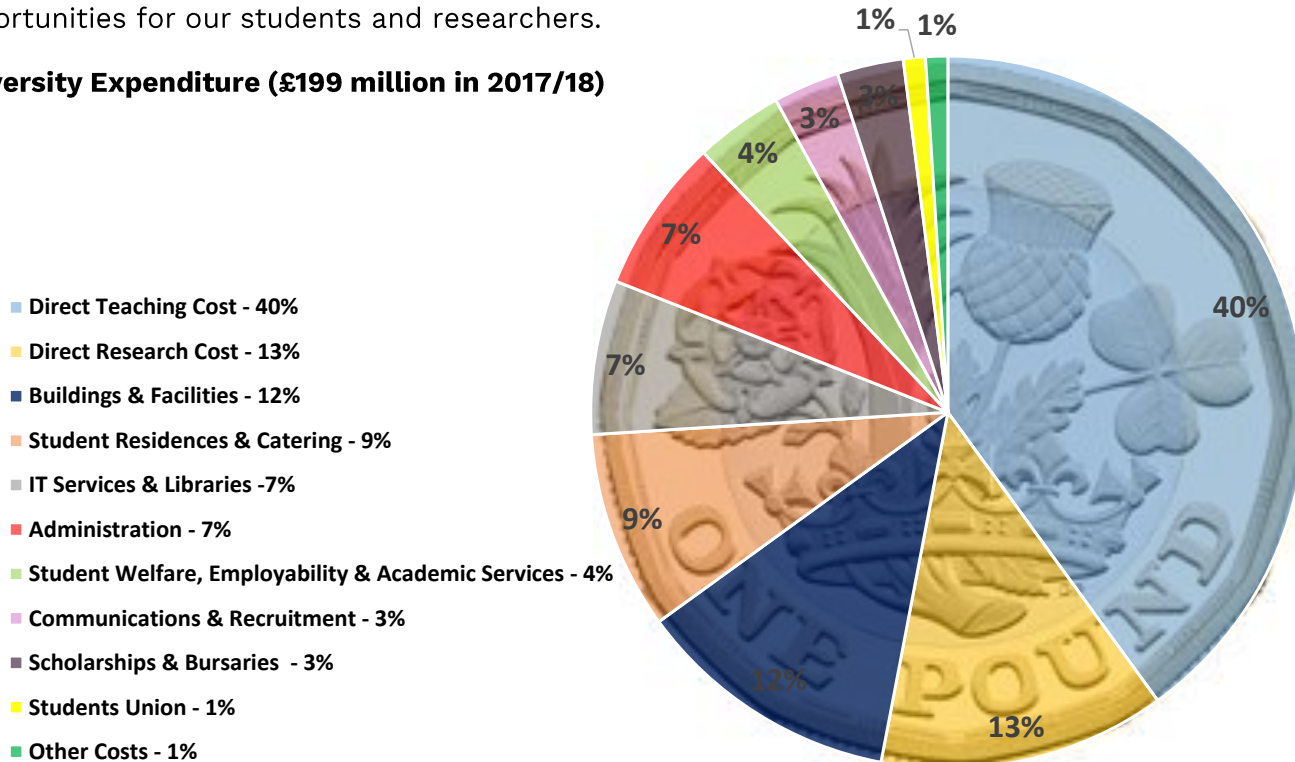
The second major income stream comes from the Research and Consultancy activities that we undertake, a mix of projects funded by various UK research councils, charities, the EU and private companies. Of special note is the Natural Resources Institute (NRI), part of the University of Greenwich,

which delivers world class, internationally impactful research, attracting funding from global charities such as The Bill & Melinda Gates Foundation.

Our final major income stream is from student residences and catering. These revenues seek to cover the costs of providing these. We also receive smaller amounts of other income from activities such as hosting summer schools, conferences and other services we provide.

Donations, endowments and investment income complete the picture; as a relatively new University, at least in our present form, this income is modest but extremely valuable in providing additional opportunities for our students and researchers.

University Expenditure (£199 million in 2017/18)

- Direct Teaching Cost - 40%
- Direct Research Cost - 13%
- Buildings & Facilities - 12%
- Student Residences & Catering - 9%
- IT Services & Libraries -7%
- Administration - 7%
- Student Welfare, Employability & Academic Services - 4%
- Communications & Recruitment - 3%
- Scholarships & Bursaries - 3%
- Students Union - 1%
- Other Costs - 1%

Direct teaching and research costs, largely made up of staff salaries, make up over half our costs. However to deliver our teaching and research activities we have a large estate, and we also have several halls of residence for our students. Most of these buildings are not owned by the University, and we must therefore pay rent and, in some cases, financing costs on these.

We are proud of our 3 libraries, including the award-winning Stockwell Street Library, and the world class IT support we provide to our students, including a substantial number of desktop computers made available at all our campuses. We similarly devote significant resources to student welfare, employability and academic services.

We support our students' unions with nearly £2m of grants, ensuring a wide range of services and clubs can be made available to our students. Finally £6 million is currently committed annually to provide bursaries and scholarships to our undergraduate and postgraduate students.

Surplus

Last year we made a surplus before other gains or losses of £3.3 million; the year before this figure was £4.0 million. These figures represent less than 2% of total income, and will be reinvested in the University in future years. To put this level of surplus into context the Dreadnought student hub has cost us over £30 million, which could be afforded through the careful management of our finances over past years; other recent examples of reinvesting past surpluses include the library at Stockwell Street and the student hub at Medway.

Further information

For further information on our income and expenditure, see our 2017/18 financial statements at
https://docs.gre.ac.uk/rep/finance/report-and-financial-statements