

Annual Report 2014

Table of Contents

Review, Management's Statement and Auditor's Report	3
Company Information	3
Management's Statement	4
Independent Auditor's Report	5
Management Report 2014	7
Strategic Priorities	11
Development of management and organization	20
The physical environment – buildings	22
Financial Review	24
Target reporting	29
Reporting on the University of Copenhagen Development Contract 2012–14	30
Financial Statements	34
Accounting Policies	34
Income Statement	38
Balance Sheet	39
Statement of Changes in Equity	41
Cash Flow Statement	42
Notes to Financial Statements	43
Financial Highlights of the University of Copenhagen	52

Review, Management's Statement and Auditor's Report

Company Information

Company

University of Copenhagen
Nørregade 10
DK-1165 Copenhagen K
Local authority: City of Copenhagen
CVR no.: 29 97 98 12

Board

Nils Strandberg Pedersen, chairperson
Peter Gæmelke
Anja C. Andersen
Gwen Gruner-Widding
Jannik Johansen
Joan Sonne Lykkeaa
Kari Melby
Søren Axel Petersen
Sine Sunesen
Leif Søndergaard
Mads Krogsgaard Thomsen

Rector

Ralf Hemmingsen

Prorector for Research and Innovation

Thomas Bjørnholm

Prorector for Education

Lykke Friis

University Director

Jørgen Honoré

Auditors

Danish National Audit Office
St. Kongensgade 45
DK-1264 Copenhagen K

Institutional Auditors

Deloitte State Authorised
Public Accountants
Weidekampsgade 6
DK-2300 Copenhagen S,

Attorneys

Kammeradvokaten
(Legal Adviser to the Danish Government)
Vester Farimagsgade 23
DK-1606 Copenhagen V

Bank

Danske Bank
Holmens Kanal 2
DK-1090 Copenhagen K

Management's Statement


The Board and Executive Management have today considered and approved the Annual Report of the University of Copenhagen for 2014.


The Annual Report has been prepared in accordance with Ministerial Order no. 70 of 27 January 2011 on State Accounting, etc.

We hereby declare:

1. that we consider the accounting policies adopted appropriate and the accounting estimates made reasonable. The Annual Report therefore gives a true and fair view of the University of Copenhagen's assets, liabilities and financial position at 31 December 2014, and the results of the University's operations and cash flows for 2014, including the description of the targets set and the reporting on these targets in the Annual Report, are satisfactory,
2. that, in our opinion, Management's Review includes a true and fair account of the matters addressed and describes the most significant risks and elements of uncertainty faced by the University of Copenhagen,
3. that all transactions included in the Financial Statements are in accordance with relevant legislation and other regulations, as well as with agreements entered into and with established practice, and
4. that procedures have been introduced to ensure sound financial management of the resources covered by the Annual Report.

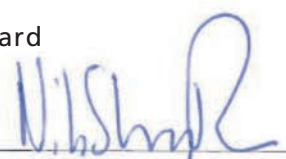
Copenhagen, 28 April 2015



Ralf Hemmingsen
Rector

Jørgen Honoré
University Director

Board



Nils Strandberg Pedersen
Chairperson


Gwen Gruner-Widding

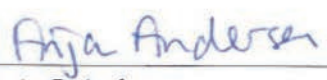
Kari Melby

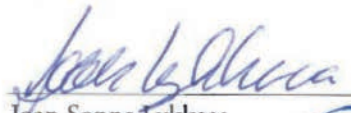
Leif Søndergaard

Peter Gæmelke

Jannik Johansen

Søren Axel Petersen

Mads Krogsgaard Thomsen

Anja C. Andersen

Joan Sonne Lykkeaa

Sine Sunesen

Independent Auditor's Reports

The Board of the University of Copenhagen has appointed Deloitte as institutional auditors of the University pursuant to Section 28(5) of the Danish University Act. The Auditor General is responsible for the overall audit under the Danish Auditor General Act.

To Management of the University of Copenhagen

Report on the Financial Statements

We have audited the financial statements of the University of Copenhagen for the financial year 1 January to 31 December 2014, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. The financial statements are prepared in accordance with the Danish State Accounting Act, the rules laid down in the Danish Ministry of Finance's Financial Administrative Guidelines (ØAV) and Ministerial Order no 1281 of 15 December 2011 on funding and auditing etc. at universities.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that are accurate, i.e. free from material misstatement and omissions, in accordance with the Danish State Accounting Act, the rules laid down in the Danish Ministry of Finance's Financial Administrative Guidelines and Ministerial Order no 1281 of 15 December 2011 on funding and auditing etc. at universities, and for such internal control as Management determines as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Furthermore, Management is responsible for transactions covered by the financial statements complying with the appropriations granted, statutes, other regulations, agreements and usual practice.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation, good public auditing practice and the agreement on internal audits at universities entered into by the Danish Minister of Education and the Auditor General, pursuant to Section 9 of the Danish Auditor General Act. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the university's preparation of financial statements that are accurate, i.e. free from material misstatements and omissions, in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the university's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

The audit also includes assessing whether procedures and internal controls have been established to ensure that the transactions covered by the financial statements comply with the appropriations granted, statutes, other regulations, agreements and usual practice.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements of the University of Copenhagen for the financial year 1 January to 31 December 2014 have been prepared, in all material respects, in accordance with the Danish State Accounting Act, the rules laid down in the Danish Ministry of Finance's Financial Administrative Guidelines (ØAV) and Ministerial Order no 1281 of 15 December 2011 on funding and auditing etc. at universities. It is also our opinion that procedures and internal controls have been established to ensure that the transactions covered by the financial statements comply with appropriations granted, statutes, other regulations, agreements and usual practice.

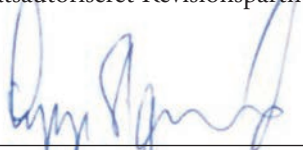
Statement on the Management's Review, Target Reporting and Financial Highlights

We have read the Management's Review (pp. 7-28), Target Reporting (pp. 29-33) and Financial Highlights (pp. 52-53). We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's Review, Target Reporting and Financial Highlights is consistent with the financial statements.

Copenhagen, 28 April 2015

Deloitte

Statsautoriseret Revisionspartnerselskab



Lyne Skovgaard
State Authorised Public Accountant

Lars Hillebrand
State Authorised Public Accountant

Management Report 2014

The University of Copenhagen welcomes the current strong political interest in the university sector, as well as the growing international competition for the best students and researchers. Indeed, *Strategy 2016* focuses precisely on interaction with the rest of society – at local, national, international and global level – and our activities in 2014 are a testament to this. Enhancing the study environment, better teaching, recruiting researchers abroad, bringing laboratories up to international standards, applying for freehold on campus buildings, and improvements to the immediate environment and the well-being and satisfaction of staff and students were just some of the priorities for the year.

Management is highly satisfied with the positive trends in our core areas of education and research. The University continued to enhance the quality of its research output, and to win more and more tenders for competitive funding. The study environment improved again, students were more efficient, and discussions began about providing better feedback to students, as part of efforts to move toward a more dialogue-based form of education. Tenure Track appointments started, and buildings and renovation projects continued on all campus areas. While all of this was happening, UCPH laid the groundwork for the future implementation of the new *dimensioning plan* (restrictions on student numbers), which was adopted shortly before the end of the year. Looking to the future, UCPH will undergo the new institutional accreditation process in 2016.

When asked to evaluate universities, external consultants and analysts often draw a distinction between profitability and efficiency. What is the best way to guarantee value for money? What does research cost? What do the study programmes cost? What about administration and buildings? How are the results quantified? Analysis and differentiation are important elements of academic methodology *per se*, and so are widely used at the University. But methodology on its own is not enough. There must also be a synthesis. At UCPH, the study programmes and teaching are research-based. Conversely, the students' responses and questions challenge the lecturers (the researchers) and inspire them to view the material from new angles, to take the next step in their research. Lecturers and students help

and challenge each other. This is why it is called research-based teaching. The administration supports this process. Researchers do not administer research grants or keep track of test tubes on their own. Students do not handle exam registration or clean classrooms. Lecturers are not in charge of the University budget, IT development or the thousands of applications for enrolment at UCPH that are received every year. Buildings and laboratories are an increasingly integral part of research and teaching, as well as a parameter for international competition. UCPH's construction projects made a clear impression on the cityscape in 2014. Research and education. Buildings and administration. They all come together to make up the University. As a result, it is no longer a matter of "Bricks or Brains", but "Bricks and Brains". This is why the University has applied to the Ministry of Education for freehold on its campus buildings. This would mean UCPH is responsible for its own physical setting and enable action to be taken quickly and effectively when required. We are absolutely convinced that this would benefit society as a whole.

Overall, the University's results for 2014 indicate a number of trends that need to continue. Over the next few years, UCPH will continue to focus on attracting and developing talent, internationalisation and looking outward, the integration of research into study programmes, the infrastructure and the freehold process. All of this must go hand in hand with even closer working relationships within the University. This also entails greater staff involvement, so that the employees' views are an essential part of the basis on which decisions are made.

More FTEs and ECTS credits, lower intake

In 2014, 7,441 students enrolled on bachelor programmes at the University of Copenhagen, and 5,564 on master's programmes. The comparative figures for 2013 were 7,445 and 5,586, respectively. Although both figures appear almost unchanged, the numbers for 2014 include, for the first time, the Royal School of Library and Information Science (258 bachelor students and 77 master's students) and therefore, the totals actually fell.

The number of FTEs continued to increase. In 2014, the total was 26,713, up 2,136 on 2013. The number of master's graduates also increased. In 2014, the total was 4,573, up 275 on 2013.

External funding

In 2014, a record proportion of the major grants for research talent at Danish universities went to UCPH. Two out of 12 new basic research centres were established at UCPH – five if the clinical centres are included. UCPH was also a core partner in several strategic partnerships at European level, including the EU's largest ever public-private partnership on the promotion of active lifestyles and healthy ageing, under the heading "Knowledge and Innovation Community" (KIC). The aim is to foster innovation, education and entrepreneurship over the next seven to ten years, with anticipated EU funding of DKK 4–5 billion. Applications from the University to the EU's Eighth Framework Programme "Horizon 2020" also enjoyed a high success rate. Horizon 2020 was just getting started in 2014, but the University's early successes are promising. The University plans to build on the huge success of the Seventh Framework Programme, in which UCPH was one of the top ten participating universities in terms of the number of projects.

In 2014, UCPH attracted a total of DKK 1,513 million from competitive tenders for public-sector funding – 6% up on 2013 and almost 32% up on the 2009–2011 average (the baseline figure for UCPH development contracts in 2012–14). The corresponding figure from tenders for private-sector competitive funding was DKK 743 million in 2014 – no change from 2013, but up almost 26% on the baseline figure.

Looking outward

In 2014, UCPH worked with other institutions, politicians and companies on the development and branding of Copenhagen as a regional hub for research and education, under the heading "Greater Copenhagen".

The University played a huge role in the research policy conference EuroScience Open Forum (ESOF) at Carlsberg in summer 2014. UCPH was involved in a wide range of outreach activities at the research festival held to coincide with the conference, which attracted around 40,000 visitors.

Organised in collaboration with partner universities, IARU's sustainability congress "Global Challenges: Achieving Sustainability" was held in the Falconer Centre in

October 2014. The event attracted more than 700 participants from more than 50 countries.

Despite extensive renovations in 2014, UCPH's Ceremonial Hall housed a range of public events focusing on topical subjects and important historical events. Debates were held to mark the 200th anniversary of the free Norwegian constitution and of the country's separation from Denmark, as well as the 100th anniversary of the outbreak of World War One. The event "Danmark i Matadors spejl" (Denmark as reflected in Matador) was a multi-disciplinary and extremely festive tribute to the classic TV series that has become such an important part of the nation's cultural heritage. The 90th anniversary of Nina Bang becoming the first woman in the Danish Cabinet marked a milestone for gender equality. UCPH again threw its doors open for Culture Night in 2014, with all four campuses hosting academic events and guided tours. Researchers and managers from UCPH also took part in Science Slam, and in debates at the People Meeting on the island of Bornholm. And no fewer than 500 students and staff joined in UCPH's celebration of diversity as part of the Copenhagen Pride Parade in August.

New traditions also saw the light of day at the University. May 2014 saw the first Spring Festival, an event that brought the whole University together. More than 10,000 students and members of staff gathered on North Campus, which was transformed into a festival site for the occasion.

In January 2014, the Rector's Office hosted a symposium and dinner for the University's 6–700 professors. This was the first time that all professors, irrespective of discipline, had the opportunity to meet in an informal setting.

The first "alumni day" was also held in 2014. Many UCPH graduates gathered in the Ceremonial Hall for what the University hopes will become an annual tradition.

Financial framework

For 2014, revenue of The University of Copenhagen (UCPH) stands at DKK 8,245.3 million, which is 0.2% down on 2013. Overall, this represents a slight decline, which is particularly attributable to the change in building-related revenues, which were previously recognised as income for interior maintenance from the Danish Building

& Property Agency, and which are from 2014 instead recognised as a reduction of rental costs. Conversely, UCPH saw a handsome increase in education revenues (primarily thanks to increased student FTE production), and minor growth in core income and external grants (current prices).

In terms of amount, subsidies from the Danish Finance Act for 2014 were as expected, going up from 2013 to 2014 (DKK 203.1 million). Approx DKK 100 million thereof represents technical restructuring of the Royal School of Library and Information Sciences (RSLIS) and a transfer of the Bachelor of Forest and Landscape Engineering programme from another agency to be included in UCPH's Finance Act budget rather than being contributed to UCPH as "Other revenues" as in 2013. To this should be added a positive supplementary appropriation in 2014 of DKK 56.2 million in education subsidies.

With the Danish Finance Act for 2014, financial stability was maintained for the universities in 2014. The three-year agreement on allocation of new basic research funds from the research reserve, which was passed with the Danish Finance Act for 2013, was prolonged by one year and is now effective up to and including 2016. Also, the allocation of funds from the readjustment reserve went up from DKK 16.6 million in 2013 to DKK 119.1 million in 2014. These funds were allocated to the universities under the "basic funds for performance" model, with UCPH's share representing DKK 198.8 million in 2014 (DKK 253.3 million in 2013).

In the same way, the Danish Government ensured funding of the record-high intake to programmes in 2012, and the rate 1-increase of DKK 5,000 per FTE was maintained until 2016.

Thus, the Danish Finance Act for 2014 maintained the prospect of more long-term planning of research and educational activities.

In 2014, the administrative savings amount to a negative DKK 83.6 million and have as of 2013 turned into a permanent reduction of UCPH's subsidies for other purposes (basic subsidy) due to the political "Agreement on the recovery of the Danish economy" adopted in 2010.

As in previous years, UCPH maintained a high level of activity. The positive development in educational activities continues with a 4.7% increase in total education revenues and an 8.7% increase in the number of student full-time equivalents (FTEs) on 2013.

In 2014, UCPH's education subsidies were adjusted upwards as a result of financial imbalance between the subsidies earned on the basis of guest students' (earned FTEs) at the University and the merit by way of FTEs earned by Danish students studying abroad. In 2013, UCPH adjusted education revenues downwards by DKK 9.5 million due to this imbalance. In 2014, however, the imbalance was positive resulting in revenues of DKK 4.7 million being recognised.

UCPH maintains its massive focus – also in the light of the Study Progress Reform – on the requirement for shorter completion times and on the efforts to ensure a low drop-out rate and high FTE production in order to secure and improve the financial framework, which is a precondition for high quality of education.

The Board's most important decisions in 2014

21 January

As part of the reporting back on the previous action plan "Diversity – more women in research and management", the Board was informed of management's proposal for new initiatives to attract and retain talented researchers of both genders and to achieve the best possible quality in research and teaching. Later in the year, the Board adopted an actual action plan.

The Board approved amendments to statutes/regulations for the Centre for Military Studies.

29 April

The Board approved and signed the Annual Report 2013.

The Student Ambassador presented her annual report for 2013 to the Board.

The Board discussed the first interim report by the Committee for Quality and Relevance in Higher Education (the Quality Committee). The Board expressed its continued support for ongoing quality enhancement, which is a core component of any top international university with cutting-edge research.

The Board was informed of the ongoing "dimensioning" process at UCPH under the auspices of Danish Universities. The process places limits on the number of students on study programmes and is conducted in dialogue with employers and other stakeholders.

Estimates of income and provisional budgets for the next few years were discussed. The Board mandated management to continue work on a budget for 2015 within a framework that continues to draw on the University's own equity and allows UCPH to continue to focus on the recruitment of permanent academic staff.

10 June

The Board was informed of a number of particularly important building projects. The Board approved a DKK 105 million supplement to the project finances for the Mærsk Building.

The Board was informed of the outcome of the 2013 satisfaction and well-being assessment for students and staff (with a particular emphasis on students). The physical environment and stress were identified as areas that require action. In the 2014 budget, DKK 20 million was earmarked from the Board's Strategic Pool to facilitate a range of initiatives aimed at improving the students' physical and psychological study environment, e.g. providing "regional rooms" for all studies, implementing the 12-person committee's recommendations (e.g. regarding maximum case processing times) and aligning expectations in relation to the requirement for full-time study included in the Study Progress Reform.

The Board was informed of the preliminary and positive evaluation of UCPH's newly established department councils (established in 2013), which will be followed by a full evaluation in 2016.

The Board was informed about the implementation of the Extended Practice Committee's recommendations in the wake of the Penkowa case. UCPH has adopted an approach in line with many of the recommendations contained in the new national code of good scientific practice.

The Board approved a three-year extension (2014–2017) to the agreement with the publisher Museum Tusculanum and set up a committee to evaluate the academic and branding advantages of setting up its own university press.

The Board was informed of the ministry's forthcoming analysis of the cost structure in higher education.

7–9 September – study trip

The Board's study trip to Munich in September focused on innovation and business partnerships – two key priorities in the University's Strategy 2016. The trip included visits to Ludwig Maximilian University, the independent Max Planck Society for the Advancement of the Sciences, Siemens and a biotech cluster. The overall purpose was to derive inspiration and gain experience of how universities, business, clusters and networks funded by the public sector and with a regional focus create innovation and growth in an area similar to Denmark.

9 September

At an extraordinary meeting, the Board discussed a draft of the University's development contract for 2015–17, which was the result of a consultation process involving key University bodies. After adjusting some of the targets, the Board approved the proposal, which was submitted to the ministry in October.

6 October

The Board received the annual report for the building area, along with a separate briefing about relations between UCPH and the Danish Building & Property Agency, and the Agency's project and construction management.

At the end of September, the Minister of Education announced the first model for the dimensioning of study programmes (i.e. limiting of student numbers). The whole Board was informed of this on 6 October. The model is complicated and is expected to have serious consequences for a number of study programmes.

The Board was informed of the status of the implementation of the study environment strategy and of the progress on quality assurance.

The Board approved the "Action Plan for careers, gender and quality – equal opportunities in research and management". One of the objectives is to broaden the field of applicants for jobs, so that each position advertised attracts applicants of both genders.

The Board endorsed the Rector's recommendation to extend the appointment of the Prorector for Research and Innovation, Thomas Bjørnholm, for a further three years, from 1 September 2015 until 31 August 2018.

The Board conducted its annual self-evaluation.

6 November

The Board discussed the dimensioning (student numbers) issue at an extraordinary meeting. The Board expressed satisfaction with the decision to modify the minister's original model. Following an internal evaluation and dialogue with employer panels, the universities now have greater flexibility in terms of setting the final numbers for specific courses, as long as the ministry's overall targets are met.

2 December

Throughout 2014, the Board was regularly informed about the intensive work being done to secure funding for a new Natural History Museum (SNM). At its meeting on 2 December, the Board approved a DKK 300 million funding package (it had already earmarked DKK 200 million in 2013) for the project, which has a total construction budget of DKK 950 million. The decision is based on the announcement of grants from four foundations totalling DKK 550 million and a DKK 100 million commitment by the government via Legal Instrument 148. The vision can finally be realised of a trailblazing new SNM that will benefit not only the University but society as a whole.

The Board noted the education minister's statement concerning the process to which the government intends to subject UCPH's request for building freehold. As part of this process, the Ministry will commission external consultants to study UCPH's financial and administrative ability to manage the building area, and also use estate agents to evaluate all of the University's properties. The minister expects the process to be completed by September 2015. The Board discussed options for speeding up this process, which will soon have been going on for over two years without anything actually happening. The Board also discussed the need to inform the rest of society and relevant decision-makers why building freehold is crucial for UCPH.

The Board approved the 2015 budget, which includes DKK 21 million from the Strategic Pool allocated for ongoing work on the implementation of the study-environment strategy "Road to Better Learning", which aims to ensure an attractive and well-organised physical, psychosocial and digital study environment.

The Board approved and signed a letter of appointment for the new institutional auditor, Deloitte.

The Board noted the annual report on the University's organisation.

The Board discussed government initiatives that will potentially have a major impact on the universities' framework conditions: dimensioning (student numbers), the Quality Committee's final report and the ongoing analysis of the cost structure.

At the end of 2014, UCPH senior management consisted of the Rector, Ralf Hemmingsen; the Prorector for Research and Innovation, Thomas Bjørnholm; the Prorector for Education, Lykke Friis; and the University Director, Jørgen Honoré.

Strategic Priorities

Key research findings and initiatives

The development of knowledge generated by basic research and the innovative potential of research are two sides of the same coin. Both push research forward, find new frameworks for its application and form the foundation for the research-based study programmes that are a hallmark of the University. Recruiting and encouraging talent is a crucial prerequisite for developing knowledge and education, and for nurturing the culture, creativity and daring that underpin them. For this reason, talent and innovation are two keywords in the University's strategic development plans.

Talent at UCPH – recruitment and retention

Developing talent and attracting the best researchers from Denmark and abroad is a mainstay of the University's activities in both research and education. As such, they are two of the main priorities in the University's Strategy 2016.

Career paths for PhD students

In 2014, 959 PhD students enrolled at UCPH and 833 PhD degrees were conferred. Having a PhD degree is increasingly part of the academic career path – whether as a researcher and lecturer at a university, or in a private knowledge-intensive company. The significant increase in the number of PhD graduates in recent years underlines the need for initiatives that focus on potential career paths. Mindful that vocational perspectives also need to be integral to education, in 2014 the University adopted a PhD action plan with career paths as one of the themes. The idea is to ensure that PhD students, right from the start of their studies, have a clear idea of potential career paths and opportunities for competency development. The plan also involves mentoring options, micro-internships and work-

shops, with a focus on competencies that are in demand and on career paths outside of the UCPH. In addition, it includes a branding strategy for PhD candidates, which is designed to encourage dialogue with SMEs. The UCPH innovation action plan, which was adopted in 2014, focuses on the interplay between business and industry on the one hand, and PhD programmes and research on the other. The plan – which follows up on Strategy 2016, the Strategy for Collaboration with Private Enterprise, the Plan for Closer Co-operation with Companies via GTS and the Strategy for Collaboration with Public-sector Agencies and Organisations – is designed to strengthen UCPH's ability to integrate thinking about innovation and "impact" into research and PhD programmes.

In autumn 2013, UCPH also decided to implement a new Graduate Talent Programme, in the form of a five-year PhD programme. In 2014, the programme was rolled out for international students. A number of departments reported back that they were eager to establish the scheme in their areas, as it would give them the opportunity to recruit talented researchers on the same terms as the leading American universities. In practical terms, the scheme allows students to start their PhD programmes after a bachelor programme instead of after a master's programme.

Action Plan for Career, Gender and Quality – equal opportunities in research and management (HR&O)

Talent development at UCPH is a matter of unlocking potential and creating equal opportunities in research and management. In October 2014, the Board endorsed an action plan specifically designed to recruit and retain talented women academics. Employees were very much involved in the preparation of the action plan, and the Senate and the faculties took part in a consultation process. The process revealed widespread understanding of the issues, as well as the visible and invisible barriers to progress, and generated useful suggestions for further work. The plan (Action Plan for Career, Gender and Quality – equal opportunities in research and management) includes a requirement that permanent academic posts must attract a broad range of applicants. Specifically, appointment committees must ensure that at least one applicant of each gender has applied for a post before it can be filled. It also includes a requirement for gender balance on appointment and assessment committees, and focuses on making

the return to work after maternity and paternity leave as straightforward as possible. The plan entered into force in early 2015. It will run until 2017, when its impact will be evaluated.

Talent at UCPH – recruitment and retention

The University seeks to recruit talented, internationally recognised researchers and eminent academics from all over the world in order to strengthen its position as one of the leading European universities. An important aim of this work is to present potential recruits with clear and promising career paths within the University. This includes Tenure Track positions, which are designed to outline a career path within the organisation for talented young recruits, as long as their work and results are of sufficient quality and they continue to develop as envisaged. From the start, staff on the Tenure Track system are familiar with the evaluation frameworks and criteria for their posts, the next phases of the process and the requirements they must meet.

UCPH has set up a special advisory body (the Tenure Track Committee) to monitor the scheme and advise senior management accordingly. The committee, whose members are nominated by the Academic Council and appointed by the Management Team, consists of a professor from each faculty as well as an external member appointed by the Executive Management. It met for the first time in November 2014.

UCPH has a new job portal. Whenever a post is advertised, relevant information is also posted about the specific working environment, about UCPH as a workplace in general and about living in Copenhagen. All relevant English-language academic positions are also advertised on the EU EURAXESS job portal, which in turn means they also appear on Nature.com.

Good working conditions and a creative and exciting research environment are not the only factors taken into account by researchers and their families when deciding whether to move to Denmark. They also want to know about taxes and pensions, jobs for their spouses and what it will be like to live in a new country. International Staff Mobility provides them with professional services. A special welcome pack for top international researchers and career advice for their spouses have enhanced the University's abil-

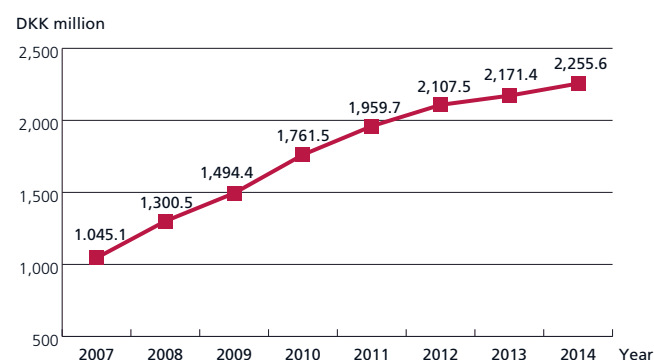
ity to attract and retain international researchers. International House Copenhagen, a facility set up specifically for new arrivals, is the result of a partnership between the City of Copenhagen, the University of Copenhagen, Copenhagen University Hospital and a number of government agencies and private companies.

Attracting external funding

Continued growth in external funding for research projects

In 2014, UCPH's externally funded research activities increased by DKK 84.2 million compared with 2013, representing an increase of 3.9%. This grant-funded research activity now amounts to DKK 2,255.6 million, or 27.4% of total revenues at UCPH. The growth was in line with 2013, when grant-funded research activities increased by 3.0%. The table below shows the trend in externally funded research activities since 2007.

Grant-funded research 2007-2014



Paying attention to the financial parameters is an unavoidable part of any research activity. Projects are developed at national and international level and in an environment characterised by increasingly intense competition for both funding and recognition.

In 2014, external funding accounted for approximately 27% of total UCPH revenues. Both young research talent and more experienced colleagues attract external funding. Seeking research funding outside of the University is a big part of everyday life – many would say too big. As an institution, the University seeks to provide as much support as

possible to researchers who are trying to obtain funding. However, increasingly, UCPH must face the question of how far it can move the boundary between institutional funding and external competitive funding. Nonetheless, UCPH is pleased to note that its researchers do exceedingly well in this competitive field – as the 2014 results testify.

Talent recognition

Eight (out of 13) researchers received European Research Council (ERC) grants, which go to top-quality, groundbreaking international projects in Europe in all research fields and topics. Seventeen (out of 40) researchers received Sapere Aude grants, an extra form of recognition for young researchers who received postdoctoral grants from the Danish Council for Independent Research in 2014. Two (out of 5) researchers received the Elite Research Prize, which goes to the five brightest and most talented researchers in Denmark. Ten (out of 17) researchers at UCPH received Ydun grants – one-off awards given to the most talented Danish female researchers. In 2014, UCPH received a record proportion of the major grants awarded to talented researchers at Danish universities.

Basic research centres

Three out of a total of 12 of the new basic research centres (Centres of Excellence) set up in 2014 were at UCPH – five if clinical centres are included.

The three new centres will run for six years, with total funding from foundations of up to DKK 175 million and with the option of extension for a further four years. In addition to providing the funding necessary to make these projects a reality, the Danish National Research Foundation's seal of approval speaks volumes about the researchers and the perspectives reflected in their work. Only ambitious projects with potentially groundbreaking results and the highest international academic standards are named Centres of Excellence. The new basic research centres at UCPH all focus on disease control. UCPH researchers will also be involved in several of the other basic research centres elsewhere.

Knowledge and Innovation Communities (KICs)

In 2014, following intensive preparation by the Faculty of Health and Medical Sciences, UCPH was made a core partner in the EU's largest-ever public-private partnership,

which promotes active lifestyles and healthy ageing. The partnership, which takes the form of a Knowledge and Innovation Community (KIC), aims to promote innovation and entrepreneurship. Over the next 7–10 years, it is expected to receive EU funding of DKK 4–5 billion. UCPH will work alongside Imperial College, Karolinska Institute, KU Leuven, Roche Diagnostics GmbH, Novo Nordisk A/S and more than 150 leading European universities and companies. The partnership will present opportunities to internationalise UCPH's innovation activities in the health field, offer study programmes in health entrepreneurship and help create an estimated 70 new start-ups by 2018.

UCPH also became a new core partner in Climate-KIC, as part of which the Faculty of Life Sciences (SCIENCE) will work with more than 200 other leading European partners to create innovative solutions to global climate challenges. In 2014, UCPH and the Danish Technical University (DTU) hosted a two-week climate summer school called "The Journey". A total of 44 students from 23 different countries spent five weeks exploring climate innovation in London, Copenhagen and Wrocław. UCPH also played a major role in the platform 'Bio-economy'.

As a partner in the European consortium "FoodBEST", UCPH also worked on a KIC application in the area of food innovation, for which the European Institute of Innovation and Technology (EIT) is expected to issue a call for tenders in early 2016.

UNIK – Scientific game changers

In 2009, the Danish Agency for Science, Technology and Innovation funded four UNIK grants (totalling DKK 480 million) for five-year research projects that adopt interdisciplinary approaches to major social challenges. Two of the grants went to UCPH researchers: UNIK Synthetic Biology and UNIK Food, Fitness & Pharma. Both projects have made it possible to establish new research fields at UCPH by bringing together top researchers from across established fields at the University. The international expert panel monitoring the two UNIK initiatives calls them "scientific game changers", which set new standards in interdisciplinary research and for building new academic cultures. The panel also reports that these initiatives have led to the University working more closely with industry and foster-

ing innovative social dialogue. Both grants ended in 2014. The initiatives will be pursued further by the Centre for Synthetic Biology, UCPH's Strategic Platform for Research into Lifestyle, Obesity and Metabolism and the research initiative Governing Obesity.

Star Programme

UCPH's first so-called Star Programme ran from 2008 until 2013. The idea was to promote excellence in research at the University. Twenty grants totalling DKK 350 million were allocated. The final evaluation, which was conducted in 2014, showed that the objectives were achieved. For example, the programme accounted for an even greater proportion of the most-cited articles in the world in their subject areas than the projects run by the Danish National Research Foundation's Centres of Excellence. In total, the projects attracted more than DKK 1.9 billion in external funding, more than five times as much as UCPH invested in them.

In 2013, a total of DKK 400 million was allocated to 18 research projects under UCPH's new Star Programme for Interdisciplinary Research, and to six interdisciplinary teaching projects. The idea was to improve the University's ability to attract external funding from the EU framework programme Horizon 2020, the Danish Innovation Fund, etc. A list of all of the projects has been published at <http://forskning.ku.dk/styrkeomraader/stjerneprogrammer/>

Education

Ensuring that the course of study is a happy and inspiring period of learning, and encouraging the desire to apply new knowledge and competencies are tasks both for the individual student and for the University. UCPH is responsible for welcoming students and presenting them with well-organised study programmes characterised by clear academic progression, perspectives that add to the intensity of their studies and insight into the opportunities the programme will afford them later in life. Much of the University's work on education relates to this process, i.e. from study start to master's degree and transition to the labour market.

Matriculation 2014

On 29 August 2014, all new bachelor students, all new master's students with bachelor degrees from other universities and all new international exchange students – a total



of approximately 10,000 people – were for the first time invited to a joint matriculation ceremony on Frue Plads. The ceremony moved out of the Ceremonial Hall onto the square, where the Rector addressed the students in both Danish and English – another sign of the increasingly international nature of the University.

Study environment

Due to intense international competition and the government's calls for student efficiency as part of its Study Progress Reform, the study environment is increasingly important. In 2013, the University Board approved the implementation of the Strategy for the study environment 2014–2016 – the road to better learning, which is designed to improve the environment for education and student life at the University. In 2014, the University worked on action plans and implemented specific initiatives designed to achieve the strategy's objectives, e.g. systematically implementing study-start activities and communicating information about them to bachelor and master's students from Denmark and abroad. One new initiative consists of a University-wide mentoring programme designed to meet the strategy's goal of offering all international students a student mentor.

Work on the study environment strategy will continue. In 2015, focal points will include establishing "regional rooms" for students, improving the conditions for informal encounters between teachers and students outside of class, and improving communication to and with students.

The latter will include support for the study environment at the Faculty of Law (LAW), which suffers from a particular lack of space. The faculty has been allocated premises in Fiolstræde 10 and Snarregade 10, which it will use as student facilities until it moves to the new building (KUA 3) on Amager. The students have been allowed to decide how to use the premises, e.g. allocating spaces for thesis-writing. The rooms were inaugurated in October.

Digitisation

Instead of multiple accounts, user names and passwords, students now have a single login for UCPH systems, which enables them to access information about courses and exams. Many of the students at the University – approximately 30,000 – now have access to a personal online timetable with information about teaching activities and classrooms. The first digital map has also been launched. It covers the Faculty of Social Sciences (SOCIAL SCIENCES) and provides information in Danish and English about classrooms and functions, making it easier for students to find their way around campus. The map also adds to the flexibility and efficiency of the campuses, e.g. when changes are made to room allocations.

In 2014, UCPH also digitised its communications with applicants. For the first time, the entire admissions procedure for master's programmes at the University was conducted online. This followed a successful pilot project in which all applications for master's programmes and supporting documents were received and processed digitally. Admission to bachelor programmes was also fully digitised, i.e. all communication with applicants is now digital.

With regard to exams, following EU calls for tenders, UCPH and four other universities now have a solution that completely digitises the entire process for take-home assignments – from setting them and submission to grading and archiving. During the winter 2014/2015 exam period, UCPH became the first university to run a limited number of written exams in the new digital solution. As this system is introduced, the University will phase out the printing and distribution of exam papers to internal and external examiners (excluding theses), so that the whole process will run digitally in future.

Strategic Language Focus

In summer 2013, UCPH launched its Strategic Language Focus, the aim of which is to enhance students' language competencies in academic and professional contexts. In 2014, a systematic needs analysis was conducted. This consisted of dialogue with a large number of academics and of actual surveys, two of which have been published so far: one on the language needs of students studying abroad, and one on the language needs of students studying at the Faculty of Social Sciences. Fourteen pilot projects, covering several languages and spread widely around the faculties, were also launched. In autumn 2014, the University hosted a symposium under the title *More Languages to More Students* – improving study skills for a global context. Speakers included representatives from the London School of Economics, Yale and Columbia universities in the USA, as well as Vigdís Finnbogadóttir, patron of the language initiative. The pilot projects will continue in 2015 and between six and eight new ones will be added. The needs analysis will also delve even more deeply into the individual study programmes. This will involve visits to all of the departments in SCIENCE and the individual programmes in SOCIAL SCIENCE in order to follow up on the results of a questionnaire survey. A questionnaire focusing on the relationship between language and career opportunities will be sent to all students and lecturers in LAW, and another one will be sent to medical students. A questionnaire will also be sent to all UCPH students embarking on study trips to other countries, focusing on linguistic progression during their time abroad.

Progress, efficiency and dimensioning

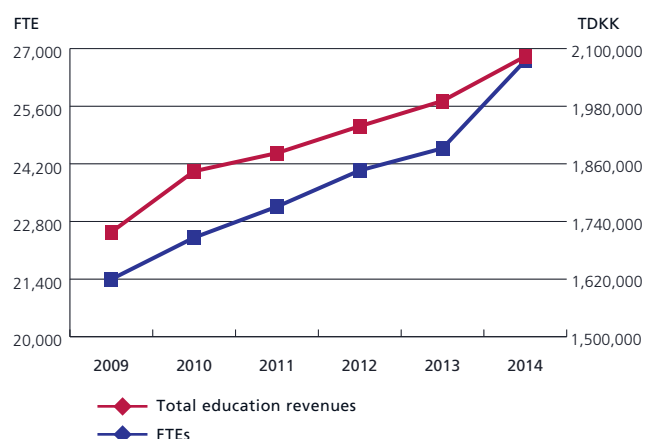
Study Progress Reform

In 2014, work started on the implementation of the Study Progress Reform, which stipulates that students must study full-time, introduces registration for a specific number of courses and exams, and increases the opportunities to transfer credits, etc. The reform is designed to help the government achieve its objective of reducing the duration of studies. At UCPH, the duration of studies is to be reduced by an average of 7.6 months per student by 2020. Work on the implementation of the reform at UCPH has been based on standardising practices across faculties and study programmes as far as possible. Two tracks have been followed: adapting programmes and study structures and adapting administrative systems and practices. The Academic Board

on Education Strategy (KUUR) concentrated on the first of these tracks through a series of internal Board discussions about a strategy to assure the quality of education while complying with the requirements stipulated in the reform. Work on the administrative track concentrated on the University-wide interpretation of the ministerial orders, University-wide practices for registration in the programme-administration system (STADS) and University-wide deadlines for applications and responses. All UCPH students will be covered by the reform requirements from September 2015. This work will continue in 2015, and the results will be regularly monitored. In autumn 2014, the University of Copenhagen Management Team (senior management and the deans) approved a monitoring plan that covers both the study-duration model and the number of ECTS credits per student.

The reform also abolishes supplementary courses between bachelor and master's programmes. However, just before the New Year, Parliament endorsed a two-year transitional period for the reform, starting in September 2014. Under this arrangement, students will be able to supplement their bachelor programmes in order to meet the admission requirements for master's programmes for which they do not yet have a legal right to admission. However, this new deadline merely postpones the problem.

Growth in FTEs and total education revenues 2009-2014



The 12-person committee

Demands made by ministers and by the University are not, on their own, sufficient to improve study progress.

Making headway in this area depends heavily on student involvement and commitment. With this in mind, in 2013, UCPH set up a 12-person committee consisting of management and student representatives to follow up on the reform and on the debate about study activity. The committee completed its work in February 2014 and submitted a report containing a number of recommendations for better and faster study completion times at UCPH. The report contains recommendations on full-time study, University-wide mobility windows on study programmes, more structured courses of study, etc. The faculties are now working on implementation of the 12-person committee's recommendations. This involves, among other things, the study boards revising their curricula. The implementation will be followed up in inter-faculty forums in 2015.

Five-point plan

Parallel to the debate on efficiency and the resulting reform, debate also raged in the media about the quality and relevance of university education. The government's Expert Committee on Quality in Higher Education in Denmark published its first report in April and its second in November.

The University has proactively engaged in the debate about enhancing the quality of education. To that end, it has drafted a five-point plan for the quality of study programmes, including a proposal for stricter entry requirements. The University would like to make 6 the minimum grade-point-average requirement for certain bachelor programmes, provided it is possible to differentiate between quota 1 and 2, i.e. that the same requirement is not placed on quota 2. The University is currently engaged in dialogue with the Ministry on this matter.

The five-point plan also includes proposals for more and better teaching, more intensive study, bolstering talent work and introducing strategic dimensioning (student numbers). The University will flesh out and expand upon all of these subjects in 2015.

Dimensioning

The Minister of Education's dimensioning plan (restricting student numbers) aims to cut intake on programmes with high graduate unemployment. The plan was discussed

in Parliament, and UCPH staff, students and managers played an active part in the ensuing debate in the media.

In autumn 2014, after a great deal of debate, the Danish Rectors' Conference and the minister agreed on a plan for greater flexibility and a longer phasing-in period for the dimensioning plan. The phasing-in process takes into account the universities' commitment to bachelors with a legal entitlement to enrolment on master's programmes, and establishes a broader framework for calculating actual student numbers. The modifications to the plan mean that the University retains the option to enrol international students and students from other educational directions or institutions on master's programmes without having to offset 100% of the number against the intake of Danish students. However, it is expected that the framework will restrict the University's opportunities for internationalisation and limit interdisciplinary flexibility in the education system.

Under the dimensioning plan, new student numbers on master's programmes must not exceed the 2013 level in any year during the period 2015–17. UCPH needs to cut 783 bachelor places in the period 2015–2018 and 593 master's places in the period 2018–20. The bulk of these reductions will be in the Faculty of Humanities (HUM), the Faculty of Theology (THEO) and the Faculty of Life Sciences (SCIENCE). At the request of the Ministry of Education, UCPH's draft plan also includes a provisional proposal for master's numbers from 2018. This plan will be adjusted when updated unemployment figures are available and following an evaluation of the whole dimensioning model in 2017.

UCPH will continue to work on the implementation of the dimensioning plan in 2015.

Innovation and entrepreneurship

– 2016 project and Student Innovation Hub

More and more of the University's graduates are breaking with traditional labour-market patterns. As such, it is important to encourage students to think about their future and, if possible, apply some of the competencies they have acquired on the labour market while still studying.

In summer 2014, UCPH adopted the Plan to Strengthen Innovation and Entrepreneurship, which falls under the 2016 pool and targets study programmes. Work on the plan was co-ordinated with the previously agreed action plan aimed at boosting UCPH's ability to integrate thinking about innovation into research and PhD programmes. The most important priorities are to continue and consolidate the work of integrating innovation and entrepreneurship processes into academic courses, e.g. through innovative educational methods. The students usually work on real-world problems, often presented by an external client, a company or public agency.

The University has years of experience with innovation and entrepreneurship – primarily in externally funded projects such as NEXT Generation and CIEL. CIEL's initial external funding expired in 2014, and it is now embedded at DTU, CBS and UCPH. Its focus in future will be on innovative education-strategy projects that transcend the three institutions and focus on socially relevant problems. In 2014, agreement was reached on three new projects: Quantitative Maritime Logistics (DTU-led), Climate Innovation Challenge (CBS-led) and Healthcare Innovation (UCPH-led).

With regard to Innovation and Entrepreneurship (I&E) in teaching, a network has been set up to communicate and disseminate good practices among lecturers and directors of studies. In November, a national seminar was held on exams and assessments of I&E teaching, in collaboration with the Danish Foundation for Entrepreneurship and the Danish Universities' National Innovation and Entrepreneurship in Education Network (UNIEN).

One of the objectives for the I&E plan is to provide all students with access to a Student Innovation Hub (business incubator) on campus. In September, UCPH opened its Innovation Hub. The hub has 12 permanent and 24 flexi places for students working on specific entrepreneurial projects. The hub also offers advice and coaching, short I&E extra-curricular courses and student mentoring.

An amendment to the University Act in April 2014 enabled the University to acknowledge extra-curricular activities on exam certificates and offer additional educational activities to talented students. In 2015, the University will

devise I&E talent processes for exceptionally talented students.

The I&E plan runs until 2018 and will also help embed the University's I&E competencies after the 2016 project concludes.

The outside world and business and industry 'Greater Copenhagen' and Copenhagen Science City

UCPH is a key player in the development of Copenhagen as a regional hub for research and education. This enhances the study environment, aids internationalisation and creates stronger links with business and industry. Physically, UCPH stands out in the cityscape with its new, cutting-edge architecture, which helps to show how the University participates in urban and social development by taking responsibility for environmentally-friendly, green campus areas open to students, staff and, to a great extent, the general public.

Raising the profile of UCPH and Copenhagen abroad involves efforts related to the branding of Greater Copenhagen – the designation for the political co-operation in the Capital Region and Region Zealand. It is even hoped that the Swedish side of the Øresund will adopt the term as part of the endeavours to raise the region's profile as an international centre of knowledge and innovation. The development of partnerships between universities, local authorities, organisations and companies in the metropolitan region was an important priority for UCPH in 2014.

Copenhagen Science City – a partnership between UCPH, the local authority, the region, the ministry and other knowledge institutions in the area around the University's North Campus – is a lighthouse project aimed at raising the profile of UCPH and Copenhagen as international leaders in innovation ecosystems, and attracting talent and investment to the area. In 2014, the work to build up an international knowledge metropolis in health and life sciences, clean tech and communications technology gained serious momentum. Discussions were held with companies, and communication was established with stakeholders outside the University. These efforts were reflected in good media coverage. Work began on establishing a network of routes and meeting places that will stimulate activity in open areas and connect local hubs, including the Univer-

sity's state-of-the-art buildings in Copenhagen Science City (currently under construction).

ESS – the world's largest microscope in UCPH's backyard

In the next few years, European Spallation Source (ESS) and MAX IV will be established in Lund and Copenhagen. This will mean that Greater Copenhagen is home to two of the world's leading research facilities for X-ray and neutron-structure studies, and will give university and private-sector researchers the opportunity to study a range of hard, soft and biological materials. UCPH is gearing up to start using the new facilities. MAX IV will be ready for use in 2016. The ground was broken for ESS in September 2014, and it is expected to open in 2020. In 2014, DTU and UCPH developed an industry portal where companies can ask researchers to study their samples with x-rays and neutrons. UCPH researchers have played a key role in designing the measuring instruments for ESS, and are behind two of the planned 15 instruments. Positive dialogue with partners and politicians has also helped UCPH to focus on the frameworks necessary for attracting the best research talent to ESS and MAX IV.

According to Copenhagen Economics, ESS and MAX IV will generate up to DKK 3 billion a year for the local economy. In 2015, the Vice Rector for Research and Innovation will be part of a national strategy group set up to define benchmarks for Danish work in the area.

Global Challenges – the IARU sustainability congress

UCPH continued to be a highly active member of the International Alliance of Research Universities (IARU) in 2014.¹ The alliance held a major Sustainability Science congress attended by decision-makers and researchers from around the world, as well as a congress on Ageing, Longevity and Health – both IARU projects run by UCPH. In 2014, IARU decided that UCPH's Rector would take over the chair of the alliance from 1 January 2015.

¹ IARU is a partnership involving ten top universities: Australian National University, ETH Zürich, National University of Singapore, Peking University, University of California – Berkeley, University of Cambridge, University of Copenhagen, University of Oxford, University of Tokyo, Yale University.

The IARU sustainability congress “Global Challenges: Achieving Sustainability”, organised in collaboration with partner universities in IARU, was held in the Falconer Centre on 22–24 October. The main purpose of the Congress, which opened with a speech by the Prime Minister Helle Thorning-Schmidt, in the presence of HRH Crown Prince Frederik, was to create an academically attractive forum for the discussion and exchange of experiences in sustainability research, as well as to attract researchers from different disciplines and stakeholders committed to sustainable development.

More than 700 people from 50 countries attended. The academic results from the congress will be published in 2015, in a form accessible to general audiences, in a special edition of *Solutions* magazine in English and Chinese.

Green Guide

As an IARU member, UCPH has played an active role in encouraging a closer focus on sustainability by the world's universities. In autumn 2014, IARU launched Green Guide for Universities: IARU Pathways towards Sustainability, which sets out the members' wishes and priorities with regard to making their own universities more sustainable. The recommendations are interspersed with real-life case studies from universities, written in conjunction with Sustainia (*Mandag Morgen*).

To coincide with the sustainability congress, UCPH hosted the IARU conference Making Universities Sustainable, attended by 120 sustainability practitioners from universities in around 20 countries. The event focused on the universities' own shared knowledge and best practices regarding sustainability.

EuroScience Open Forum 2014 (ESOF)

Another event that brought together researchers from around the world and in which UCPH played an active role was the research-policy conference Euro Science Open Forum (ESOF), hosted by Carlsberg in summer 2014. A research festival for the general public held to coincide with it attracted around 40,000 visitors. UCPH's contribution took the form of a range of outreach activities, helping to increase interest in and understanding of science and create the framework for an open dialogue between the University and the general public.

Representatives of all six faculties took part in 25 very well-attended scientific sessions. The feedback from the researchers and students who took part was extremely positive, as were the views of the public who attended.

For the Benefit of Greenland – the Committee for socially beneficial use of Greenland's natural resources

In January 2014, the results of the work of the Committee for socially beneficial use of Greenland's natural resources were unveiled in a range of academic, peer-reviewed background papers, a synthesis report and two public conferences held in Nuuk and Copenhagen.

The report received considerable media attention in Denmark, Greenland and elsewhere, and has subsequently been presented to large audiences at public and private events. It will also be used in educational materials about Greenland. The report stirred up quite a political debate in Greenland, where several of its “attention points” have been transformed into political proposals and have helped focus attention on the broader issue of business development in the country. In addition, the report has served as part of the basis for discussions in Denmark about resources in Greenland. As such, it has made a major contribution to the visibility of research in the many areas related to the use of natural resources.

The members of the committee were from Ilisimatusarfik (University of Greenland) and the University of Copenhagen. This initial collaboration at institutional level will be further developed in the next few years, e.g. by Greenland Perspective, a new multidisciplinary collaboration between the two universities involving business, official agencies and civil society.

New fields

As part of the University's strategy for closer partnerships with the rest of society, UCPH management has taken the initiative to send delegations to two new destinations – South Korea and Brazil. Both are strategically important areas, with a growing political and economic focus on research and education, where Denmark has opened new innovation centres. The first delegation, which included representatives of the Rector's Office, as well as researchers from four UCPH faculties, travelled to Seoul in autumn

2014. While in South Korea, UCPH signed a co-operation agreement with Yonsei University. The delegation met with the Korea Foundation, which subsequently provided a grant of \$56,000 for Korean Studies at UCPH. The delegation to Brazil will depart in spring 2015.

In September 2014, UCPH held the first annual meeting for ambassadors or representatives of embassies based in Denmark. The Rector's Office briefed the assembled diplomats from 45 countries on the University's international work.

Internationalisation in higher education was also a priority in 2014. During the year, UCPH held a total of 60 events encouraging students to study abroad, including a special Erasmus campaign to increase the number of UCPH students on study trips to other European universities. The number of outgoing Erasmus students increased significantly, up more than 12% from academic year 2013/2014 to 2014/2015.

Development of management and organisation

The University will only develop and run smoothly if management, staff and students work well together both in their day-to-day work and in more formal classroom encounters. The setting-up of department councils in 2012–13 and the University Senate in 2013 means that UCPH now has an organisational structure with dedicated formal spaces for employee and student involvement at all levels. One of the three priorities in Strategy 2016 is to work more closely together within the University and to foster a stronger sense of common identity. Multiple approaches will contribute to this, but a focus on staff involvement is still needed at all levels. A conference in May 2014 and a preliminary study showed that there is still work to be done. It is also in this light that UCPH's Spring Festival was held for the first time in May 2014, as a unifying event designed to bring the whole of the University together. More than 10,000 members of staff and students gathered on North Campus, which was transformed into a festival site for the occasion. The Spring Festival will be held again in 2015.

Department councils

In mid-2014, the department councils took stock of their work since they were set up in 2012/13, and the results were overwhelmingly positive. The councils will continue their work. In 2016, an evaluation will be conducted to determine whether any changes are needed to councils' work or rules of procedure.

Senate

The Senate seems to have found its natural place in the organisation, acting in an advisory capacity to the Rector. It has also succeeded in involving all groups at the University – students, managers, academic and technical staff. The Senate met five times in 2014, including two extraordinary meetings. The agendas included the action plan for equal gender opportunity, the Study Progress Reform, research ethics and the University's upcoming (now signed) development contract, etc. Both the ordinary and extraordinary meetings reflect that the members understand the fact that UCPH should speak with a single voice on matters that affect the University as a whole – even though its great strength lies in its diversity and range of disciplines.

Personnel policy

In 2013, the General Collaboration Committee (HSU) decided that 2014 would be "the year of co-operation", with a particular focus on how to create the best possible frameworks for a co-operation based on trust and dialogue at all levels of UCPH. In this light, General Collaboration Committee (HSU) launched a series of supporting initiatives, including a tool for the self-assessment of working relations in local collaboration committees; guidelines on "The Good Meeting"; a relaunch of *Personnel Policy: Basic Principles*; and meetings about the Collaboration Committee Agreement and skills development for collaboration committee members. The whole project began with an opening conference in November 2013, and ended with a conference in March 2015. HSU's Personnel Policy Committee produced a report concerning work-life balance, based on, among other things, the results of the APV (workplace assessment) survey from 2012 and the subsequent satisfaction survey in 2013.

Management development

UCPH continued to develop its management groups in 2014. Specially designed development programmes have

improved the ability of departmental management teams, faculty management teams, etc. to identify University-wide topics and work together on them, e.g. by implementing departmental strategies, fine-tuning their organisation, devising new forms of meetings and communication in the individual departments. Thanks to processes facilitated by external consultants, approximately 60 UCPH management teams have refined their organisation and competencies in the last three years.

Individual managers have also participated in development programmes that transcend departments and faculties – focusing on personal leadership, 360-degree feedback, communications and change management. Both the individual and the group-based processes teach managers to relate to the feedback that employees provide via the APV and the annual satisfaction and well-being survey (ÅTT). Strategy development and focusing on the outside world are also key components of management development.

All versions of the UCPH management programme incorporate targets and tools that promote organisational cohesion – laterally, through better mutual understanding and co-operation between managers; and vertically, through dialogue between different layers of management.

Satisfaction and well-being assessment 2014

In 2013 and 2014, the University conducted annual satisfaction and well-being assessments to find out what staff and students think of the administration at the University. The well-being assessment is part of the statutory APV/UMV (workplace assessment/teaching environment evaluation) and includes questions about student health and welfare. The satisfaction measurement is UCPH's own concept and concerns the University's administration and administrative systems.

The response rate reflects a fairly high level of interest: 73% of staff and 25% of students in 2014.

In 2014, staff well-being was on the same high level as 2013, with a slight increase in overall job satisfaction. Compared with other organisations, UCPH still ranks higher in terms of the degree of influence employees feel that they have over their own work. It also scores well in terms of follow-up on MUS (performance and develop-

ment reviews) and development opportunities, but not so well on the balance between work and private life, feedback from immediate line managers, and help and support in local units. These items therefore remain matters of high priority.

As for the students, the satisfaction results improved slightly compared with 2013, mostly in terms of the psycho-social study environment, while the physical/aesthetic study environment scored the lowest. The physical frameworks are of great importance to students' overall level of satisfaction with their study environment. Sense of belonging also plays a major role. Many students experience physical symptoms of stress in daily life – especially in the run-up to their exams.

The satisfaction surveys focus on administrative support. Compared with the results for 2013, the situation improved slightly, aside from a clearly discernible dissatisfaction with the travel and reimbursement system introduced in 2014. Special efforts are being made to address this issue.

Student satisfaction has increased with the progress in all areas of the administrative services, especially KU-net and wireless networks, but also compliance with deadlines for credit transfer and applications for exemptions.

However, the overall results conceal significant variations within the organisation, so departments and study programmes have been issued with sub-reports outlining their achievements and benchmarks compared with 2013.

The University of Copenhagen Strategic Communications Council (KUSK)

Internal and external communications are increasingly integral elements in raising the profile of the University's activities and in the work to maintain and develop the University as a single coherent unit. The University's Management Team (LT) had already set up the Academic Board on Education Strategy (KUUR) and the Research and Innovation Council (KUFIR) to advise the Rector and LT. In 2014, LT set up the Strategic Communications Council (KUSK) to provide advice on and improve internal and external communications. The Council was established following an external consultant's report, which found that

the University would benefit from working on these areas at a more strategic level.

The Prorector for Education chairs the council, which consists of a representative from each faculty's management (appointed by the deans) and the deputy director of communications. In 2014, the Council discussed issues such as the University's work on particular research and education-policy questions, including building freehold, dimensioning (student numbers) and higher public investment in research and development. Minutes and news about the Council's work are published on the intranet.

Student Ambassador

Appointed in 2013 to advise students, protect their interests and improve their legal position in their interactions with UCPH, the Student Ambassador remains the only one of her kind at a Danish university. In early January 2014, the ambassador submitted a report on her activities in 2013, for information and discussion in all relevant management forums, including the Board. It was subsequently agreed that one of the ambassador's main tasks should be to focus on raising awareness of the post and what it entails. In 2014, 226 students contacted the ambassador, almost twice as many as in 2013 (132). Of course, the number of contacts is not a goal in itself, but it is heartening to see that more and more students are aware of the ambassador.

Institutional accreditation

In January 2016, UCPH must apply for institutional accreditation. The process consists of an overall evaluation of the University's quality-assurance system in the education area. Accreditation will give the University greater freedom to set up new study programmes. It also means that existing programmes will no longer have to be accredited individually (rota accreditation).

UCPH will complete its rota accreditation schedule in 2015, with 11 study programmes. The rota accreditation, also referred to colloquially as programme accreditation, is a six-year rotation schedule operated by the Danish Accreditation Institution for all higher education study programmes. Once UCPH achieves institutional accreditation, it will no longer be subject to programme accreditation.

In spring 2014, the University conducted an internal peer review of the faculties' quality-assurance systems, which resulted in a revision of both University-wide and faculty systems. The review was designed to help UCPH meet the requirements for institutional accreditation. The University's management approved the revised quality-assurance system in June 2014. Implementation and testing of all new and revised quality-assurance procedures will continue in 2015. Documentation of tried-and-tested practice is essential to achieving institutional accreditation.

The revised quality-assurance system means that, in general, UCPH has improved University-wide practices. This includes, for example, adopting University-wide guidelines for programme evaluations and annual programme reports. A new reporting tool was also introduced for programme statistics that provides dynamic data on student dropout and completion rates. The management information system also provides the opportunity to monitor graduate unemployment on a quarterly basis.

As a pilot project, a University-wide graduate survey was conducted for a total of 20 bachelor and master's programmes. The new concept will be rolled out to all of the University's study programmes in 2015. The results will be included in the programme evaluations.

The physical environment – buildings

Status of major building projects

In recent years, visible progress has been made on the new teaching and laboratory facilities around the University, although some of the projects are subject to delay.

The Mærsk Building at Panum has now reached its full height, and the topping-out ceremony was held in February 2015. It seems unlikely that the project will be completed on time and UCPH does not expect the building to be handed over before summer 2016.

On Frederiksberg Campus, the topping-out ceremony for Copenhagen Plant Science Center 1 (CPSC1) was in January 2015. Handover is expected at the end of 2015. In University Park, work on the Niels Bohr Building started in autumn 2014. It is expected to be in service at the turn

of 2016/2017. The handover of the Pharma Science Building in University Park is expected to be in autumn 2015. Project planning for Copenhagen Plant Science Center 2 (CPSC2) was completed in spring 2015, with a handover expected in May 2018. On South Campus, construction of KUA3 has started. The building will house THEO, LAW and HUM, and handover is expected at the end of 2016. However, the financial parameters for a university square on South Campus have changed. In order to proceed with the plan for the square, UCPH is now looking for funding from private foundations.

UCPH and the Danish Building & Property Agency are upgrading the equipment in the laboratories during 2010–2016. The total cost of DKK 996 million has been dubbed the UNI-LAB pool. At the end of 2014, UCPH initiated projects under the UNI-LAB pool amounting to DKK 748 million. Completed projects accounted for DKK 440 million. The remaining DKK 248 million will be spent on projects/laboratory refurbishment including the H.C. Ørsted Institute in SCIENCE, and HEALTH's buildings on North Campus.

Planning for GEUS and SCIENCE on Frederiksberg Campus

In 2014, GEUS, the Department of Geosciences and Natural Resource Management (IGN) and Campus Services analysed and evaluated the potential for GEUS and IGN sharing premises on the northern part of Frederiksberg Campus. UCPH and GEUS contacted the Building and Property Agency and asked it to begin planning a future building project. The agency is expected to present its work in 2015 so that a final recommendation may be put to the GEUS and UCPH boards.

The Natural History Museum (SNM)

Late in 2014, the funding for the new Natural History Museum finally fell into place. The project was budgeted at DKK 950 million. In December 2014, funding of DKK 550 million was agreed with the Willumsen Foundation, the Aage and Johanne Louis-Hansen Foundation, the Obel Family Foundation and the Novo Nordisk Foundation. Work has now started on the project planning. The proposal and design phase will follow, with actual construction work expected to start in early 2017. The handover is expected in late 2019, with exhibitions opening in 2020.

Freehold, management and finances

The process of turning these building projects into reality – from proposal to design, and the progress and whole management of the projects – has been indicative of the fact that the Building and Property Agency handles construction, while UCPH pays for and uses the buildings, and that the builders' approach and users' needs are not always in harmony.

Due to the practical problems with the current management model (state-owned property scheme – SEA) and objections to it in principle, UCPH has for many years been asking for freehold on its buildings, which would put it on a par with DTU, CBS and many universities abroad.

UCPH reminded the Ministry of the matter several times in 2014, and the process of considering the University's request has now begun. In November 2014, the Minister of Education notified UCPH that a feasibility study will be completed by September 2015. In spring 2015, the buildings will be valued and a decision taken on whether the University has the qualifications and competencies to cope with freehold. The Minister expects the University to take part in the analysis of competencies and the valuation process, and UCPH welcomes both.

UCPH's main argument in favour of freehold is that world-class facilities are necessary if the University is to attract the best research and teaching talent from Denmark and abroad. UCPH thinks that freehold would optimise the planning and management of construction projects, and facilitate the best possible customisation of buildings and laboratories to the users' needs. Another important argument is that, under the current SEA scheme, UCPH pays disproportionately expensive rents, and the University would rather spend this money on its core activities – research and education. Last but not least, UCPH also thinks the incentive structure is all wrong, as responsibility does not lie with the body that pays for the project.

Change to the SEA scheme (maintenance)

The SEA system was modified in July 2013. One change was that, as of 1 January 2014, the Universities assumed full responsibility for internal maintenance, which reduced some of the bureaucracy involved. The procedure for registering and prioritising internal maintenance work has been

improved so that work can now begin as soon as possible. The freedom to manage the process has allowed the University to complete more internal maintenance jobs than before the adjustment.

Sustainable University

UCPH has been working hard to reduce the University's climate and environmental impact for several years. In 2008, an ambitious first-generation Green Campus target was set – a 20% reduction in energy consumption and CO2 footprint per FTE. This has been achieved, and significant financial gains have been made.

In 2014, UCPH adopted Green Campus 2020, which defines ambitious new objectives and a strategy for sustainability and resource efficiency at UCPH. The strategy, which will make UCPH one of the greenest universities in the world, is in line with the high sustainability ambitions of the City of Copenhagen and many Danish companies. A new area of focus is improving interaction between sustainability-related research and education and the University's daily operations – in other words, making greater use of “the campus as a living laboratory and classroom”.

Housing partnership

between the City of Copenhagen and UCPH

In late 2013, the City of Copenhagen and the University signed a partnership agreement on youth housing in the city. The agreement is designed to improve young people's housing conditions and their chances of finding accommodation in Copenhagen, and increase the provision of student housing in the city. In recent years, the parties to the agreement have taken a number of steps to promote growth, e.g. setting up UCPH's Housing Fund and a housing strategy for young people and students adopted by the local authority.

One of the priorities in 2014 was to work with private and public-sector stakeholders who may be able to exert an influence on housing supply. Among the positive results achieved in 2014, UCPH's Housing Foundation entered into an agreement with the property company Norden to lease 150 flats for international students in the Sølvgade Barracks, and agreed that Danish UCPH students will have priority on the other units in the refurbished barracks.

Sølvgade Barracks will be ready to receive students in early 2016.

Financial review

Performance for 2014

The bulk of UCPH revenues (64.9%) stems from government subsidies, including education subsidies (25.2%), research subsidies (35.6%) and basic subsidies (4.1%). To this should be added external funding accounting for 31.2%, building-related revenues for 1.6% and other revenues for 2.3%. UCPH's total revenues in 2014 stand at DKK 8,245.3 million, representing a minor decline of DKK 17.6 million (current prices) on 2013.

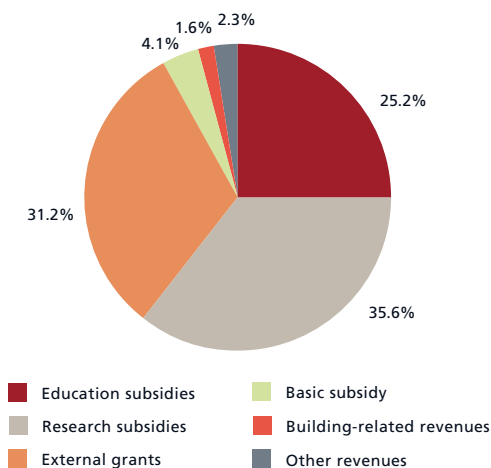
The aggregate drop in revenues compared to 2013 is attributable to a decline in other revenues of DKK 167.1 million and in building-related revenues of DKK 44.1 million. The drop in other revenues is primarily attributable to RSLIS, as a result of the merger, in 2013 being recognised herein, whereas in 2014 revenues from RSLIS have become part of the subsidy under the Danish Finance Act. Building-related revenues went down by DKK 44.1 million, primarily due to revenues for interior and exterior maintenance previously having been contributed by the Danish Building & Property Agency. As of 2014, this is counterbalanced by the reduced rental costs.

In 2014, staff expenses amounted to DKK 4,974.7 million or 59.0% of UCPH's total expenses. Total staff expenses increased by 5.0% compared to 2013.

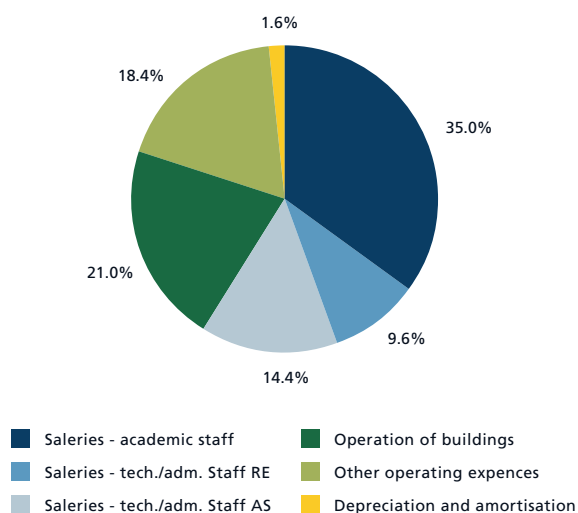
Overall, academic staff FTEs increased by 306, representing growth of 6.3%, whereas technical/administrative staff FTEs increased by 63 or 1.4%. All in all, this constitutes an enhancement of academic staff. In this connection it should be noted that the 6.3% increase in academic staff FTEs primarily relates to lecturers and post-doctoral staff, accounting for 18.5%. Professors account for a 6.9% increase, associate professors and fellows for 6.2%. PhDs account for 1.3% growth, whereas other academic staff FTEs (for instance research assistants and senior advisors) saw a drop of 7.6%.

On a total basis, this constitutes a further enhancement of the organisation.

Revenues



Expences



In 2014, UCPH's total operating expenses came to DKK 8,432.7 million, which is DKK 121.0 million (current prices) up on 2013. The higher operating expenses are primarily attributable to an increase in staff expenses where academic salaries went up by DKK 168.7 million (current prices) from 2013 to 2014, which is consistent with UCPH's overall strategy: to hire more academic staff in order to enhance performance within education and research.

Other operating expenses for 2014 stood at DKK 1,551.5 million, which is DKK 110.9 million (current prices) down on 2013.

In 2014, net interest income of DKK 19.6 million was budgeted for. The Financial Statements for 2014 show net interest income of DKK 19.2 million and interest expenses of DKK 0.3 million. Interest expenses are primarily composed of expenses for late payment of invoices.

At year-end 2014, UCPH had a bond holding position of approx DKK 1.7 billion. Moreover, UCPH has DKK 150 million placed in fixed-term deposits as returns can still not be generated with SKB (the government group payment system).

UCPH realised a loss of DKK 168.5 million in 2014, which is below the originally budgeted loss of DKK 200.0 million. Due to the loss realised, equity was reduced from DKK 1,159.4 million at year-end 2013 to DKK 990.9 million at year-end 2014. UCPH has launched several initiatives and activities that will consume a major portion of the equity. UCPH's equity and the allocation of equity are described in detail in the section "Allocation of UCPH's equity".

UCPH's solvency ratio is 20.5% at year-end 2014 compared to 24.4% at year-end 2013. At year-end 2013, equity represented 14.0% of UCPH's total 2013 revenue. At year-end 2014, equity represents 12.0% of total 2014 revenue.

Management considers the financial performance realised satisfactory. The loss provided for in the 2014 budget was a planned reduction of UCPH's equity with the aim of applying the funds to ensure quality of both educational and research activities, partly through strategic recruiting of especially permanent academic staff and partly by generally maintaining a high level of educational and research activities. 2013, for instance, saw the establishment of the 2016 Pool to fund interdisciplinary research (F16) and interdisciplinary educational activities (U16). The object of the 2016 pools is to increase the interfaculty co-operation within the fields of research and education.

As in 2013, the budgeted level of activity was very ambitious and largely fulfilled.

Financial outlook

Government policy in recent years and the Danish Finance Act for 2014 have created stability in UCPH's other Finance Act subsidies with the allocation of new basic research funds from the research reserve, allocation of the readjustment reserve as well as maintenance of the rate-1 increase for three years.

With the Danish Finance Act for 2015, the Government has underpinned the budgetary security in relation to research subsidies and the rate-1 increase until 2017. Accordingly, the public research and development effort is maintained slightly above 1% of GDP, which in 2015 is budgeted to be 1.09% and thus on a par with 2014.

The multi-annual subsidy accord in the educational and research area thus accommodates UCPH's desire to have a more stable financial framework, enabling improved conditions for long-term planning of research and education as well as recruiting of academic staff.

In spite of positive expectations of UCPH's Finance Act subsidies in the coming years, new budgetary uncertainty was triggered by the Government's dimensioning model announced on 24 September 2014. This model involves a dimensioning of certain higher education programmes. The intake at a number of UCPH's master's programmes will be adjusted as of the intake in 2018, and as a spill-over effect, a number of bachelor programmes will also be dimensioned. This dimensioning is based on a measurement of graduates' unemployment rates. Already before the dimensioning was finally announced, UCPH decided to reduce the intake of bachelors by 50 in 2014 and by 350 in 2015. Moreover, the 2015 budget already included an expected 5% drop in FTE revenues from 2015 to 2018 and a visualisation of an additional financial risk of up to DKK 111 million in 2019, corresponding to UCPH's own estimated dimensioning at that point in time. No decline in revenues is expected for 2016 as a result of the dimensioning model in 2015, and, thanks to the dimensioning model being finally announced, the financial risk for 2016 and onwards has been reduced significantly.

The Study Progress Reform adopted in 2013 also gives rise to financial uncertainty. UCPH still believes, however, that the financial consequences for FTE revenues of the Study

Progress Reform will remain neutral. The Ministry has yet to announce the computation model for payment of completion bonuses under the Study Progress Reform, entailing that the financial consequences in this respect are difficult to envisage.

As previously mentioned, UCPH has seen a high level of activity in recent years, particularly in the education field, where an upped FTE production has entailed an increase in total education revenues. With a view to maintaining this positive development and ensuring a stable revenues base for the University, it is crucial that the taximeter funding remains stable in future. In this area as well, some uncertainty must be expected going forward. Like all other educational institutions under the Danish Ministry of Higher Education and Science (UFM), UCPH has in 2014 been subject to a taximeter analysis announced by the Government. The objective of this analysis is to evaluate the existing taximeter structure in order to determine whether the taximeter and subsidy system can be organised more appropriately.

For many years, UCPH has been very successful in obtaining large external grants for research projects, which – in recent years – have represented an increasing share of UCPH's total finances. In the last few years, UCPH has seen slightly declining growth (3.9% from 2013 to 2014 and 3.0% from 2012 to 2013 compared to 7.5% from 2011 to 2012). One of the reasons is the transition between EU programmes from the seventh framework programme to Horizon 2020. Forward-looking, the University maintains its positive expectations for and focuses its efforts on increasing project revenues from the EU, private foundations, etc.

In 2014, UCPH introduced a new ERP system, and as of the 2015 budget, this system has enabled multi-year revenue and cost budgeting. Multi-year budgeting is key in making it possible to work with long-term plans for the University's core assignments. In this relation, a more stable revenue base in terms of Finance Act subsidies is significant as it positions UCPH strongly for adopting a multi-year perspective and improves the opportunities for strategically fortifying the University's strong position as a national and international educational and research institution.

To ensure the best possible platform for the University's core assignments – research, education and innovation – it will still be necessary for the University to make investments in and renew its organisation, IT and buildings. This is also reflected in the allocation of the University's equity, see below. Specifically, the 2015 budget provides for a total loss of DKK 170 million.

Allocation of UCPH's equity

At year-end 2014, UCPH's equity comes to approx DKK 1.0 billion. Equity has been reduced as compared to 2013 due to the net loss for the year of DKK 169 million.

UCPH has launched several initiatives and activities which, also in the years ahead, will consume much of the equity. This is the result of a decision by Management to dissave equity to reduce it to a level more appropriate to the University. Given the increased budget uncertainty prompted by the Danish Finance Act for 2013, the financial uncertainty has been reduced, and more multi-year plans can be made for spending equity.

Specifically at year-end 2014, two appropriations in equity were earmarked for the following:

- For the years 2015 to 2017, the budget allocates a total amount of DKK 345 million from UCPH's equity to fund the last two years of the 2016 Pool, including DKK 292 million for interdisciplinary research and DKK 53 million for interdisciplinary educational initiatives.
- As part of UCPH's overall building renovation in Amager, in the Niels Bohr Building, in Frederiksberg and in the Mærsk Building, considerable costs will be incurred for moving into and furnishing the buildings. At year-end 2014, DKK 80.7 million of equity had been allocated for this purpose. The faculties have accumulated funds for these costs through reduced spending. In the 2015 budget, the moving and furnishing costs for the years 2015 to 2018 were estimated to be somewhat larger, and in the 2016 budget process, costs will be validated in a strategic co-operation with the faculties.

Equity spending for the years ahead is outlined in the tables below. Development in equity is illustrated based on two different scenarios. The top table outlines UCPH's equity based on expected spending of equity, which the faculties have incorporated in the 2015 budget and onwards,

Expected development in equity <i>without</i> the new museum						
DKK million/current prices	R 2014	B2015	2016	2017	2018	2019
Estimated equity, beginning of year	1,159	991	1,424	1,194	1,054	984
Estimated profit/loss	(169)	(170)	(230)	(140)	(70)	0
Donation by the A.P. Møller Foundation		603				
Equity, end of year	991	1,424	1,194	1,054	984	984
Determined equity requirement pursuant to B2015		800 - 1,000	800 - 1,000	800 - 1,000	800 - 1,000	800 - 1,000
Flexible capital		424 - 624	194 - 394	54 - 254	(-16) - 184	(-16) - 184

Expected development in equity <i>with</i> the new museum						
DKK million/current prices	R 2014	B2015	2016	2017	2018	2019
Estimated equity, beginning of year	1,159	991	1,424	1,344	1,354	1,434
Estimated profit/loss	(169)	(170)	(230)	(140)	(70)	0
Donation by the A.P. Møller Foundation		603				
Donation for the Natural History Museum			150	150	150	100
Equity, end of year	991	1,424	1,344	1,354	1,434	1,534
Determined equity requirement pursuant to B2015		800 - 1,000	800 - 1,000	800 - 1,000	800 - 1,000	800 - 1,000
Flexible capital		424 - 624	344 - 544	354 - 554	434 - 634	534 - 734

Notes:

The A.P. Møller Foundation donates DKK 603.3 million, of which DKK 603.3 million is recognised as income in 2015.

Included are expected total donations of DKK 550 million to build the Natural History Museum, broken down by DKK 150 million in 2016, DKK 150 million in 2017, DKK 150 million in 2018 and DKK 100 million in 2019. The expected instrument of debt for the Sølvtorv Complex for DKK 250 million in 2020 pursuant to Bill 148 adds another DKK 250 million to equity.

as well as donations to the Mærsk Building from the A.P. Møller Foundation. The latter also contains expected donations for a new Natural History Museum. The final funding model for the museum is set to be approved in a bill during the spring of 2015.

Overall, the budget provides for considerable losses in the years ahead, leading to total equity spending of DKK 610 million from 2015 to 2018, and expectations for a break-even in 2019.

It should be noted that a restricted equity reserve of DKK 86.5 million exists. This amount concerns the Ministry's instruments of debt to UCPH relating to donated properties assumed by the Danish Government under the SEA scheme.

As a follow-up on the recommendations of the Auditor General, UCPH launched an initiative in 2013 of working more systematically with risk assessments on both the revenues and costs side. On a total basis, the uncertainty of revenues in the period 2015 to 2018 is estimated at DKK 600 to 900 million for primarily project revenues, education subsidies and Finance Act subsidies. In case of a reduction in the revenues level, it is UCPH's assessment that the University has variable costs of an amount that may be reduced by DKK 100 to 200 million within a relatively short time span.

In its 2015 budget, UCPH has defined targets for the amount of equity, for instance based on various risk assessments, but also taking into account the ambition of dissaving and spending equity. The target defined for UCPH's equity in 2018 is DKK 800 to 1,000 million before recognition of any new instruments of debt as a result of building donations.

The foundation, A.P. Møller og Hustru Chastine McKinney Møllers Fond til almene Formaal, has previously donated an amount of DKK 555.0 million (not indexed) to UCPH as a grant to the new construction at the Panum Complex, and, pursuant to the tightened functional requirements and additional expenditure for functionality and quality enhancement, would like to donate another DKK 48.3 million (not indexed). This means that the aggregate donation to the Mærsk Building from the A. P.

Møller Foundation will amount to DKK 603.3 million, which is expected to be applied in 2015 and consequently takes effect in equity.

UCPH co-operates with the Danish Building & Property Agency to amalgamate and expand the Natural History Museum at the Botanical Garden. As part of this project, UCPH has received commitments from foundations for DKK 550 million, conditional upon the construction of the entire project. In August 2013, the Board authorised the University to apply DKK 200 million of the University's equity to co-finance the construction. In connection with the foundations' final commitments, the Board decided to increase the University's allocation by DKK 100 million to DKK 300 million.

The assumption is that contributions will be administered using the same model as for the construction of the Mærsk Building described above. Accordingly, an instrument of debt model is used, which entails that UCPH's equity is assumed to be revalued by DKK 150 million in 2016, by DKK 150 million in 2017, by DKK 150 million in 2018 and by DKK 100 million in 2019 consistent with the donations. To this should be added that Bill 148 authorises the transfer of the value of the Sølvtorv Complex of DKK 250 million to UCPH, which is expected to be carried through at the completion of the construction project in 2020.

UCPH's own contribution of funds will not have any effect on equity, but will reduce liquidity in favour of increased financial assets.

Target Reporting

In 2014, the University of Copenhagen continued working towards the goals stipulated in the target plan, which encompasses both the targets in the development contract and those in the University's Strategy 2016. The development contract has 11 targets with 15 milestones.

This is the final report on these targets in the contract period 2012–2014. The Ministry set the overall structure for the report and defined the mandatory targets, while other targets were set by the University of Copenhagen.

The right-hand column shows in italics the results benchmarks in the contract for 2014, the results achieved and whether the milestones for the year were reached, partially reached or not reached.

The table shows that in 2014, 12 of the milestones were reached, one partially reached and two not reached.

With regard to the goal of 12 hours per week on bachelor programmes (Target 1), the overall trend in the past three years has been quite positive. From the baseline in 2012, the number of teaching hours has risen considerably, and the target for 2014 was almost reached. Isolating the study programmes and semesters on which the requirement for 12 hours of teaching per week has not been met reveals how narrowly the target was missed. The University expects to reach the target in 2015.

The two targets that were not reached – ECTS credits per student (targets 6.1 and 6.2) – have proven difficult throughout the contract period. In the annual reports for both 2012 and 2013, the University accounted at length for the initiatives and actions instigated to improve ECTS production. The University continues to focus on these targets, and in that light it has introduced a range of ongoing initiatives. External pressures such as the Study Progress Reform and the development contract 2015–17 also keep the topic high on the agenda. These targets have also been carried over into the new development contract entered into with the Minister at New Year, which incorporated a target of a 5% increase in average ECTS credits per students during the contract period 2015–17. Positive trends have been identified and it is expected that study efficiency will improve.

Reporting on the University of Copenhagen Development Contract 2012–2014

Compulsory goals with benchmarks for the University of Copenhagen Development Contract 2012–14		Milestones for 2014 in the Development Contract 2012–14 and the University's results for 2014
A) Improving the quality of study programmes – including retention of students and better employment		
1.	Full-time studies	<p><i>Milestone 2014: 100% of bachelor programmes had a minimum of 12 hours of teaching per week during the 14 semester weeks</i></p> <p>1.1 There should be a minimum of 12 hours of teaching per week during the 14 semester weeks for all bachelor programmes in 2014.</p> <p>Overall, the trend during the contract period was highly positive. In 2014, a minimum of 12 hours teaching per week was offered on 77 out of 84 bachelor programmes, representing 92% of the total. The other seven study programmes failed to reach the target in just one or two semesters – usually because the semester concerned involved a great deal of time on writing projects or because students were allowed to take ECTS credits from outside their own study programme.</p> <p>The milestone for 2014 was not quite reached, but the trend was positive throughout the contract period and the target remains the subject of serious attention.</p>
	1.2 Documentation for advisory full-time study plans covering 37 hours per week for bachelor programmes.	<p><i>Milestones 2014: 100% of programmes to be able to document full-time study plans covering 37 hours per week</i></p> <p>All study programmes at the University again drawn up advisory full-time study plans in 2014. The target for the contract period was met.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>
2.	Student collaboration with society	<p><i>Milestone 2014: 15% of master's theses to involve external parties</i></p> <p>2.1 The proportion of master's theses for which there is a contract between the student and an external partner should increase to 15% during the contract period.</p> <p>In 2014, 789 theses involved the student entering into a partnership with an outside party, equivalent to 17.4% of the total number of theses (4,529) during the year. The trend was highly positive throughout the contract period, and the University has carried the target over into the new development contract.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>
3.	Increased internationalisation	<p><i>Milestone 2014: + 6% compared to baseline, corresponding to 1,484</i></p> <p>3.1 The number of international students from outside the Nordic Region who are admitted to full master's degree programmes should increase by 6% during the contract period.</p> <p>The number in 2014 was 2,606, more than 75% higher than the target for the year. Throughout the three years of the contract period, the increase in the number of ordinary international students exceeded the expectations set in the target.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>
	3.2 There should be a 10% increase in the number of University of Copenhagen students who choose to study abroad.	<p><i>Milestone 2014: Increase of 10% compared to baseline, corresponding to 1,670</i></p> <p>The number of outgoing students in 2014 was 2,461. This is just over 47% higher than the target for the year.</p> <p>The target was exceeded in each of the three years during the contract period.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>

Compulsory goals with benchmarks for the University of Copenhagen Development Contract 2012–14		Milestones for 2014 in the Development Contract 2012–14 and the University's results for 2014
B)	Better cohesion within the educational system	
4.	Cohesion within the educational system – professional bachelor candidates	<p><i>Milestone 2014: UCPH has six agreements</i></p> <p>UCPH entered into seven agreements in 2014 (LAW 2, HUM 5). This figure alone exceeds the target for the contract period. Agreements were also signed in 2013 and 2014.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>
	4.1 Three times as many formalised educational partnerships should be established with university colleges and academies of professional higher education during the contract period.	
	4.2 During the contract period, there should be a 5% increase in the admission of bachelors and professional bachelors from other Danish educational institutions to the University's master's programmes.	<p><i>Milestone 2014: 5% increase from baseline, corresponding to 571 students</i></p> <p>A count of master's intake from other Danish educational institutions shows that 744 were enrolled in 2014, corresponding to almost 30% more than the target for 2014.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>
5.	Organisation of arrangements at the University of Copenhagen for secondary schools	<p><i>Milepæl 2014: Skoleåret 2013-14: 2012 + 12 %</i></p> <p>The number of upper-secondary school visitors (students and teachers) to UCPH in the academic year 2013/14 was 40,326, corresponding to an increase of approximately 7,000 during the contract period – and approximately 3,000 higher than the target for the contract period as a whole.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>
	5. 1 The number of upper-secondary-school students visiting UCPH should increase by 12% during the contract period.	
C)	Faster completion	
6.	Study efficiency	<p><i>Milestone 2014: 6% increase from baseline, corresponding to 42.7 ECTS credits</i></p> <p>The data for academic year 2014 shows that the milestone was not reached. The average number of ECTS credits per student in 2014 was 39.9 – 2.8 below the milestone figure, and also lower than the adjusted 2012 baseline.</p> <p>This was probably due mainly to student responses to fluctuating trends on the labour market and the lack of graduate employment prospects. However, current trends seem to indicate an improvement in study efficiency.</p> <p>The milestone for 2014 and the target for the whole contract period were not reached.</p>
	6.1 There should be a 6% increase in ECTS credits for each full-time student on a bachelor degree programme during the contract period.	
	6.2 There should be a 6% increase in ECTS credits for each full-time student on a master's programme during the contract period.	<p><i>Milestone 2014: 6% increase from baseline, corresponding to 34.3 ECTS credits</i></p> <p>The data for academic year 2014 shows that the milestone was not reached. The average number of ECTS credits per student in 2014 was 31.8 – 2.5 below the milestone figure for the year and also lower than the adjusted 2012 baseline.</p> <p>This was probably due mainly to student responses to fluctuating trends on the labour market and the lack of graduate employment prospects. However, current trends seem to indicate an improvement in study efficiency.</p> <p>The milestone for 2014 and the target for the whole contract period were not reached.</p>

Compulsory goals with benchmarks for the University of Copenhagen Development Contract 2012–14		Milestones for 2014 in the Development Contract 2012–14 and the University's results for 2014	
D) Increased capacity for innovation			
7.	Students as entrepreneurs	<p><i>Milestone 2014: 132 by the end of the contract period 2012–14 (as calculated in November 2014)</i></p> <p>The trend for this target is monitored using figures from Statistics Denmark from two years previously. This means that in 2014, 230 companies were set up by UCPH students monitored against data from 2012, i.e. an increase of 92% in relation to the baseline (the average for the period 2005–9).</p> <p>In other words, the target for growth in the number of entrepreneurs was exceeded by quite some margin. It is interesting that the data includes all former students – both those who graduated and those who did not – as many of them interrupted their studies to focus on their companies.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>	
7.1.	The number of businesses started by students from the University of Copenhagen should increase by at least 10% in 2012 compared to the average for the period 2005–09, i.e. an increase of 132 by the end of the contract period.		
8.	Commercialisation of research results	<p><i>Milestone 2014: 18 licensing agreements based on patented inventions entered into at the University of Copenhagen</i></p> <p>In 2014, UCPH entered into 18 licensing agreements, which means that the milestone for the year was reached. During the contract period, the figures were 16 in 2012, 17 in 2013 and 18 in 2014, corresponding to an overall increase of 20%.</p> <p>In 2014, two new University spin-outs were also generated. The University also received 74 notifications of new inventions in 2014 – a slight decrease compared to 2013 (77), but a significant increase compared to both 2011 (58) and 2012 (49).</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>	
8.1	The number of licensing agreements between UCPH and Danish and international companies based on patented inventions should increase by an average of 3% per year during the contract period.		

Targets selected by UCPH with benchmarks for the University of Copenhagen Development Contract 2012–14		Milestones for 2014 in the Development Contract 2012–14 and the University's results for 2014
E)	E) Greater research output	
9.	<p>A greater number of points in the Bibliometric Research Indicator (BRI) model</p> <p>9.1 The number of points in the Bibliometric Research Indicator (BRI) should increase by 6% during the contract period, based on current methods of calculation.</p>	<p><i>Milestone 2014: 6% rise from the baseline of 5,828, corresponding to 6,178</i></p> <p>According to the Ministry for Education and Research's BRI figures for 2014, UCPH totalled 7,532, almost 22% higher than the target for the year.</p> <p>The target for 2014 and for the whole period was therefore reached.</p>
F)	F) Growth in competition-based public-sector research funding	
10.	<p>Growth in competition-based public-sector research funding</p> <p>10.1 The revenue from competition-based public funding (national and international, including the EU) should increase by an average of 5% per year during the contract period.</p>	<p><i>Milestone 2014: +15% from the baseline of DKK 1,147 million, i.e. DKK 1,319 million</i></p> <p>The actual figure was DKK 1.513 million, representing an increase of 6.0% compared to 2013. The trend was therefore still positive, and the 6.0% increase was in line with the trend from 2012 to 2013.</p> <p>Over the contract period, revenue from competition-based public funding (national and international, including the EU) has grown from DKK 1.147 million to DKK 1.345 million in 2012, DKK 1.427 million in 2013 and DKK 1.513 million in 2014, corresponding to an overall increase of 31.9% during the contract period.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>
G)	G) Growth in private research investments at the University of Copenhagen	
11.	<p>Growth in private research investments at the University of Copenhagen</p> <p>11.1 Revenue in the form of funds provided by private Danish companies and foundations for research and research collaboration should increase by an average of 5% per year during the contract period</p>	<p><i>Milestone 2014: + 15% from baseline of DKK 590 million, equivalent to DKK 679 million</i></p> <p>The actual figure was DKK 743 million, i.e. more or less the same as 2013 (DKK 744 million).</p> <p>During the contract period, revenue in the form of funds provided by private Danish companies and foundations for research and research collaborations increased from a baseline of DKK 590 million to DKK 762 million in 2012, before dropping slightly to DKK 744 million in 2013 and then DKK 743 million in 2014 – an overall increase of 25.9%.</p> <p>The milestone for 2014 and the target for the whole contract period were reached.</p>

Financial Statements

Accounting Policies

Basis of preparation

The Annual Report of the University of Copenhagen (UCPH) has been prepared in accordance with the Danish Act on Public Accounts, the Ministry of Finance's Financial Administrative Guidelines (ØAV), the Universities Act of 14 August 2014, Ministerial Order No. 1281 of 15 December 2011 on funding and accounts, etc. of universities, and the guidance and instructions for financial statements issued by the Danish Ministry of Higher Education and Science.

The accounting policies are unchanged from last year.

Recognition and measurement (valuation)

The Financial Statements have been prepared on the basis of the historic cost convention.

Revenues are recognised in the income statement as earned. All expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates.

Assets and liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset and the liability will flow to and out of the University, and the value of the asset and liability, respectively, can be measured reliably.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Intercompany revenue between University entities and transfers between types of activities (i.e. sub-accounts) have been eliminated from the income statement.

Translation policies

Payments in foreign currencies are effected at the exchange rates at the date of transaction. Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Taxation

The University is not liable to pay taxes.

Income statement

Revenues

Subsidies for basic research and education which are paid out via the Danish Finance Act are recognised as revenue in the years for which the funding is earmarked.

Subsidies for education are allocated as “taximeter funding” per unit and also include funding for general management, administration and estates. The University also receives significant external grants in the form of donations and grants from external funding bodies. These grants and subsidies are recognised as revenues as they are spent.

Revenues from forensic services provided are recognised at the time of delivery of the service. At the end of the year, the net profit from forensic services is transferred to deferred income in order for that profit not to affect the University's net profit for the year. The profit – or loss – is instead transferred back to the purchaser of the services by means of a price adjustment.

Revenues also include student fees from part-time programmes, sales activities, takings from museums, the subletting of premises and interest income. These are recognised as revenues in the period in which they occur.

Grants for PhD programmes are stated on an accrual basis to the effect that the grants are recognised as and when the programmes are run. Unused grants are recognised as a deferred income item in “prepaid restricted contributions”.

Financial income and expenses are recognised based on the date of addition of bank interest in the case of demand deposits, whereas the interest on fixed-term deposits is accrued over the term of the deposits. The University has entered into a portfolio agreement on investment in short-term Danish government and mortgage bonds with a maximum average weighted term to maturity (duration) of two years. Both realised and unrealised capital losses/gains and interest on these bonds are recognised in financial income and expenses on a current basis.

Expenses

Expenses comprise all expenses incurred during the year's activities.

In the University's Financial Statements, expenses are divided according to type – i.e. salaries, operation of buildings, miscellaneous operating expenses and depreciation/amortisation. Salaries are broken down on academic staff (VIP) and technical/administrative staff (TAP). TAP salaries are broken down on TAP-AS (administrative support functions and services) and TAP-RE (research, communication and educational functions), respectively. Depreciation/amortisation for the year is calculated over the life expectancy of the assets.

Balance Sheet

Fixed assets

Fixed assets are measured at cost. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. Fixed assets costing less than DKK 100,000 are expensed in the year of acquisition.

Intangible assets

Acquired concessions, software, licences, etc.

Software and licenses costing more than DKK 100,000 and with a useful life of at least three years is included in the fixed assets register. The cost of proprietary software is expensed as incurred as the basis of preparation does not allow for sufficiently accurate statement and measurement.

Completed development projects

Only inventions that are clearly defined and identifiable, and in respect of which contracts with external partners are expected to be made, are recognised as intangible assets.

Inventions, patent applications and patents are measured at the external expenses incurred for research and for registration of the patents. Ongoing assessments of the potential application of the inventions form the basis for determining the value of the rights and their useful life. In the event of impairment of the value, the necessary impairment losses will be recognised in the income statement.

Amortisation of intangible assets is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Software	3 years
Inventions and patents	5 years

Intangible development projects in progress

Such development projects comprise development of systems and software and work on inventions up until the time when a patent can be taken out for the individual systems and software.

Intangible development projects are not subjected to amortisation until they have been completed.

Property, plant and equipment

Land and buildings

Land is measured at estimated replacement cost and is not depreciated. In accordance with the provisions of the Danish Ministry of Finance's Financial Administrative Guidelines (ØAV), buildings are measured at estimated replacement cost determined by an external valuer and approved by the Danish Ministry of Higher Education and Science. Greenhouses and leasehold improvements are measured at cost less accumulated depreciation.

Scientific equipment, fixtures and fittings, tools and equipment

Fixed assets costing more than DKK 100,000 and with a useful life of at least three years are included in the fixed assets register.

Capital equipment, machinery, IT equipment, vehicles and fixtures and fittings are measured at cost less accumulated depreciation.

Depreciation of property, plant and equipment is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Buildings	50 years
Ships	40 years
Greenhouses	30 years
Plant and other special technical equipment	15 years
Leasehold improvements	10 years

Capital equipment and machinery	5 years
Other IT equipment	5 years
Vehicles	5 years
Fixtures and fittings	5 years

Subject to a specific assessment of the individual asset concerned, shorter useful lives than those listed above may be applied to the asset.

Own work in progress

This financial statement item is mainly composed of work in progress relative to leasehold improvements.

Own work in progress is not subjected to depreciation until such work has been completed.

Fixed assets received as donations

When the University receives fixed assets as donations (e.g. buildings, leasehold improvements, scientific equipment, machinery, IT equipment, vehicles and fixtures and fittings), the donated assets are recognised at estimated cost. Standard accounting policies apply to the depreciation of fixed assets received as donations.

A long-term and short-term donation liability, known as “accrued donations”, is recognised as a counter-item to the recognised values of the fixed assets received as donations. As the donated assets are depreciated, the donation liability is recognised as income in the income statement.

Works of art and collections

The University has received significant bequests of works of art and collections over the years. As per state accounting rules, their value has not been recognised in the Financial Statements.

Fixed asset investments

Securities and instruments of debt

Securities comprise minor investments in companies. As the University does not exercise control or have significant influence in these companies, these investments are measured at cost. The investments are written down in the event of a permanently impaired value. Moreover, the item includes instruments of debt received from the Ministry in connection with the University’s transfer of buildings donated under the Danish state rent allowance scheme.

Current assets

Deposits

Deposits mainly comprise rent deposits measured at cost.

Trade receivables

Trade receivables etc. are measured at nominal value in the balance sheet less any provision for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Receivables from grant activities in progress

The University regularly enters into agreements with companies, public institutions and private organisations regarding research activities etc. These agreements determine which activities are paid for by the funding body concerned. To the extent that the University incurs expenses for activities that are funded by grants under these agreements, but for which grants have not yet been received, the amount due to the University is recognised as “receivables from grant activities in progress”.

Prepayments and deferred income

Prepayments include expenses incurred in respect of subsequent financial years. Prepaid expenses include prepaid salaries etc. Deferred income includes payments received in respect of income in subsequent years.

Bonds

The University has entered into a portfolio agreement with Danske Capital on investment in Danish government and mortgage bonds with a maximum term of two years. The bonds are measured at market price at the end of the financial period.

Equity

Transferred reserves in equity are released and transferred to the general equity alongside the current consumption of the areas covering the transferred reserves.

Provisions

Provisions are recognised when – in consequence of an event occurred before or on the balance sheet date – the University has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation. When vacating leased premises for which the University is under an obligation to restore the prem-

ises as stipulated in the lease, the estimated provision is built up over several years. Provision for severance pay for fixed-term employees is accumulated over the duration of the fixed term. This provision is recognised at an estimated amount, based on a statistical assessment of the number of employees likely to receive severance payments.

Debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Holiday pay obligation

Holiday pay obligations are calculated on the basis of all paid holidays not yet taken earned by the employees in 2013 and 2014. The calculation is based on the standard government model under which the total holiday pay obligation is calculated on the basis of an average number of accrued holidays per employee and the average expense per accrued holiday. The obligation is calculated on salaries to academic staff (VIP) and technical/administrative staff broken down on administrative support functions and services (TAP-AS) and research, communication and educational functions (TAP-RE).

Prepaid restricted contributions

Contributions received concerning grant activities covering expenses not yet incurred are recognised as prepaid restricted contributions.

Contributions received are reduced regularly as and when recognised as income, equalling the amount of costs incurred for grant activities plus overhead costs.

Moreover, prepaid restricted contributions include unused funds for PhD programmes etc., and Property Agency for maintenance and other public sector funds for specially earmarked purposes as well as activities that are not paid for and carried out until subsequent financial years.

Cash flow statement

The cash flow statement shows the cash flows for the year broken down by operating activities, investing activities and financing activities, as well as how these cash flows have affected cash and cash equivalents for the year.

Cash flows from operating activities

Cash flows from operating activities are presented indirectly and are calculated as the net profit/loss adjusted for non-cash operating items, e.g. depreciation, amortisation and impairment losses, provisions and changes in working capital.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from the acquisition and disposal of intangible assets, property, plant and equipment and fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term loans.

Cash and cash equivalents

Cash and cash equivalents comprise demand deposits or fixed-term deposits subject to a maximum binding period of 12 months. The value of bonds is included in cash and cash equivalents in the cash flow statement.

Estimates made

Estimated provisions are evident from note 9 to the Financial Statements.

Income Statement

1 January - 31 December

	2014	2013
Note	DKK '000	DKK '000
Education subsidies	2,080,879	1,978,629
Research subsidy	2,933,180	2,941,268
External grants	2,573,763	2,544,575
Basic subsidy	338,282	268,021
Building-related revenues	132,859	176,975
Other revenues	186,343	353,404
¹ Total revenues	8,245,306	8,262,872
Salaries - academic staff	2,951,912	2,783,203
Salaries - technical/administrative staff RE	806,991	806,149
Salaries - technical/administrative staff AS	1,215,846	1,146,687
Operation of buildings	1,773,568	1,769,303
Other operating expenses	1,551,520	1,662,411
Depreciation and amortisation	132,845	143,969
² Total ordinary operating expenses	8,432,682	8,311,722
Profit/(loss) before financial income and expenses	(187,376)	(48,850)
Financial income	19,219	28,083
Financial expenses	348	2,607
Profit/(loss) for the year	(168,505)	(23,375)
Proposed distribution of profit/(loss) for the year:		
Retained earnings	(168,505)	(23,375)
Total	(168,505)	(23,375)

There may be variance in the sum total due to rounding

Balance Sheet at 31 December

Assets

Note	2014 DKK '000	2013 DKK '000
3 Acquired concessions, software, licences, etc.	4,875	3,214
3 Completed development projects	695	393
3 Intangible development projects in progress	8,046	5,948
Intangible assets	13,616	9,554
4 Buildings	183,088	187,073
4 Leasehold improvements	113,419	101,904
4 Scientific equipment, fixtures and fittings, tools and equipment	472,648	486,842
4 Own work in progress	54,897	12,798
Prepayments for assets	-	60,832
Property, plant and equipment	824,052	849,449
5 Securities and instruments of debt	112,152	112,152
Fixed asset investments	112,152	112,152
Fixed assets	949,820	971,156
6 Deposits	59,151	59,065
Trade receivables	138,376	184,805
7 Receivables from grant activities in progress	781,030	545,414
8 Other receivables	310,522	240,863
13 Prepayments	37,004	82,947
Receivables	1,326,083	1,113,094
16 Bonds	1,689,462	1,474,675
16 Cash at bank and in hand	879,060	1,190,830
Current assets	3,894,606	3,778,599
Total assets	4,844,426	4,749,755

Balance Sheet at 31 December

Liabilities and equity

Note	2014 DKK '000	2013 DKK '000
Equity	537,334	484,554
Spending of reserves and RSLIS equity	110,025	76,154
Retained earnings	(168,505)	(23,375)
	478,853	537,334
Restricted reserve, instruments of debt, SEA properties	86,509	86,509
Transfer to reserves	425,520	535,544
Equity	990,882	1,159,387
9 Provisions	43,834	36,376
Provisions	43,834	36,376
10 Donation of com. concessions, software, licences, etc.	117	345
11 Donation of buildings	1,756	1,799
11 Donation of leasehold improvements	24,109	28,017
11 Donation of scientific equipment, fixtures and fittings, tools and equipment	242,287	257,422
11 Donation of own work in progress	197	-
- transferred to current part	(95,192)	(78,966)
Prepayment for donated assets	-	9,532
Non-current liabilities	173,273	218,150
Trade payables	379,884	291,672
12 Grants administered by the University	640	-
Holiday pay obligations	629,200	599,690
Prepaid government grants	479,644	460,126
7 Prepaid restricted contributions	1,806,554	1,623,628
Accrued donations (current part)	95,192	78,966
Settlement account for forensic medicine services	38,180	41,364
13 Deferred income	18,273	51,692
14 Other payables	188,871	188,703
Current liabilities	3,636,437	3,335,841
Liabilities	3,809,710	3,553,991
Total liabilities and equity	4,844,426	4,749,755

15 Staff	22 Utilisation of resources for open places and scholarships
16 Financial instruments	23 Educations offered by the University
17 Contingent assets	24 Subsidies to the Arnamagnaeian Commission
18 Contingent liabilities	25 Separate account for ordinary activities, commercial activities, forensic medicine services, research activities financed by grants and other activities financed by grants
19 Contractual obligations	26 Asset account
20 Related parties	27 Key ratios
21 Separate activity accounts pursuant to Danish Act No 483 on technology transfer	

Statement of Changes in Equity

1 January - 31 December

Note	2014 DKK '000	2013 DKK '000
Equity at 1/1	537,334	484,554
Royal School of Library and Information Science at 1/1 2013	-	11,698
Retained earnings	(168,505)	(23,375)
Transferred to reserves	110,025	64,456
	478,853	537,334
Restricted reserve for instruments of debt received on transfer of donated properties to the Danish state	86,509	86,509
Transfer to reserves:		
The 2016 Pool for Interdisciplinary Research and interdisciplinary educational initiatives	344,842	445,244
Relocation, fixtures and equipment, etc. in 2013 and subsequent years	80,678	90,300
Total transfer to reserves	425,520	535,544
Equity at 31/12	990,882	1,159,387

In 2012, UCPH originally transferred DKK 600 million to reserves - DKK 480 million to the 2016 Pool and DKK 120 million for UCPH's building renovation.

The DKK 480 million of the 2016 Pool consisted of DKK 400 million for interdisciplinary research and DKK 80 million for interdisciplinary educational initiatives. These initiatives will be realised in the period 2013 to 2017.

The reserve for interdisciplinary educational initiatives was reduced by DKK 13.4 million to DKK 66.6 million as part of the project budgeting. In 2013, DKK 20.2 million was incurred for research and DKK 1.1 million for educational activities. In 2014, DKK 87.1 million was incurred for research and DKK 13.3 million for educational activities, reducing the reserve by DKK 100.4 million in 2014. At year-end 2014, the reserve stands at DKK 344.8 million.

Moreover, the transfer to reserves comprises DKK 120 million as part of the University's building renovation in Amager, in the Niels Bohr Building, in Frederiksberg, in the Mærsk Building and in the new auditorium building at the Centre for Health and Society (the former Copenhagen Municipal Hospital) for which considerable costs will be incurred for relocation, fixtures and equipment, etc. estimated at a total of DKK 120. The faculties have accumulated equity for these costs through reduced spending.

The reserve is released as and when work is completed. In 2013 and 2014, DKK 29.7 million and DKK 9.6 million, respectively, of the reserve has been applied. At year-end 2014, the reserve stands at DKK 80.7 million.

Cash flow Statement

1 January - 31 December

Note	2014 DKK '000	2013 DKK '000
Profit/(loss) for the year	(168,505)	(23,375)
Depreciation, amortisation and non-cash operating items	259,199	255,585
Depreciation of donations	(126,385)	(120,136)
Net impairment - fixed assets and donations	5,033	10,696
Difference in net interest booked and paid	(71)	(271)
Changes in provisions	7,458	1,308
Changes in receivables	(212,918)	(75,442)
Changes in inventories	-	5,374
Changes in short-term debt	284,369	219,897
Cash flows from operating activities	48,180	273,637
Acquisition of intangible assets	(10,836)	(3,293)
Acquisition of property, plant and equipment	(300,571)	(223,393)
Prepayments for assets	60,832	(12,479)
Cash flows from investing activities	(250,575)	(239,165)
Increase in obligations from donations - intangible assets	114,945	93,448
Prepayments for obligations from donations	(9,532)	(20,060)
Cash flows from financing activities	105,413	73,388
Change in cash flow for the year	(96,983)	107,860
Specified as:		
Cash and cash equivalents and bonds at beginning of year	2,665,505	2,545,946
Adjustment re the Royal School of Library and Information Science transferred to the University	-	11,698
Cash and cash equivalents and bonds at year end	2,568,522	2,665,505
Change in cash and cash equivalents	(96,983)	107,860

Notes

1. Revenues

	2014 DKK '000	2013 DKK '000
Full-time education - (from Finance Act)	1,898,460	1,784,025
Part-time education - (from Finance Act)	16,441	17,981
Exchange students - (from Finance Act)	21,196	5,133
Small humanities disciplines - (from Finance Act)	11,499	11,452
Scholarships - (from Finance Act)	14,033	14,226
Tuition fee from part-time education	28,169	29,965
Self-funded (foreign/capitalised)	12,953	14,354
Other education subsidies	78,128	101,492
Education subsidies	2,080,879	1,978,629
Research subsidy	2,933,180	2,941,268
Research subsidy - (from Finance Act)	2,933,180	2,941,268
Grant-funded research	2,255,553	2,171,406
Other subsidised activities	74,452	119,885
Forensic services	191,755	194,854
Commercial activities	52,003	58,429
External grants	2,573,763	2,544,575
Other purposes	399,663	328,923
Research-based public-sector services	22,179	22,243
Administrative savings	(83,560)	(83,144)
Basic subsidy - (from Finance Act)	338,282	268,021
Subletting, Operational reimbursement, maintenance, etc.	132,859	176,975
Building-related revenues	132,859	176,975
Other revenues	186,343	353,404
Other revenues	186,343	353,404
Total revenues	8,245,306	8,262,872

2. Total ordinary operating expenses

Expenses are classified by nature in the income statement. The expenses classified by purpose are disclosed in this note.

Methodology and definitions:

The key figures for the University's expenses broken down by purpose have been prepared in accordance with the guideline on allocation of university expenses to main areas and purposes issued by the Danish Agency for Universities and Internationalisation at December 2012.

	2014 DKK '000	2013 DKK '000
Total ordinary operating expenses as per Income Statement:	8,432,682	8,311,722
Miscellaneous adjustments (<i>see footnotes below</i>):		
Expenses matching revenues from external tenants ¹⁾	(60,803)	(61,577)
Expenses relating to building maintenance paid on behalf of the Danish Building and Property Agency ²⁾	(31,019)	(64,395)
Written-down donation liabilities ³⁾	126,385	120,136
Total miscellaneous adjustments	34,563	-5,836
Total expenses for allocation:	8,467,245	8,305,886
1 Education	2,254,350	2,162,909
2 Research	4,860,958	4,790,198
3 Communication and knowledge exchange	366,609	362,708
4 Research-based public-sector services	286,726	305,540
5 General management, administration and service	698,603	684,531
Total allocated expenses	8,467,245	8,305,886
Gross revenues as per Income Statement	8,245,306	8,262,872
Miscellaneous adjustments, see above	34,563	(5,836)
Revenues after adjustment	8,279,869	8,257,036
Administration percentage⁴⁾	8.4%	8.3%

1 Deducted as expenses relating to external tenants are not attributable to the actual purposes of the University.

2 Deducted as expenses relating to building maintenance paid on behalf of and reimbursed by the Danish Building and Property Agency are not attributable to the actual purposes of the University.

3 Adjustment is made for written-down donation liabilities as these are set off against total depreciation in the income statement, see note 4.

4 The administrative percentage is defined as: general management, administration and service/revenues after adjustment.

3. Intangible assets

	Acquired concessions, software, licences, etc.	Completed development projects	Development projects in progress	Total
DKK '000				
Acquisition cost				
Cost at 1/1 2014	19,955	11,618	5,948	37,520
Adjustment to opening balance	(924)	-	-	(924)
Additions	3,599	420	6,817	10,836
Disposals	-	(4,715)	(4,720)	(9,435)
Adjustments to cost	117	-	-	117
Cost at 31/12 2014	22,747	7,322	8,046	38,115
Amortisation and impairment				
Balance at 1/1 2014	16,741	11,225	-	27,966
Adjustment to opening balance	(924)	-	-	(924)
Amortisation and impairment for the year	2,688	117	-	2,805
Amortisation on disposals for the year	(750)	(4,715)	-	(5,466)
Adjustments to amortisation	117	-	-	117
Amortisation and impairment at 31/12 2014	17,872	6,627	-	24,499
Carrying amount at 31/12 2014	4,875	695	8,046	13,616

4. Property, plant and equipment

	Buildings	Leasehold improvements	Scientific equipment, fixtures and fittings, tools and equipment	Own work in progress	Total
DKK '000					
Acquisition cost					
Cost at 1/1 2014	199,498	179,268	1,293,821	12,798	1,685,384
Adjustment to opening balance	-	-	(4,697)	-	(4,697)
Additions	-	36,208	222,264	58,928	317,400
Disposals	-	(1,862)	(51,692)	(16,829)	(70,383)
Adjustments to acquisition cost	-	-	4,170	-	4,170
Cost at 31/12 2014	199,498	213,615	1,463,865	54,897	1,931,874
Depreciation and impairment					
Balance at 1/1 2014	12,424	77,364	806,979	-	896,767
Adjustment to opening balance	-	-	-3,687	-	-3,687
Depreciation and impairment for the year	3,986	24,555	227,853	-	256,394
Depreciation on disposals for the year	-	-1,723	(43,087)	-	(44,811)
Adjustments to depreciation	-	-	3,160	-	3,160
Depreciation and impairment at 31/12 2014	16,410	100,196	991,217	-	1,107,822
Carrying amount at 31/12 2014	183,088	113,419	472,648	54,897	824,052

...Note 4 continued

Total amortisation of intangible assets	2,805
Total depreciation of property, plant and equipment	256,394
Total depreciation, all partial financial statements	259,199

Depreciation of donation liability and external grants (DR50/60)	(126,385)
Total depreciation in the balance sheet	132,814

Sundry minor journal entries	31
Total	132,845

5. Securities

The University holds investments in two enterprises. The ownership shares acquired in Symbion A/S have been recognised at cost, whereas ownership shares in Mobile Fitness A/S have been written down to DKK 0 due to negative equity in previous years.

	2014 DKK '000	2013 DKK '000
Symbion A/S, DKK 643k acquired in 2000 and DKK 25,000k in 2012	25,643	25,643
Mobile Fitness A/S, acquired in 2005	0	0
Total securities	25,643	25,643

Instruments of debt of 23 Oct 2011 from the Ministry to the University re donation made to building under the Danish state rent allowance scheme situated

Rolighedsvej 23, DK-1958 Frederiksberg C (Forestry & Landscape)	43,000	43,000
Ole Maaløes Vej 5, DK-2200 Kbh. N (Lundbeckfond Auditorium at Biocentre)	23,509	23,509
Blegdamsvej 3, DK-2200 København N (Protein Centre at Panum)	20,000	20,000
Total instruments of debt	86,509	86,509

Total securities and instruments of debt	112,152	112,152
---	----------------	----------------

6. Deposits

Deposits mainly concern rent deposits for leasehold premises.

7. Receivables from grant activities in progress and prepaid restricted contributions

2014	Receivables from	Prepaid restricted	
DKK '000	grant activities	contributions etc.	Total
Receivable and prepaid grants	797,000	(1,530,443)	(733,443)
Provision for loss on grant activities	(15,970)	-	(15,970)
Unutilised grants for educational research programmes	-	(26,041)	(26,041)
Unutilised donation for the Mærsk Building at the Panum Complex	-	(250,070)	(250,070)
Total at 31/12-2014	781,030	(1,806,554)	(1,025,524)

The total provisions for loss on receivable grant activities of DKK 16.0 million cover the estimated risk of loss.

Provisions amounted to DKK 17.8 million in 2013.

2013	Receivables from	Prepaid restricted	
DKK '000	grant activities	contributions etc.	Total
Receivable and prepaid grants	563,244	(1,336,945)	(773,701)
Provision for loss on grant activities	(17,830)	-	(17,830)
Unutilised grants for educational research programmes	-	(36,613)	(36,613)
Unutilised donation for the Mærsk Building at the Panum Complex	-	(250,070)	(250,070)
Total at 31/12-2013	545,414	(1,623,628)	(1,078,213)

8. Other receivables

Other receivables amount to DKK 310.5 million at the end of 2014 increasing by DKK 69.6 million from 1 January to 31 December 2014.

Other receivables consists primarily of DKK 153,7 million to prepayments to external project partners, and the University's DKK 71,5 million in receivables from the Danish state under the special VAT refund scheme. The increase in 2014 is primarily due to DKK 21.7 million in higher prepayments to external project partners and an increase of DKK 37.2 million in payments for advisors as part of maintenance projects totaling DKK 39.4 million.

9. Provisions

	2014	2013
	DKK '000	DKK '000
Payroll-related liabilities (appointments, early resignations, etc.)	14,637	10,761
Restoration liability	29,197	25,615
Other provisions	-	-
Total provisions	43,834	36,376

The provision for fixed-term appointment liabilities is an estimated average assessment based on payroll data and length of service from the payroll system. The provision constitutes half of the calculated maximum liability as UCPH finds that half of the maximum liability will not be allocated.

The restoration liability is set to cover costs of restoring leased premises when vacating them in future. Over a number of years, UCPH provides DKK 1,100 per m² for leased premises where the contract requires full restoration and DKK 500 per m² for leased premises only requiring partial restoration.

This is considered adequate to cover usual vacating costs incumbent on UCPH.

10. Donations of intangible assets

DKK '000	Acquired concessions, software, licences, etc.
Acquisition cost	
Cost at 1/1 2014	1,678
Additions	-
Disposals	-
Cost at 31/12 2014	1,678
Amortisation and impairment	
Balance at 1/1 2013	1,333
Amortisation and impairment for the year	229
Amortisation on disposals for the year	-
Amortisation and impairment at 31/12 2014	1,561
Carrying amount at 31/12 2014	117

11. Donations of property, plant and equipment

DKK '000	Buildings	Leasehold improvements	Scientific equip- ment, fixtures and fittings, tools and equipment	Own work in progress	Total
Acquisition cost					
Cost at 1/1 2014	2,398	39,876	673,807	-	716,080
Additions	-	-	114,748	197	114,945
Disposals	-	-	(24,717)	-	(24,717)
Cost at 31/12 2014	2,398	39,876	763,838	197	806,309
Depreciation and impairment					
Balance at 1/1 2014	598	11,859	416,385	-	428,842
Depreciation for the year	44	3,908	122,204	-	126,156
Depreciation on disposals for the year	-	-	(17,038)	-	(17,038)
Depreciation and impairment at 31/12 2014	642	15,767	521,552	-	537,960
Carrying amount at 31/12 2014	1,756	24,109	242,287	197	268,349

12. Grants administered by the University

	2014 DKK '000	2013 DKK '000
Current account of grants at 31/12	640	-

The University of Copenhagen or more precisely its employees administer a combined grant portfolio of DKK 138.1 million. Danske Forvaltning manages the grant portfolio. The total number of grants is 77.

13. Prepayments and deferred income

Prepayments went down by DKK 45.9 million in 2014, amounting to DKK 37.0 million at year-end 2014. The primary reason for this decrease is that, at year-end 2013, UCPH moved forward the payment of certain suppliers' invoices concerning 2014 to the end of December 2013 because UCPH did not make any payments in early January 2014 in connection with the transition to a new ERP system. This moving forward of payments did not occur at year-end 2014.

At year-end 2014, deferred income comes to DKK 18.3 million, going down by DKK 33.4 million from DKK 51.7 million at year-end 2013. This decrease is primarily attributable to DKK 31.0 million being recognised as income in 2014 from external grants allocated for interior maintenance.

At year-end 2014, deferred income of DKK 18.3 million primarily consists of prepaid education subsidies of DKK 9.0 million received for 2015 and DKK 4.8 million provided to cover the financial imbalance between incoming and outgoing students. The latter comes to DKK 9.5 million at the Supplementary Appropriation Act 2013 and has been adjusted by DKK 4.7 million in 2014. The remaining DKK 4.8 million will not be adjusted until the passing of the Supplementary Appropriation Act for 2015.

14. Other payables

Other payables increased only by DKK 0.2 million from 1 January to 31 December 2014 comprising various opposing movements in miscellaneous accounts regarding short-term payables.

Other payables amount to DKK 188.9 million at the end of 2014 comprising accrued salaries, pension, A tax, etc of DKK 84.4 million, accrued holiday pay to hourly paid employees of DKK 54.1 million and DKK 50.4 million to other creditors and accrued items.

15. Staff

	2014	2013
	DKK '000	DKK '000
Actual salaries	4,463,205	4,262,155
Pensions	616,997	595,100
Reimbursements and grants	(134,958)	(140,647)
Change in holiday pay obligations	29,506	19,432
Total	4,974,749	4,736,039

Remunerations to management team and board of directors:

Management team	15,048	14,310
Board of directors	1,047	1,042
Total	16,095	15,352

The management team comprises the chancellor, two pro-vice chancellors, the university director and 6 deans.

The board of directors comprises a chairman and 10 members.

The externally elected members of the Board of directors consist of two women and four men. On 19 March 2013, the Board decided that the objective for the six externally elected members of the Board is to have a gender balance and a 2:4 ratio as a minimum. This objective has thus been met.

16. Financial instruments

A portfolio agreement has been made with Danske Capital on investment in Danish state and mortgage bonds with a maximum term of 2 years. No investments have been made in shares, and no agreements have been made on warrants or options.

Financial instruments	Conditions	2014 DKK '000	2013 DKK '000
Bonds	Danish state and mortgage bonds with a term of 0-2 years	1,689,462	1,474,675
Bank deposits and cash in hand	Primarily in DKK and small holdings of foreign currencies	729,060	340,830
Fixed deposits	Maximum 365 days	150,000	850,000
Total cash and cash equivalents and bonds		2,568,522	2,665,505

17. Contingent assets

The University has advanced a claim for payment of interest of DKK 3.5 million against the Danish tax authorities. The claim concerns reimbursement of interest in connection with prior years' energy tax refunds.

The claim concerns nonpaid reimbursement of interest in connection with a closed case with the Danish National Tax Tribunal relating to prior years' energy tax refunds. On 23 December 2013, a claim by the Technical University of Denmark that the universities should be regarded as state institutions in relation to the acquisition of vehicles was sustained. Consequently, universities are not required to pay any vehicle registration fee. The Danish tax authorities have accepted this ruling.

UCPH has taken legal action against the tax authorities and expects to have DKK 2.7 million reimbursed.

18. Contingent liabilities

Liability insurance for the Board and the management as well as professional and product liability insurance have been taken out. The University has taken out insurance on the same terms as the Danish Building and Property Agency, being included under the Agency's umbrella insurance. The University is covered by the state's industrial injury insurance and the state's principles concerning self-insurance.

The University has a contingent liability towards officials given notice. Officials are entitled to up to 3 years' availability pay if they cannot be hired for other positions within the state. At year end 2014 the University employed 115 officials. The maximum liability from this amounts to DKK 207.8 million. There are no plans of additional employment of officials with civil servant status; therefore, this liability is expected to decrease in the coming years.

The University has not provided any bank guarantees towards third parties at 31 December 2014. Leases for office and transportation equipment have been entered into to a minor degree. This level will be reduced continuously through self-financing.

19. Contractual obligations

UCPH has 3,083 PhD students enrolled, of which 48% are subject to contract, under which UCPH is responsible for the students' pay for a three-year period. In most cases, the contracts cannot be cancelled by the University. The liability may be relevant if costs are not covered by companies or institutions that have signed education agreements.

20. Related parties

Related parties	Basis
The Danish Ministry of Higher Education and Science (UFM)	Subsidies for education, research and dissemination. Authority according to the University Act and the Danish Executive Order on grants and financial statements
The Danish Ministry of Education (UVM)	Subsidies for educational purposes.
Board and day-to-day management	Management control
Student associations	Subsidies towards student organisations and physical education. Furthermore, premises are made available by the University at Studenterhuset and the college Studentergården is supported by the University.

Transactions

In 2014 the University received total subsidies of DKK 5,217.8 million from the Ministry of Higher Education and Science (UFM). (The Danish Agency for Universities and Internationalisation, the monthly payments from section 19.2). From UFM and the Danish Ministry of Education, the University received subsidies of DKK 78.1 million primarily regarding educations at The Forest Agency and The School of Oral Health Care. In 2014 the University of Copenhagen contributed support corresponding to DKK 4.7 million to student associations. No loans have been granted to related parties.

21. Separate activity accounts pursuant to Danish Act No 483 of 9 June 2004 on technology transfer etc.

There have been no activities according to Act No 483 of 9 June 2004 on technology transfer etc.

22. Utilisation of resources for scholarships

Utilisation of scholarships in the period 1 September 2013 - 30 August 2014

	Enrolled students on full or part time scholarships	Scholarships as full-time equivalents (FTE)
Rate 1	31	17.0
Rate 2	2	0.4
Rate 3	106	71.2

The number of students shows the number of students with main enrolment for an education under the three rates during the year. As FTE is reported for the period 1 October 2013 to 30 September 2014, this periodic delimitation has also been applied for FTE in this statement.

Resources used for payments of scholarships

Received scholarships	126
Total payments of scholarships in DKK	6,957

Funds spent on scholarships in the period 1 September 2013 to 30 august 2014 for Erasmus Mundus students from 3rd world countries

	Number of students	Study activity for these students calculated as FTE
Rate 2	0	0
Rate 3	22	22

The note comprises all ordinary activities completed by Erasmus Mundus students from third world countries with main enrolment at the University in the period 1 October 2013 to 30 September 2014.

23. Education offered by the University abroad

Under the auspices of SDC (Sino-Danish Center), the University offers two master's programmes in Water and Environment and Nanoscience and Technology at UCAS (University of Chinese Academy of Sciences) in Beijing. The first intake for Water and Environment had study start in September 2012 when 10 Danish and 15 Chinese students were enrolled.

At study start in 2013 and 2014, Water and Environment had 4 Danish and 15 Chinese students enrolled. The first intake for Nanoscience and Technology commenced studies in September 2013, where 4 Danish and 16 Chinese were enrolled. In 2014, Nanoscience and Technology has 4 Danish and 15 Chinese students enrolled.

Note 24. Subsidies to the Arnamaganaean Commission

The Danish Ministry of Higher Education and Science (UFM) grants subsidies to the Arnamaganaean Commission.

Reporting from the financial statements of the Arnamaganaean Commission for 2014 in DKK.

Subsidies transferred from prior years (from UFM)	Subsidies for the year	Other expenses for the year	Expenses for the year	Loss for the year	Accumulated profits
227,400	4,400,000	11,242	3,881,443	529,797	757,197

25. Separate account for ordinary activities, commercial activities, forensic services, grant-funded research and other subsidised activities

	2014 DKK'000	2013 DKK'000
General activities		
Revenue	5,671,543	5,746,380
Internal net transfer of overhead	372,246	359,268
Staff expenses	(3,629,607)	(3,445,049)
Operating costs	(2,580,751)	(2,687,394)
Profit/(loss) for the year	(166,569)	(26,795)

Commercial activities

Revenue	52,003	58,429
Staff expenses	(14,621)	(13,883)
Operating costs	(39,318)	(40,895)
Internal net transfer of overhead		(231)
Profit/(loss) for the year	(1,936)	3,420

Forensic services

Revenue	191,755	194,854
Staff expenses	(94,675)	(97,762)
Operating costs	(97,080)	(97,093)
Årets resultat	0	0

Grant-funded research

Revenue	2,255,553	2,171,406
Staff expenses	(1,208,987)	(1,140,835)
Operating costs	(677,197)	(677,871)
Internal net transfer of overhead	(369,369)	(352,701)
Profit/(loss) for the year	0	0

Other subsidised activities

Revenue	74,452	119,885
Staff expenses	(26,859)	(38,511)
Operating costs	(44,716)	(75,038)
Internal net transfer of overhead	(2,877)	(6,336)
Profit/(loss) for the year	0	0

Total

Revenue	8,245,306	8,290,955
Total institutional transfers	372,246	359,268
Staff expenses	(4,974,749)	(4,736,039)
Operating costs	(3,439,062)	(3,578,290)
Total institutional transfers	(372,246)	(359,268)
Profit/(loss) for the year	(168,505)	(23,375)

Loss for the year on commercial activities (DR30) of DKK 1.9 million is attributable to the transfer of profits on some projects from DR30 to ordinary activities.

Profit from forensic services of DKK 3.2 million is set off in revenues and transferred to the settlement account in the balance sheet.

26. Asset account

There have been no activities according to this type of appropriation in 2014.

27. Key ratios

According to the guidelines of the Agency for the Modernisation of Public Administration for preparation of annual reports dated November 2014, a statement of key ratios must be calculated and enclosed. The mandatory key ratios are the profit margin, average annual salary and salary cost share. Certain key ratios are not included as they are not possible to calculate. The University of Copenhagen is, for example, not a state institution operating with a framework for borrowing. Only key ratios within resource administration are included. For the key ratios included it is defined how the calculations have been made in relation to the figures in the Annual Report.

Definition:			2014	2013	2012	2011	2010
Profit margin ¹⁾	Profit/(loss) for the year	(168,505)					
	Total revenues	8,245,306	-2.0%	-0.3%	2.1%	4.3%	2.2%
Average yearly salary (DKK '000)	Total staff expenses	4,974,749					
	Yearly salary	10,059	495	491	486	473	466
Salary cost share	Total staff expenses	4,974,749					
	Total ordinary operating revenues	5,671,543	87.7%	82.4%	81.2%	78.8%	78.8%
Capital share ¹⁺²⁾	Financial expenses + depreciation	133,193					
	Revenues	8,245,306	1.6%	1.7%	1.0%	1.0%	0.9%
Maintenance ratio ¹⁺³⁾	Net annual additions, Fixed assets	145,162					
	Annual depreciation of fixed assets	132,845	109.3%	122.4%	183.9%	62.5%	178.7%
Solvency ratio	Total equity	990,882					
	Total liabilities	4,844,426	20.5%	24.4%	25.5%	25.2%	16.5%

1) Key ratios are based on ordinary activities (DR10), commercial activities (DR30) and forensic medicine services (DR40)

2) The calculation of the maintenance ratio has been adjusted so that donations of all types of fixed assets reduce additions for the year. Comparative figures for 2010 have been restated for reasons of consistency.

3) In 2013 the University changed the useful lives of machinery and scientific equipment from 10 to 5 years.

Financial highlights for the University of Copenhagen

	2014	2013	2012	2011	2010
Revenues including interest:					
Education subsidies	2,080,879	1,978,629	1,935,507	1,879,580	1,841,811
Research subsidy	2,933,180	2,941,268	2,840,075	2,748,091	2,546,235
External grants	2,573,763	2,544,575	2,462,911	2,290,286	2,114,124
Research-based public-sector services	22,179	22,243	21,985	21,660	8,466
Basic subsidy	316,103	245,779	307,131	474,928	558,093
Other revenues	338,073	555,854	442,657	388,870	417,347
Expenses broken down by purpose¹⁾:					
Education	2,254,350	2,162,909	2,131,214	1,611,806	1,622,072
Research	4,860,958	4,790,198	4,443,465	3,371,988	3,187,794
Communication and knowledge sharing	366,609	362,708	303,914	242,740	219,981
Public-sector services	286,726	305,540	282,264	258,243	249,174
General management, administration and service	698,603	684,531	680,876	309,769	313,241
Buildings ¹⁾	-	-	-	1,673,675	1,728,198
Staff, Yearly salary:					
Academic staff	5,129	4,823	4,616	4,500	4,333
Part-time academic staff	485	447	407	387	386
Technical/administrative staff etc	4,445	4,382	4,249	4,298	4,367
Balance sheet:					
Equity (DKK m)	991	1,159	1,171	1,003	581
Balance sheet (DKK m)	4,844	4,750	4,592	4,276	3,808
Buildings m ² Total	921,116	904,250	929,512	935,722	932,862
Activity and production information					
Students:					
Total BA students admitted at 1 October	7,441	7,445	6,919	6,758	6,354
Total MA students admitted at 1 October	5,564	5,586	5,142	5,113	4,516
Total students at 1 October	40,882	40,866	38,867	37,869	36,891
Total FTE ²⁾	26,713	24,577	24,040	23,160	22,409
Graduates:					
Total BAs	4,718	4,434	4,004	3,788	3,777
Total MAs	4,573	4,298	3,892	3,818	3,718
Part time educations:					
Total tuition-paying students	4,667	5,047	4,593	4,308	4,877
Total yearly students	778	874	818	858	947
Graduates on full educations (master, diploma)	177	117	126	142	217

	2014	2013	2012	2011	2010
Internationalisation:					
Outbound exchange students	2,461	2,102	2,231	1,658	1,589
Inbound exchange students	1,869	1,705	1,742	2,328	2,196
Total foreign students on full-time educations ³⁾	3,949	4,032	3,773	3,719	3,669
Research educations:					
Total students on research educations, registered ⁴⁾	3,083	2,968	2,503	2,843	2,671
Total admitted PhD students ⁴⁾	959	927	752	801	934
Total approved theses ⁴⁾	833	693	523	564	508
Research and knowledge exchange results:					
Research publications ⁵⁾	-	11,358	11,302	10,431	8,188
Educational publications ⁵⁾	-	96	118	132	219
Registered patents	18	20	10	17	11
Registered inventions	74	77	49	58	40
Number of projects in the business community (private sources) ⁶⁾	1,762	1,946	2,207	2,421	2,412
Number of external projects ⁶⁾	4,447	4,198	4,549	4,905	4,887
Financial span of co-operation with the business community (DKK m) ⁷⁾	896	886	898	828	641

1) As of 2012, the University's expenses are allocated in accordance with the guideline on allocation of university expenses to main areas and purposes issued by the Danish Agency for Universities and Internationalisation, under which the operation of buildings is allocated to other purposes. 2009 - 2011 have been stated in accordance with schedule B to Universities Denmark's definition manual, under which buildings were stated as a separate purpose.

2) 1 FTE = 1 student's yearly workload = 60 ECTS-points. The number of FTEs is settled with UFM/UDS (24.577). This includes the Professional Bachelors, late-registrations and non-subsidy releasing FTE's.

3) The majority of foreign students are from the other Nordic countries.

4) The figures for research education are based on the calendar year, cf. Universities Denmark's definition manual.

5) Research, knowledge exchange and educational publications for 2013 are reported at the end of August 2014 due to changes in the pace in relation to UFM. The figures for 2014 are published in the Annual Report 2015.

6) Defined according to Universities Denmark's key ratio definitions. Only applies to externally financed research activities.

7) The figure for 2010 has been adjusted in accordance with the definition of financial scope laid down by UDS in cooperation with the business sector. The definition is: Danish private sources + other sources. The figure for 2010 has been restated in 2011.



University of Copenhagen
Annual report 2014
April 2015

The publication can be downloaded at:
www.ku.dk/aarsrapport

Editors: University Finance
Design: Communication
Layout: Qvist & Co

University of Copenhagen
Nørregade 10
PO Box
1165 København K
www.ku.dk