

## Appendix 3: Validation warning checks in annual financial return workbook

1. The annual financial return workbook contains a series of validation warning checks which will help providers check the credibility of their data prior to submission to OfS. This appendix describes these validation warnings. In addition, the workbook contains a series of validation error checks which help to ensure that incorrect data is not submitted. The validation errors are described in Appendix 2.
2. A number of validation warning checks are built into Tables 1 to 13 of the Finance workbook. If one of the checks below is triggered in a table, the validation warning cell above the table will turn yellow and show '**Validation warnings: see below table**'. The cell corresponding to the failed check below the table will show '**WARNING**' in yellow, next to a description of the warning. If there are no warnings, the cell above the table will show '**No validation warnings**', and the cells below will show '**Pass**'.
3. We would expect providers to review the validation warnings and be able to explain where these are displayed. You may receive queries regarding any validations warnings present in your submitted workbook during the data verification phase of the annual financial return.
4. If you have any issues regarding any of the validation warnings below, please contact [FinanceData@officeforstudents.org.uk](mailto:FinanceData@officeforstudents.org.uk).

### Validation warning checks for Table 1: Consolidated statement of comprehensive income and expenditure

| Data checked  | Criterion  |
|---|--|
| Courses fees and education contracts (row 1a)<br>Funding body grants (row 1b)<br>Research grants and contracts (row 1c)<br>Other income (row 1d)<br>Investment income (row 1e)<br>Donations and endowments (row 1f)<br>Depreciation (row 2d)<br>Interest and other finance costs (row 2e) | Should $\neq$ 0  |
| Total comprehensive income for the year (row 15)<br>– Dividends (row 17)  | Should = movement between years in Total reserves. For example, for Year 2, this would be:<br>Total reserves (row 14) for Year 3 –<br>Total reserves (row 14) for Year 2 |

### Validation warning checks for Table 2: Consolidated balance sheet

| Data checked   | Criterion       |
|--|-----------------|
| Total creditors (amounts falling due within one year) (row 3h)<br>Cash and cash equivalents (row 2d) | Should $\neq$ 0 |

### Validation warning checks for Table 3: Consolidated statement of cash flows

| Data checked  | Criterion  |
|---|--|
| Endowment income (row 3c)   | Should be $\leq 0$   |
| Capital grant income (row 3e)<br>Capital grants receipts (row 5c) | Should $\neq 0$  |
| Payments made to acquire fixed assets (row 5g)                    | Should be $>$ Payments made to acquire intangible assets (row 5h)                          |
| Interest paid (row 6a)  | Should $\neq 0$ if<br>Interest and other finance costs ( <b>Table 1</b> , row 2e) $\neq 0$ |

### Validation warning checks for Table 4: Analysis of income

| Data checked  | Criterion  |
|---|--|
| Office for Students teaching grant (row 2a)   | Should $\neq 0$ if teaching grant has been allocated |
| Research England research grants (row 2c)   | Should $\neq 0$ if research grant has been allocated |
| Total funding body grants (row 2h)<br>Research grants and contracts (row 3d)<br>Investment income (row 5)<br>Donations and endowments (row 6) | Should $\neq 0$                                      |

### Validation warning checks for Table 5: Analysis of income - Research grants and contracts - breakdown by source of income and HESA cost centre

| Data checked  | Criterion  |
|---|--|
| Values in the following cells:  | Should $\neq 0$ if there is a value for this in the following rows in column 8 of <b>Table 8</b> : |
| Total research grants and contracts (row 4), Total (column 15)  | Row 6n   |
| Total research grants and contracts (row 4), Total Research Councils (column 1j)  | Row 6ax  |
| Total research grants and contracts (row 4), UK-based charities (open competitive process) (column 2)                                   | Row 6b   |
| Total research grants and contracts (row 4), UK-based charities (other) (column 3)  | Row 6c   |
| Total research grants and contracts (row 4), UK central government bodies/local authorities, health and hospital authorities (column 4) | Row 6d   |

|   |        |
|---|--------|
| There is no value for 207 Total research grants and contracts (row 4), UK industry, commerce and public corporations (column 6) | Row 6e |
| Total research grants and contracts (row 4), UK other sources (column 7)  | Row 6f |
| Total research grants and contracts (row 4), EU government bodies (column 8)  | Row 6g |
| Total research grants and contracts (row 4), EU-based charities (open competitive process) (column 9)                           | Row 6h |
| Total research grants and contracts (row 4), EU industry, commerce and public corporations (column 10)                          | Row 6i |
| Total research grants and contracts (row 4), EU (excluding UK) other (column 11)  | Row 6j |
| Total research grants and contracts (row 4), Non-EU-based charities (open competitive process) (column 12)                      | Row 6k |
| Total research grants and contracts (row 4), Non-EU industry, commerce and public corporations (column 13)                      | Row 6l |
| Total research grants and contracts (row 4), Non-EU other (column 14)   | Row 6m |

### Validation warning checks for Table 6: Analysis of income - Course fees and education contracts analysed by domicile, mode, level and source and Table 7: Student numbers (FTE)

Table 6 and 7 checks have been combined because each validation warning check for Table 6 corresponds to a value in Table 7 and vice versa.

| Data checked  | Criterion  |
|---|--|
| Values for each column (excluding the breakdown of fees for Year 2 in <b>Table 6</b> ) for each breakdown of domicile/mode/level (rows 1ai-1bvii, and rows 1di-1dvii) | Should $\neq 0$ in <b>Table 6</b> if there is a corresponding FTE recorded in <b>Table 7</b> , and should $\neq 0$ in <b>Table 7</b> if there is a corresponding fee income recorded in <b>Table 6</b> . |
| For both <b>Table 6</b> and <b>Table 7</b> :<br>Total UK fees (row 1aviii)<br>Total Other EU fees (row 1bviii)<br>Total Non-EU fees (row 1dviii)                      | Should $\neq 0$  |

## Validation warning checks for Table 8: Analysis of expenditure - breakdown by activity and HESA cost centre

| Data checked  | Criterion  |
|---|--|
| Values in column 8 for the following rows:  | Should $\neq$ 0 if there is a value in row 4 of <b>Table 5</b> for the following columns:    |
| Total research grants and contracts, Total (row 6n)   | Column 15  |
| There is no value for Total Research Councils, Total (row 6ax)  | Column 1j  |
| There is no value for UK-based charities (open competitive process), Total (row 6b)                                   | Column 2   |
| There is no value for UK-based charities (other), Total (row 6c)  | Column 3   |
| There is no value for UK central government bodies/local authorities, health and hospital authorities, Total (row 6d) | Column 4   |
| There is no value for UK industry, commerce and public corporations, Total (row 6e)                                   | Column 6   |
| There is no value for UK other sources, Total (row 6f)  | Column 7   |
| There is no value for EU government bodies, Total (row 6g)  | Column 8   |
| There is no value for EU-based charities (open competitive process), Total (row 6h)                                   | Column 9   |
| There is no value for EU industry, commerce and public corporations, Total (row 6i)                                   | Column 10  |
| There is no value for EU (excluding UK) other, Total (row 6j)   | Column 11  |
| There is no value for Non-EU-based charities (open competitive process), Total (row 6k)                               | Column 12  |
| There is no value for Non-EU industry, commerce and public corporations, Total (row 6l)                               | Column 13  |
| There is no value for Non-EU other, Total (row 6m)  | Column 14  |
| Other operating expenses (column 5) for each cost centre (101-145) (rows 1a-1as)                                      | Should $\neq$ 0 if there is a value for Total staff costs (column 3) for that cost centre    |
| Pension cost adjustment (row 7a)  | Would usually = 0 for Other operating expenses (column 5)                                    |
| Other, Other expenditure, Total (row 7b, column 8)  | Is either:<br>$\geq$ £20,000,000<br>$\geq$ 10% of Total expenditure, Total (row 8, column 8) |

|  |                 |
|--|-----------------|
| National Bursaries, Other operating expenses (row 3bi, column 5) +<br>Provider specific (including departmental) bursaries and scholarships, Other operating expenses (row 3bii, column 5) | Should $\neq$ 0 |
|--|-----------------|

### Validation warning checks for Table 9: Analysis of expenditure – staff costs

| Data checked  | Criterion  |
|---|--|
| Salaries and wages for academic and non-academic staff (rows 1a and 1b) | Should $\neq$ 0 if the corresponding Average staff FTE values (rows 2a and 2b) $\neq$ 0  |
| Average academic and non-academic staff numbers (FTE) (rows 2a and 2b)  | Should $\neq$ 0 if the corresponding Salaries and wages values (rows 1a and 1b) $\neq$ 0 |

### Validation warning checks for Table 10: Analysis of expenditure - severance payments

| Data checked  | Criterion   |
|---|---|
| Loss of office at the provider (row 1a) +<br>Loss of office at any of the provider's parent or subsidiary undertakings or any office(s) connected to the provider's affairs (row 1b) +<br>Amount of the pension contribution (row 1e) | Should = Compensation for loss of office (row 2g, Table 11) |
| Total amount of compensation paid across the whole provider (row 2ai)<br>Total amount of compensation paid across the whole provider (row 2bi)  | Should be $\geq$ 0  |

### Validation warning checks for Table 11: Head of provider remuneration

| Data checked   | Criterion   |
|--|---|
| Start date of service (row 1b)<br>End date of service (row 1c)                         | Should not be blank if Name of individuals serving as head of provider during the two years (row 1a) has been completed (end date check does not apply to Head of provider at Year 2) |
| End of service (row 1c) for Head of provider at Year 2                                 | Should be left blank unless $\geq$ Year 2   |
| Basic salary (row 2a) for Head of provider at Year 2                                   | Should $\neq$ 0   |
| Total remuneration (row 6) for all Year 1 columns                                      | Should = 0 if Start date of service (row 1b) $>$ Year 1   |
| Total remuneration (row 6) for all Year 1 columns, except for current head of provider | Should = 0 for year ended Year 2 if End date of service (row 1c) $<$ Year 1   |

|  |  |
|--|--|
| Head of the provider's basic salary divided by the median pay (salary) (row 8a)<br>Head of the provider's total remuneration divided by the median total remuneration (row 8b) | Should $\neq$ 0  |
| Head of the provider's total remuneration divided by the median total remuneration (row 8b)  | Would usually be $>$ Head of the provider's basic salary divided by the median pay (salary) (row 8a) |

## Validation warning checks for Table 12: Analysis of capital expenditure

| Data checked   | Criterion  |
|--|--|
| Residences operations, Buildings (row 1a)<br>Residences operations, Equipment (row 1b)<br>Catering operations, Buildings (row 2a)<br>Catering operations, Equipment (row 2b) | Should = 0 for Funding body grants (column 1)  |
| Total capital expenditure (row 4)  | Should $\neq$ 0 for Funding body grants (column 1) if Capital grants recognised in the year ( <b>Table 4</b> , row 2g) $\neq$ 0  |
| Total capital expenditure (row 4)  | The sum of all loans (columns 5, 6, 7 and 8) should $\neq$ 0 if<br>Cash flows from financing activities, New secured loans and New unsecured loans ( <b>Table 3</b> , rows 6d and 6e) $\neq$ 0 |
| Total capital expenditure (row 4), New loans in year (column 6) +<br>Total capital expenditure (row 4), New director loans in year (column 8)                                | Should be $\leq$<br>New secured loans ( <b>Table 3</b> , row 6d) +<br>New unsecured loans ( <b>Table 3</b> , 6e)   |
| Total capital expenditure (row 4), Retained proceeds of sale (column 3)  | Should $\neq$ 0 if Proceeds from sale of fixed assets ( <b>Table 3</b> , row 5a) $\neq$ 0  |

## Validation warning checks for Table 13: Financial commitments

There are no validation warnings for Table 13. All checks for this table are validation errors and are detailed in Appendix 2.