

**Annex B**  
**2002 Financial forecasts**

**Income and expenditure account – HEFCE HEIs sector total**

	<b>Actual</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
	<b>2000-01</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Income</b>						
1. Funding council grants	4,299,885	4,526,403	4,758,668	4,904,000	4,962,426	5,091,835
2. Academic fees and support grants	2,589,365	2,758,304	2,969,539	3,178,808	3,370,193	3,535,944
3. Research grants and contracts	1,812,384	1,937,662	2,071,499	2,202,305	2,338,532	2,481,273
4. Other operating income	2,121,062	2,147,926	2,235,072	2,318,758	2,412,980	2,494,377
5. Endowment income and interest receivable	245,949	214,950	202,145	192,619	196,696	195,700
6. Total income	11,068,645	11,585,245	12,236,923	12,796,490	13,280,827	13,799,129
<b>Expenditure</b>						
7. Staff costs	6,432,661	6,698,839	7,113,877	7,434,609	7,735,668	8,073,565
8. Depreciation	490,240	520,692	570,275	622,142	655,086	651,346
9. Other operating expenses	3,993,347	4,203,960	4,379,444	4,491,931	4,608,447	4,772,134
10. Interest payable	184,050	174,871	185,984	205,552	213,716	214,143
11. Total expenditure	11,100,298	11,598,363	12,249,581	12,754,235	13,212,917	13,711,189
12. Exceptional items	76,949	26,134	2,856	100,612	40,784	5,733
13. Surplus/deficit after depreciation of assets at valuation & before ta	45,296	13,016	-9,802	142,867	108,693	93,673
14. Taxation	-173	-171	-426	-733	-879	-1,014
15. Minority interest	-1,052	-549	-310	-341	-122	-568
16. Surplus/deficit after depreciation of assets at valuation & tax	44,071	12,296	-10,538	141,793	107,693	92,092
<b>Note of historical cost surpluses and deficits</b>						
17. Surplus/deficit after depreciation of assets at valuation & tax	44,071	12,296	-10,538	141,793	107,693	92,092
18. Difference between historical cost depreciation and actual depreci	54,332	54,598	54,850	52,627	58,517	48,810
19. Realisation of property revaluation gains of previous years	39,781	39,234	19,027	76,231	16,146	580
20. Historical costs surplus/deficit after tax	138,184	106,128	63,339	270,651	182,356	141,481