



ANNUAL REPORT 2017

IT UNIVERSITY OF COPENHAGEN



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MANAGEMENT STATEMENTS AND INDEPENDENT AUDITORS REPORT



UNIVERSITY DETAILS

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BOARD OF DIRECTORS

Maria Rørbye Rønn

Chairman of the Board of Directors, Director General of Radio Denmark, CEO, born 1964. Deputy Chairman of the Board of Directors of Ritzaus Bureau A/S. Member of the Board of Directors of Cfl. Member of Advisory Board Ordrupgaard.

Jørgen Lindegaard

Former CEO and Managing Director at ISS-Holding, ISS A/S and SAS Group (2006-2010 and 2001-2006, respectively), born 1948. Chairman of the Board at AVT Business School, JL Rungsted Holding ApS, Vimmelskafte 39-41, Trifina Holding ApS, Scania Danmark, Viking-Danmark A/S and Reconor A/S. Member of the Board of Directors of Stilde Plantage A/S. Managing Director of JL Rungsted Invest ApS.

Annette Stausholm

Department Director, IBM, born 1959. Recipient of the European Women of Achievement Award 2004.

Lars Mathiesen

Director, Frost Management, born 1956. Associated Director, Deloitte. Member of the Board of Directors of Signicat A/S. Member of the National IT Project Council and the IT Project Council of the Municipality of Copenhagen.

David Basin

Dr., Professor, ETZ Zürich, born 1961.

Irina Shklovski

Associate Professor, IT University of Copenhagen, born 1977.

Susan Skriver Gandrup

Academic Advisor, IT University of Copenhagen, born 1983. *Joined the Board of Directors on 1 January 2018.*

Emma Arfelt Kock

Master of Science Student, IT University of Copenhagen, born 1994.

Liam Phan Asmussen

Bachelor Student, IT University of Copenhagen, born 1997. *Joined the Board of Directors on 1 January 2018.*



EXECUTIVE MANAGEMENT

Mads Tofte
Vice Chancellor

Jens Christian Godskesen
Pro-rector

Georg Dam Steffensen
University Director

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STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

Today the Board of Directors and the Executive Management have discussed and approved the Annual Report of the IT University of Copenhagen.

The Annual Report has been prepared in accordance with Executive Order no.1648 of 15 December 2016 on Grants and Auditing etc., of Universities.

It is hereby stated that:

1. The Annual Report gives a true and fair view, i.e. the Annual Report does not contain any material misstatement or omissions, including adequate presentation and reporting of targets in the Annual Report.
2. The transactions comprised by the financial reporting are consistent with appropriations granted legislation and other regulations as well as agreements entered into and general practice.
3. Business procedures have been established that ensure financially appropriate administration of the funds comprised by the Annual Report.

Copenhagen, 12 April 2018

THE EXECUTIVE MANAGEMENT OF THE IT UNIVERSITY OF COPENHAGEN

Mads Tofte Vice Chancellor	Jens Christian Godskesen Pro-rector	Georg Dam Steffensen University Director
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THE BOARD OF DIRECTORS OF THE IT UNIVERSITY OF COPENHAGEN

Maria Rørbye Rønn Chairman, External member	Annette Stausholm External member	Jørgen Lindegaard External member
Lars Mathiesen External member	David Basin External member	Irina Shklovski Staff-elected member
Susan Skriver Gandrup Staff-elected member	Emma Arfelt Kock Student-elected member	Liam Phan Asmussen Student-elected member

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF THE IT UNIVERSITY OF COPENHAGEN

Conclusion

We have audited the financial statements of the IT University of Copenhagen for the financial year 1 January – 31 December 2017, which comprise income statement, balance sheet, cash flow statement and notes, including supplementary information. The financial statements are prepared in accordance with the Danish State's accounting rules and Executive Order no. 1648 of 15 December 2016 on Grants and Auditing etc. of Universities (the Danish State's accounting rules).

In our opinion, the financial statements are, in all material respects, correct, i.e. prepared in accordance with the Danish State's accounting rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark as well as generally accepted public auditing standards as the audit was performed on the basis of the provisions in the Danish State's accounting rules. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the University in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable

in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that are, in all material respects, correct, i.e. prepared in accordance with the Danish State's accounting rules, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing and additional requirements applicable in

Denmark as well as generally accepted public auditing standards, in accordance with the Danish State's accounting rules, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with International Standards on Auditing and additional requirements applicable in Denmark as well as generally accepted public auditing standards, in accordance with the Danish State's accounting rules, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review, performance reporting regarding the development contract and financial highlights

Management is responsible for the Management's review (pp. 9-19), performance reporting regarding the development contract (pp. 39-43) and financial highlights (pp. 35-36), in the following referred to as other reports.

Our opinion on the financial statements does not cover the other reports, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other reports and, in doing so, consider whether the other reports are materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appear to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish State's accounting rules.

Based on the work we have performed, we conclude that the other reports are in accordance with the financial statements and the requirements of Danish State's accounting rules. We did not identify any material misstatement of the other reports.

Report on other legal and regulatory requirements***Statement on compliance audit and performance audit***

Management is responsible for ensuring that the transactions included in the financial reporting comply with appropriations granted, legislation and other regulations and with agreements entered into and usual practice; and that due financial consideration has been taken of the management of funds and operations covered by the financial statements. Consequently, Management is responsible for establishing systems and procedures supporting economy, productivity and efficiency.

In performing our audit of the financial statements, it is our responsibility in accordance with generally accepted public auditing standards to select relevant items for both compliance audit and performance audit purposes. When conducting a compliance audit, we test the selected items to obtain reasonable assurance as to whether the transactions covered by the financial reporting comply with the relevant provisions of appropriations, legislation and other regulations as well as agreements entered into and usual practice. When conducting a performance audit, we perform assessments to obtain reasonable assurance as to whether the tested systems, processes or transactions support due financial considerations in relation

to the management of funds and operations of the entities covered by the financial statements.

We must report on any grounds for significant critical comments should we find such in performing our work.

We have no significant critical comments to report in this connection.

Copenhagen, 12 April 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter Gath
State Authorised
Public Accountant
MNE no.: mne19718

Morten Weinreich Larsen
State Authorised
Public Accountant
MNE no.: mne42791



OPERATING REVIEW



PRESENTATION

The IT University of Copenhagen is an independent university under the Ministry of Higher Education and Science.

MISSION

The mission of the IT University of Copenhagen is to provide internationally leading teaching and research, which enable Denmark to become exceptionally good at creating value with IT.

The IT University of Copenhagen will create this value mainly via IT research and IT education.

VISION

We create and share knowledge that is profound and leads to ground-breaking information technology and services for the benefit of humanity.

STRATEGY

The main focus of the strategy for 2017-2021 is to increase, as much as possible, the number of people in Denmark creating value with IT in ways that meet the standards of leading-edge IT research.

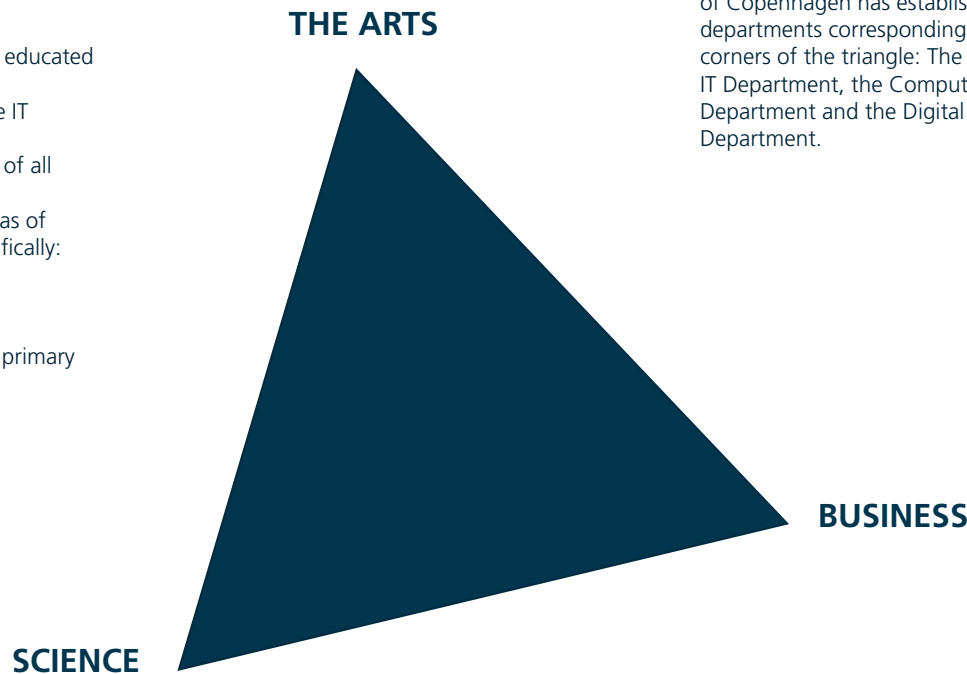
In concrete terms the IT University of Copenhagen works with the following areas of action:

1. Increasing the number of highly educated IT professionals
2. Increasing the number of female IT professionals
3. Increasing quality and relevance of all study programmes
4. Increasing IT research within areas of major societal importance, specifically:
 - a. Digitalisation
 - b. Information Security
 - c. Data Science
5. Strengthening the IT subjects in primary and secondary education.

Profile of the IT University of Copenhagen

The essence of information technology is the creation, sharing and handling of mental concepts by means of digital technology.

Thus, it is the mental concepts of humans, or the intellect, which constitute the core of information technology. Some of these concepts are based in natural sciences and technology, some in the arts and some in the use of IT by the business community. This diversity of specialisation is expressed in the triangle of the IT University of Copenhagen:



This view is decisive for the ability of the IT University of Copenhagen to attract a large number of researchers and students to this area. As a university dedicated to IT, the IT University of Copenhagen has the special advantage of being able to gather these very different approaches to IT in one organisation with common targets and strategy. The newly formulated vision adds that the three different perspectives all must contribute to create and share knowledge that is profound and leads to ground-breaking information technology and services for the benefit of humanity.

As a new initiative, the IT University of Copenhagen has established three departments corresponding to the three corners of the triangle: The Business IT Department, the Computer Science Department and the Digital Design Department.

Work on the quality and relevance of the study programmes

In 2016, the IT University of Copenhagen achieved a positive institutional accreditation. The positive institutional accreditation is valid until 2022.

With the institutional accreditation, the IT University of Copenhagen has systematised its quality assurance work considerably. The IT University of Copenhagen's quality policy sets quality standards and describes processes to discover and handle any breach of these quality standards.

As part of the quality assurance work, the IT University of Copenhagen has established stricter admission requirements for the MSc study programmes in order to address the issues of diversity and progression. The changes will be effective from the fall 2018.

The work on relevance is carried out in cooperation with the university's five Programme-Specific Employers' Panels and an overlying Executive-Level Employer's Panel. All employers' panels have met at least twice in 2017 and have submitted reports to the university offering assessments and recommendations. This work has among other things been central in a revision of the BSc study programme in Digital Media and Design (DMD) and the MSc study programme in Digital Design and Communication (DDK). Both study programmes have been redesigned and approved in 2017 and will be rolled out in 2018 by the names BSc in Digital Design and Interactive Technologies and MSc in Digital Design and Interactive Technologies.

WORK OF THE BOARD OF DIRECTORS

At the beginning of 2017, the Board of Directors consisted of Maria Rørbye Rønn (Chairman), Jørgen Lindegaard, Annette Stausholm, David Basin, Lars Mathiesen, Martin Kangas Christensen, Irina Shklovski, Emma Arfelt Kock and Stig Killendahl.

In 2017, Susan Skriver Gandrup was elected new member of the board for the technical and administrative staff (replacing Martin Kangas Christensen), and Liam Phan Asmussen was elected new student-elected board member (replacing Stig Killendahl).

The Board of Directors adopted the overall strategy for the period 2017-2021 in 2016, and, in 2017, decided to focus on the five key areas described at page 11.

The Board of Directors has among other things allowed the Executive Management to invest part of the university's equity in temporarily maintaining the increase of admitted students to the BSc study programme in Software Development, and in admitting students to the new BSc study programme in Data Science, which started in the fall 2017. At the same time, the Board of Directors emphasizes that there should be no continuing operating deficit

The Board of Directors of the IT University of Copenhagen also focuses on the gender balance among employees and students. In 2017, targets have been set for the number of female students on the BSc study programme in Software Development and on the BSc study programme in Data Science.



DEVELOPMENT CONTRACT

2017 will conclude the Development Contract for the years 2015-2017. The overall themes of the Development Contract are:

- Improved quality in education
- More relevance and increased transparency
- Improved coherence and cooperation
- Strengthened internationalisation
- Increased regional knowledge cooperation
- More externally funded research
- More PhD students
- More scientific publications.

The first five themes were announced by the Minister for Higher Education and Science, while the last three themes were based on the 2012-2016 Strategy of the IT University of Copenhagen. Within the eight themes, 12 target performance measures were agreed with the Minister for Higher Education and Science. The target performance in 2017 is presented in the section [Targets Achievement on page 37](#).



FINANCIAL RESULTS FOR THE YEAR

The financial results for the year are provided in table 1. The table shows a negative result of DKK 2.1 million, which is better than the budgeted loss of DKK 10.0 million.

The negative result for the year before financial income and expenses of DKK 5.4 million is significantly less than last year's positive result before financial income and expenses of DKK 6.4 million. The results of 2016 and 2017 cannot be directly compared with the result of 2015, which included a special one time income of DKK 18.9 million for reimbursement of rent.

The difference between the budgeted and the realised income of DKK 261.8 and DKK 276.0 million, respectively, came out at DKK 14.2 million.

Government grants and tuition fees for the IT University of Copenhagen were DKK 13.3 million higher than budgeted. Even though the government grants per full-time student equivalent are decreasing, the Progress Reform has led to an increase in study activity in 2017. The earning of student full-time equivalents has increased for the MSc study programmes, as has the bonus for students graduating on time, equalling DKK 8.6 million in additional allocation of grants.

As expected, the number of master's and diploma students has decreased. In contrast, the increase in single-subject students has a

positive impact on the number of full-time student equivalents obtained by part-time students. In total, tuition fees and part-time education government grants exceed the budget with DKK 2.6 million.

Finally, the IT University of Copenhagen has received a supplementary governmental grant for basic research within the software area of DKK 6.0 million in December 2016. The supplementary grant is recognized in the balance as prepaid grant to reflect that the university will use the grant over the coming years as part of the university's strategy for the period 2017-2021. DKK 1.2 million of the prepaid grant is recognized as income in 2017.

While the consumption of external research funding has developed as expected, the IT University of Copenhagen has succeeded

in attracting several other kinds of external funding in 2017. They include a collaboration on entrepreneurship and an expansion of ITU Professional Courses, which contributes to an income of DKK 2.1 more than budgeted.

Personnel expenses increased in 2017 by DKK 5.2 million more than budgeted, a total increase of DKK 17.3 million from 2016 to 2017. The difference is caused by the employment of more employees for externally funded projects, exceeding DKK 1.8 million more than estimated at the beginning of the year. An additional DKK 1.2 million increase in employment was funded by the Executive Management Pool. The holiday pay obligation was upwards adjusted from DKK 19.9 to 23.0 million, which is DKK 2.1 million more than budgeted.

Ordinary operating costs were DKK 3.1 million above the budget, mainly due to the increase in externally financed activities.

Finally, the securities holding of the IT University of Copenhagen contributed positively to the result for the year with a net return of 2.9 per cent, which is DKK 1.9 million more than expected by the university's capital manager.

As at 31 December 2017, cash and cash equivalents totalled DKK 35.0 million against DKK 53.4 million the year before. In the beginning of 2017, the IT University of Copenhagen transferred prepaid EU fundings for DKK 20.8 million to project partners.

TABLE 1: Financial result of the year (DKK M)

	Realised 2015	Realised 2016	Realised 2017	Budget 2017	Budget 2018
Income	281.5	263.2	276.0	261.8	296.3
Personnel expenses	156.3	160.4	177.7	172.5	199.3
Ordinary operating costs	106.4	96.5	103.7	100.6	109.8
Profit before financials	18.7	6.4	-5.4	-11.3	-12.9
Financials	1.8	2.8	3.3	1.4	0.9
Profit/loss for the year	20.6	9.2	-2.1	-10.0	-12.0
Equity at 31 December	69.1	78.3	76.2	68.3	64.2

Equity at 31 December for budget 2017 and 2018 is adjusted based on the realised result.

ACADEMIC PERFORMANCE FOR THE YEAR

RESEARCH

Research at the IT University of Copenhagen received considerable attention in 2017 among others through appearances in the media and participation in debates, establishment of research centres, and the fact that the IT University was number one among the eight universities in Denmark to make research publications available to the public. The greatest disappointment was that the external research funding did not increase as planned, cf. the target in the Development Contract. The following provides a brief status on the IT University of Copenhagen's research in 2017.

Strengthening the reputation

A number of researchers have received awards and acknowledgements for their research. The "Higher Education Video Game Alliance (HEVGA)" has appointed Professor Espen Aarseth as "Fellow". HEVGA recognizes senior researchers who have contributed substantially to the field of computer games research. Professor Rasmus Pagh and Professor Espen Aarseth were celebrated at the ten-year anniversary event for "European Research Council (ERC)" in Copenhagen. Both researchers have received prestigious grants from ERC. Professor Roman Beck will represent Denmark in ISO (International Organization for Standardization) when designing the future international blockchain standards in the work group "Governance of blockchain and distributed ledger technology systems".

In 2017, the IT University of Copenhagen hired two professors. Minna Isomursu was attached as a professor in the field of service design, and Espen Aarseth was attached as

a professor in the field of computer games. The IT University of Copenhagen appointed former Provost, Jørgen Staunstrup, as Affiliate Professor attached to the Computer Science Department.

Many research results were published in news media in 2017 such as contributions on how the American voting machines can easily be hacked as well as contributions on security flaws in the Mobile Commuter Card (mobilpendlerkortet) in Denmark. Further, we have seen contributions on the potential for big data and digitalised legislation to improve public case handling. Other contributions have dealt with the extent to which robots are a threat contributing to the disappearance of jobs functions and robots constructing other robots. A final example is debate on how digitalisation affects the Danes as citizens, and a book on the digital citizen as a fundamental new political figure in the Danish welfare state.

Denmark has an indicator for Open Access publishing of research results. When releasing the indicators in 2017, the IT University of Copenhagen was a clear number one among all Danish universities with 83 per cent of its publications registered Open Access publications. The runner-up Danish university could boast 46 per cent of its publications registered Open Access publications.

Among others to strengthen research, the IT University of Copenhagen established three new departments instead of one at the beginning of 2017: The Computer Science Department, the Business IT Department and the Digital Design Department.

Increasing external research funding

The IT University of Copenhagen received a number of fundings in 2017. Some of the fundings that were realised in 2017, or will be realised in 2018, are described below.

Together with colleagues Associate Professor Søren Debois, Associate Professor Lars Rune Christensen and Associate Professor Marisa Cohn, Associate Professor and Project Manager Thomas Hildebrandt received a grant totalling DKK 16.3 million for the 'EcoKnow' project from the Danish Innovation Fund. The project partners are the University of Copenhagen, The Technical University of Denmark, KMD, Exformatics A/S, Maps Società per Azioni (Italy), Globeteam A/S, Kammeradvokaten, the Municipality of Syddjurs and the Municipality of Copenhagen. The project will develop digital solutions enabling law changes to be integrated continuously in the IT systems used by the municipalities, and enabling caseworkers to take advantage of the large quantity of data available from previous case processing.

Together with Professor Mikkel Thorup and other researchers from the University of Copenhagen, Professor Rasmus Pagh and Associate Professor Thore Husfeldt received funding to a center from Villum Fonden totalling DKK 40 million of which 12.3 million is dedicated to the IT University of Copenhagen. The center is named Basic Algorithms Research Copenhagen (BARC), and is headed by Mikkel Thorup. The center conducts basic research within algorithms, and aims to be world leader within its field.

Professor and Head of Department, Peter Sestoft together with the University of

Copenhagen and Edlund A/S received from Innovation Fund Denmark a grant totalling DKK 9 million of which DKK 2.9 million is granted to the IT University of Copenhagen for the project "Probabli". The research project is going to develop a complex calculation platform for the Danish institutions for retirement provision with calculative power from graphical processors which is normally used in game computers.

Associate Professor Vasilis Galis together with researchers from Aalborg University and the University of Copenhagen received a grant totalling DKK 6 million from Velux Fonden, of which 2.3 million is dedicated to the IT University of Copenhagen, for the project "Diginauts". The research project will explore how refugees use mobile phones and other digital devices to navigate geographically, socially and politically when travelling through Europe.

Together with the Danish Agency for Digitisation, the IT University of Copenhagen will establish a research centre that must provide knowledge about the development and operation of public IT systems. The research center is part of the government's new IT strategy and is expected to be established during 2018. To run the centre, the IT University of Copenhagen will be granted DKK 2 million annually for four years.

In 2017, "Forskerforum" graded the IT University of Copenhagen as the number one university in Denmark to attract research fundings from the EU programme Horizon 2020 in the period 2014 to 2016 compared to size measured in number of research faculty full-time equivalents (FTE).

2017 was another year with challenges in terms of achieving the target on consumption of external research funding per senior faculty full-time equivalent (FTE) (associate professors and professors). The target in the Development Contract is to consume DKK 1,000,000 per senior faculty full-time equivalent in 2017. However, consumption was only DKK 407,000 per senior faculty full-time equivalent (FTE), corresponding to a target achievement of 41 per cent.

One of the reasons for not achieving this target is that some of the major external research grants expired in 2016 and the university has not been able to attract new, larger research grants in time to start up in 2017. Furthermore, the target must now be considered too ambitious. When the target was set in 2013, it was an expression of the at that time expected average consumption per senior faculty full time equivalent (FTE) for the Danish university sector as a whole. But since then, public funds have been reduced remarkably, and furthermore the competition for external research funds has been intensified considerably for both Danish public and private funds and for Horizon 2020.

The extent to which the target has been achieved differs across departments at the IT University of Copenhagen, but none achieve the target of attracting DKK 1.0 million per senior faculty full-time equivalent (FTE). The department closest to meeting the target is the Computer Science Department and it is the only department at the IT University of Copenhagen with has growth measured in research faculty full-time equivalents (FTE).

Due to an increase in external research fundings in 2017, the average consumption of external research fundings per senior faculty full-time equivalent (FTE) is expected to increase in the years to come.

Contributing valuable research

The blockchain technology will revolutionise IT systems worldwide, but it will also be a challenge in many ways. The IT University of Copenhagen has with Professor Romas Beck as head therefore established the "European Blockchain Center", which must ensure that Denmark is one of the leading actors within blockchain technology. Denmark has the potential to become a pioneer within development and implementation of blockchain based IT systems. The research centre should be the national centre for education and research in blockchain technologies, contributing to Denmark becoming internationally leading within the field

Associate Professor Morten Hjelholt and PhD Student Jannick Schou Hansen have written the book "The Digital Citizen" which focuses on the digital citizen as a basic new, political figure in the Danish welfare state. Digitalisation embraces almost everything and everybody in the Danish welfare state and for the majority of Danish citizens, everyday life has become more and more digitalised during the last twenty years. But what does it mean to be a digital citizen? And how is it possible to observe and study this new figure? The book tries to answer some of these questions.

Together with American colleagues from Massachusetts Institute of Technology,

Columbia University, and Cornell University, Associate Professor Sebastian Risi has developed a robot printer, which is capable of producing simple but functional robots able to solve different tasks. Within a few minutes, a newly developed robot printer is able to transform an aluminium string with small engines into a functional robot, which can be straightened out and reused for other purposes afterwards. The invention may be used in space or in a disaster situation. Building a robot is time-consuming and when the robot is finally operational, it usually only serves one purpose. This is inconvenient in situations where time is a scarce resource, and tasks are not known in advance.

Together with researchers from the University of Liechtenstein, Associate Professor Oliver Müller has designed an algorithm, calculating the value of football players in the largest European leagues by means of objective data ranging from number of goals to number of red cards. In the future, big data may be the way to assess a football player's value.

In her research article "Free Rides in Denmark: Lessons from Improperly Generated Mobile Transport Ticket", Postdoc Rosario Giustolisi revealed how commuters were able to travel in eight traffic zones with a two-zone subscription ticket by exploiting safety flaws in the control of "Din offentlige transport – DOT's Mobile Commuter Card". The article was awarded best article at the "Nordic Conference on Secure IT Systems" (NordSec) in 2017.

The number of bibliometric points, BFI, which are calculated by the Danish Agency

for Science and Higher Education at almost one year delay, has increased. For 2016, a total of 236 points were calculated against 202 the year before, see table 2. In 2016, 87.41 research faculty full-time equivalents were reported to the Statistics of Universities Denmark. This means that the number of bibliometric points in 2016 divided by the number of research faculty full-time equivalents in 2016 totals 2.70, which is thus higher than the forecast of 1.96, which is the target in the Development Contract. In terms of peer-reviewed publications, the situation is status quo with 231 peer-reviewed publications in 2016 and 230 in 2017.

Cooperation projects with the business sector increased from 16 in 2016 to 21 in 2017 while the financial cooperation with the business sector increased from approximately DKK 5.4 million in 2016 to approximately DKK 5.8 million in 2017. One patent application was submitted in 2017, which is less than in 2016 where four patent applications were submitted. The IT University of Copenhagen had one patent issued in 2017.

Entrepreneurship

The IT University of Copenhagen is one of four Danish universities participating in a new initiative "Open Entrepreneurship", which is meant to increase innovation in Danish companies by means of research-based knowledge, inventions and patents. The initiative is supported by the Danish Industry Foundation, and the IT University of Copenhagen has received approximately DKK five million to establish a new innovation unity with the purpose of uniting the university's

researchers with Danish industry, thereby increasing innovation in Denmark.

The Danish Industry Foundation has further supported the project "Innovation for Leadership" (I4L) with DKK 1.7 million. The project aims at qualifying today's leaders to be better leaders in the digital economy.

Strengthening the PhD School

At the beginning of 2017, the IT University of Copenhagen appointed Associate Professor Laura Beloff first female Head of PhD School.

The IT University of Copenhagen admitted 15 new PhD students in 2017, and 11 PhD students graduated the same year. Several of the PhD students have received attention. One of the PhD students at the IT University of Copenhagen, Tobias Lybecker Christiani, was awarded "EliteForsk travel scholarships 2017" by the Danish Agency for Science and Higher Education. The scholarship has a value of DKK 200,000.

The PhD School has intensified the admission of industrial PhD students and PhD students financed by private companies. Five such students were admitted in 2017.

The Head of PhD School has made a considerable effort to strengthen the unity among the university's PhD students during 2017.

TABLE 2: Research full-time equivalents, PhD theses and publications

	2013	2014	2015	2016	2017
Number of admitted PhD students	11	17	14	18	15
Approved PhD theses	22	12	13	15	11
PhD students (full-time equivalents)	42	38	35	32	39
VIP: Assistant professors, associate professors and professors (full-time equivalents)	53	69	72	76	77
Number of publications (peer-reviewed)	267	290	231	231	230
Publication points	190	261	202	236	*

* Unfortunately, the figures from the Danish Agency for Science and Higher Education were not available at the completion of the Annual Report.

EDUCATION

In 2017, the BSc study programme in Software Development was the most attractive IT BSc programme in Denmark measured by the number of first priority applicants. The IT University of Copenhagen, however, only admitted four more students in 2017 than in 2016. The main reason why the university had to reject so many well-qualified applicants can be ascribed to the fact that it has not been possible to establish a long-term solution for financing the many additional students the IT University of Copenhagen has begun to admit to meet the need for highly skilled IT specialists within software development and data science. On a positive note, the IT University of Copenhagen succeeded in increasing the proportion of female students admitted to the BSc study programme in Software Development from 12 per cent in 2016 to 22 per cent in 2017.

In 2017, the completion time for MSc students decreased compared to previous years. As such, the median of completion time decreased from 2.6 years in 2015 and 2.3 years in 2016 to 2.0 years in 2017. This significant reduction is primarily due to the Progress Reform.

2017 also resulted in a record number of BSc and MSc graduates, cf. table 3. The extraordinarily large number of MSc graduates can be referred back to the Progress Reform. Part of the increase is temporary, as some of the graduates had been enrolled for a relatively long time before finally completing their studies in 2017.

TABLE 3: Enrolled students, full-time student equivalents, graduates and completion times

	2013	2014	2015	2016	2017
Applicants for the MSc study programmes	1,269	1,416	1,691	1,881	1,707
Admitted MSc students	472	441	412	479	498
Enrolled MSc students	1,269	1,254	1,133	1,106	1,049
Graduated MSc students	324	368	405	414	470
Completion time, MSc students (years)	2.6	2.6	2.6	2.3	2.0
Applicants for the bachelor study programmes	1,082	1,089	999	1,165	1,715
Admitted bachelor students	208*	239	215	273	333
Enrolled bachelor students	625	661	652	682	762
Graduated bachelor students	136	139	162	169	169
Completion time, bachelor students (years)	2.8	2.8	2.8	2.8	2.8
Number of full-time student equivalents	1,1261	1,244	1,271	1,361	1,357
Admitted master's/diploma students	137	146	121	69	52
Enrolled master's/diploma students	727	815	689	567	493
Number of full-time student equivalents obtained by part-time students	125	111	105	96	75

Note: Full-time student equivalents are calculated at 31 August. Students and graduates are calculated at 30 September. The completion time, which is 24 months, corresponding to 2.0 years for MSc students, is calculated as the median of the number of commenced study months for graduates who complete their MSc degree in the period 1 October to 30 September. The same method is used for bachelors whose median for number of study months commenced is 33 months.

**The figure deviates from the Statistics of Universities Denmark, which only show the number of students admitted via the Danish Coordinated Admission System (KOT).*

OUTLOOK FOR THE COMING YEAR

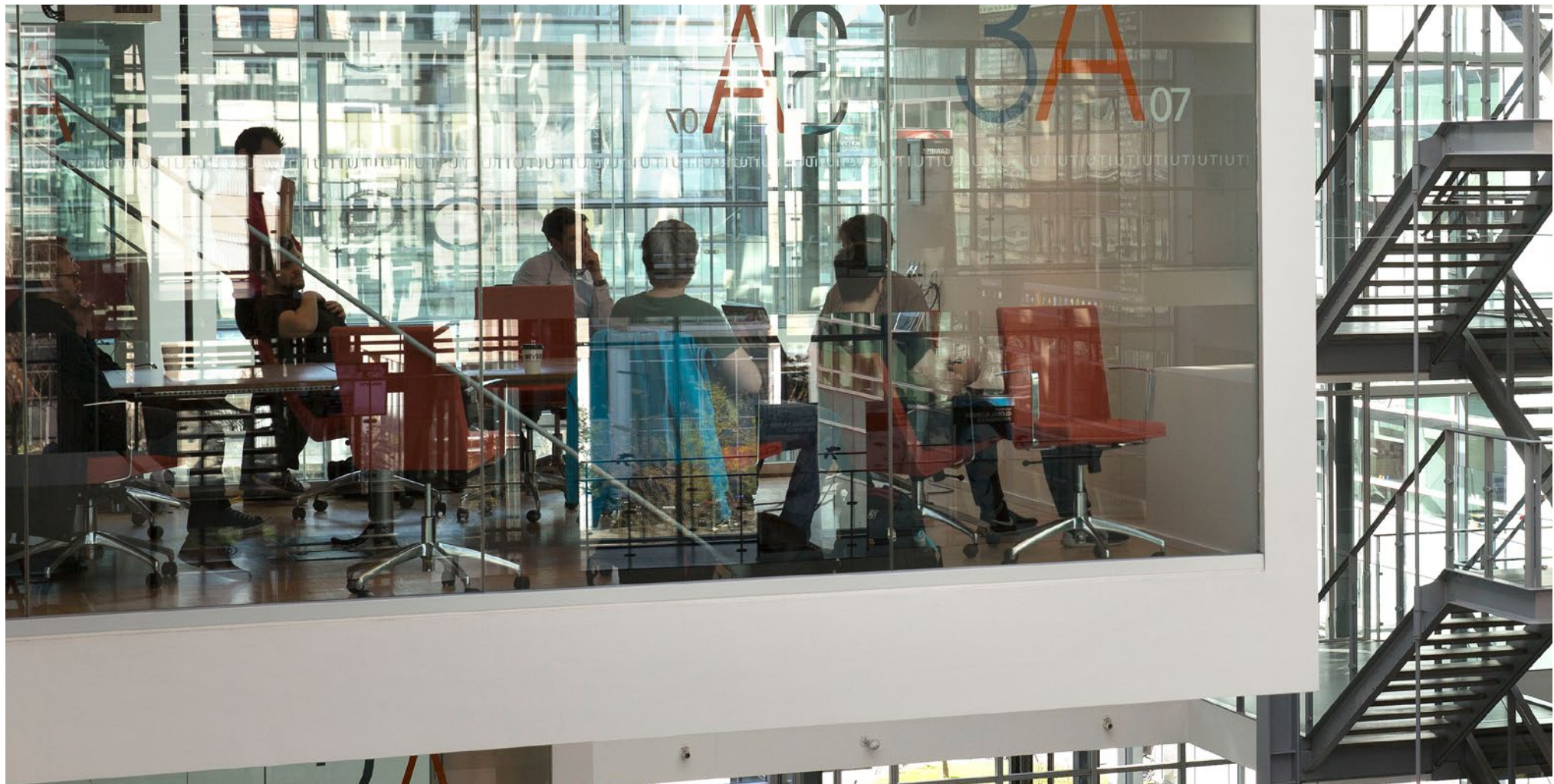
Unless it is politically decided to supply the IT University of Copenhagen with the financing necessary for growth, it will not be possible to maintain the 2017 level of educational activity in the future long term. The Board of Directors have decided to maintain the temporarily increased level of admitted students in 2018 while awaiting the political clarification for 2019 and the following years.

Regarding the study programmes, the IT University of Copenhagen is planning to implement decided changes to the MSc study programme in Digital Design and Communication in order to improve the graduates' employment rates.

Researchers at the IT University of Copenhagen produce a substantial amount of research (measured as bibliometric points) compared to the size of the university. Ensuring that more researchers from the IT University of Copenhagen become heads of externally funded research projects will be one of the focus areas of 2018.

The Board of Directors has approved a budget for 2018 that uses a part of the university's equity in order not to have to remove study places. This means that the budget for 2018 shows a loss of DKK 12.0 million with a related equity forecast as at 31 December 2018 of DKK 64.2 million.





FINANCIAL STATEMENTS



APPLIED ACCOUNTING POLICIES

Basis of accounting

The annual report for the IT University of Copenhagen has been prepared in accordance with Executive Order no. 1048 of 15 December 2016 on Grants and Auditing, etc., of Universities.

The applied accounting policies are consistent with those of previous year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the university and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognising and measuring assets and liabilities, probable economic benefits and liabilities occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Foreign currency translation

Receivables, payables and other items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date.

Corporation tax and deferred tax

The IT University of Copenhagen is not liable to pay tax.



INCOME STATEMENT

ITEMS OF INCOME

General matters

The income of the IT University of Copenhagen includes government grants for basic research, grants per student and operating income from the ordinary government appropriation. In addition, the university receives donations and grants, income from cooperation agreements, student fees from part-time programmes and income from other commercial activities.

Government grants

The IT University of Copenhagen is entitled to government grants, and the grants to the university are disclosed in the Finance and Appropriation Act. Grants are recognised as income in the period to which they relate.

Grants per student are paid on account on a monthly basis based on the anticipated number of full-time equivalents. Every year in October, the actual production of full-time equivalents is calculated, and the on account payments are adjusted.

The IT University of Copenhagen's completion bonus is reduced, if the IT University of Copenhagen does not achieve the target concerning study time reductions, cf. the political agreement on the reform of The Danish students' Grants and Loans Scheme

and the framework for completion time from April 2013. Payments are settled in the following year's grants payments, and the IT University of Copenhagen reduces the current year's income led government grants with the expected amount in case of lack of target achievement.

External grants and donations

Grants and commitments, including income from cooperation agreements subject to conditions of use by the grantor, are recognised as income as the costs are paid.

Grants that are not subject to conditions are recognised as income at the time of receipt.

Financial income

Financial income comprises return in the form of interest and dividend from investments in shares, bonds and investment fund shares as well as value adjustments of securities recognized at the quoted price of the individual securities at the balance sheet date.

Tuition fees for part-time programmes, other commercial activities and rental income

The income is recognised in the period to which it relates.

COSTS

Costs include external costs incurred for the activities of the year. Costs comprise staff costs, consumables, services, insurance premiums, maintenance costs and other operating costs of running the university.

BALANCE SHEET

Intangible assets

Software is capitalised when it is vital to the task handling of the university, and when its size and useful life are significant.

Only costs related to the development process and which result in a real increase in value are capitalised. Costs incurred during the initial phase and the phases of operation are recognised as expense.

Software is measured at cost less accumulated amortisation. Amortisation is provided on a straight-line basis over the expected useful lives of the assets from the date when the assets are available for use. The expected useful life is five years.

Property, plant and equipment

IT and AV equipment, machinery, tools and equipment as well as leasehold improvements are measured at cost less accumulated depreciation.

Cost comprises the purchase price and any costs directly attributable to the acquisition as well as costs for preparing the assets for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

IT and AV equipment	3 years
Machinery, IT systems, tools and equipment	5 years
Leasehold improvements	10 years

Assets with a cost of less than DKK 100,000 per item are expensed in the year of acquisition. For this purpose, the IT University of Copenhagen does not aggregate assets.

INVESTMENTS

Investments in subsidiaries

Entities in which the university holds the majority of the votes or in some other way exercises control are considered subsidiaries. Investments in subsidiaries are recognised and measured at cost.

Impairment write-downs

The carrying amount of intangible assets, property, plant and equipment and financial assets is subject to an annual test for indications of impairment. Impairment losses are recognised in the income statement.

Securities

Securities comprise investments in bonds, shares and investment fund shares that are recognized in accordance with the quoted price of the individual securities at the balance sheet date, including accrued interest.

Collections and works of art

The IT University of Copenhagen has received works of art from various donors. In accordance with the accounting rules of the Government, these works of art are not recognised at a value.

Receivables

Receivables are measured in the balance sheet at nominal value less write-down for bad debt losses. Write-down for bad debt losses is based on an individual assessment of receivables.

Externally funded activities in progress

On an ongoing basis, the IT University of Copenhagen enters into agreements with businesses, public institutions and private organisations on research activities. The activities funded by the grantor are set out in the agreements. To the extent that the IT University of Copenhagen incurs costs for activities that are funded under the agreements, but for which the grants have not yet been paid, the grants to which the IT University of Copenhagen has obtained a right are recognised as receivables from externally funded activities in progress.

Grants received, covering costs that have not yet been paid, are recognised as prepaid restricted grants.

The IT University of Copenhagen charges a fee to cover overhead costs related to grant activities. The fee is recognised as income as the grants are used.

Provision for bad debt losses is made on the basis of an individual assessment of the individual externally funded activities in progress and as a general provision for unforeseen losses. The provision is set off against receivables from externally funded activities.

Prepayments and deferred income

Prepayments comprise costs incurred concerning subsequent financial years. Prepaid costs relate to rent, insurance premiums, subscriptions and prepaid wages and salaries, etc. Deferred income comprises payments received concerning income in subsequent years.

Liabilities

Liabilities other than provisions are measured at amortised cost, which is in all material respects equivalent to the nominal value.

Provisions

Provisions are recognised when, as a result of past events, the university has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

Contingent liabilities

Contingent liabilities include liabilities related to leases and pending litigation against the university that the university will most likely not have to settle.

CASH FLOW STATEMENT

The cash flow statement shows the university's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the university's cash and cash equivalents at the beginning and end of the year. The cash flow statement cannot be derived solely from the published accounting records.

Cash flows from operating activities

Cash flows from operating activities are calculated as the surplus for the year adjusted for non-cash items, such as depreciation, amortisation and impairment losses, as well as changes in working capital, interest received and interest paid. Working capital comprises current assets, excl. cash and cash equivalents less current liabilities other than provisions.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise cashflow from raising and repayment of long-term debt and securities.

STAFF ACCOUNTING

The IT University of Copenhagen recognizes all categories of staff in the staff account in accordance with Universities Denmark's definition manual. Remuneration paid staff (external examiners, guest lecturers) are not included in the staff accounting.

SEGMENT INFORMATION

Presentation of income, staff costs and operating costs follow the public sector chart of accounts.

FINANCIAL HIGHLIGHTS

Financial highlights are prepared in accordance with section 2(10) of Executive Order on Grants and Auditing. The IT University of Copenhagen uses the definition manual for the statistics of Universities Denmark.

Costs based on purposes follow "Vejledning om hovedområde- og formålsfordeling af universiteternes omkostninger" (Guidelines on classification by main area and purpose of the costs of the universities) issued by the Ministry of Higher Education and Science in December 2012. An effort is made to ensure that as many of the university's costs as possible are attributed directly to professional purposes, i.e. education, research as well as communication and exchange of knowledge. Costs which cannot be attributed to these categories are classified by means of sharing keys.

From 2017 onwards, the IT University of Copenhagen has fully switched to activity-based budgets and accounts. The registration of full-time equivalents, salaries and operating costs at the level of activity allows for a more accurate cost allocation than has been possible in previous years. This means that a number of centrally funded costs associated with financial - and staff management, which in previous years were recognized as general management and administration, are distributed for professional purposes, as recommended by the Ministry's guidance. No update of comparative figures has been made.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

Note		2017 DKK'000	2016 DKK'000
1	Government Grants	235,498	225,390
2	Tuition fees	8,074	8,972
3	External research funding	24,258	22,395
	Other income	8,198	6,486
	Total income	276,029	263,243
4	Staff costs	177,654	160,434
8	Depreciation, amortisation and impairment losses	2,048	2,019
5	Other ordinary operating costs	101,679	94,433
	Total ordinary operating costs	281,381	256,886
	PROFIT/LOSS FROM ORDINARY ACTIVITIES	-5,352	6,357
6	Financial income	3,321	2,843
7	Financial expenses	36	27
	Total financial income and expenses	3,285	2,815
	PROFIT/LOSS FOR THE YEAR	-2,066	9,172
DISTRIBUTION OF PROFIT			
		2017 DKK'000	2016 DKK'000
	Predisposed to retained earnings	-2,066	9,172
	Total distribution of profit	-2,066	9,172

BALANCE SHEET AT 31 DECEMBER

ASSETS AT 31 DECEMBER

Note	2017 DKK'000	2016 DKK'000
Software	2,355	3,868
9 Total intangible assets	2,355	3,868
Leasehold improvements	161	204
IT equipment	258	572
Fixtures and fittings, tools and equipment	7	21
9 Total property, plant and equipment	426	796
Investments in subsidiary	5,000	5,000
10 Total investments	5,000	5,000
TOTAL NON-CURRENT ASSETS	7,781	9,665
Trade receivables	4,745	3,281
Receivables from externally funded activities	6,446	6,323
Other receivables	4,449	4,655
Prepayment	2,026	926
Total receivables	17,666	15,185
Securities portfolio	112,256	109,120
Cash and cash equivalents	35,010	53,401
Total cash	147,266	162,521
TOTAL CURRENT ASSETS	164,933	177,706
TOTAL ASSETS	172,713	187,371

EQUITY AND LIABILITIES AT 31 DECEMBER

Note	2017 DKK'000	2016 DKK'000
Equity at 1 January	78,287	69,115
Retained surplus	-2,066	9,172
11 Total equity and liabilities	76,221	78,287
Provision for re-establishment	2,852	2,818
Total Provisions	2,852	2,818
Trade payables	10,015	9,528
Holiday allowance	22,996	19,854
12 Other payables	10,297	8,624
Prepaid restricted contributions	16,361	34,161
Prepaid government grants	33,350	33,258
Other prepayments	622	840
Total short-term	93,641	106,266
TOTAL EQUITY AND LIABILITIES	172,713	187,371
13	Mortgages and collateral	
14	Contractual obligations	
15	Contingent liabilities	
16	Staff accounts	
17	Segment information	
18	Commercial activities	
19	Related parties	
20	Additional factors	

CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

Note		2017 DKK'000	2016 DKK'000
	Profit/loss for the year	-2,066	9,172
8	Depreciation, amortisation and impairment losses	2,048	2,019
	Profit and loss by sale of fixed assets	112	0
	Changes in provisions	34	20
	Reversal of items with no cash flow effect	2,194	2,039
	Change in receivables	-2,481	-2,094
	Change in current liabilities	-12,625	20,612
	Change in working capital	-15,106	18,518
	CASH FLOWS FROM OPERATING ACTIVITIES	-14,978	29,729
9	Purchase and sale of intangible assets and property, plant and equipment	-276	-1,145
	Purchase and sale of financial fixed assets	0	0
	Cash flows from investing activities	-276	-1,145
	Purchase and sale of securities	-3,137	-2,123
	Cash flow from financing activities	-3,137	-2,123
	CHANGES IN CASH AND CASH EQUIVALENTS	-18,391	26,462
	Cash and cash equivalents at 1 January	53,401	26,939
	CASH AND CASH EQUIVALENTS AT 31 DECEMBER	35,010	53,401

NOTES TO THE FINANCIAL STATEMENTS

1. GOVERNMENT GRANTS

	2017 DKK'000	2016 DKK'000
Full-time education	124,018	124,713
Part-time education	2,648	3,559
Exchange students	277	437
Efficiency improvements	-3,038	-2,994
Free university places and scholarships	2,395	2,014
Completion bonus	15,694	6,515
Research	93,470	89,924
Other purposes	35	1,221
Total government grants	235,498	225,390

2. TUITION FEES

	2017 DKK'000	2016 DKK'000
Participants in part-time education	7,282	8,536
Other Tuition fees	792	435
Tuition fees in total	8,074	8,972

3. EXTERNAL RESEARCH FUNDING

	2017 DKK'000	2016 DKK'000
Danish public research funding	7,601	11,846
EU research funds	10,989	5,821
Private research funds	5,668	4,729
Other research funds	0	0
Total external research funding	24,258	22,395

4. STAFF COSTS

	2017 DKK'000	2016 DKK'000
Wages and salaries	178,723	163,058
Refund of wages and salaries	-2,716	-3,491
Other staff costs	1,646	867
Total staff costs	177,654	160,434

5. OTHER ORDINARY OPERATING COSTS

	2017 DKK'000	2016 DKK'000
Rent	36,807	35,083
Other ordinary operating costs	64,872	59,349
Total ordinary operating costs	101,679	94,433

6. FINANCIAL INCOME

	2017 DKK'000	2016 DKK'000
Return on securities portfolio	3,321	2,843
Other financial income	0	0
Total financial income	3,321	2,843

7. FINANCIAL EXPENSES

	2017 DKK'000	2016 DKK'000
Other financial expenses	36	27
Total financial expenses	36	27

8. DEPRECIATION AND WRITE DOWNS

	2017 DKK'000	2016 DKK'000
Depreciation and write-downs	2,048	2,019
Total depreciation and write-downs	2,048	2,019

9. FIXED ASSET NOTE

	Software DKK'000	Leasehold improvements DKK'000	IT equipment DKK'000	Fixtures and fittings, tools and equipment DKK'000	Total DKK'000
Purchase price at January 1	7,870	430	7,305	701	16,306
Additions during the year	86	0	190	0	276
Disposals during the year	-480	0	-1,383	-88	-1,951
Purchase price at 31 December	7,477	430	6,112	613	14,631
Accumulated depreciations/amortisation and write-down at 1 January	4,002	226	6,734	680	11,642
Depreciation/amortisation and write-downs for the year	1,487	43	504	14	2,048
Reserved depreciation/amortisation for the year	-368	0	-1,383	-88	-1,840
Accumulated depreciations/amortisation and write-down at 31 December	5,122	269	5,854	606	11,850
Carrying amount at 31 December	2,355	161	258	7	2,781

10. FINANCIAL FIXED ASSETS

	2017 DKK'000	2016 DKK'000
Equity investments in ITU Business Development A/S	5,000	5,000
Total equity investments in subsidiary	5,000	5,000

Cf. note 19, where the profit/loss for the year and the equity at 31 December 2017 for IT Business Development A/S is presented.

11. STATEMENT OF CHANGES IN EQUITY

	2017 DKK'000	2016 DKK'000
Accumulated retained earnings at the beginning of the year	78,287	69,115
Retained earnings for the year	-2,066	9,172
Total equity and liabilities	76,221	78,287

12. OTHER PAYABLES

	2017 DKK'000	2016 DKK'000
Performance pay	1,037	1,128
Fixed-term employment	1,319	857
Wages and salaries payable	4,863	3,566
Auditors	132	210
Print payable, students	28	20
VAT payable	245	224
Deposits	956	1,194
Other payables	1,717	1,425
Total other payables	10,297	8,624

13. MORTGAGES AND COLLATERAL

The IT University of Copenhagen has not provided any mortgages or collateral.

14. CONTRACTUAL OBLIGATIONS

In May 2015, the IT University of Copenhagen concluded a rent agreement with the Danish Building and Property Agency. The rent agreement replaced rent agreement of 10 May 2001 with various addenda. Section 60(1) of the Danish Business Lease Act applies to the lessee's conditions. As a main rule, the lease can only be terminated in its entirety. The period of notice is six months for removal on the first day of a month.

15. CONTINGENT LIABILITIES

For 19 co-funded PhD students of a total of 52 PhD students ultimo 2017, the IT University of Copenhagen guarantees payment of the students' salaries for the 3-year or 4-year period in which their employment contracts are non-terminable by the university. The liability may become relevant if the payroll costs are not covered by companies or institutions with which education agreements have been concluded.

The IT University of Copenhagen employs one public servant, which means that the university is under obligation to provide redundancy payment for 36 months in case of dismissal. The redundancy payment cannot exceed DKK 2,316 thousand.

The IT University of Copenhagen is comprised by the government self-insurance principle and has taken out liability insurance for members of the Board of Directors.

16. STAFF ACCOUNTS

Full-time equivalents	2017	2016	2015	2014
Scientific staff	150	135	135	144
Part-time scientific staff	43	43	44	41
Other full-time equivalents	140	137	131	137
Total	333	315	310	322

Number of employees	2017	2016	2015	2014
Full-time equivalents	333	315	310	322
Number of employees 1 January	797	743	700	675
Accessions	533	512	472	532
Resignations	499	458	429	507
Number of employees 31 December	831	797	743	700

17. SEGMENT INFORMATION

	2017 DKK'000	2016 DKK'000
Ordinary activities		
Income	245,655	236,145
Staff costs	-160,883	-145,832
Operating costs	-92,053	-85,217
Profit/loss for the year before financial income and expenses	-7,282	5,096
Commercial activities		
Income	6,311	6,101
Staff costs	-1,255	-1,609
Operating costs	-3,125	-3,231
Profit/loss for the year before financial income and expenses	1,930	1,261
Externally funded research activities		
Income	24,063	21,775
Staff costs	-15,323	-12,870
Operating costs	-8,740	-8,904
Profit/loss for the year before financial income and expenses	0	0
Profit/loss for the year before financial income and expenses	-5,352	6,357

18. COMMERCIAL ACTIVITIES

The IT University of Copenhagen's commercial activities comprise letting of premises, events, parking etc.

The table show the profit/loss for the year and the accumulated profit/loss for a 4-year period where the accumulated profit/loss must not be negative under the rules of the Ministry of Finance for commercial activities.

	2017	2016	2015	2014
	DKK'000	DKK'000	DKK'000	DKK'000
Income	6,311	6,101	5,503	3,491
Direct and indirect costs	4,380	4,840	4,026	2,065
Profit/loss for the year	1,930	1,261	1,477	1,426
Accumulated retained earnings at 31 December	14,009	12,079	10,819	9,342

In accounting for the accumulated profit/loss on commercial activities, the institution must build on 2007 as the first earning year, så that there in recent years accumulated result is summed over four years of results. The accumulated result for 2013 must correspondingly include the accumulated result for the period 2007-2014.

19. RELATED PARTIES

Related parties	Transactions
Ministry of Higher Education and Science (UFM)	Government grants from UFM amounts to DKK 235,095 thousand in 2017 and DKK 224,557 thousand in 2016.
Danish Ministry of Education (UVM)	Government grants from UVM amounts to DKK 404 thousand in 2017 and DKK 832 thousand in 2016.
Board of Directors	Remuneration to the Board of Directors amounts to DKK 369 thousand in 2017 and DKK 365 thousand in 2016.
Executive Management	Remuneration to the Executive Management amounts to DKK 3,611 thousand in 2017 and DKK 3,110 thousand in 2016.
Student organisation at the IT University of Copenhagen	Contribution paid to stupIT amounts to DKK 500 thousand in 2017 and DKK 398 thousand in 2016.
ITU Business Development A/S (ITU BD)	<p>The IT University of Copenhagen has contributed capital of DKK 5,000 thousand to ITU BD i 2014 and owns 100 per cent of the company. The share capital amounts to DKK 1,000 thousand.</p> <p>Profit for the year in ITU BD is DKK -420 thousand and equity at 31 December 2017 amounts to DKK 3,888 thousand.</p> <p>ITU BD has provided services for the IT University of Copenhagen and taken over obligations regarding patents of DKK 1,233 thousand in 2017 and DKK 914 thousand in 2016.</p> <p>ITU BD has rented premises at the IT University of Copenhagen for DKK 185 thousand in 2017 and DKK 62 thousand in 2016.</p>
Folketingets Finansudvalg (FFU, Danish Parliament's Finance Committee)	The IT University of Copenhagen does not have any construction projects, which require approval from the FFU.

20. ADDITIONAL FACTORS

Other matters which the IT University of Copenhagen must disclose in accordance with:

- Executive Order No. 1648 of 15 December 2016 on Grants and Auditing etc. of Universities.
- Letter from Danish Agency for Institutions and Educational Grants of 13 December 2017 on the annual report for 2017.
- Letter from Danish Agency for Institutions and Educational Grants of 1 December 2015 on implementation of new government grants rules for research infrastructure.

The IT University of Copenhagen is not responsible for carrying out the secretariat function for scholarships and the like.

The IT University of Copenhagen has established and owns a company, ITU Business Development A/S, to promote the flow of knowledge and technology between research institutions and the business community in accordance with section 4 (1) of the Danish Act No. 580 of 1 June 2014 on the Commercial Activities and Co-operation with Foundations of Public Research Institutions (law of technology transfer).

The IT University of Copenhagen has not contributed funds to foundations whose main purpose is to establish dwellings close to universities in accordance with section 10(2) of the Danish Act on the Commercial Activities and Co-operation with Foundations of Public Research Institutions (law of technology transfer).

The IT University of Copenhagen has no costs for administration of foundations and associations, including commercial foundations and associations.

The IT University of Copenhagen does not offer study programmes abroad.

The IT University of Copenhagen does not participate in Erasmus Mundus programmes.

The IT University of Copenhagen complies with the EU rules on government grants for research infrastructure.

KEY FINANCIAL FIGURES AND RATIOS

Income (DKK'000)	2017	2016
Education	153,106	146,210
Research	93,470	89,924
External funds	31,027	26,165
Research-based government consultancy	0	0
Other grants	-3,003	-1,773
Other income	4,715	5,531
Total	279,314	266,058

Costs (DKK'000)	2017	2016
Education	141,141	120,529
Research	107,285	97,118
Dissemination and knowledge sharing	13,560	7,233
Government consultancy services	0	0
General management, administration and service	13,260	26,852
Total	275,246	251,732

Staff (full-time equivalents)	2017	2016
Scientific staff	150,0	135,2
Part-time scientific staff	43,0	42,6
Other full-time equivalents	140,3	136,6
Total	333,3	314,4

Balance sheet (DKK'000)	2017	2016
Equity	76,221	78,287
Balance sheet total	172,713	187,371

Economic key figures (per cent)	2017	2016
Profit margin	-0.7%	3.5%
Liquidity ration	233,5%	205,7%
Finance degree*	0.0%	0.0%

*IT University of Copenhagen has no long term debt

Building	2017	2016
Building m2 in total - net	23,352	23,352

Bachelor and MSc students for the period 1 October - 30 September	2017	2016
Number of admitted bachelor students	333	273
Number of admitted MSc students	498	479
Number of students enrolled at 30 September	1,811	1,788
Number of full-time equivalents (including guest students)	1,357	1,361

Graduated bachelor and MSc students for the period 1 October - 30 September	2017	2016
Number of graduated bachelor students	169	169
Number of graduated MSc students	470	414

Free university places and scholarship	2017	2016
Number of students enrolled in free university places at 30 September	12	12
Number of full-time equivalents in free university places (scheme 3)	11	10
Total amount paid as scholarships (DKK'000)	1,335	1,072
Number of students who have received scholarships	17	17

Part time students in the period 1 October - 30 September	2017	2016
Number of admitted diploma and master's students	52	69
Number of fee-paying part-time students	369	410
Number of full-time students equivalents obtained by part-time students	75	96
Number of graduated diploma and master's students	79	92

Internationalisation for the period 1 September - 31 August	2017	2016
Number of exchange students outbound (including exchange grants)	46	78
Number of exchange students, in bound	28	28
Number of foreign students at 30 September	299	314

Research education	2017	2016
Number of PhD students enrolled at 31 December	52	51
Number of PhD students admitted during the year	15	18
Number of approved PhD theses for the year	11	15

Results for research and communication	2017	2016
Number of research publications	230	231
Number of patent applications	1	4
Number of patents issued	1	2
Number of inventions for which application for registration has been filed	4	3
Number of projects with enterprises	21	16
Number of external projects	71	66
Economic co-operation with business community (DKK'000)	5,788	5,404



TARGET ACHIEVEMENT



OVERVIEW OF TARGET ACHIEVEMENT

FOLLOW-UP ON PERFORMANCE TARGETS IN DEVELOPMENT CONTRACT FOR 2015-2017

Follow-up as at 31 December 2017.




The 12 targets in the Development Contract relate to the following eight general themes:

- Improved quality in education
- More relevance and increased transparency
- Improved coherence and cooperation
- Strengthened internationalisation
- Increased regional knowledge cooperation
- More externally funded research
- More PhD students
- More scientific publications.

GENERAL OVERVIEW OF THE TARGET ACHIEVEMENT IN 2017

	Total number of targets	Targets achieved	Targets partly achieved	Targets not achieved	Targets not calculated
Improved quality in education	2	1		1	
More relevance and increased transparency	2	2			
Improved coherence and cooperation	2	2			
Strengthened internationalisation	1	1			
Increased regional knowledge cooperation	1	1			
Self-selected targets	4	1		2	1
Total	12	8	0	3	1

The target reporting in the above table shows the target achievement in 2017 and is prepared in accordance with the Danish Agency for Institutions and Educational Grants' letter on annual report 2017 as at 13 December 2017.

Target	Description	Comments	Status
T 1.1	The average response of students to the quantitative questions in the course evaluation must be at least 4.75 on a scale from 1 to 6. This applies to every year during the contract period.	<p>In 2017, the students' response to the quantitative questions in the course evaluation is 4.81 on average.</p> <p>In 2016, the students' response to the quantitative questions in the course evaluation was 4.74 on average.</p> <p>In 2015, the students' response to the quantitative questions in the course evaluation was 4.75 on average.</p>	
T 1.2	The IT University of Copenhagen will reduce the average excess of study time for its BSc and MSc graduates in 2015 with 0.5 month compared to 2011, 1 month in 2016 compared to 2011 and 1.6 month in 2017 compared to 2011.	<p>In 2017, the average excess of study time is 10.4 months for the IT University of Copenhagen's BSc and MSc graduates. This is a decrease of 1.2 months compared to 2011.</p> <p>In 2016, the average excess of study time was 12.5 months for the IT University of Copenhagen's BSc and MSc graduates. This was an increase of 0.9 months compared to 2011.</p> <p>In 2015, the average excess of study time was 11.6 months for the IT University of Copenhagen's BSc and MSc graduates, which was equivalent to the average excess of study time in 2011.</p>	
T 2.1	The unemployment rates of the MSc graduates who graduated from the IT University of Copenhagen 4-7 quarters earlier will at the most be 14 per cent in 2015, 13 per cent in 2016 and 12 per cent in 2017.	<p>In 2017, the unemployment rate for the MSc graduates who graduated from the IT University of Copenhagen 4-7 quarters earlier is 9 per cent.</p> <p>In 2016, the unemployment rate for the MSc graduates who graduated from the IT University of Copenhagen 4-7 quarters earlier was 14 per cent.</p> <p>In 2015, the unemployment rate for the MSc graduates who graduated from the IT University of Copenhagen 4-7 quarters earlier was 11 per cent.</p>	

Signature:



The target is achieved.





The target is partly achieved as more than 75 per cent of complete achievement has been reached.



The target has not been achieved as 75 per cent or less of complete achievement has been reached.





The target can not be calculated.

Target	Description	Comments	Status
T 2.2	The proportion of MSc graduates from the IT University of Copenhagen who graduated 0-10 years ago and who are working in the private sector must be at least 75 per cent of the employed MSc graduates. This applies to every year of the contract period.	<p>In 2017, 80 per cent of the MSc graduates who graduated from the IT University of Copenhagen 0-10 years ago are employed in the private sector.</p> <p>In 2016, 80 per cent of the MSc graduates who graduated from the IT University of Copenhagen 0-10 years ago were employed in the private sector.</p> <p>In 2015, 78 per cent of the MSc graduates who graduated from the IT University of Copenhagen 0-10 years ago were employed in the private sector.</p>	
T 3.1	The number of admitted MSc students who qualified at a Danish educational institution other than the IT University of Copenhagen must be at least 230. This applies to every year of the contract period.	<p>In 2017, 291 of the admitted MSc students qualified at another Danish educational institution than the IT University of Copenhagen.</p> <p>In 2016, 281 of the admitted MSc students qualified at another Danish educational institution than the IT University of Copenhagen.</p> <p>In 2015, 239 of the admitted MSc students qualified at another Danish educational institution than the IT University of Copenhagen.</p>	

Target	Description	Comments	Status
T 3.2	<p>During 2015, the IT University of Copenhagen will formulate a strategy of how the university consciously exploits the many different educational backgrounds of MSc students.</p> <p>The target for 2016 is that the IT University of Copenhagen in the Annual Report for 2016 explain the progress in the development of the strategy plans, processes and procedures.</p> <p>At the end of 2017, at the latest, the IT University of Copenhagen will have formulated and carried out action plans, processes and procedures comprised by the strategy.</p>	<p>By the end of 2017, the IT University of Copenhagen has finished the formulation of the action plans, processes and procedures related to the strategy.</p> <p>Based on the in 2015 drafted strategy that was incorporated into the IT University of Copenhagen’s quality policy, a diversity policy and two idea descriptions were drafted in the beginning of 2016.</p> <p>Against this background was there during 2016 prepared a proposal for a structural revision of the four MSc Study Programmes. Subsequently a debate of this proposal was conducted in the university’s educational decision-making bodies. Finally, Executive Management has adopted action plans for each of the proposed initiatives for implementation in 2017.</p> <p>In 2015, the IT University of Copenhagen formulated a strategy for how the university consciously exploits the many different educational backgrounds of its MSc students. The strategy was included in the quality policy of the IT University of Copenhagen for 2016.</p>	
T 4	<p>The global competence profiles and related activities of the BSc and MSc programmes are evaluated each year of the contract period and action plans is made for the following year. These action plans must be approved by the Head of Studies.</p>	<p>In 2017, the global competence profiles and related activities of the BSc and MSc programmes are evaluated. Actions plans are prepared for 2018 and approved by the Head of Studies.</p> <p>In 2016, the global competence profiles and related activities of the BSc and MSc programmes were evaluated. Actions plans were prepared for 2017 and approved by the Head of Studies.</p> <p>In 2015, the global competence profiles and related activities of the BSc and MSc programmes were evaluated. Actions plans were prepared for 2016 and approved by the Head of Studies.</p>	

Target	Description	Comments	Status
T 5	<p>By the end of 2016, there are “Pro-programme-Specific Employers’ Panels Reports” from all programme specific Employers’ Panels.</p> <p>By the end of 2017, the IT University of Copenhagen’s Executive-Level Employers’ Panel in their annual status report states that the university satisfactorily sets up its portfolio of study programmes according to the needs of the employers.</p>	<p>In 2017, the IT University of Copenhagen’s Executive-Level Employers’ Panel in their annual status report states that the university satisfactorily sets up its portfolio of study programmes according to the needs of the employers.</p> <p>By the end of 2016, there were “Programme-Specific Employers’ Panels Reports” from all programme specific Employers’ Panels.</p> <p>The target was not part of the Development Contract in 2015.</p>	
T 6	<p>The total consumption of external research funding divided by the number of senior faculty full-time equivalents (FTE) must be at least DKK 650,000 in 2015, DKK 800,000 in 2016 and DKK 1,000,000 in 2017.</p>	<p>In 2017, the total consumption of external research funding divided by the number of senior faculty full-time equivalents is DKK 407,000, corresponding to a target achievement of 41 per cent.</p> <p>In 2016, the total consumption of external research funding divided by the number of senior faculty full-time equivalents was DKK 408,211, corresponding to a target achievement of 51 per cent.</p> <p>In 2015, the total consumption of external research funding divided by the number of senior faculty full-time equivalents was DKK 499,673, corresponding to a target achievement of 77 per cent.</p>	
T 7.1	<p>The number of PhD students admitted will be at least 14 in 2015, 18 in 2016 and 22 in 2017.</p>	<p>In 2017, 15 PhD students are admitted.</p> <p>In 2016, 18 PhD students were admitted.</p> <p>In 2015, 14 PhD students were admitted.</p>	

Target	Description	Comments	Status
T 7.2	The number of persons admitted as PhD students at the IT University of Copenhagen during the year without receiving an ordinary PhD scholarship will be at least two in 2015, three in 2016 and four in 2017.	<p>In 2017, four persons are admitted as PhD students at the IT University of Copenhagen without receiving an ordinary PhD scholarship.</p> <p>In 2016, three persons were admitted as PhD students at the IT University of Copenhagen without receiving an ordinary PhD scholarship.</p> <p>In 2015, three persons were admitted as PhD students at the IT University of Copenhagen without receiving an ordinary PhD scholarship.</p>	
T 8	The number of bibliometric points (BFI-points) divided by the number of faculty full-time equivalent (FTE) as reported to the Statistics of Universities Denmark will be at least 1.85 in 2015, 1.96 in 2016 and 2.08 in 2017.	<p>It has not yet been possible to calculate this target for 2017 as the number of bibliometric points will not be calculated by the Danish Agency for Science and Higher Education until mid-2018.</p> <p>In 2016, 235.71 BFI points were earned corresponding to 2.70 per faculty full-time equivalent.</p> <p>In 2015, 202.39 BFI points were earned corresponding to 2.34 per faculty full-time equivalent.</p>	

DISCUSSION OF TARGET ACHIEVEMENT

BACKGROUND

As part of the Development Contract for 2015-2017, the IT University of Copenhagen has concluded an agreement with the Minister for Higher Education and Science containing 12 targets. In 2017, the IT University of Copenhagen achieved eight of the 12 targets. Three targets are not achieved, while achievement of one of the targets could not be determined. In the following, explanations are given to the three targets which the IT University of Copenhagen did not achieve in 2017.

Target 1.2: Average excess of study time

The average excess of study time for BSc and MSc graduates is 10.4 months in 2017, equivalent to a decrease of 1.2 months compared to 2011. This corresponds to a 75 per cent target achievement.

The IT University of Copenhagen is paying particular attention to reducing the average excess of study time and has taken a number of initiatives to reduce the average excess of study time. First and foremost, the IT University of Copenhagen has implemented the Study Progress Reform. The IT University of Copenhagen has maintained the requirements of the Study Progress Reform, including requirements for registering for 30 ECTS points each semester, even after political and legislative opening up for easing from 2016. In addition, the IT University of Copenhagen has removed students' opportunity to take a study leave, shortened the thesis period from six months to one semester, introduced thesis preparatory elements in all MSc study programmes, shortened the maximum allowed length of the study programmes and introduced study activity requirements. However, the full effect of these actions will at the earliest be measurable when all BSc and MSc graduates included in the calculation have been covered by the Study Progress Reform throughout their studies.

The average excess of study time is strongly affected by individual graduates who spend a long time completing their studies. One of the reasons for the long study times is graduates who have one or more long periods of illness during their studies. The IT University of Copenhagen has very limited and in many cases no possibility of reducing the study time for these graduates.

There has been a decrease in the study times and the forecasts show that when students who have begun their studies before the Study Progress Reform was implemented, have completed their education, the study times are expected to be further reduced. The IT University of Copenhagen is expecting to reach the reduction target in 2020.

Target 6: Use of external research funding per senior faculty full-time equivalents (FTE)

The total consumption of external research funding divided by the number of senior faculty full-time equivalents (FTE) is DKK 407,000 in 2017, corresponding to a target achievement of 41 per cent.

2017 was another year with challenges in terms of achieving the target on consumption of external research funding. One of the reasons why this target has not been achieved is that some of the major fundings for the IT University of Copenhagen expired in 2016 and that the university has not been able to attract new, large fundings in time to start consumption in 2017. In addition, the target must now be considered too ambitious. When the target was formulated in 2013, it was an expression of the national average consumption of funding at Danish universities per senior faculty full-time equivalents (FTE) expected at that time. But since then, the public research fundings to be applied for, have been significantly reduced, and furthermore competition for attracting external research funding has been significantly intensified both in Danish public and private research funds and in Horizon 2020.

The degree of fulfillment varies across departments, but no department meets the target of consuming DKK 1.000.000 per

senior faculty full-time equivalents (FTE). The department closest to meeting the target is the Department of Computer Science, and it is the only department at the IT University of Copenhagen, which has growth in senior faculty FTE's.

Further, the IT University of Copenhagen is planning a process where selected researchers at all departments change status from not attracting external funding to contributing positively to the consumption of external funding. Totally, the expectation is therefore that the average consumption of external research funding per senior faculty full-time equivalents (FTE) will increase in the coming years.

Target 7.1: The number of admitted PhD students

The number of admitted PhD students is 15 in 2017 corresponding to 68 per cent target achievement.

The number of PhD students at the IT University of Copenhagen is strongly connected to the consumption of the obtained external research funds, meaning that the more consumption of external research funds the more enrolled PhD students. Therefore, when the above mentioned target of consumption of external research fundings is not met, it is unlikely that this target of admitted PhD students will be met. Similarly, the initiatives needed to admit more PhD students are the same to be undertaken to obtain and consume more external research fundings.

Further actions to admit more PhD students will as well be the admittance of more industrial PhD students.

ASSESSMENT OF THE OVERALL TARGET ACHIEVEMENTS DURING THE DEVELOPMENT CONTRACT PERIOD 2015-2017

The contract period for the 2015-2017 Development Contract for the IT University of Copenhagen expired on 31 December 2017. Based on the reporting of the target achievement for 2017, the IT University of Copenhagen below relates to the overall target achievement during the contract period by including for each target an assessment of the overall performance of the entire contract period.

Target 1.1: The average of the students' answers to the quantitative questions in the course evaluation: In 2013, the average of the quantitative questions was 4.72 on a scale from 1 to 6. The IT University of Copenhagen strived to achieve better results through education development. The course evaluation has in the contract period been stable at 4.75 and by 2017 even increased to 4.81. The IT University of Copenhagen finds the development satisfactory.

Target 1.2: Reduce the average excess of study time for its BSc and MSc graduates: See the detailed description above in section [Discussion of target achievement](#).

Target 2.1: The unemployment rate for MSc graduates who graduated from IT University of Copenhagen 4-7 quarters earlier: The IT University of Copenhagen finds the development in unemployment rates for MSc graduates who graduated 4-7 quarters earlier, to be satisfactory. There have been problems with relatively high unemployment on two of the MSc study programmes. These problems have been addressed, as admission to these study programmes has been dimensioned and the content of the study programmes has been revised.

Target 2.2: The proportion of MSc graduates from the IT University of Copenhagen who graduated from 0-10 years ago and who are working in the private sector: As stated in the Development Contract, the IT University of Copenhagen wanted to maintain that a clear majority of the MSc graduates are employed in the private sector. During the contract period, at least 78 per cent have been employed in the private sector. In this way, the target is achieved in all contract years, which the IT University of Copenhagen finds satisfactory.

Target 3.1: The number of admitted MSc students who qualified at a Danish education institution other than the IT University of Copenhagen must be at least 230: As stated in the Development Contract, the IT University of Copenhagen wants to maintain, what it consider as a position of strenght in relation to coherence and cooperation, namely that the university admits a significant number of MSc students from other Danish educational institutions than the IT University of Copenhagen. The IT University of Copenhagen has achieved the target throughout the contract period.

Target 3.2: The IT University of Copenhagen will in 2015 formulate a strategy for how the university consciously exploits its MSc students to have a variety of educational backgrounds. The IT University of Copenhagen will by the end of 2017 have formulated and carried out action plans, processes and procedures:

In 2015, the IT University of Copenhagen formulated a strategy for exploiting the many different educational backgrounds of the MSc students. The strategy was incorporated as a part of the regular quality policy in 2016. For each of the IT University of Copenhagen's four MSc study programmes, a reviewing project was anchored in the academic area in the period 2015-2017. The result of the projects' is a revised curriculum for each of the four MSc study programmes. Learning consultants have been involved in the projects to support the incorporation of pedagogical and didactic considerations. The revised curricula contain changes that aim at better usage of the different backgrounds of the MSc students. Subsequently, the proposals for revised curricula have been dealt with in the university's educational decision-making bodies, where they have been approved. The work is hereby completed and the revised curricula will be effective for students admitted to the IT University of Copenhagen from the summer of 2018

Target 4: Global competence profiles and related activities of the BSc and MSc study programmes will be evaluated each year during the contract period, and an action plan for the following year will be made. The action plans must be approved by the Head of Studies: The IT University of Copenhagen has focused on developing global competence profiles in all university full-time study programmes. The targets are met every year during the Development Contract period, as global competence profiles have been evaluated and action plans have been prepared and approved for the coming year.

Target 5 (changed 2016): Intensified dialogue with the Copenhagen region's employers of graduates: In 2015, the IT University of Copenhagen closed its existing employers panel and instead created seven Programme-Specific Employers' Panels and an overhead Executive-Level Employers' Panel (In 2017, five Programme-Specific Employers' Panels exist). Most Programme-Specific Employers' Panels met for the first time in 2015, and the Executive-Level Panel met for the first time in 2016. By the end of 2016, the Programme-Specific Employers' Panels reports were available from all Programme-Specific Employers' Panels, and in 2017 the Executive-Level Employers' Panel stated in its annual status report that the IT University of Copenhagen satisfactorily sets up its portfolio of study programmes according to the needs of the employers. The target of the Development Contract is thus met.

Target 6: The consumption of external research funding per senior faculty full-time equivalents (FTE): The total consumption of external research funding per senior faculty full-time equivalents (FTE) have been between DKK 400,000 and DKK 500,000 throughout the Development Contract period and has thus not developed satisfactorily. The IT University of Copenhagen has taken a number of actions during the period to increase the consumption of external research funding per senior faculty full-time equivalents (FTE). In 2015, a performance model was introduced at the same time as giving successful researchers additional resources at the expense of other groups of researchers. The IT University of Copenhagen is planning a process where selected researchers in all departments are developing from not attracting external funding to contributing positively to the consumption of external funding.

Further, the target achievement has been influenced by the fact that the public sources that can be applied for, have been significantly reduced, as well as the competition for attracting external research funding has been significantly intensified both in Danish public and private funds and in Horizon 2020.

Target 7.1: The number of PhD students admitted: The target was met in 2015 and 2016, but the expected growth in admission in 2017 has not occurred. The lower admission in 2017 is due to the fact that the consumption of external research fundings is lower than expected, which has reduced the possibilities for offering admission to more PhD students.

Target 7.2: The number of PhD students admitted without a regular scholarship: The IT University of Copenhagen's wish to increase the admission of PhD students without a regular scholarship is met, as the target is met in each of the years during the Development Contract period.

Target 8: As stated in the Development Contract, the IT University of Copenhagen aims at high publication productivity based on the principles of the Danish Bibliometric Research Indicator (BFI): In 2015, the BFI earnings per faculty full-time equivalents (FTE) were 26 per cent above the target, and in 2016, BFI earnings were 38 per cent above the target. The IT University of Copenhagen considers the target achievement to be satisfactory.



APPENDIXES



APPENDIX 1

MANAGEMENT STRUCTURE OF THE IT UNIVERSITY OF COPENHAGEN 31 DECEMBER

The IT University of Copenhagen is governed by a Board of Directors and an Executive Management.

The Board of Directors

The Board of Directors of the IT University of Copenhagen includes a chairman and eight members. The chairman and four members are external members, one member is elected by and among the scientific staff at the IT University of Copenhagen, one member is elected by and among the technical and administrative staff at the IT University of Copenhagen, and two members are elected by and among the students at the IT University of Copenhagen.

The Board of Directors is the highest authority of the IT University of Copenhagen. The Board of Directors protects the interests of the IT University of Copenhagen in its role as an educational and research institution and establishes guidelines of its organisation, long-term activities and development.

Board meetings are public. However, cases which fall within the statutory provisions on secrecy in public administration, all cases related to persons and cases which include information on contract negotiations with private parties or similar negotiations with public partners are handled in confidence.

Vice Chancellor

The Vice Chancellor answers to the Board of Directors on all matters and is responsible for the day-to-day management of the IT University of Copenhagen within the framework stipulated by the Board of Directors. This right of management includes all staff employed by the IT University.

The Vice Chancellor must ensure that the IT University of Copenhagen acts in accordance with the legislation and regulations in force from time to time and is obliged to carry out all other actions, which are required in order to ensure that the IT University of Copenhagen is managed in a good and proper manner.

Pro-rector

The Pro-rector supplements the Vice Chancellor in all types of tasks carried out by the Vice Chancellor.

University Director

The University Director is responsible for ensuring that the entire administration supports research and education to the widest possible extent.

The University Director is accountable to the Vice Chancellor for the observance of the legislation in force in the administrative area and for ensuring cohesion between the administrative processes across the administrative departments.

The University Director is in charge of all large inter-disciplinary projects of the administrative departments and represents the administration in relation to the external world.

Executive Management

The Executive Management includes the Vice Chancellor, the Pro-rector and the University Director. The Executive Management is responsible for the preparation of the strategies of the IT University of Copenhagen and the preparation and negotiation of the Development Contract with the Ministry of Higher Education and Science.

The Executive Management is responsible for ensuring that the development of the IT University of Copenhagen is supported optimally within the financial framework provided by the Board of Directors. The work of the Executive Management results in cohesion between research, education and administration.

In its day-to-day work, the Executive Management works on the promotion of the three core values of the IT University of Copenhagen: Direction-finding, accountable and forthcoming, throughout the organisation.

Academic Council

The Vice Chancellor appoints an Academic Council. The Academic Council includes a chairman and four members and chooses its own chairman among the members of the council. Two members are elected by and among the scientific staff at the IT University of Copenhagen, and two members are elected by and among the students at the IT University.

The Academic Council answers to the Vice Chancellor in the areas of central strategic research and education and plans the exchange of know-how, awards the degrees PhD and doctorate and may issue statements on all academic matters of material importance to the activities, etc., of the IT University of Copenhagen.

Study Committee

The Vice Chancellor appoints one or more study committees, including members in identical numbers of scientific staff (VIP) and students. Each study committee appoints a chairman among its VIP members and a deputy chairman among its student members. The chairman and the deputy chairman are approved by the Vice Chancellor.

The study committee carries out planning, implementation and development of courses and tuition, including quality assurance and quality development of courses and tuition, preparation of draft curricula and amendments to these and approval of plans for preparation of courses and tests, etc.

PhD Council

The Vice Chancellor appoints a PhD Council, including members in identical numbers of scientific staff (VIP) and students. The chairman and the deputy chairman are appointed by the Vice Chancellor on recommendation of the PhD Council.

The PhD Council approves PhD courses, issues statements on the evaluation of the PhD programme, and provides guidelines to the Head of the PhD Programme and approves applications for Credit transfer and exemptions, etc.

Heads of Department

The Heads of Department are appointed and dismissed by the Vice Chancellor. The head of each department is responsible for the day-to-day management of the department, including the planning and allocation of tasks. The Head of Department may request staff to carry out specific tasks. When scientific staff is not occupied with such tasks, they carry out independent research within the strategic framework of the IT University of Copenhagen.

A Head of Department ensures quality and cohesion in research and education and must include the Study Committee and the Head of Studies in its evaluation of education and tuition.

Head of Studies

The Head of Studies is appointed and dismissed by the Vice Chancellor on recommendation of the Study Committee. The Head of Studies is in charge of the practical preparation of tuition and tests and other evaluations which constitute part of the examination in cooperation with the Study Committee.

Cooperation and Safety Boards

The safety and cooperation organisation of the IT University of Copenhagen consists of a Main Co-operation and Safety Board (M-CoSB) and two sub-committees: the Administrative Co-operation and Safety Board (A-CoSB), which covers the administrative section, and the Research Co-operation and Safety Board (R-CoSB), which covers the departments, plus two safety groups in each sub-committee.

In general, subjects related to members of staff are handled by M-CoSB, including policies, strategies, workplace assessments, staff satisfaction evaluations and drafts for staff development meetings. Subjects relevant to administration or research only are handled by A-CoSB and R-CoSB, respectively. As a rule, subjects relating to health and safety at work are handled by A-CoSB and R-CoSB.

Close cooperation between the Cooperation and Safety Committees are presupposed. Discussion of topics may be delegated by M-CoSB to A-CoSB or R-CoSB, respectively, and topics which have been discussed in A-CoSB and R-CoSB may be handled by M-CoSB if deemed necessary.

APPENDIX 2

MEMBERS OF THE EMPLOYERS' PANELS OF THE IT UNIVERSITY OF COPENHAGEN AS AT 1 JANUARY 2018

EXECUTIVE-LEVEL EMPLOYERS' PANEL:

Carsten Gomard (chairman)

Chairman of the Board, Netcompany

Per Kogut

President and Chief Executive Officer (CEO), NNIT

Kaare Danielsen

CEO and owner, Jobindex

Jan Peter Larsen

Chief Development Officer, BEC

Jan Sirich

Self-employed

Lars Frelle-Petersen

Deputy Permanent Secretary, Ministry of Finance

Adam Lebech

Deputy Director-General, Danish Agency for Digitalisation

Birgitte Hass

CEO, IT-Branchen

Pernille Geneser

CIO, Bestseller

Lars Green Lauridsen

Senior Vice President, COWI

Henrik T. Krøyer

Development Director, Danske Bank Group IT

BACHELOR IN SOFTWARE DEVELOPMENT (SWU)/BACHELOR IN DATA SCIENCE (DS)/ CAND.IT., SOFTWARE DEVELOPMENT (SDT):

Karsten Stanek Pedersen (chairman)

Director, KSP Consulting

Casper Hovard

Senior Engagement Manager, KSP Nordic

Lars Nørgaard

Vice President, Microsoft Customer Innovations & Transformation, NNIT

Michael Nielsen

Self-employed

Jesper Hollisch Poulsen

Development Manager, Rational Tools & Engineering Processes, Danske Bank

Niels Hallenberg

Vice President, Technical Foundation, SimCorp

Jacob Strange

CEO & Partner, Nine A/S

Morten Zohnesen

Managing Architect, Netcompany

Anders Hal Werner

Vice President Engineering, Actimo

Christian Bjerre Nielsen

Chief Product Officer, uQualio ApS

Thomas Hartmann

Head of Enterprise Architecture, ATP

Henrik Hasselbalch

Execute Partner & Country Manager, IBM

Bodil Biering

Head of Development, Blackwood Seven

Kaare Brandt Petersen

Management Consulting, Implement Consulting Group

Søren Ilsøe

Senior Vice President, SKAT

BACHELOR IN DIGITAL MEDIA AND DESIGN (DMD)/CAND.IT., DIGITAL DESIGN AND COMMUNICATION (DDK):

Laust Jørgensen (chairman)

COO, Peytz & Co

Louise Sofie Kehler

Head of Team, Digitalisation and IT, and Head of Digitalisation, Administrative Ressource Centre, The Child and Youth Administration, Municipality of Copenhagen

Brian Groth

Head of TV2 Graphics

Martin Sønderlev Christensen

Partner, Reload A/S

Nanna Engberg

Senior Consultant, Think! Digital

Andreas Petterson

Partner, eCapacity

Louise Wiktorina Klinker

Head of Strategy & UX, 1508

Carsten Ingerslev

Head of Department, Danish Business Authority

Martine Pråme Malmquist

Managing Partner, Attention CPH

Kristoffer Åberg

Founder and Chief Designer Officer, Fictional Technologies

Britt Riefbjerg

Head of Digital Trading & Advisory, Nordea

CAND.IT., GAMES:

Karsten Lund (chairman)

Creative Director, LEGO Digital Games

Aksel Køie

Digital Producer & Entrepreneur, Step in Books

Thomas Howalt

Teacher, Dadiu

Asbjørn Malte Søndergaard

CEO & Founder, Tactile Entertainment ApS

Na'Tosha Bard

Technical Director, Unity Technologies

Dajana Dimovska

Co CEO & Bizdev, NapNok Games

Gry Bauer

Digital Business Developer, SKAT

Sandra Mondahl

Recruiter, Massive Entertainment

Nikola Nielsen

HR Manager, IO interactive

BACHELOR IN GLOBAL BUSINESS INFORMATIC (GBI)/CAND.IT., DIGITAL INNOVATION AND MANAGEMENT (DIM):

Kirsten Nielsen (chairman)

Talent Pipeline Management-Programme Manager, Nordea Markets, Nordea

Jari Friis Jørgensen

Owner, Symmetric

Tanja Danner

Head of Regulatory Affairs Services, NNIT

Simon Killerich Vedel

Digital Product Manager, A. P. Møller-Mærsk

Steffen Rasmussen

Department Manager, FDC

Zain Syed

Former Solution Sales Europe, IBM

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APPENDIX 3

THE IT UNIVERSITY OF COPENHAGEN'S PROCUREMENTS

The IT University of Copenhagen has a central purchasing function, Central Purchasing, which is organised in the department of Facilities Management with reference to the University Director.

The IT University of Copenhagen has formulated a procurement and tendering policy that aims at ensuring the best and cheapest purchases in various purchasing situations. The procurement and tendering policy has been described and published at the IT University of Copenhagen's Intranet and is available to the organisation in cases of decentralised procurements so that these can also be based on current rules and policies.

Central Purchasing cooperates with a partner in all tendering processes. This partner uses Merccell.com to handle all tendering. Tenders are journalised upon completion.

Central Purchasing also conducts other purchases and enters into contracts where tendering is not an obligation. These contracts are journalised as well. Follow-up and control of concluded contracts are based on the conditions of the contracts in question.