

Annex 3.1d - Worked example of completing Table A1 of the TRAC return from the financial statements

Consolidated Statement of Comprehensive Income and Expenditure	Year ended 31 July 201Y	
	Consolidated	University
	£'000	£'000
Income		
Tuition fees and education contracts	56,040	56,040
Funding body grants	35,441	35,441
Research grants and contracts	31,000	31,000
Other income	56,609	51,335
Investment income	1,955	1,955
Total income before endowments and donations <i>[optional subtotal]</i>	181,045	175,771
Donations and endowments	2,980	2,980
Total income	184,025	178,751
Expenditure		
Staff costs	92,941	92,657
Fundamental restructuring costs	2,888	2,888
Other operating expenses	59,047	54,151
Depreciation	8,715	8,426
Interest and other finance costs	2,530	2,530
Total expenditure	166,121	160,652
Surplus/deficit before other gains losses and share of operating surplus/deficit of joint ventures and associates.	17,904	18,099
Gain/(loss) on disposal of fixed assets	758	758
(Loss) / Gain on investments	(112)	(112)
Share of operating surplus/(deficit) in joint venture	(311)	-
Share of operating surplus/(deficit) in associate	(11)	-
Surplus / (Deficit) before tax	18,228	18,745
Taxation	(209)	-
Surplus / (Deficit) for the year	18,019	18,745
Unrealised surplus on revaluation of land and buildings	2,520	2,520
Actuarial (loss)/gain in respect of pension schemes	(220)	(220)
Change in fair value of hedging financial instruments	-	-
Total comprehensive income for the year	20,319	21,045
Surplus for the year attributable to:		
Non controlling interest	(42)	-
University	17,977	18,745

(A1) Derivation of TRAC income and expenditure figures	2016-17 £000
Total income ¹	184,025
+ gain on disposal of fixed assets	758
+ gain on investments	0
+ share of operating surplus in joint ventures	0
+ share of operating surplus in associates	0
+ taxation credit	0
TRAC income	184,783
Total expenditure ²	166,121
minus cost or plus credit attributable to the periodic revaluation of [USS and SAUL] pension scheme liabilities	17,649
+ [USS and SAUL] employer pension deficit contributions excluded from expenditure in financial statements	3,069
+ loss on disposal of fixed assets	0
+ loss on investments	112
+ share of operating deficit in joint ventures	311
+ share of operating deficit in associates	11
+ taxation charges ³	209
plus surplus or minus deficit attributable to non-controlling interests	42
TRAC expenditure	187,524

¹ From FRS 102 accounts - "total income" as reported in the Consolidated Statement of Comprehensive Income

² From FRS 102 accounts - "total expenditure" as reported in the Consolidated Statement of Comprehensive Income

³ Taxation charges should include taxation on research and development credit (RDEC) and all other tax charges

Note - it is not generally possible to derive these values directly from the financial statements or related notes - TRAC practitioners should review the worked example for the USS adjustment and may need to discuss with the financial accounting team. The numbers included here are from the worked example.