



UNIVERSITY  
OF LONDON

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# Financial Statements

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2023–2024

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# Foreword from the Vice-Chancellor and the Chair of the Board of Trustees



We are pleased to introduce the University's financial accounts for 2023–2024. They reflect a strong performance, reflecting our commitment to securing the effective financial management that enables us to continue to invest in our people, programmes,

technology and estate. In a challenging financial context for UK higher education, we have delivered an operating surplus and protected a strong cash position and are poised to make important investments in the coming months.

This is the fourth year of our five year strategy and shows consistent progress towards the objectives we adopted in 2020, working with our 17 federation members.

The federation is the lifeblood of the University of London, and this year has seen two significant changes. We welcomed City St George's, University of London, formed from a merger of City and St George's universities to create a powerful multi-faculty institution with a distinctive focus on professional education and health care. Also joining the federation this year is Brunel University which brings an impressive education and research portfolio, particularly

in engineering and sciences. Its strong ties to West London also expand the federation's civic reach. We marked important milestones this year, in December celebrating the 200th anniversary of the founding of Birkbeck.

Demand for high quality accessible higher education continues to grow in many parts of the world, providing exciting opportunities for developing our worldwide mission to transform lives. This year, Pakistan has grown larger than Singapore and Hong Kong as our largest national location. Our most popular programmes continue to be Law; Economics, Management, Finance and Social Sciences (EMFSS); and Computer Sciences. Increasing numbers of students are choosing to study in our expanding number of Recognised Teaching Centres. With academic direction from our federation members, we are developing new programmes as well as enhancing existing ones to keep up with changing needs and technology.

This year we were proud to celebrate the 30th anniversary of the School of Advanced Study. Since its foundation it has gained growing importance as the national centre for the humanities, a role recognised by Research England in its decision to financially support the School for an additional five years.

The School's Institutes are also leaning into the future. The £15m investment made in the Warburg Institute has created an outstanding venue to showcase its unique collections and research activities in Gordon Square. The Institute of Commonwealth Studies has also been relaunched this year, with a mission to

develop evidence-based policy solutions supporting human rights and the rule of law across the modern Commonwealth. Senate House Library has continued to make its facilities more accessible, introducing a virtual reading room that allows researchers to consult its Special Collections from anywhere in the world. The 400th anniversary of Shakespeare's First Folio was also a special occasion, marked by the digitising of both copies held in the library's collection.

Our strategy places importance on continuously adapting our organisation and capacity to embody the university of the future. We are investing in our valuable Bloomsbury estate, with exciting plans for placing Senate House at the heart of this university destination. Our

Halls of Residence are being refurbished with better facilities and responsive services. We have introduced new systems for managing student enquiries, making use of modern technologies assisted by AI to accelerate response times. New IT systems for Human Resources and Financial management have been acquired for implementation in the coming months.

Sir Richard Dearlove completed nearly a decade of outstanding service as the Chair of our Board of Trustees in July. Mark is pleased and honoured to have succeeded him. We have made a number of other senior appointments, including five new Trustees who joined us in 2024. Our thanks go out to everyone on the Board and staff who have helped get us where we are today after another successful year.



#### **The Board of Trustees and Pro Vice-Chancellors**

Top L-R: Paul Greenwood, Professor Philip Allmendinger, Professor Colin Bailey, Dr Michael Spence

Middle L-R: Professor David Latchman, Alistair Jarvis, Paul Madden, Rita Akushie, Professor Jo Fox, Josette Bushell-Mingo

Bottom L-R: Pawan Dhir, Sir Mark Lowcock (Chair), Kavita Reddi (Deputy Chair), Professor Wendy Thomson, Christopher Rossbach

# The University in Numbers

## Key statistics for 2023–2024



We have more than more than **40,000** students in over **190** countries



The University of London has more than **500,000** alumni, including those who have studied with the School of Advanced Study, the University of London Institute in Paris and through our distance and online learning programmes



The University of London federation represents **250,000** students from 190 countries studying **3,700** courses and employing more than **50,000** people



**12** of our federation members feature in the top **100** best universities in the UK

We count Nobel Prize winners Charles K. Kao and Derek Walcott among our **500,000** alumni

**4,300** MA students and **3,000** PhD students have graduated from the School of Advanced Study (SAS) over the last **30** years



Over the last **30** years more than **1.28** million people attended SAS-organised events, which featured **130,000** speakers



Over **2** billion page views of SAS websites over **30** years



# The University Executive and the Chancellor



**Chancellor**

HRH, The Princess Royal



**Vice-Chancellor**

Professor Wendy Thomson CBE



**Deputy Vice-Chancellor**

Professor David Latchman CBE



**Pro Vice-Chancellor**

(Finance and Operations)

Rita Akushie



**Pro Vice-Chancellor**

(Research and Public Engagement)

Professor Jo Fox



**Pro Vice-Chancellor**

(Partnerships and Governance)

Alistair Jarvis CBE



**Pro Vice-Chancellor (Education)**

Professor Philip Allmendinger

# Strategic Report



	Year ended 31 July 2024	Year ended 31 July 2023	Year ended 31 July 2022	Year ended 31 July 2021	Year ended 31 July 2020	Year ended 31 July 2019
	Consolidated £'000	Consolidated £'000	Consolidated £'000	Consolidated £'000	Consolidated £'000	Consolidated £'000
<b>Total income</b>	<b>206,366</b>	196,019	182,657	167,295	155,413	175,154
Staff costs excluding USS deficit provision	(66,511)	(65,254)	(55,727)	(63,520)	(60,743)	(65,058)
Other expenditure excluding depreciation and amortisation	(130,488)	(124,042)	(113,768)	(106,529)	(105,615)	(106,379)
<b>Underlying surplus/(deficit)</b>	<b>9,367</b>	6,723	13,162	(2,754)	(10,945)	3,717
USS (deficit)/surplus provision movement	31,069	14,139	(29,701)	5,253	11,418	(18,185)
Depreciation and amortisation	(10,168)	(9,367)	(8,756)	(8,902)	(8,001)	(7,006)
Gain on disposal of fixed assets	–	57,017	–	8,969	5,701	–
Gain/(loss) on investments	6,842	(10,188)	21,230	6,874	44,265	11,521
Taxation	32	(1)	–	1	(1)	(1)
<b>Surplus/(Deficit) after other gains, losses and taxation</b>	<b>37,142</b>	58,323	(4,065)	9,441	42,437	(9,954)



# Financial Review for the Year Ended 31 July 2024

The Financial Statements comprise the consolidated results of the University and its trading subsidiaries. These subsidiaries exist to operate commercial activities that are outside the University's main operations, and any profits generated by them are donated to the University annually.

2023–2024 has been a year of financial stability, although we've experienced lower growth than our ambitions in both our Worldwide education business and our commercial property activities. Student numbers studying with us were below our projections due in part to the continuing impact of the conflict between Russia and Ukraine, and we've seen increased competition in some of our key markets coupled with adverse exchange rates. Student numbers in our residential halls remained high with almost full occupancy. Other revenue streams performed as expected with continued demand for events, summer room bookings, conferences and filming.

2023–2024 has seen a gradual reduction in inflationary pressures resulting in better cost control than budgeted, notably in energy and maintenance costs. Our largest cost is our staff and this remained at 2022–2023 values.

The Universities Superannuation Scheme (USS) has moved from a deficit to a surplus position, and consequently the University's results are affected significantly by the full release of the provision. This book entry which is outside of our control reduces staff costs by £31.1 million in 2023–2024. Excluding this adjustment, our

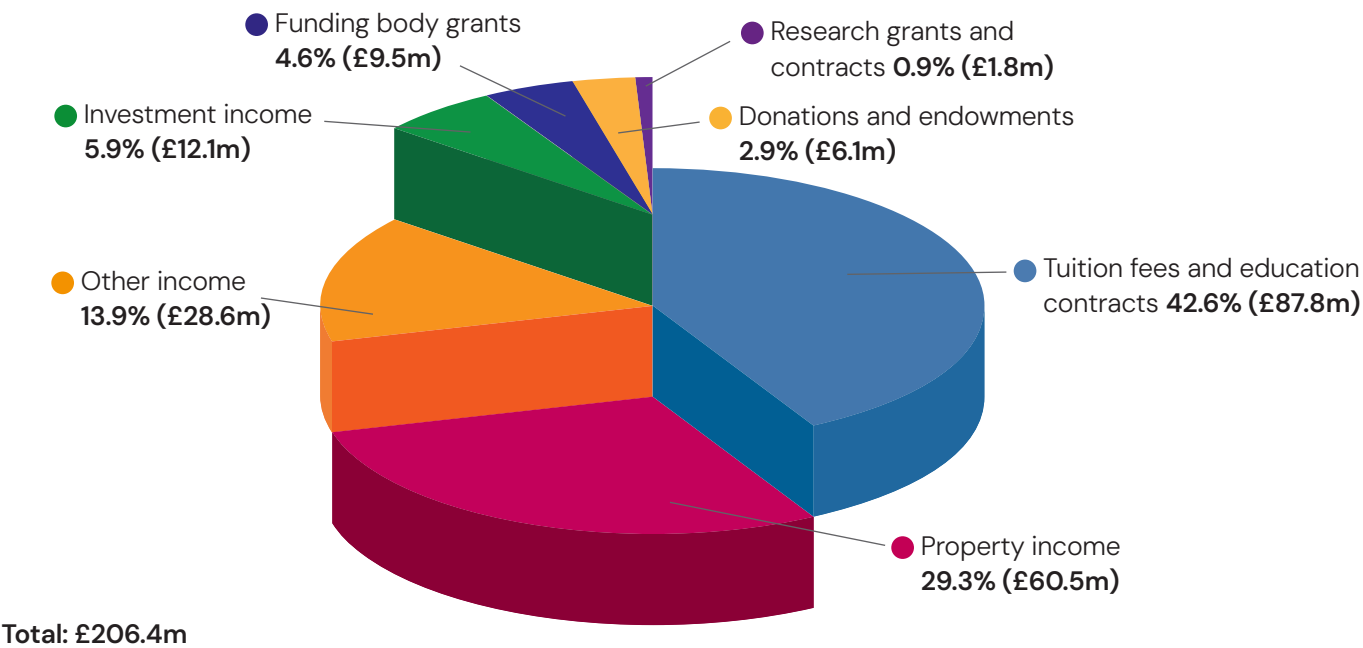
underlying performance before tax, depreciation and amortisation shows a surplus of £9.4 million (£6.7 million 2022–2023). The main contributing factors to the increased surplus are higher tuition fees, property income and donations, in particular the release of the Warburg gifts to income now the construction phase is complete.

## Income

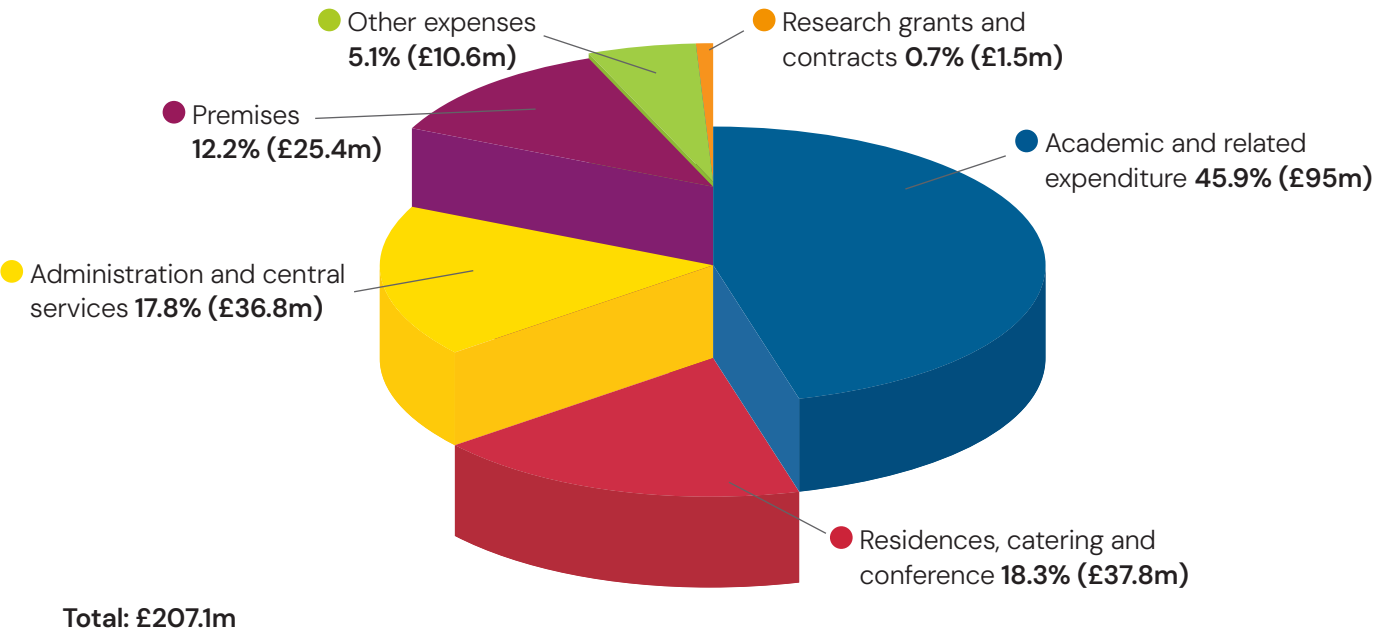
Total income for the year increased to £206.4 million in 2023–2024 from £196.0 million in 2022–2023. The primary drivers for the increased income were the recognition of £4.1 million donations for the Warburg Renaissance Project which was completed during the year and £1.5 million from the Fischer Family for the purpose of acquiring library resources for the Institute of Advanced Legal Studies; grant funding of £2.5 million towards the enabling works for a major decarbonisation project, replacing our heat and power plant; a one-off £2.4 million lease sale of 25–26 Woburn Square; and a £1.1 million increase in interest receivable generated by higher interest rates on our cash deposits.

Tuition fees and income from education contracts remain the University's largest source of income and saw a 2.4% increase in the year from £85.7 million in 2022–2023 to £87.8 million in 2023–2024. Due to the very flexible offering for distance learning offered to our students in terms of speed of progression through the required modules, we measure student numbers by recording whether they made a financial transaction with us during

## How the University earns its income



## How the University spends its income







Total expenditure disclosed in the Consolidated Statement of Comprehensive Income decreased by £8.4 million from £184.5 million in 2022–2023 to

**£176.1 million** in 2023–2024.

the year. These ‘financially active’ students count towards our overall student numbers. Our transnational education programmes attracted 39,279 students in 2023–2024, a 3% decrease on the prior year number of 40,692. The impact of lower student numbers was somewhat mitigated by higher spend per student, with average modules purchased in line with last year and more assessments and exams purchased than forecast.

Our second largest income source is our estate and property services where income grew by 15% from £52.6 million in 2022–2023 to £60.5 million in 2023–2024. Our halls of residence achieved 99% student occupancy throughout the year, providing 3,591 bedspaces across eight buildings, mostly in Bloomsbury. Our conferencing business based in Senate and Stewart Houses, continued to grow, benefitting from new conference booking software, and generated £1.7m income for the year. Our café based in the Senate House basement broke even for the first time this year, achieving £0.5m sales.

Funding body grants decreased by 8% and research grants and contracts decreased by 12%. Together our grant income from all sources was £11.3 million in 2023–2024, down from £12.3 million in 2022–2023. These figures include our core grant from Research England and HESA funds from the OfS of £0.7m. The year on year decrease is due to a proportion of our core grant deferred to 2024–2025 due to the timing of some projects funded by that grant.

Our 17 Federation Members paid £10.4 million subscription fees to the University for the provision of a wide range of services, totalling

5% of our total income. This is a reduction from last year, largely arising from changes in the way our Careers Service is provided.

Other income, which includes income generated from services provided to education establishments other than the federation members of the University, has decreased by 9% to £28.6 million in 2023–2024 from £31.5 million in 2022–2023.

Investment income largely relates to the income arising on the trusts and endowments administered by the University on behalf of the donors and beneficiaries; income stayed flat at £12.1 million year on year with a drop in endowments being offset by the increase in interest receivable. Donation income increased by £4.3 million to £6.1 million, driven by the Warburg and Fischer Family donations.

## Expenditure

Total expenditure disclosed in the Consolidated Statement of Comprehensive Income decreased by £8.4 million from £184.5 million in 2022–2023 to £176.1 million in 2023–2024. This was primarily driven by a £31.1 million credit adjustment associated with the USS pension provision in 2023–2024. Excluding the impact of this adjustment, expenditure year on year increased £8.5 million from £198.7 million in 2022–2023 to £207.2 million in 2023–2024.

Staff costs rose £1.2 million from £65.3 million in 2022–2023 to £66.5 million in 2023–2024. This increase is explained by the annual pay award in 2023–2024 and a net increase of 49 full-time equivalent staff (FTE).



The University has committed £12 million to fund the enabling work that will lay the foundation for Senate House Library to become a next-generation, high-quality research library accessible to all.



The cost of delivering our transnational education programmes and post graduate degrees was £95.0 million, an increase of 5% on 2022–2023, predominantly due to rising staff costs and costs associated with sourcing students, as student numbers have remained largely in line with the previous year. Other large areas of spend were premises and residences costs together with catering and conference costs which have increased by £5.9 million to £63.2 million primarily due to higher levels of activity. Administration and central services rose by £0.7 million to £36.8 million in 2023–2024. Depreciation costs increased by £1.4 million to £8.3 million due mainly to investment in our technology estate last year to improve the student experience.

## Capital investment

The University's estate is largely contained within the Bloomsbury area of London and comprises around 150 buildings, being a mix of student halls of residence, private lettings,

libraries, gardens and commercial properties as well as our office buildings. Much of the estate is of historic significance which increases maintenance and upkeep costs, and continued investment is necessary to meet our obligations to these landmark buildings and increase their energy efficiency. Total capital expenditure in 2023–2024 was £24.0 million.

The most notable project this year was the completion of the Warburg Renaissance Project; this multi-year £15 million project was funded through investment from the University of London alongside more than £6 million of philanthropic donations. Non-profit foundation the Hermann Reemtsma Stiftung was the lead donor for the project, and in recognition of its substantial gift, the new auditorium in the courtyard will be named after its founder. Other features named for donors of large gifts include the Kythera Gallery, the Wohl Special Collections Reading Room, the Marie-Louise von Motesiczky Teaching Suite, and the Assetto Creative Practitioners-in-Residence Programme. The Warburg will reopen to the public in





Fixed assets increased during the year by £9.9 million to £633.0 million, primarily driven by the investment in the Warburg Renaissance and power plant replacement projects.

October 2024. During 2023–2024 £6.5 million was spent to complete the construction.

Another significant project that progressed this year is one that will contribute to the local area and enhance both the student and staff experience. The University has committed £12 million to fund the enabling work that will lay the foundation for Senate House Library to become a next-generation, high-quality research library accessible to all. During 2023–2024 £2.6 million was spent on this project, with the completion of all the works and purchasing of new e-resources expected next year.

We also progressed our carbon reduction project to replace our ageing power plant. During 2023–2024 UK Power Network enabling works commenced, costing a total of £3.1 million. These works will continue into 2024–2025; this element of the project is funded by a £7.0 million grant, with £2.5m received during 2023–2024. The project is shared with two other consortium members, SOAS and UCL.

We invested in our academic programmes during the year, spending £0.4 million on academic enhancements and £2.1 million on new technology to improve the student experience and grow student numbers through better marketing.

### Non current assets

Fixed assets increased during the year by £9.9 million to £633.0 million, primarily driven by the investment in the Warburg Renaissance and power plant replacement projects.

The University investment properties have been subject to a professional valuation as at 31 July 2024 undertaken by Knight Frank, Chartered Surveyors. The valuation exercise resulted in the carrying value of our investment properties of £51.7 million, an increase of £0.5 million on the prior year.

### Endowment asset investments

The University is responsible for administering around 120 endowment and trust funds and ensuring that beneficiaries receive the funds due to them. These funds are invested in the Unified Trust Fund (UTF) which is overseen by the Investment Committee. The fund investment strategy is set by the Committee and provides for a balance between income and capital growth with a medium level of risk over the longer term. The primary objective is to achieve a total return, including dividends, interest, rent or other income and capital appreciation, of Consumer Price Index +4% per annum, gross of fees, over a rolling five-year period. The investment strategy splits the fund into three distinct portfolios: Equities 80%, Absolute Return Multi Asset Fund 9% and Property Fund 11%. A new investment strategy was agreed during 2023–2024 and the transition of the funds to the new fund managers and new investment strategy is underway. As part of the transition, we divested from our property holdings during 2023–2024.

The value of the University's endowment investment in the Unified Trust Fund increased in the year by £7.8 million from £114.3m to £122.1

million, primarily due to the higher dividend paid to beneficiaries and some underperformance in our equity holdings. The fund performed slightly ahead of benchmark on a net of fees basis over the year. The performance of the combined fund holdings during 2023–2024 was 0.6% compared to the benchmark target of 0.0%, and the returns since inception were slightly ahead of benchmark at 8.6% (benchmark 8.5%). The benchmarks for the fund reflect the asset holdings and the associated market conditions.

## Treasury management

The University's surplus cash is invested with a number of approved counterparties in accordance with the University's treasury policy counterparty limit and credit ratings. The University has no free-standing swaps or derivatives. All borrowings are in sterling and not exposed to currency risk.

The treasury policy requires the University to maintain sufficient liquidity to cover 18 months' forecast net cash requirements. At the year-end liquidity was sufficient to cover forecast net cash requirements for more than 18 months. The University will continue to monitor the impact of inflation, increased interest rates and pressures on our cost base to ensure it has sufficient liquidity to meet the policy requirement.

## Long-term loans

The Board of Trustees approves the treasury policy and key targets for treasury management. The University's policy is to have between 75% and 100% of its borrowings at fixed rates of interest. At the year end, 100% of the University's borrowings were at a fixed rate (2023: 100%). The fixed interest rate at the year-end was 5.095% and relates to the embedded fixed rate loan

on NatWest long-term debt. The University's facility agreements require compliance with a number of financial covenants. On 31 July 2024 all covenants were met.

## Pensions

The provision for the University's share of the USS pension deficit decreased from £31.1 million to £0.0 million due to the scheme returning to surplus following the triennial valuation in March 2023.

## Reserves

As at 31 July 2024, the University's net assets had increased by £37.1 million to £787.7 million mainly due to the increased income noted above and the USS pension provision release. Other notable movements include £17.9 million reduction in cash primarily due to spend on capital investments.

## Cash flow and liquidity

The University's cash position remains strong, reducing by £17.9 million year on year and closing at £89.1 million. This cash is mainly held in money market funds and fixed term deposit accounts, generating a return of average 4% over the year.

The University generated a net cash deficit from operating activities of £1.2 million during 2023–2024, compared to the previous year's net cash surplus of £3.7 million. Liquidity is further supported by the £50 million five-year revolving credit facility put in place with Lloyds in March 2023 as part of a refinancing of other loans; there were no drawings from this facility as at 31 July 2024. This balance of cash and cash equivalents at 31 July 2024 represents 185.0 days of expenditure, down from 208.9 in 2022–2023.



# Going Concern

The University Executive Group, Audit and Risk Assurance Committee and Board of Trustees have considered the going concern status of the University and are confident it is, and will continue to be, a going concern for the foreseeable future (defined as a period of at least 12 months from the approval date of these accounts).

These accounts have therefore been prepared on a going concern basis.

In coming to this conclusion, the University Executive Group and Board have taken the following actions:

- Prepared detailed income and expenditure and cash flow budgets and forecasts for the 2024–2025 financial year, with due regard to the sensitivity of income to student numbers and occupancy in our student halls of residence.
- Prepared prudent income and expenditure, cash flow and balance sheet forecasts for a period of 10 years.
- Calculated and reviewed debt covenants on both an actual and forecast basis 10 years from the balance sheet date, to ensure it will not breach them based upon the University's financial strategy and plan.
- Reverse stress tested the University in a number of scenarios to see under what circumstances it would face an existential risk, such that would lead to a breach of debt covenants and devised a mitigation plan for these circumstances.

- Had all budgets and forecasts scrutinised by the University's Finance Committee which has expert independent members.
- Considered the solvency and liquidity position of the University and the availability to it of credit facility and debt finance as required.
- Considered the severe but plausible downsides the University may be faced with in the foreseeable future and stress tested these against the cashflow forecasts.

We recognise that income growth is necessary to absorb rising costs especially those over which we have limited control, and preparing for that growth forms the basis of our future plans. Our income growth plans will also support the future financial sustainability of the University for the long term. The University's strong and improving financial position puts us in the best possible place to mitigate external shocks.

## Plausible downside scenario

The assumptions we included in our plausible downside scenarios are set out below and, when combined in the base case, did not cause concern in the medium term given the University's significant cash balance.

- Worldwide student numbers miss the target by 1,000 students, reducing income by £2.4m.
- Halls of residence occupancy down by 9% (from 99% to 90%).
- Cost inflation at 5% in 2024–2025 and 2025–2026 compared to 2.3% in our base plan.

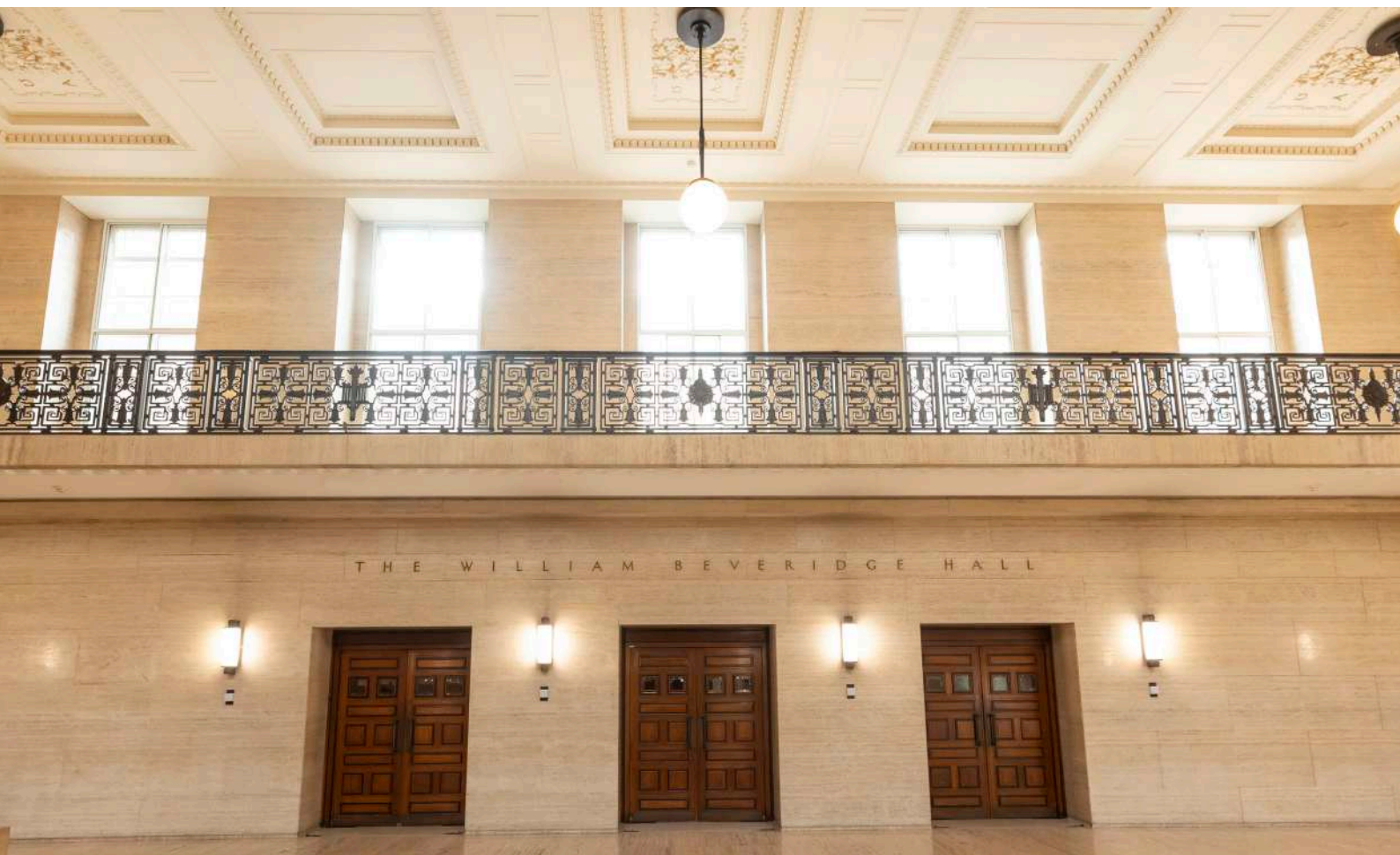
- Commercial income down by 5%.
- Salary costs increasing by 2.5% in 2025–2026, and removal of all staff related efficiency savings included in the forecast.

The University will nonetheless take necessary mitigating actions to ensure that the impact of any downside scenario is properly managed, and its impact does not threaten the University's business model, performance or existence as a going concern.

After reviewing the base case forecast, the plausible downside scenarios and the mitigations available to the University in response to these scenarios, the Board of Trustees is of the opinion that the Group and parent University will have sufficient funds to meet their liabilities as they fall due over the 12-month period from the date of approval of the Financial Statements, and have adequate resources to continue in

existence for the foreseeable future (the going concern assessment period). The University has a range of mitigations that can be used to ensure compliance with all covenants. Periodic forecasts and updates to the financial plan enable continuous monitoring of performance against pre-determined internal Golden Rules to ensure prompt, appropriate, and timely mitigating actions are undertaken as necessary. The University has sufficient cash and an undrawn borrowing facility to meet ongoing obligations for the next two years.

The outlook for the University is positive. The University's strategy is focused, clear and purposeful, and is well-positioned in the competitive world of increased digitisation and online education. The University is underpinned by a strong balance sheet, ample liquidity and diverse income streams, providing resilience despite global uncertainties.



# Fundraising Regulation

As part of our commitment to the Charities (Protection and Social Investment) Act 2016, the statement below outlines how the University undertakes its fundraising activities. This includes ensuring our community has clarity on a number of issues outlined in the Act.

**What is the approach taken by the University for the purpose of fundraising, and in particular whether a professional fundraiser or commercial participator carried out any of those activities?**

The University of London directly employs a team of fundraising professionals to engage with, and seek donations from: trusts and foundations, corporations, alumni and other individuals who have an interest in the work of the University. In 2023–2024 these fundraising campaigns were carried out to advance and support the University's mission and included digital appeals and individual fundraising.

**Was the University or any person acting on its behalf subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising, in respect of activities on behalf of the University, and, if so, what scheme or standard?**

The University of London is governed by the Fundraising Code of Practice and subscribes to the Fundraising Regulator. The University regularly reviews its practices against the Code

of Fundraising Practice to ensure continued robust compliance with the Code and is subscribed to the Fundraising Preference Service. The University is also an active member of the Council for the Advancement and Support of Education (CASE) and it maintains involvement with the Chartered Institute of Fundraising (CioF) to help ensure best practice on an ongoing basis.

**Was there any failure to comply with a scheme or standard in the Act?**

The University has not identified, nor been notified of, any failures to comply with the Code of Fundraising Practice, or of any other best practice as noted by CASE, the CioF or the Direct Marketing Association for the purposes of fundraising or engagement.

**Did the University monitor activities carried on by any person on its behalf for the purpose of fundraising and, if so, how did it do so?**

The University has developed guidelines for volunteer fundraisers, in the event that it engages with volunteer fundraisers in future.

**What is the number of complaints received by the University or a person acting on its behalf about activities carried out for the purpose of fundraising?**

The University has a procedure to monitor and address any complaints about fundraising, which is available on our website: [london.ac.uk/support-us/donor-charter/development-office-complaints-procedure](https://london.ac.uk/support-us/donor-charter/development-office-complaints-procedure). In 2023–2024, no complaints about fundraising were raised through this process.





**What does the University do to protect vulnerable people and other members of the public in the course of, or in connection with, such activities?**

The University takes seriously its commitment to ensuring the safety and wellbeing of our staff, constituents and donors. If any member of staff has reason for concern about the potential vulnerability of any constituent or

prospective donor, they will not progress cultivation of that individual until a further assessment can be made. It would never put pressure on any constituent to make a donation. It might suggest alternatives, where appropriate, including, for example, participating in one of our free events or volunteering time to support the University. The University adheres to the CASE Zero Tolerance Pledge.

# Sustainability

## Energy and carbon

In 2023–2024 we achieved a 77% reduction in Scope 1 and 2 carbon emissions against our 2010 baseline.<sup>1</sup> Our Scope 1 and 2 carbon footprint was 3388.2 tonnes CO<sub>2</sub>e in 2023–2024.

Utilities usage has decreased – full details will be set out in our Higher Education Statistics Agency (HESA) reporting and in the 2023–2024 Annual Sustainability Report.

The University is continuing to work on a collaborative project with UCL and SOAS to upgrade the Bloomsbury Heat and Power district heating network, which will see significant reductions in operational emissions when completed. The intention is for the system to derive the majority of its heat supply from air source heat pumps rather than gas. Small enabling works have begun, with phase 1 (which, from the UoL portfolio, covers IALS, Stewart House and the Warburg Institute) due to start in early 2025.

The University has also signed up to a **Net Zero Carbon Supplier Tool** trial since October 2023, so we can have a more complete and accurate understanding of our supply chain-related carbon emissions.

## ISO14001: 2015 – Environmental Management System

The University's Environmental Management System achieved re-accreditation for ISO 14001 in 2023, and we are awaiting the results of our 2024 surveillance checks from the external audit. This certifies that

the institution operates with the highest environmental standards and continually improves its environmental management.

## Waste and resources

Recycling rates on campus have broadly been maintained rather than seeing any significant improvement, from 56% in 2022–2023 to 57% in 2023–2024.<sup>2</sup>

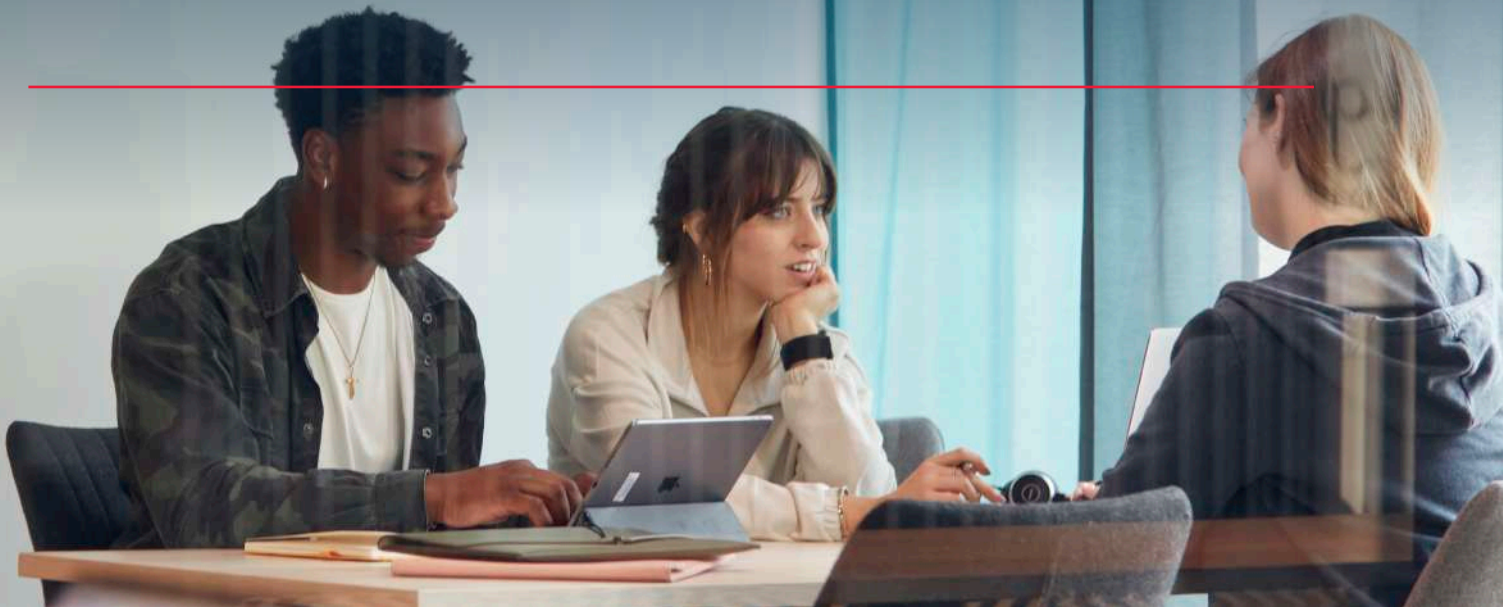
Waste is one of the key priorities for the sustainability team looking forward into the next 12 months. We will be rolling out new signage for all the bins on campus which we hope will aid correct disposal behaviour. In May 2024, we ran an innovative waste awareness campaign over SMS, engaging 170 student and staff participants. Plans are underway to create a Waste A-Z page and work with halls students and staff on delivering educational training.



<sup>1</sup> Based on gas and electric usage data from July 2023–June 2024.

<sup>2</sup> Recycling rate is provided by our waste contractor's portal and is the total recycling rate from all buildings, academic, residential and commercial, where our waste contractor collects waste.

# Public Benefit Statement



## Educating a world class of over 40,000 students

The University of London is the UK's largest provider of international distance and online education. With more than 40,000 students enrolled on our programmes all around the world, we expand the personal, social and economic gain that higher education can offer to people, their families and their nations.

Our students study programmes developed and delivered in partnership with our federation of 17 London-based universities, many of which are among the highest-ranking universities in the world.

Students learn with us, but they live and study where they are. There are currently University of London students located in 190 countries across the globe. The flexibility that our programmes offer means our students can combine their studies with work, caring and other commitments.

## Offering the choice of online learning or in-person study

The pandemic accelerated demand for digital learning, and many of our programmes are delivered exclusively online – like our MSc Cyber Security, supported by academic direction from Royal Holloway, University of London. In the academic year 2023–2024, more than 250 new students enrolled on the programme, joining a world class of almost 400 students in countries including India, Nigeria and Japan.

However, many of our students place value on the opportunity for in-person learning. The University of London currently has 110 Recognised Teaching Centres (RTCs) around the world, with 15 of these having joined the network since July 2023. The centres and their teaching staff are recognised to deliver University of London programmes and provide additional teaching, learning and pastoral support. We are



seeing growing number of students choosing to study through our RTC network, with a 6% growth this academic year. In 2023–2024, over 60% of new students registering on our programmes chose to study through an RTC.

Many RTCs provide a wide range of learning and recreational facilities on campus. For example, the Singapore Institute of Management (SIM), our largest RTC, offers an extensive library, a financial training centre, sports facilities, a wellness centre, and a 400-seat theatre. Extracurricular activities range from sports, arts and culture to student council and career-specific associations, giving students a well-rounded experience while developing their soft skills and employment prospects.



## A law degree valued around the world

Meet Inaya, a student at SZABIST University in Karachi:



“When the time came for me to choose a programme, the University of London caught my attention. The determining factor for me was that I could pursue my LLB without leaving my country and my family behind. It felt as if everything was falling into place for me.”

**Inaya Danish, LLB Law**

Inaya is one of more than 7,000 students in Pakistan currently studying our Undergraduate Laws programmes.

We have been offering the LLB since the 1890s, and it continues to be one of our flagship degrees; almost 16,000 students around the world are now studying Undergraduate Laws with us. Academic direction is provided by a consortium of outstanding law schools from across the federation: King’s College London, LSE, UCL, Birkbeck, SOAS and Queen Mary University of London.

Among the most famous alumni of the University of London LLB is former President of South Africa, Nelson Mandela, who began his distance learning studies from prison in 1962 while awaiting trial and continued them for many of his 27 years of incarceration.

## Investing, evolving and adapting to meet student needs

We are closely attuned to the diverse needs of our student body, and we know that success in this global, dynamic and multicultural context requires adaptability and investment. We have made significant investments this year that will improve both our graduates' prospects and the student experience across the board.

For example, in 2023–24 our online BSc in Psychology, which receives academic direction from King's College London and currently has around 540 students, secured accreditation by the British Psychological Society. Thanks to this accreditation, students who successfully complete the programme will qualify for the Graduate Basis for Chartered Membership of the Society, an essential stepping stone for those looking to become a chartered psychologist.

We also introduced systems which will help us to respond more efficiently to student enquiries, and we invested in a new online platform that will make it easier for our students to provide evidence of their academic achievements. From early 2025, all current students and alumni will be able to access their digitally certified academic achievements such as transcripts and diplomas and share these with third parties, such as potential employers, without needing to contact the University. This fast, reliable and assured access to information will improve our students' ability to compete for roles in a global employment market.

## A federation adapting to modern times

The University of London is a federation of 17 renowned higher education institutions that are delivering world-leading research and education across all disciplines. The federation brings together more than 250,000 learners and 50,000 staff. The University's federation members are independent institutions and vary in size and subject expertise. By fostering collaboration, providing support and services, and by mobilising the collective power and expertise of this unique federation, the University of London is able to fulfil its mission to increase access to education, champion research excellence and deliver social good.

This year the University of London federation welcomed a new member institution. Brunel, University of London, as it will now be known, is ranked among the UK's top institutions internationally and will further enhance the strong global outlook of the federation. Brunel's impressive education and research portfolio, particularly in engineering and sciences, will enable the federation to achieve even greater impact across London





and beyond. Its strong ties to west London communities and industries will also expand the federation's civic reach, allowing it to increase engagement with that part of the capital.

Meanwhile, federation members St George's University of London and City, University of London have merged to create a powerful multi-faculty institution with a distinctive focus on professional education and research at the frontier of practice. The University, which is now known as City St George's, University of London, is one of the most significant suppliers of the health workforce in London, as well as one of the largest higher education destinations for London students.

The University is expanding our support and building new collaborations to add value to our federation members. This includes growing new transnational education partnerships, enhancing study spaces and accommodation for students, developing a new collaboration hub and through the transformation of Senate House Library – an important federal resource.

### Advocating for the humanities

The University of London's School of Advanced Study (SAS) is a powerful champion for the arts and humanities and their contribution to our culture and society, playing a key national role to supporting these essential disciplines.

Celebrating its 30th anniversary this year, the School advocates for the community and its disciplines and promotes and facilitates research and public engagement. By advancing rigorous academic research and fostering interdisciplinary dialogue, SAS illuminates the vital role that the humanities play in enriching our cultural, intellectual, and ethical landscapes.

Through its work, the School is recognised to be the UK's home of the humanities, and in 2024 secured a further five years of funding from Research England.



Activities driven by the School include research training, fellowships, events, capacity building, pioneering new models, generating insights, delivering special projects and initiatives, convening and networking functions, publishing, and other activities.

One of the School's most significant projects is Being Human Festival, the UK's national festival of the humanities. In November 2023, 279 free public engagement events took place across the UK as part of the festival. Events were led by staff and humanities researchers from 63 universities and research organisations, in partnership with 294 community and cultural partners. Events took place in 49 different towns and cities, with regional Festival Hubs located in Colchester, Canterbury, Nottingham, Liverpool and Cardiff.

The School of Advanced Study is made up of eight Institutes, including the recently relaunched Institute of Commonwealth Studies, which had a significant presence at the 21st Commonwealth Heads of Government Meeting held in Samoa in October 2024. The School's involvement in this international meeting reflects its renewed vision to tackle the global challenges that confront the modern Commonwealth and the rest of the world.



The Warburg Institute achieved an important milestone this year. The Institute, renowned for its study of global cultural history and the role of images in society, celebrated the completion of a £15 million renovation of its central London home within the University of London Bloomsbury estate. The renovation project, known as the ‘Warburg Renaissance’, opens up the Institute’s holdings and expertise to new audiences. The space includes a new public gallery and 110-seat auditorium specially built for lectures, film screenings and more.

## Serving communities in the heart of the Capital

The University is proud to be located in Bloomsbury, at the centre of a great global city, intertwined with London’s diverse communities.

Our iconic main building, Senate House, was informed by a vision to create a knowledge cluster in the heart of London that would be visible and accessible to all. This year the University held an exhibition to celebrate the vision of Charles Holden, the architect of Senate House – home to the University of London since 1936.

This vision has informed the University’s emerging estates plan which seeks to reimagine the University of London’s estate as a University Quarter: a thriving London neighbourhood which will continue to support academic excellence and the University’s global reach. This ambitious approach is driven by the needs of our federation members and our international and local communities who study, research, teach, live and work with and alongside us.

Among those who live and study on our 400,000-square metre estate are students who are registered to study with our federation member universities. We provide around 3,600 bed spaces, offering a home from home in the heart of London.

As part of our commitment to supporting our students who study with us and those who live in our halls, last year we, along with 95 other universities, joined the University Mental Health Charter programme. Joining the programme is a commitment to prioritise mental health and wellbeing at all levels. This includes implementing measures to raise awareness, reduce stigma and provide support for those who may be struggling with their mental health.

This year we undertook the initial phase of refurbishments to common spaces across our halls of residence. The work was informed by feedback from students and includes the creation of new and re-imagined social spaces. Old-style common rooms have been replaced with purposeful social spaces that cater to modern needs and interests, such as a yoga studio, video games suite and music room. A similarly ambitious bedroom upgrade for Connaught Hall is already planned, with a pilot being successfully delivered in summer 2024.

After decades of use by University College London Hospital and Notting Hill Genesis, the Bonham Carter and Warwickshire House buildings were returned to us in 2022. We have embarked upon a significant refurbishment and modernisation of these buildings that will benefit future student residents.

The London Research and Policy Partnership (LRaPP) reached its third anniversary in 2023–2024. The Partnership brings together London’s government and Higher Education institutions to promote joint working between research and policy communities. The Partnership is supported by the Mayor of London and London Councils and the Board is chaired by the University of London’s Vice-Chancellor. Its purpose is to build long-term sustainable relationships between academic researchers and policymakers, sharing knowledge, skills and resources to tackle some of London’s biggest challenges.



In June 2024, LRaPP launched the London Universities Knowledge Mobilisers Engagement Network (LUMEN), with 'knowledge mobilisers' defined as those working in research and/or policy roles at a university who are seeking to amplify the research capabilities of their institution. LUMEN aims to help build bridges for policy impact by improving the collaboration and communication between London policymakers and researchers.

Our international remit means that, over the course of a year, University of London will welcome guests from all over the world to Senate House. We will also host guests from the UK's higher education sector; this year over 300 people working in higher education attended our inaugural Festival of Higher Education, run in partnership with the HE media platform and commentator WonkHE.

We recognise that with our global role comes local responsibilities. This year we were delighted to open our doors to residents of our borough, the London Borough of Camden, as

the venue for the Apprenticeship Recruitment Fair. We were joined by some of our federation members and supported by both the Camden Apprenticeships team and LDN Apprenticeships.

This year the University offered seven new Business Administration apprenticeship opportunities, with five being taken up by local Camden residents and two being filled by existing colleagues seeking to change direction in their careers. These new apprenticeships brought the total number of apprentices in training across the University to 18.

The University is supporting a further six apprentices at five London-based SMEs through levy transfer totalling £71,000 over the next 18 months. For the first time ever, we also provided space for a Polling Station for the UK's General Election in July 2024.

## The next chapter

The University of London is the custodian of Senate House Library, one of the UK's largest academic libraries for arts, humanities and social sciences. The Library provides a world-class educational and research environment for students and researchers in the arts, humanities and social sciences, as well as and their collaborators and research partners studying and working in the UK and across the globe.

In addition to a Special Collections Reading Room, Reading Room and study spaces, an Online Library provides access to online books, e-journals and databases for our 40,000 distance learning students. Through the Virtual Reading Room service, researchers can consult our Special Collections and Archives remotely, from wherever in the world they are based.

We are now midway through the first phase of a transformation programme to create a next-generation, high-quality research library that is accessible to, and will meet the future

needs of students, arts and humanities researchers and academics in the UK, across the federation and around the world.

The academic year 2023–2024 marks the penultimate year of our five-year strategy. Through the strategy we have changed, we have adapted and we have invested, with many of the initiatives outlined in the strategy now coming to fruition. We continue to strive to add value to our federation member institutions, provide access to high quality education to a global community of student and be a powerful advocate for the humanities.

Our efforts provide the foundation to build new ambitions around teaching and learning support; the influence and impact that our unique federation of 17 universities can have for the communities we individually and collectively serve; for our role as the national home of the humanities; and how we will continue to ensure that our estate meets the current and future needs of its users.

## Legal changes to federation members following the University of London Act 2018

In 2016 The University of London Federation was made up of fully autonomous higher education providers constituted as legal entities and for the most part with their own Degree Awarding Powers. However, due to the provisions of the University of London Act 1994 member institutions of the federation were ‘Colleges’ of the University and could not hold ‘University’ title nor could their Chief Executives use the term Vice-Chancellor. It was also the case that changes to the governance of the University were significantly dependent on the agreement of the majority of the federation.

The University and the Board of Trustees agreed changes to the University of London Act to better reflect the federation and its relationships and the autonomy of both the University and its constituent members. The act was finally passed in 2018 and 12 of the Colleges of the University indicated that they would now seek University title.

Since the passing of the Act – the following federation members have all sought and gained University title: Birkbeck College, UCL, Kings College London, Goldsmiths’ College, The London School of Economics and Political Science, Queen Mary University of London, City University, Royal Holloway and Bedford New College, The Royal Veterinary College, The School of Oriental and African Studies. The London School of Hygiene & Tropical Medicine is expected to gain University title in 2024–2025. City St George’s University of London will also have university title in its new form.





# New Appointments



**Phil Allmendinger** has joined the University as Pro Vice-Chancellor (PVC) Education. Phil served as Deputy Vice-Chancellor and a Head of School (Dean) of the

Humanities and Social Sciences at the University of Cambridge and Deputy Vice-Chancellor at the University of Bath. He has most recently been the Chief Academic Officer at Forward College, Paris, one of the University's Recognised Teaching Centres. Alongside his leadership roles, Phil remains active in research and teaching. His most recent book, *The Forgotten City*, was published in 2021 and he is updating his *Planning Theory* book for its fourth edition.



**Billy Reed** has joined the University of London as Director of Student Services. Prior to this, he was Head of Student Journey at the University of Law, where he was

involved in overseeing and enhancing the entire experience of students from their initial contact with the institution through to graduation, as well as developing and implementing strategies to improve the student experience, ensuring alignment with the University's goals and objectives. Billy has also worked in various roles at King's College London, from Associate Deputy Director of Widening Participation, Widening Participation Manager, to Student Experience Manager at the Dickson Poon School of Law.



**Jamel Lee** has joined the University as Director of Residential Services. Before joining the University, Jamel was Head of Accommodation Services at the University

of Greenwich, where his role involved leading and developing a high-performing team, including recruitment, training and performance management, as well as working closely with other university departments, external partners and stakeholders to enhance the quality and efficiency of accommodation services. Jamel was also Operations Manager at Nido Student for several years, where he was responsible for the operational performance and management of all assets managed by Nido Student.



**Janie Kingsley** has joined the University as Director of Global Business Development. Janie joins us from the University of Portsmouth, where she served as Director of Global. She previously worked in

senior leadership positions at the University of Sussex and the University of Kent. Janie has spent the last 22 years working for universities in the UK and the Far East, with a track record of student engagement, team building, structural refinement and surplus maximisation. She has a wealth of experience in sustainable student recruitment, mobility, partnership, transnational education, admissions and marketing in the global context. As a graduate of the IOE, Janie is passionate about higher education and its mission to transform lives through knowledge, advance societal development and leverage intellectual connections.

# Corporate Governance Statement

The following statement is given to assist readers of these Financial Statements in understanding the governance arrangements of the University. It covers the period from 1 August 2023 to 31 July 2024 and up to the date of approval of the Financial Statements on 27 November 2024.

## **The University endeavours to conduct its business:**

- in accordance with the seven Nolan Principles of Public Life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership
- in line with the public interest governance principles and the conditions of registration defined by the Office for Students (OfS)
- in accordance with The Higher Education Code of Governance (September 2020).

The University is an exempt charity under Schedule 3 of the Charities Act 2011 and is regulated by the Office for Students (OfS). The University appears on the OfS's Register of officially recognised higher education providers. The members of the Board of Trustees, as the charity trustees of the University, confirm that they have complied with the duty in the Charities Act 2011 and Charities (Protection and Social Investment) Act 2016 in having due regard to the public benefit guidance published by the Charity Commission for England and Wales. The Public Benefit Statement section provides details of the reasons for this confirmation.

## **The Board of Trustees confirms that during the year ended 31 July 2024:**

- funds from whatever source administered by the higher education institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation
- funds provided by the OfS and Research England have been applied in accordance with the Terms and Conditions of Funding and any other terms and conditions attached to them
- the requirements of the OfS's accounts direction have been met.

The University is an independent statutory corporation which was incorporated originally by Royal Charter in 1836 and is now incorporated by Royal Charter granted in 1863. It is governed by the University of London Act 2018 and its Statutes, which set out its objects, powers and framework of governance. The University's Statutes were updated in 2024, and formal approval was granted by the Privy Council in April 2024.

The University of London is a federal university and, in addition to its own activities which are detailed in these Financial Statements, comprises a further 17 federation members, each of which is itself a higher education institution, a charity and a self-governing incorporated body with its own legal identity.

The University's Board of Trustees, the governing and executive body of the University, comprises: 11 appointed independent persons, all of whom

are non-executive; a student member,<sup>1</sup> also non-executive; the Vice-Chancellor; the Deputy Vice-Chancellor; and four heads of federation members, approved by the Collegiate Council.

The role of the Chair of the Board of Trustees is separated from the role of the University's chief executive, the Vice-Chancellor. The powers of the Board of Trustees are set out in the Statutes and Ordinances of the University. The Board of Trustees, which normally meets six times a year, holds to itself, inter alia, responsibility for the ongoing strategic direction of the University; oversight of compliance with the OfS's ongoing conditions of registration and terms and conditions of funding; management of strategic risks; approval of major developments; and receipt of regular reports from its committees and annually on wholly owned subsidiaries.

The Board of Trustees is supported by the Collegiate Council, the membership of which includes the heads of the 17 federation members of the University, the Vice-Chancellor and the Deputy Vice-Chancellor.

The Collegiate Council is chaired by the Vice-Chancellor. The Collegiate Council provides advice and recommendations to the Board of Trustees on how the University supports the interests of the federation members in pursuit of its charitable objects. The Collegiate Council has a particular focus on ensuring the University continues to meet its strategic objective to serve, support and add value to its federation members.

The **University's Statutes** provide that the Board of Trustees shall appoint an Audit and Risk Assurance Committee; and that the Board of Trustees and the Collegiate Council may each, from time to time, establish additional

standing, special and advisory committees, sub-committees or boards. The committees which the Board of Trustees has established, and which operated during the year ended 31 July 2024, in addition to the Audit and Risk Assurance Committee, are the Academic Board, the Estates Committee, the Finance Committee, the Investments Committee and the Remuneration Committee, as well as the Nominations and Governance Committee, Academic Promotions and Titles Committee, the Honorary Degrees and Fellowships Committee, the Equality and Inclusion Committee, and the Health and Safety Committee. All of these committees are formally constituted with terms of reference and include members drawn from the membership of the Board of Trustees.

The University undertook a major review of its governance in 2020, with a final report approved by the Board of Trustees in July 2020. The changes arising from this review have helped ensure that the University's governance arrangements are fit for purpose and support the effective delivery of the University's Strategic Plan for 2020–2025. Further to the recommendations of the Governance Review, and also in the light of the recent experience of federation members in reviewing their governing instruments, and changes of legislation and the regulatory environment, the University has reviewed and amended its Statutes and Ordinances. Approval of the revised Statutes was received from the Privy Council on 19 April 2024.

The **Academic Board** is responsible for the academic work of the University in teaching, examining and research, and any major issues of general policy affecting the academic life of the University and its development. The Academic Board is responsible for monitoring and upholding the academic standards of the University. The Academic Board provides assurance to the Board of Trustees that

<sup>1</sup>A student member was appointed to the Board of Trustees on 1 August 2023. The member attended all meetings, but did not have formal trustee responsibilities until the revised University Statutes were formally approved by the Privy Council on 19 April 2024.



the arrangements for the management of academic quality assurance and quality of the student experience are robust and appropriate, and that the University's academic strategic objectives are being met.

The **Audit and Risk Assurance Committee**, which meets at least four times a year, is responsible for providing assurance to the Board of Trustees in regard to the University's ongoing conditions of registration with the OfS, provides oversight of the University's management of strategic and significant operational risks, meets with the external auditors to discuss audit findings and with the internal auditors to consider their detailed internal audit reports and recommendations for the improvement of the University's systems of internal control, together with management's responses and implementation plans.

The Audit and Risk Assurance Committee also monitors adherence to regulatory requirements and considers reports from the OfS as they affect the University's activities. The Committee advises the Board of Trustees on the appointment and remuneration of the external and internal auditors, with whom it meets for independent discussions. It also considers ethical issues around proposed donations to the University. Although senior executives attend the meetings of the Committee as necessary, they are not members of the Committee. The Committee examines the University's annual report and annual Financial Statements together with the accounting policies before recommendation to the Board of Trustees for approval.

The **Estates Committee** is responsible for a number of estates-related matters and also advises the Board of Trustees on matters relating to the University's Estate, including specific capital projects and wider estates strategy.

The **Equality and Inclusion Committee** seeks to promote equality and diversity among staff and students. Its responsibilities include developing and ensuring implementation of the University's Diversity and Inclusion Strategy and related policies, monitoring and making recommendations in response to developments in legislation and reporting to the Board of Trustees on developments in relation to equality, diversity and inclusion, and how we act in accordance with our Public Sector Equality Duties.

The **Finance Committee** is responsible for safeguarding and realising the value of the University's assets for the medium and long term, for recommending annual budgets to the Board of Trustees and for advising the Board of Trustees on matters of financial sustainability and significant capital expenditure. The Finance Committee also considers, and recommends to the Board of Trustees, comprehensive Financial Regulations for the conduct of the financial affairs of the University.

The **Honorary Degrees and Fellowships Committee** is responsible for recommending nominations for honorary degrees and fellowships to the Board of Trustees.

The **Investments Committee** is responsible for matters relating to the investments of the University and its trust funds, including recommending to the Board of Trustees the appointment of investment managers.

The **Health and Safety Committee** provides strategic health and safety leadership to the University and assurance to the Board of Trustees of robust safe working practices across the University. It agrees and monitors the University's safety objectives and safety Key Performance Indicators and reviews and recommends to the Board of Trustees the University's Health and Safety Policy. It also

has responsibility for considering strategic health and safety issues arising for the University, advising the Board of Trustees of key risks and for ensuring that the University's procedures and safe systems of work are in compliance with agreed University policy.

The **Nominations and Governance Committee** is responsible for succession planning and considers nominations for independent vacancies on the Board of Trustees. In line with the University's commitment to access and equal opportunities, the Committee seeks to achieve a balance of membership on the Board of Trustees in terms of skills, different lived experiences and benefits that diversity can bring to a university that is truly global. These are important considerations for the Committee in selecting members of the Board of Trustees. Vacancies are advertised openly and appropriately. During 2023-2024 the Committee appointed

two panels to oversee the recruitment and nomination of five new independent trustees and a new Chair of the Board. The Committee also recommends appointments to committees of the Board of Trustees.

The **Remuneration Committee** determines the remuneration of the Vice-Chancellor and other senior staff.

The principal academic and administrative officer of the University is the **Vice-Chancellor**, who is responsible to the Board of Trustees for securing the implementation of the decisions of the Board of Trustees, and for maintaining and promoting the efficiency and good order of the University. The Vice-Chancellor is also, under the OfS Terms and Conditions of Funding, the designated Accountable Officer of the University and, in that capacity, can be summoned to appear before the Public Accounts Committee of the House of Commons.

# Membership and Responsibilities of the Board of Trustees of the University of London

Membership covers the period from 1 August 2023 to 27 November 2024 (unless further details are given under period of office):

Independent Members	From	To
Jane Andrewartha	1 Aug 2023	31 Jul 2024
Paul Boursican	1 Aug 2024	27 Nov 2024
Richard Dearlove (Chair)	1 Aug 2023	31 Jul 2024
Pawan Dhir	1 Aug 2023	27 Nov 2024
Patrick Dunne	1 Aug 2023	30 Apr 2024
Paul Greenwood	1 Aug 2024	27 Nov 2024
Andrew Halper	1 Aug 2023	31 Jul 2024
Craig Hassall	1 Aug 2023	27 Nov 2024
Katie Kopec	1 May 2024	27 Nov 2024
Mark Lowcock (Chair)	1 Aug 2024	27 Nov 2024
Paul Madden	1 Aug 2024	27 Nov 2024
Kieran Murphy	1 Aug 2023	27 Nov 2024
Andrew Ratcliffe	1 Aug 2023	27 Nov 2024
Kavita Reddi	1 Aug 2023	27 Nov 2024
Christopher Rossbach	1 Aug 2023	27 Nov 2024
Leo Schlesinger	1 Aug 2024	27 Nov 2024
Rosalyn Wilton	1 Aug 2023	31 Jul 2024
<b>Student Member</b> (see footnote on page 27)		
Ilsa Tariq	1 Aug 2023	27 Nov 2024
<b>Vice-Chancellor</b>		
Wendy Thomson	1 Aug 2023	27 Nov 2024
<b>Deputy Vice-Chancellor</b>		
David Latchman	1 Aug 2023	27 Nov 2024
<b>Four Heads of federation members, chosen by the Collegiate Council</b>		
Colin Bailey, President and Principal of Queen Mary University of London	1 Aug 2023	27 Nov 2024
Josette Bushell-Mingo, Principal of Royal Central School of Speech and Drama	1 Aug 2023	27 Nov 2024
Frances Corner, Warden of Goldsmiths, University of London	1 Aug 2023	27 Nov 2024
Michael Spence, President and Provost of UCL	1 Aug 2023	27 Nov 2024



## Statement of Board of Trustees' responsibilities in respect of the Financial Statements

The Board of Trustees is responsible for approving the Annual Report and the Financial Statements and ensuring that they have been completed in accordance with the requirements of the OfS Terms and Conditions of Funding for Higher Education Institutions and Research England's Terms and Conditions of Research England Grant and applicable law and regulations.

It is required to prepare the Group and parent University Financial Statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. The Terms and Conditions of Funding further require the Financial Statements to be prepared in accordance with the requirements of the Accounts Direction dated 25 October 2019 issued by the OfS ('the Accounts Direction') and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education.

The Board of Trustees is required to approve Financial Statements which give a true and fair view of the state of affairs of the Group and of the parent University and of their income and expenditure, gains and losses and changes in reserves and of the Group's cash flows for that period. In preparing each of the Group and parent University Financial Statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education have been followed, subject to any material

departures disclosed and explained in the Financial Statements

- assess the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or have no realistic alternative but to do so.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University. It is responsible for such internal control as it determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Board of Trustees is also responsible for:

- ensuring that funds from whatever source administered by the Group or the parent University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation
- ensuring that funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the terms and conditions attached to them
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources

- securing the economical, efficient and effective management of the University's resources and expenditure.

The Board of Trustees is responsible for the maintenance and integrity of the corporate and financial information included on the University's website. UK legislation governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

# Statement of Internal Control by the Board of Trustees of the University of London

As the governing body of the University, we have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible, in accordance with the responsibilities assigned to the Board of Trustees in the University of London 2018 Act, the Statutes and Ordinances, and the OfS Terms and Conditions of Funding.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can, therefore, provide only reasonable, and not absolute, assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31 July 2024 and up to the date of approval of the Financial Statements on 27 November 2024, and accords with OfS guidance. No significant internal control weaknesses or failures were identified in the year.

As the governing body, we have responsibility for reviewing the effectiveness of the system of internal control. The following processes have been established and were carried out during the year ended 31 July 2024:

- We meet regularly (usually on six occasions a year) to consider the plans and strategic direction of the University.

- We receive periodic reports concerning internal control from the Chair of the Audit and Risk Assurance Committee, which also monitors and requires regular reports from managers on the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects.
- The Audit and Risk Assurance Committee receives regular reports from the internal audit service, including its independent opinion on the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement.
- A robust risk prioritisation methodology has been established, building on sector best-practice.
- An organisation-wide risk register is maintained. Risks cover business, operational, compliance and financial risks, and are assessed on likelihood and impact.
- Reports are received from budget holders, department heads and project managers on internal control activities.

The review by the Board of the effectiveness of the system of internal control is informed by the work of the internal auditors, PricewaterhouseCoopers. Our review of the effectiveness of the system of internal control is also informed by the work of the executive managers within the University, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.



# Independent Auditor's Report to the Board of Trustees of the University of London

## Opinion

We have audited the financial statements of the University of London ("the University") for the year ended 31 July 2024 which comprise the Group and University Balance Sheets, the Group and University's Statement of Comprehensive Income, the Group and University's Statements of Changes in Reserves, the Group Cash Flow Statement and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2024, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended; and
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## Going concern

The Board of Trustees has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the University or to cease their operations, and as it has concluded that the Group and the University's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Board of Trustees' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and the University's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Board of Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Board of Trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the University's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the University will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Senior Management and the Audit and Risk Assurance Committee as to the Group’s and University’s high-level policies and procedures to prevent and detect fraud, including the ‘s and University’s channel for “whistleblowing, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board of Trustees, Audit and Risk Assurance Committee, Estates Committee, Finance Committee and Remuneration Committee meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition due to the non-complex revenue recognition criteria, which limits the opportunity to fraudulently manipulate revenue.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue journals posted to unrelated accounts, unusual journal entries in relation to cash and borrowings and material journals posted after the ledger closing date.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the trustees (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation, charities legislation and specific disclosures required by higher education legislation and regulation, including the Accounts Direction issued by the Office for Students, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the

imposition of fines or litigation or the need to include significant provisions. We identified the following area as that most likely to have such an effect: compliance with higher education regulatory requirements of the Office for Students, recognising the regulated nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Other information**

The Board of Trustees is responsible for the other information, which comprises the Foreword from the Vice-Chancellor and

the Chair, University in Numbers, University Executive and the Chancellor, Strategic Report, Financial Review for the Year Ended 31 July 2024, Fundraising Regulation, Sustainability Public Benefit Statement, New Appointments, Corporate Governance Statement, Membership and Responsibility of the Board of Trustees and Statement of Internal Control. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

**Board of Trustees' responsibilities**

As explained more fully in its statement set out on page 30, the Board of Trustees is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and 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 unless it either intends to liquidate the Group or the University or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's



report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We are required to report on the following matters by the Accounts Direction dated 25 October 2019 issued by the Office for Students ("the Accounts Direction").

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the financial statements meet the requirements of the Accounts Direction.

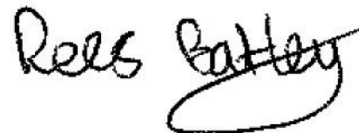
## Matters on which we are required to report by exception

We are also required by the Accounts Direction to report to you where the results of our audit work indicate that the Group's and the University's grant and fee income, as disclosed in note 3 to the financial statements has been materially misstated.

We have nothing to report in these respects.

## THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Board of Trustees in accordance with the Charters and Statutes of the University. Our audit work has been undertaken so that we might state to the Board of Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Board of Trustees for our audit work, for this report, or for the opinions we have formed.



Rees Batley

**for and on behalf of KPMG  
LLP, Statutory Auditor**

*Chartered Accountants*

66 Queen Square  
Bristol  
BS1 4BE  
28th November 2024



# Statement of the University's Principal Accounting Policies

## Nature and location of University

The University of London is a corporation established by Royal Charter in the United Kingdom in 1836. The headquarters of the University and the registered office of its subsidiary undertakings is Senate House, Malet Street, London, WC1E 7HU.

## Basis of preparation

The Group's and parent University's Financial Statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition). They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Royal Charter, the Accounts Direction issued by the Office for Students (OfS), the OfS Terms and Conditions of Funding for Higher Education Institutions and Research England's Terms and Conditions of Research England Grant.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

## Going concern

The Board of Trustees have assessed the Group's and parent University's ability to continue as a going concern by reviewing the financial

forecasts to 2025 and projections for three years thereafter. Sensitivity analysis was undertaken against several scenarios, reflecting the key risks identified by the University and based on the most recent approved assumptions. The University's business plan, taking account of possible changes in performance, shows that the University will be able to operate within its current liquidity position and borrowing facilities, while remaining compliant with existing bank covenants and internal golden rules, throughout the planning period.

Consequently, the Board of Trustees have a reasonable expectation that the Group and University have adequate resources to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the Financial Statements and therefore have prepared the Financial Statements on a going concern basis.

## Basis of accounting

The Financial Statements are prepared under the historical cost convention modified by the revaluation of certain fixed assets and derivative financial instruments.

## Basis of consolidation

The consolidated Financial Statements include the University and subsidiary undertakings. Intra-group sales and profits are eliminated fully on consolidation.

## Related party transactions

The University is partly funded by subscriptions from the federation members and by charges for specific services supplied by the University to federation members. Heads of federation



members are ex officio members of the Collegiate Council. The federation members are not related parties because of their autonomy as independent higher education institutions.

### **Taxation**

The University is an exempt charity under section 22 and Schedule 3 to the Charities Act 2011 and as such is a charitable company within the meaning of Part 11 of the Corporation Tax Act 2010 (CTA). Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the CTA 1990 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied only to charitable purposes.

The University has no similar exemption in respect of Value Added Tax (VAT).

The University's subsidiary companies are subject to corporation tax and VAT in the same way as any commercial organisation.

### **Foreign currencies**

Transactions made in foreign currency are recorded at the weekly rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated into sterling at the year-end rate, and gains and losses arising on translation are dealt with in the Statement of Comprehensive Income.

### **Intangible assets**

Course, website and software development expenditure is charged to the Statement of Comprehensive Income in the year incurred unless it meets the recognition criteria for capitalisation as set out in FRS 102: 18.4 and 18.8H. When the recognition criteria have been met, then such expenditure is capitalised as an intangible asset under construction. When the asset becomes available for use, the expected useful economic life of the asset is estimated, and it is amortised on a straight line basis over

its useful life, with amortisation being an expense in the Statement of Comprehensive Income.

An impairment test is carried out annually and where it is judged that the carrying value of the intangible asset exceeds the likely future economic benefit, then it is written down appropriately. The useful economic life of a new intangible asset does not exceed five years unless there is strong justification for this.

Once the original intangible asset has started being amortised, if there is subsequent development work capitalised on that asset, this will be assessed by management. If it is deemed to be intrinsically related to the original development work capitalised, it will be amortised over the remaining life of the original intangible asset. If it is deemed to represent future economic benefit separate to that of the original development work, it will be capitalised separately and amortised over the new asset's useful life.

The useful economic lives of the intangible assets are as follows:

- Course development: 5 years
- Website development: 5 years
- Software: 5 years.

### **Tangible fixed assets**

Tangible fixed assets are operational assets whose risks and rewards belong to the University of London. These consist of both assets owned by the University and assets held by the University on a finance lease where the University is the lessee. Costs include the purchase price, irrecoverable VAT and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Refurbishment costs incurred in relation to buildings after initial measurement are capitalised to the extent that they increase the expected future economic benefits of the asset in question to the University. Assets which are let out on finance leases where the University is the lessor and investment property are excluded.

## Property

The University has the following classes of property assets and bases of recognition:

- Freehold land: Recognised at fair value as deemed cost (i.e. fair value at 1 August 2014) and not depreciated due to its infinite useful economic life.
- Freehold buildings and refurbishment: Buildings, including any refurbishment prior to 1 August 2014, are recognised at fair value as deemed cost (fair value at 1 August 2014) and depreciated to their estimated residual value over the useful economic life of the asset. Building additions subsequent to 1 August 2014 are recognised at cost and depreciated over the useful economic life of the building. Capital refurbishment subsequent to 1 August 2014, other than separately identifiable items of plant and equipment, to the extent that it increases future economic benefit to the University, is recognised at cost and depreciated over the useful economic life of the refurbishment asset.
- Long leasehold buildings and refurbishment: Buildings held on a finance lease where the University is the lessee are recognised at inception of the lease as the lower of (i) the fair value of the building, and (ii) the present value of the minimum lease payments. This is depreciated over the lower of the useful economic life of the asset and the lease term. Capital refurbishment other than separately identifiable items of plant and equipment, to the extent that it increases future economic benefit to the University, is recognised at cost and depreciated over the useful economic life of the refurbishment asset.

The useful economic lives of the property assets are as follows:

- Land: infinite
- Buildings: 100 years
- Refurbishment costs: 3–20 years.

## Assets under construction

Assets under construction are not depreciated. A quarterly review of assets under construction is undertaken to assess whether the assets under construction are available for use, at which point they become depreciable assets and are reclassified appropriately.

## Plant and equipment

Single items and bulk purchases of plant and equipment costing £10,000 or more are capitalised as plant and equipment assets. Capitalised assets are depreciated over their useful economic life. Single items under £10,000 are written off in the year of acquisition.

The useful economic lives of the plant and equipment assets are as follows:

- Motor vehicles: 3 years
- Computing equipment: 3–5 years
- Boats and boating equipment: 10–25 years
- Other plant and machinery: 5–20 years.

In cases where the asset class has a potential range of useful economic lives, the assets are assessed on an individual basis and assigned the most appropriate useful economic life from within that range.

## Borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

## Leases: University as lessee

When the University enters into any lease agreements as lessee, the lease is reviewed. If there are any indicators of a finance lease implicit in the lease as set out in FRS 102: 20, the lease is evaluated against the criteria to assess whether it is a finance lease or an operating lease.

## Finance lease

When a lease is deemed to be a finance lease, the associated asset is recognised as

an asset of the University of London. The amount recognised is the lower of the fair value and the present value of minimum lease payments at the time of the inception of the lease. This is then depreciated over the lower of the life of the lease and the useful economic life of the asset class to which it belongs.

### **Operating lease**

When a lease is deemed to be an operating lease, the cost of lease payments and the reduction of cost of any lease incentives are recognised on a straight-line basis over the life of the lease. The leased asset is not recognised as the University's asset.

### **Leases: University as lessor**

When an asset owned by the University of London is let out, the lease is reviewed. If there are any indicators of a finance lease implicit in the lease as set out in FRS 102: 20, the lease is evaluated against the criteria to assess whether it is a finance lease or an operating lease.

### **Finance lease**

When a lease is deemed to be a finance lease, the associated tangible fixed asset is derecognised, and a finance lease receivable is recognised. The finance lease receivable consists of the present value of the residual value of the asset on reversion to the University at the end of the lease, and the present value of any rental income receivable throughout the life of the lease. A rate deemed to be appropriate is used to calculate the finance income, and equivalent increase in finance lease receivable, during the life of the lease. Any rental income received is recognised as a reduction in finance lease receivable. The finance lease receivable is reviewed annually for impairment.

### **Operating lease**

When a lease is deemed to be an operating lease, income from lease payments and reduction of income of any lease incentives

are recognised on a straight-line basis over the life of the lease. The leased asset remains the University's asset, and depreciation and any other costs associated with the asset are recognised as an expense.

### **Heritage assets**

The University has received gifts and bequests of works of art, library collections and other decorative items. The University has also purchased works of art, rare books and manuscripts with funds from specific benefactions and public grants. All of these assets are held and maintained principally for their contribution to knowledge and culture.

Heritage assets are recognised at cost of acquisition or, in the case of donated assets, valuation at the date of donation. Where a valuation cannot be obtained at a cost which is commensurate with the benefits to users of the Financial Statements, the donated asset is not recognised but is disclosed in the note to the accounts. Historic assets which are used by the University are accounted for as tangible fixed assets.

Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material. Heritage assets are assessed annually for impairment.

### **Investments**

#### **Investment properties**

Investment properties are land and buildings owned by the University of London which are held for capital appreciation or rental income. All assets let out under finance leases are excluded.

Investment properties are held at fair value, and are revalued annually with the assistance of qualified external valuers. Any revaluation gain or loss is taken to income or expenditure. No depreciation is provided in respect of investment properties.



### Subsidiaries

Investment in subsidiaries is held at the carrying amount which is deemed to be the net asset value of the subsidiary, less any impairment.

#### Other non-current investments

Other non-current investments are held at fair value and revalued at the end of each reporting period, with changes in fair value being recognised in the Statement of Comprehensive Income.

### Current asset investments

Current asset investments comprise money on term deposits of longer than three months which is stated at the lower cost and net realisable value, and money market funds which are shown at market value in the Balance Sheet.

### Stocks

Stocks, which principally comprise study materials for resale, are valued at the lower of cost and net realisable value, after making due provision for obsolete and slow-moving items.

### Financial instruments

The University has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement and disclosure of financial instruments.

Basic financial instruments comprise cash, demand and fixed-term deposits, loans receivable and payable and bonds. Such instruments are recognised at the transaction price and held at amortised cost using the effective interest rate method or cost. They are subject to an annual impairment review.

Investments in non-convertible preference shares and non-puttable ordinary and preference shares are measured at fair value where publicly traded or their value can otherwise be reliably measured. Otherwise they are measured at cost less impairment.

Complex financial instruments include options, rights, warrants, futures and forward contracts

and interest rate swaps that can be settled in cash or by exchanging another financial instruments, hedging instruments and asset-backed securities. Complex financial instruments are recognised initially and held at fair value with changes in fair value taken directly to the Statement of Comprehensive Income.

### Cash flows and liquid resources

Cash flows comprise increases or decreases in cash. Cash includes cash in hand and deposits repayable within three months. Deposits repayable in more than three months are held as current asset investments.

### Provisions and contingent liabilities

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event. It is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed by way of note when the definition of a provision is not met and include three scenarios: a possible rather than a present obligation, a possible rather than a probable outflow of economic benefits and an inability to measure the economic outflow.

### Pensions

The University participates in the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL). These are externally funded defined benefits schemes which are contracted out of the State Second Pension. The liabilities of both these schemes are valued every three years by professionally qualified independent actuaries using the projected unit method, with the rates of contribution payable being determined by the trustees on the advice of the actuaries. In the intervening years, the actuaries review the progress of the schemes.

The University complies with FRS 102 28.11. Its defined benefit schemes (USS and SAUL) are

all multi-employer schemes and, accordingly, given that it is not possible to identify the University's underlying share of their assets and liabilities, are accounted for as if they were defined contribution schemes. Contributions to defined contribution schemes, or schemes treated as defined contribution schemes, are recognised as an expense where already paid by year end, or are recognised as a liability where not paid by year end.

The University also complies with FRS 28.11A. The University has entered into agreements with USS and SAUL to fund their deficits, and recognises a liability for the contributions payable that arise from these agreements. The expense resulting from this liability and any movements in this liability are recognised in the Statement of Comprehensive Income.

The University also contributes to the French State Social Security System, an unfunded defined contribution scheme for the academic and non-academic staff at the University of London Institute in Paris and to Aegon, a defined contribution scheme, for the staff of CoSector Limited.

### **Employment benefits**

Short-term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

### **Grants**

All grants are accounted for under the performance model. Income received in advance of performance-related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as the conditions are met.

Capital grants with performance conditions for both land and buildings, and revenue grants with performance conditions, from

both funding bodies and from other sources, are recognised initially as deferred income, and then released to the Statement of Comprehensive Income on entitlement.

Capital grants with restrictions but without performance conditions for both land and buildings, and revenue grants with restrictions but without performance conditions, from both funding bodies and from other sources, are recognised in the Statement of Comprehensive Income on entitlement, and are subsequently recorded within restricted reserves.

### **Donations and endowments**

Donations and endowments are a subset of non-exchange transactions that may have restrictions on use and, in the case of donations, may also have performance-related conditions attached. In all cases, income is recognised at the point the income can be reliably measured, receipt of the income can be legally enforced and receipt is considered probable.

Donations with performance conditions are recognised as deferred income, and recognised in the Statement of Comprehensive Income on entitlement to income when the performance conditions are met.

Unrestricted donations are recognised in the Statement of Comprehensive Income on entitlement to income and form part of the movement of unrestricted reserves.

Restricted donations which can be spent on the specified activity within a short period of time are recognised in the Statement of Comprehensive Income on entitlement to income and form part of the movement of restricted reserves. Expenditure incurred on the activity to which the donation was restricted, to the value of that donation, also forms part of the movement of restricted reserves.

Restricted donations which could not be spent within a short period of time are recognised as expendable endowments.

Expendable endowments comprise restricted donations to the University which could not be spent within a short period of time and Trusts of which the University is a Trustee with no permanent restrictions on capital. Income is recognised in the Statement of Comprehensive Income on entitlement. Donation income, any investment income arising from investment of the funds and expenditure incurred in line with the purpose of the donation or Trust, form part of the creation of, and movement in, expendable endowment reserves. Endowment assets may be held as non-current investments or cash.

Permanently restricted endowments comprise donations to the University and Trusts of which the University is a Trustee where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective. Income is recognised in the Statement of Comprehensive Income on entitlement. Donation income, any investment income arising from investment of the funds and expenditure incurred in line with the purpose of the donation or Trust form part of the creation of, and movement in, permanent endowment reserves.

### **Reserves**

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

### **Income recognition**

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied or the terms of the contract have been satisfied.

Fee income is stated gross and credited to the Statement of Comprehensive Income over the period the students are studying. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income unless the bursary or scholarship is being funded from internal funds in which case the bursary or scholarship is accounted for net as a deduction to income.

All investment income from short-term deposits is recorded on a receivable basis and is credited to the Statement of Comprehensive Income in the period in which it is earned.

### **Service concessions**

Where the University is the grantor in a service concession arrangement, infrastructure assets are recognised on the Balance Sheet at the present value of the minimum lease payments when the assets are bought into use with a corresponding financial liability. Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement. Where the University does not recognise a liability to make payments, it does not recognise an infrastructure asset.

# Consolidated and University Statement of Comprehensive Income

For the year ended 31 July 2024

		Year ended 31 July 2024		Year ended 31 July 2023	
	Notes	Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Income</b>					
Tuition fees and education contracts	1	87,837	87,837	85,748	85,748
Funding body grants	2	9,494	9,494	10,349	10,349
Research grants and contracts	3	1,769	1,769	2,004	2,004
Property income	4	60,533	58,413	52,557	50,532
Other income	5	28,590	26,808	31,517	29,853
Investment income	6	12,087	13,086	12,094	12,200
Donations and endowments	7	6,056	6,056	1,750	1,750
<b>Total income</b>		<b>206,366</b>	<b>203,463</b>	<b>196,019</b>	<b>192,436</b>
<b>Expenditure</b>					
Staff costs excluding USS pension deficit movement	8	66,511	65,951	65,254	64,551
USS pension deficit movement		(31,069)	(31,069)	(14,139)	(14,139)
<b>Total staff costs</b>		<b>35,442</b>	<b>34,882</b>	<b>51,115</b>	<b>50,412</b>
Other operating expenses	10	128,790	126,252	121,937	119,140
Depreciation	13	8,305	8,305	6,906	6,906
Interest and other finance costs	9	3,561	3,561	4,566	4,566
<b>Total expenditure</b>	10	<b>176,098</b>	<b>173,000</b>	<b>184,524</b>	<b>181,024</b>
<b>Surplus before other gains and losses</b>		<b>30,268</b>	<b>30,463</b>	<b>11,495</b>	<b>11,412</b>
Gain on disposal of fixed assets		–	–	57,017	57,017
Gain/(loss) on investments	16	6,842	6,817	(10,188)	(10,103)
<b>Surplus before tax</b>		<b>37,110</b>	<b>37,280</b>	<b>58,324</b>	<b>58,326</b>
Taxation	11	32	–	(1)	–
<b>Surplus for the year</b>		<b>37,142</b>	<b>37,280</b>	<b>58,323</b>	<b>58,326</b>
<b>Total comprehensive income and expenditure for the year</b>					
Represented by					
Endowment comprehensive income for the year	23	9,758	9,758	(3,373)	(3,373)
Restricted comprehensive income for the year	24	(76)	(76)	65	65
Unrestricted comprehensive income and expenditure for the year		27,460	27,598	61,631	61,634
		<b>37,142</b>	<b>37,280</b>	<b>58,323</b>	<b>58,326</b>

All surplus for the year is attributable to the University.

All comprehensive income and expenditure for the year is attributable to the University.

All items of income and expenditure relate to continuing activities.



# Consolidated and University Statement of Changes in Reserves

For the year ended 31 July 2024

Consolidated	Income and expenditure account			Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000	
<b>Balance at 1 August 2022</b>	<b>113,257</b>	<b>935</b>	<b>577,997</b>	<b>692,189</b>
Surplus from the income and expenditure statement	382	1,464	56,477	58,323
Expenditure on endowment and restricted funds in year	(3,755)	(1,399)	5,154	–
<b>Total comprehensive income and expenditure for the year</b>	<b>(3,373)</b>	<b>65</b>	<b>61,631</b>	<b>58,323</b>
<b>Balance at 1 August 2023</b>	<b>109,884</b>	<b>1,000</b>	<b>639,628</b>	<b>750,512</b>
Surplus/(deficit) from the income and expenditure statement	9,758	(76)	27,460	37,142
<b>Balance at 31 July 2024</b>	<b>119,642</b>	<b>924</b>	<b>667,088</b>	<b>787,654</b>

University	Income and expenditure account			Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000	
<b>Balance at 1 August 2022</b>	<b>113,257</b>	<b>935</b>	<b>578,000</b>	<b>692,192</b>
Surplus/(deficit) from the income and expenditure statement	382	1,464	56,480	58,326
Expenditure on endowment and restricted funds in year	(3,755)	(1,399)	5,154	–
<b>Total comprehensive income and expenditure for the year</b>	<b>(3,373)</b>	<b>65</b>	<b>61,634</b>	<b>58,326</b>
<b>Balance at 1 August 2023</b>	<b>109,884</b>	<b>1,000</b>	<b>639,634</b>	<b>750,518</b>
Surplus/(deficit) from the income and expenditure statement	9,758	(76)	27,598	37,280
<b>Balance at 31 July 2024</b>	<b>119,642</b>	<b>924</b>	<b>667,232</b>	<b>787,798</b>

# Consolidated and University Balance Sheet

As at 31 July 2024

		Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Notes				
Non-current assets					
Intangible assets	12	9,740	9,740	6,113	6,113
Fixed assets	13	619,536	616,807	609,659	609,659
Heritage assets	13, 14	13,426	13,426	13,426	13,426
Non-current investments	16	193,347	194,029	182,246	182,953
Debtors: amounts falling due after more than one year	18	–	2,029	–	2,029
		836,049	836,031	811,444	814,180
Current assets					
Stock	17	123	123	267	267
Trade and other receivables	18	20,492	22,787	20,573	20,119
Cash and cash equivalents	25	89,112	83,707	107,049	104,452
		109,727	106,617	127,889	124,838
Less: Creditors: amounts falling due within one year	19	(52,958)	(49,686)	(48,893)	(48,572)
Net current assets		56,769	56,931	78,996	76,266
Total assets less current liabilities		892,818	892,962	890,440	890,446
Creditors: amounts falling due after more than one year	20	(104,641)	(104,641)	(108,345)	(108,345)
Provisions					
Pension provisions	21	–	–	(31,069)	(31,069)
Other provisions	21	(523)	(523)	(514)	(514)
Total net assets		787,654	787,798	750,512	750,518
Restricted reserves					
Income and expenditure reserve – endowment reserve	23	119,642	119,642	109,884	109,884
Income and expenditure reserve – restricted reserve	24	924	924	1,000	1,000
Unrestricted reserves					
Income and expenditure reserve – unrestricted		667,088	667,232	639,628	639,634
Total reserves		787,654	787,798	750,512	750,518

The Financial Statements were approved by the Board of Trustees on 27 November 2024 and were signed on its behalf on that date by:

Mark Lowcock  
Chair, Board of Trustees

Professor Wendy Thomson  
Vice-Chancellor

# Consolidated Cash Flow Statement

For the year ended 31 July 2024

	Notes	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
<b>Cash flow from operating activities</b>			
Surplus for the year before tax		37,110	58,324
<b>Adjustment for non-cash items</b>			
Depreciation	13	8,305	6,906
Amortisation and impairment of intangibles	12	1,727	2,461
(Gain)/loss on investments	16	(9,073)	8,617
Decrease/(increase) in stock	17	144	(32)
Decrease in debtors	18	81	4,112
Increase in creditors	19, 20	1,141	1,996
(Decrease) in pension provision	21	(31,069)	(12,682)
Increase in other provisions	21	9	189
<b>Adjustment for investing or financing activities</b>			
Investment income	6	(12,087)	(12,094)
Interest payable	9	2,569	3,026
(Loss)/gain on the sale of fixed assets		–	(57,017)
Capital grant income	2	(54)	(132)
<b>Cash flows from operating activities</b>		<b>(1,197)</b>	<b>3,674</b>
Taxation	11	32	(1)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(1,165)</b>	<b>3,673</b>
<b>Cash flows from investing activities</b>			
Proceeds from sales of tangible assets		443	77,831
Capital grants receipts	2	54	132
Investment income	6	12,087	12,094
Payments made to acquire fixed assets	13	(18,182)	(13,669)
Payments made to acquire intangible assets	12	(5,797)	(2,672)
New non-current asset investments	16	(2,028)	(587)
<b>Net cash (outflow)/inflow from investing activities</b>		<b>(13,423)</b>	<b>73,129</b>
<b>Cash flows from financing activities</b>			
Interest paid	9	(2,569)	(3,026)
New unsecured loans	19	–	–
Repayment of borrowings	19, 20	(780)	(6,734)
<b>Net cash (outflow) from financing activities</b>		<b>(3,349)</b>	<b>(9,760)</b>
<b>(Decrease)/increase in cash and cash equivalents in the year</b>		<b>(17,937)</b>	<b>67,042</b>
Cash and cash equivalents at beginning of the year	25	107,049	40,007
Cash and cash equivalents at end of the year	25	89,112	107,049

# Notes to the Financial Statements

For the year ended 31 July 2024

Notes	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>1 Tuition fees and education contracts</b>				
Distance learning students	85,897	85,897	84,057	84,057
Full-time home and EU students	187	187	233	233
Full-time overseas students	777	777	660	660
Part-time students	976	976	798	798
	<b>87,837</b>	<b>87,837</b>	<b>85,748</b>	<b>85,748</b>
<b>2 Funding body grants</b>				
<b>Recurrent grant</b>				
Research England	9,440	9,440	10,217	10,217
Capital grant	54	54	132	132
	<b>9,494</b>	<b>9,494</b>	<b>10,349</b>	<b>10,349</b>
<b>3 Research grants and contracts</b>				
Research councils	1,062	1,062	847	847
Research charities	330	330	353	353
Government (UK and overseas)	232	232	626	626
Other	145	145	178	178
	<b>1,769</b>	<b>1,769</b>	<b>2,004</b>	<b>2,004</b>
The source of the grant and fee income, included in notes 1 to 3 is as follows:				
<b>Grant and fee income</b>				
Grant income from the OfS	704	704	516	516
Grant income from other bodies	10,558	10,558	11,837	11,837
Fee income for research awards	644	644	616	616
Fee income from non-qualifying courses	644	644	574	574
Fee income for taught awards	86,550	86,550	84,559	84,559
	<b>99,100</b>	<b>99,100</b>	<b>98,102</b>	<b>98,102</b>
<b>4 Property income</b>				
Residences, catering and conferences	53,725	51,605	46,260	44,235
Estates revenue	6,808	6,808	6,297	6,297
	<b>60,533</b>	<b>58,413</b>	<b>52,557</b>	<b>50,532</b>



# Notes to the Financial Statements

For the year ended 31 July 2024

	Notes	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>5 Other income</b>					
Federation members: Subscriptions and charges		10,390	10,390	12,270	12,270
Other revenue grants		493	493	358	358
Job Retention Scheme		–	–	–	–
Other income		17,707	15,925	18,889	17,225
		<b>28,590</b>	<b>26,808</b>	<b>31,517</b>	<b>29,853</b>
<b>6 Investment income</b>					
Investment income on endowments	23	5,105	5,105	5,082	5,082
Other investment income		6,982	7,981	7,012	7,118
		<b>12,087</b>	<b>13,086</b>	<b>12,094</b>	<b>12,200</b>
<b>7 Donations and endowments</b>					
Donations with restrictions	23, 24	5,965	5,965	1,391	1,391
Unrestricted donations		91	91	359	359
		<b>6,056</b>	<b>6,056</b>	<b>1,750</b>	<b>1,750</b>
<b>8 Staff costs</b>					
Salaries		47,279	46,864	46,119	45,587
Social security costs		5,550	5,494	5,930	5,870
Movement on USS provision		(31,069)	(31,069)	(14,139)	(14,139)
Other pension costs		13,682	13,593	13,205	13,094
<b>Total</b>		<b>35,442</b>	<b>34,882</b>	<b>51,115</b>	<b>50,412</b>
				2024 No.	2023 No.
<b>Average full-time equivalent staff numbers:</b>					
University and subsidiaries				<b>1,084</b>	1,035
				<b>1,084</b>	1,035

# Notes to the Financial Statements

For the year ended 31 July 2024

8 Staff costs (continued)

	2024 No.	2023 No.
Number of staff whose basic pay is over £100,000:		
£100,000 to £104,999	1	5
£105,000 to £109,999	6	4
£110,000 to £114,999	6	3
£115,000 to £119,999	2	2
£120,000 to £124,999	1	–
£125,000 to £129,999	3	1
£130,000 to £134,999	3	1
£140,000 to £144,999	1	–
£145,000 to £149,999	1	–
£150,000 to £154,999	–	1
£155,000 to £159,999	1	–
£160,000 to £164,999	–	1
£170,000 to £174,999	–	1
£175,000 to £179,999	1	–
£195,000 to £199,999	–	1
£205,000 to £209,999	1	–
£300,000 to £304,999	–	1
£315,000 to £319,999	1	–
	28	21

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Total remuneration of the Vice-Chancellor:		
Basic salary	319,725	304,500
Payments in lieu of pension contributions	37,967	37,758
Performance related pay, bonuses and other remuneration	–	–
Taxable and non-taxable benefits	–	–
Pension contributions	–	–
	357,692	342,258

The Vice-Chancellor of the University of London combines the role of chief executive of a prestigious high-performing organisation with the leadership of a federal community of 17 independent universities. The University collaborates across its federation members to deliver world-leading distance education programmes, reaching over 40,000 students across more than 190 countries. The University also has a significant property portfolio in central London and occupies Senate House with its world-class library and School of Advanced Study. The role of Vice-Chancellor requires a person who holds leadership credibility and standing with her peers; a competitive reward package is essential to attract and retain the best person.

# Notes to the Financial Statements

For the year ended 31 July 2024

## 8 Staff costs (continued)

The Vice-Chancellor's remuneration has been determined by the University's Remuneration Committee. The Committee is responsible for reviewing the Vice-Chancellor's performance against objectives set by the Chair of the Board of Trustees. At its meeting held in November 2023 the Committee noted that the Vice-Chancellor's pay had been uplifted on 1 August 2023 in line with the decision taken at the Committee's meeting in February 2023. The uplift coincided with the Vice-Chancellor's reappointment. The current Vice-Chancellor receives a payment in lieu of pension contributions consistent with an agreement reached by the University's Remuneration Committee in 2016.

The total emoluments of the Vice-Chancellor represent those from which the Vice-Chancellor benefits directly. The Vice-Chancellor does not accrue defined benefits in the University Superannuation Scheme but pays a contribution to maintain life and incapacity cover using the USS Enhanced opt out rule. In accordance with the Scheme's prevailing Schedule of Contributions, employers were, until December 2023, required to pay deficit contributions in respect of those staff that are 'enhanced opt out' members. Such payments by the University of London were £8,393 in 2023–2024 (2022–2023: £19,183) and are excluded from the above table in both years as the Vice-Chancellor does not benefit from those payments.

### Pay ratios

The full-time equivalent basic salary of the Vice Chancellor during the year was 7.6 times the median pay of staff. The median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its employees (2023: 7.3). Basic salary includes basic annual full time equivalent pay only. Atypical workers who are paid on an ad-hoc basis are excluded from this calculation.

The full-time equivalent total remuneration of the Vice-Chancellor during the year was 7.3 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider to its staff (2023: 6.9). Total remuneration includes basic pay, payments in lieu of pension payments, honoraria and employer pension.

The median pay and median total remuneration of staff is based on the full-time equivalent salaries of all staff and does not include agency staff, self-employed contractors, honorary contracts where the contract is not deemed to be a contract of employment, staff employed directly by CoSector Limited, contractors paid via a personal services company, overseas staff, staff employed via the CoSector Temp Agency, and examiners. FTE data for such staff has not been collected and verified and is not held in an easily accessible format.

### Compensation for loss of office

Compensation for loss of office of the following amounts, paid to the following number of staff, is included with Salaries and Other staff costs.

	Year ended 31 July 2024		Year ended 31 July 2023	
	£'000	No. of staff	£'000	No. of staff
University	273	16	225	16

The costs above, for the current year, primarily relate to the University's continued efforts to develop its capability and capacity for the future.

### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs includes compensation paid to key management personnel.

Key management personnel are deemed to be the twelve (2023: ten) members of staff who, along with the Vice-Chancellor, have been members of the Vice Chancellor's Executive Group, and the members of the Board of Trustees, none of whom are remunerated for their services (see note 30).

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Key management personnel compensation	1,577	1,401

# Notes to the Financial Statements

For the year ended 31 July 2024

## 9 Interest and other finance costs

Notes	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Loan interest	2,569	2,569	3,026	3,026
Exchange differences	281	281	83	83
Net charge on pension scheme 22	711	711	1,457	1,457
	3,561	3,561	4,566	4,566

## 10 Analysis of total expenditure by activity

Notes	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Academic and related expenditure	95,037	94,987	90,820	90,684
Premises	25,368	24,649	19,769	19,286
Residences, catering and conferences	37,808	36,946	37,531	36,490
Administration and central services	36,773	36,762	36,033	36,022
Pension deficit movement	(31,069)	(31,069)	(14,139)	(14,139)
Research grants and contracts	1,534	1,534	1,812	1,812
Other expenses	10,647	9,191	12,698	10,869
	176,098	173,000	184,524	181,024

### Other operating expenses include:

External auditor's remuneration in respect of statutory audit services	255	196
External auditor's remuneration in respect of non-statutory audit services	5	5
External auditor's remuneration in respect of other services	3	18
Operating lease rentals		
Land and buildings	273	301
Other	118	129
Stock recognised as an expense	7	6



# Notes to the Financial Statements

For the year ended 31 July 2024

## 10 Analysis of total expenditure by activity (continued)

### Analysis of total expenditure by activity and by nature

	Staff costs	Pension deficit movement	Other operating expenses	Depreciation	Finance costs	Total expenditure	Total expenditure
	2024	2024	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Consolidated</b>							
Academic and related expenditure	30,009	–	64,784	244	–	95,037	90,820
Premises	4,607	–	15,832	4,881	48	25,368	19,769
Residences, catering and conferences	3,901	–	28,668	3,021	2,218	37,808	37,531
Administration and central services	20,248	–	15,071	159	1,295	36,773	36,033
Pension deficit movement	–	(31,069)	–	–	–	(31,069)	(14,139)
Research grants and contracts	1,154	–	380	–	–	1,534	1,812
Other expenses	6,592	–	4,055	–	–	10,647	12,698
	66,511	(31,069)	128,790	8,305	3,561	176,098	184,524

	Staff costs	Pension deficit movement	Other operating expenses	Depreciation	Finance costs	Total expenditure	Total expenditure
	2024	2024	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>University</b>							
Academic and related expenditure	30,009	–	64,734	244	–	94,987	90,684
Premises	4,607	–	15,113	4,881	48	24,649	19,286
Residences, catering and conferences	3,901	–	27,806	3,021	2,218	36,946	36,490
Administration and central services	20,248	–	15,060	159	1,295	36,762	36,022
Pension deficit movement	–	(31,069)	–	–	–	(31,069)	(14,139)
Research grants and contracts	1,154	–	380	–	–	1,534	1,812
Other expenses	6,032	–	3,159	–	–	9,191	10,869
	65,951	(31,069)	126,252	8,305	3,561	173,000	181,024

# Notes to the Financial Statements

For the year ended 31 July 2024

## 11 Taxation

### Recognised in the Statement of Comprehensive Income

	2024 Consolidated £'000	2023 Consolidated £'000
<b>Current tax</b>		
Current tax expense	–	–
Foreign tax suffered in current year	1	1
Adjustment in respect of previous years	–	–
Research and development tax credits	–	–
<b>Current tax expense</b>	<b>1</b>	<b>1</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(33)	–
Reduction in tax rate	–	–
Recognition of previously unrecognised tax losses	–	–
<b>Deferred tax expense</b>	<b>(33)</b>	<b>–</b>
<b>Total tax expense</b>	<b>(32)</b>	<b>1</b>

## 12 Intangible assets

### University and Consolidated

	Course development £'000	Assets in the course of construction £'000	Website development £'000	Software £'000	Total £'000
Opening balance at 1 August 2023	2,835	1,965	5	1,308	6,113
Additions in the year	–	5,797	–	–	5,797
Transfers	362	(1,935)	–	1,573	–
Disposals	(443)	–	–	–	(443)
Amortisation charge and impairment for the year	(951)	–	(5)	(771)	(1,727)
Closing balance at 31 July 2024	<b>1,803</b>	<b>5,827</b>	<b>–</b>	<b>2,110</b>	<b>9,740</b>

Amortisation is included with Other operating expenses in the Consolidated Statement of Comprehensive Income.

Notable additions include £2.6 million re the Library Transformation Project, £0.8 million re the Worldwide Transformation Project and £0.7 million on a new Enquiry Management System.

# Notes to the Financial Statements

For the year ended 31 July 2024

## 13 Fixed assets

	Freehold land £'000	Freehold buildings £'000	Leasehold land and buildings £'000	Assets in the course of construction £'000	Plant and equipment £'000	Heritage assets £'000	Total £'000
<b>Consolidated</b>							
<b>Cost or valuation</b>							
At 1 August 2023	202,452	401,933	29,230	15,901	12,130	13,426	675,072
Additions	–	–	17	18,165	–	–	18,182
Transfers	–	23,397	–	(23,874)	477	–	–
Disposals	–	–	–	–	–	–	–
Reclassification of property	–	–	–	–	–	–	–
<b>At 31 July 2024</b>	<b>202,452</b>	<b>425,330</b>	<b>29,247</b>	<b>10,192</b>	<b>12,607</b>	<b>13,426</b>	<b>693,254</b>
<b>Depreciation</b>							
At 1 August 2023	–	(36,157)	(5,631)	–	(10,199)	–	(51,987)
Charge for the year	–	(6,752)	(603)	–	(950)	–	(8,305)
Disposals	–	–	–	–	–	–	–
Reclassification of property	–	–	–	–	–	–	–
<b>At 31 July 2024</b>	<b>–</b>	<b>(42,909)</b>	<b>(6,234)</b>	<b>–</b>	<b>(11,149)</b>	<b>–</b>	<b>(60,292)</b>
<b>Net book value</b>							
<b>At 31 July 2024</b>	<b>202,452</b>	<b>382,421</b>	<b>23,013</b>	<b>10,192</b>	<b>1,458</b>	<b>13,426</b>	<b>632,962</b>
At 31 July 2023	202,452	365,776	23,599	15,901	1,931	13,426	623,085
<b>University</b>							
<b>Cost and valuation</b>							
At 1 August 2023	202,452	401,933	29,230	15,901	11,680	13,426	674,622
Additions	–	–	17	15,436	–	–	15,453
Transfers	–	23,397	–	(23,874)	477	–	–
Disposals	–	–	–	–	–	–	–
Reclassification of property	–	–	–	–	–	–	–
<b>At 31 July 2024</b>	<b>202,452</b>	<b>425,330</b>	<b>29,247</b>	<b>7,463</b>	<b>12,157</b>	<b>13,426</b>	<b>690,075</b>
<b>Depreciation</b>							
At 1 August 2023	–	(36,157)	(5,631)	–	(9,749)	–	(51,537)
Charge for the year	–	(6,752)	(603)	–	(950)	–	(8,305)
Disposals	–	–	–	–	–	–	–
Reclassification of property	–	–	–	–	–	–	–
<b>At 31 July 2024</b>	<b>–</b>	<b>(42,909)</b>	<b>(6,234)</b>	<b>–</b>	<b>(10,699)</b>	<b>–</b>	<b>(59,842)</b>
<b>Net book value</b>							
<b>At 31 July 2024</b>	<b>202,452</b>	<b>382,421</b>	<b>23,013</b>	<b>7,463</b>	<b>1,458</b>	<b>13,426</b>	<b>630,233</b>
At 31 July 2023	202,452	365,776	23,599	15,901	1,931	13,426	623,085

# Notes to the Financial Statements

For the year ended 31 July 2024

## 14 Heritage assets

The University has a large collection of heritage assets that are held and maintained principally for their contribution to knowledge and culture.

The University of London Artworks Collection includes historic paintings, prints, drawings, photographs, silverware, ceramics, textiles, sculptures and artefacts in various materials. Many items illustrate the history and development of the University of London and prominent individuals. This collection numbers over 400 pieces and is a mixture of acquired and donated artwork. Coram James valued this collection during the year ended 31 July 2016 as worth £2,416,300. The collection is normally on display at various locations on the University's premises, or in the case of some of the more delicate items, viewable by appointment. More details can be found at [www.senatehouselibrary.ac.uk/our-collections/special-collections/university-london-artworks-collection](http://www.senatehouselibrary.ac.uk/our-collections/special-collections/university-london-artworks-collection)

The University of London Senate House Library holds the highest proportion of special collections, manuscripts and archives of any UK university library. There are c.12 million items managed by the Historical Collections Department. The Collections are open to all Library members and available to view on request in the Special Collections Reading Room. The diverse nature of the assets held, the number of assets held and the lack of comparable market values means the University considers that the costs of valuing each item in the Special Collection would be onerous and not commensurate with the benefits to users of the Financial Statements. More details can be found at [www.senatehouselibrary.ac.uk/our-collections/special-collections](http://www.senatehouselibrary.ac.uk/our-collections/special-collections)

For insurance purposes, 19 of the books and manuscripts considered by the Historical Collections Department to be the most culturally significant or rarest were valued by Dominic Winter during the year ended 31 July 2016. The total value of this collection according to Dominic Winter's valuation is £10.6m.

Heritage Assets are assessed annually to consider whether there are indicators of impairment in the years where no professional valuation has taken place. In the years, where a professional valuation has taken place, the new valuations are compared to the carrying amounts to identify any indications of impairment. It has been determined that there is no need for impairment.

## 15 Service Concession Arrangements

The University has two off-Balance Sheet arrangements, both where service delivery has commenced.

### The Garden Halls (Cartwright Gardens)

On 4 July 2014 the University entered into a 52-year contract with a third party provider for the provision and maintenance of The Gardens Halls, a halls of residence providing accommodation to 1,200 students.

The halls were brought into use in September 2016 and the contract will finish on 31 August 2066.

At the end of the concession period, the University will retain beneficial ownership of the halls of residence.

Under the arrangement, the University has no minimum guaranteed payment and therefore no asset and liability to recognise on the Balance Sheet.

### Eleanor Rosa House (formerly known as Duncan House)

On 20 December 2016 the University entered into a 53-year contract with a third party provider for the provision and maintenance of Eleanor Rosa House halls of residence providing accommodation to 511 students.

The halls were brought into use in September 2019 and the contract will finish on 31 August 2069.

At the end of the concession period, the University will retain beneficial ownership of the halls of residence.

Under the arrangement, the University has no minimum guaranteed payment and therefore no asset and liability to recognise on the Balance Sheet.



# Notes to the Financial Statements

For the year ended 31 July 2024

## 16 Non-current investments

	Subsidiary companies £'000	Freehold investment properties £'000	Other non-current investments £'000	University investment in Unified Trust Fund £'000	Endowments' investment in Unified Trust Fund £'000	Total £'000
<b>Consolidated</b>						
At 1 August 2023	–	51,212	9,366	11,784	102,482	174,844
Additions	–	–	586	–	–	586
Property reclassification	–	–	–	–	–	–
Transfers from cash	–	–	–	–	1,442	1,442
Revaluation	–	500	–	257	6,085	6,842
<b>At 31 July 2024</b>	<b>–</b>	<b>51,712</b>	<b>9,952</b>	<b>12,041</b>	<b>110,009</b>	<b>183,714</b>
Short-term deposits and cash	–	–	–	–	9,633	9,633
	<b>–</b>	<b>51,712</b>	<b>9,952</b>	<b>12,041</b>	<b>119,642</b>	<b>193,347</b>
<b>University</b>						
At 1 August 2023	707	51,212	9,366	11,784	102,482	175,551
Additions	–	–	586	–	–	586
Property reclassification	–	–	–	–	–	–
Transfers from cash	–	–	–	–	1,442	1,442
Revaluation	–	500	–	257	6,085	6,842
Subsidiaries' net assets movement	(25)	–	–	–	–	(25)
<b>At 31 July 2024</b>	<b>682</b>	<b>51,712</b>	<b>9,952</b>	<b>12,041</b>	<b>110,009</b>	<b>184,396</b>
Short-term deposits and cash	–	–	–	–	9,633	9,633
	<b>682</b>	<b>51,712</b>	<b>9,952</b>	<b>12,041</b>	<b>119,642</b>	<b>194,029</b>
Other non-current investments consist of :						
	Consolidated and University					£'000
UPP Cartwright Gardens (Holdings) Limited share capital and premium						211
UPP Cartwright Gardens (Holdings) Limited loan						6,978
UPP Duncan House (Holdings) Limited share capital and premium						157
UPP Duncan House (Holdings) Limited loan						2,606
						<b>9,952</b>

# Notes to the Financial Statements

For the year ended 31 July 2024

16 Non-current investments (continued)

Investment in subsidiary companies at net asset value

CoSector Limited is a company registered in England and has an issued share capital of 6,000 £1 ordinary shares, with the University of London as its sole shareholder. The company number is 09589872. The principal activity of the company during the year was the provision of operational services to the University of London and third parties. At 31 July 2024 CoSector Limited had net assets of £600,000.

Senate House Services One Limited is a company registered in England and has an issued share capital of one £1 ordinary share, with the University of London as its sole shareholder. The company number is 10236705. The principal activity of the company is the provision of operational services to third parties. At 31 July 2024 Senate House Services One Limited had net assets of nil.

Senate House Worldwide Limited is a company registered in England and has an issued share capital of one £1 ordinary share, with the University of London as its sole shareholder. The company number is 10756718. The principal activity of the company is the provision of operational services to the University of London. At 31 July 2024 Senate House Worldwide Limited had net assets of £74,000.

Bloomsbury Heat & Power II Limited is a company registered in England and has an issued share capital of one £1 ordinary share, with the University of London as its sole shareholder. The company number is 07960364. At 31 July 2024 Bloomsbury Heat & Power II Limited had net assets of £468,000.

Investment properties

The investment properties (all freehold) were valued at 31 July 2024 by Knight Frank, Chartered Surveyors (2023 Knight Frank). The properties were valued at Fair Value, using comparative and investment methods, as defined within RICS Valuation – Global Standards. The value is therefore the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In undertaking the valuation of the property, Knight Frank made their assessment on the basis of a collation and analysis of appropriate comparable freehold vacant possession, investment and rental transactions, together with evidence of demand within the vicinity of the subject property. With the benefit of such transactions they then applied these to the property, taking into account size, location, terms, covenant and other material factors.

Investment in the Unified Trust Fund

The holdings in the Unified Trust Fund are held at market value.

17 Stock

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Course materials	123	123	267	267
	123	123	267	267

# Notes to the Financial Statements

For the year ended 31 July 2024

## 18 Trade and other receivables

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Amounts falling due within one year:				
Research grants receivables	36	36	42	42
Other trade receivables	5,488	4,881	7,766	7,311
Other receivables	4,146	3,597	3,147	3,146
Prepayments	2,104	1,981	2,964	2,746
Accrued income	8,718	8,698	6,654	6,654
Amounts due from subsidiary companies	–	3,594	–	220
	20,492	22,787	20,573	20,119
Amounts falling due after more than one year:				
Amounts due from subsidiary companies	–	2,029	–	2,029
	20,492	24,816	20,573	22,148

The amounts due from subsidiary companies falling due after more than one year of £2,029,000 is the loan provided by the University of London to CoSector Ltd, with interest charged at 2.5% p.a.

## 19 Creditors: amounts falling due within one year

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Trade payables	4,257	4,236	3,526	3,503
Social security and other taxation payable	2,489	2,462	2,028	1,995
Accruals	24,216	23,886	24,735	24,450
Deferred income	15,712	12,729	13,485	12,976
Other payables	5,379	5,371	4,331	4,323
Unsecured loans repayable within one year	905	905	788	788
Amounts due to subsidiary companies	–	97	–	537
	52,958	49,686	48,893	48,572

### Deferred income with performance-related conditions

Included with accruals and deferred income are the following items of income which have been deferred until specific performance-related conditions have been met.

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Grant income	2,445	122	2,588	2,588
	2,445	122	2,588	2,588

# Notes to the Financial Statements

For the year ended 31 July 2024

## 20 Creditors: amounts falling due after more than one year

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Deferred income	58,527	58,527	61,334	61,334
Unsecured loans	46,114	46,114	47,011	47,011
	104,641	104,641	108,345	108,345
<b>Analysis of deferred income:</b>				
Long-term halls deferred income to be released within one year	1,362	1,362	1,362	1,362
Other deferred income to be released within one year	14,350	11,367	11,933	11,614
<b>Included within Accruals and Deferred income (note 19)</b>	<b>15,712</b>	<b>12,729</b>	<b>13,295</b>	<b>12,976</b>
Long-term halls deferred income to be released between one and two years	1,362	1,362	1,362	1,362
Other long term deferred income to be released between one and two years	847	847	1,000	1,000
Long-term halls deferred income to be released between two and five years	4,086	4,086	4,086	4,086
Other long term tuition deferred income to be released between two and five years	208	208	138	138
Long-term halls deferred income to be released in five years or more	52,024	52,024	54,748	54,748
<b>To be released after more than one year</b>	<b>58,527</b>	<b>58,527</b>	<b>61,334</b>	<b>61,334</b>
<b>Total deferred income</b>	<b>74,239</b>	<b>71,256</b>	<b>74,629</b>	<b>74,310</b>
<b>Analysis of unsecured loans:</b>				
Due within one year or on demand (note 19)	905	905	788	788
Due between one and two years	870	870	1,110	1,110
Due between two and five years	2,338	2,338	2,278	2,278
Due in five years or more	42,906	42,906	43,623	43,623
<b>Due after more than one year</b>	<b>46,114</b>	<b>46,114</b>	<b>47,011</b>	<b>47,011</b>
<b>Total unsecured loans</b>	<b>47,019</b>	<b>47,019</b>	<b>47,799</b>	<b>47,799</b>
<b>Included in loans are the following:</b>				
<b>Lender</b>	<b>Amount £'000</b>	<b>Term</b>	<b>Interest rate %</b>	<b>Borrower</b>
RBS (unsecured)	46,287	2047	5.1	University
	46,287			

Repayment on the RBS unsecured loan started in 2018.



# Notes to the Financial Statements

For the year ended 31 July 2024

## 21 Provisions for liabilities

### Consolidated

	Obligation to fund deficit on USS pension £'000	Other provisions £'000	Total provisions £'000
At 1 August 2023	31,069	514	31,583
Additions	–	47	47
Utilised	–	(38)	(38)
Released	(31,069)	–	(31,069)
<b>At 31 July 2024</b>	<b>–</b>	<b>523</b>	<b>523</b>

### University

	Obligation to fund deficit on USS pension £'000	Other provisions £'000	Total provisions £'000
At 1 August 2023	31,069	514	31,583
Additions	–	47	47
Utilised	–	(38)	(38)
Released	(31,069)	–	(31,069)
<b>At 31 July 2024</b>	<b>–</b>	<b>523</b>	<b>523</b>

### USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

As set out in note 22, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account. See also note 8 in respect of movements on USS and SAUL provisions.

### SAUL deficit

The obligation to fund the past deficit on the Superannuation Arrangements of the University of London (SAUL) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the SAUL scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

### Other provisions

Other provisions are provisions which have arisen in the year where potential liabilities have been identified but the timing of any associated payments is uncertain. Payments associated with these provisions are expected to be made during the year to 31 July 2024.

# Notes to the Financial Statements

For the year ended 31 July 2024

## 22 Pension schemes

Different categories of staff were eligible to join one of three principal schemes:

- Universities Superannuation Scheme (USS)
- Superannuation Arrangements of the University of London (SAUL)
- Supplementary Employer payments made to French pension providers

The two main schemes, USS and SAUL, are both defined-benefit schemes contracted out of the State Second Pension (S2P), the assets of which are held in separate trustee administered funds.

### Statement of comprehensive income – net pension cost in year

	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
USS contributions	7,493	8,503
SAUL contributions	5,231	4,444
Other pension scheme contributions	278	258
Movement on USS provision in staff costs (note 8)	(31,069)	(12,682)
USS pension finance cost (note 9)	711	1,457
	13,002	13,205

### (i) The Universities Superannuation Scheme

The total cost charged to the Consolidated Statement of Comprehensive Income is £7,493k (2022: £8,503k).

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 32, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2023 (the valuation date), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

# Notes to the Financial Statements

For the year ended 31 July 2024

## 22 Pension schemes (continued)

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a 'soft cap' of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post-retirement: 0.9% p.a.

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

### (ii) Superannuation Arrangements of the University of London

The Superannuation Arrangements of the University of London ('SAUL') is a centralised defined benefit scheme within the United Kingdom and is contracted-out of the Second State Pension (prior to April 2016). SAUL is an independently managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

The total cost charged to the profit and loss account is £5,231k (2023: £4,444k).

Since the institution cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its Technical Provisions, which represent the current value of benefits to which members are entitled based on pensionable service to the valuation date. The latest available full actuarial valuation of the scheme was at 31 March 2023. At the valuation date, the value of the assets of the scheme was £3,096 million and the value of the scheme's technical provisions was £2,962 million indicating a surplus of £134 million. The assets therefore were sufficient to cover 105% of the benefits which had accrued to members after allowing for expected future increases in earnings. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

# Notes to the Financial Statements

For the year ended 31 July 2024

## 22 Pension schemes (continued)

### Most recent valuations of SAUL available year ended

	2022
Scheme assets	£4,564m
Total scheme liabilities	£3,948m
FRS 102 total scheme surplus/(deficit)	£616m
FRS 102 total funding level	116%

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

### Financial assumptions

	31 March 2023		31 March 2020	
	Future service costs	Technical provisions	Future service costs	Technical provisions
Discount rate:				
Pre-retirement	6.15% pa	6.15% pa	3.15% pa	3.15% pa
Post-retirement (non-CDF)	4.20% pa	4.20% pa	1.05% pa	1.05% pa
Post-retirement (CDF pensioners)	4.28% pa	4.28% pa	1.91% pa	1.91% pa
Price inflation (RPI)	3.37% pa	3.37% pa	2.70% pa	2.70% pa
Price inflation (CPI)	RPI less 1% pa	RPI less 1% pa	RPI less 1% pa	RPI less 1% pa
Salary increases				
Pension increases in payment (Excess over GMP):				
Pre-2016 (CPI)	RPI less 1% pa	RPI less 1% pa	RPI less 1% pa	RPI less 1% pa
Post-2016 (CPI max 2.5%)	CPI max 2.5% pa	CPI max 2.5% pa	CPI max 2.5% pa	CPI max 2.5% pa

### Demographic assumptions

	31 March 2023	31 March 2020
Retirement		
Active final salary members	All at age 62	All at age 62
Other members	Earliest age unreduced	Earliest age unreduced
Mortality – base table	S3PA (year of birth) tables with the “Middle” table for females, weighted as follows: – Non-pensioners: 118% for males and 93% for females – Pensioners: 112% for males and 94% for females	S2PA year of birth tables with the “Middle” table for females, weighted as follows: – Non-pensioners: 123% for males and 100% for females – Pensioners: 118% for males and 97% for females
Mortality – future improvements	CMI 2022 core projection model with long-term trend rate of 1.75% p.a.	CMI 2020 projections with a long-term trend rate of 1.75% p.a.

The mortality assumptions used for the 31 March 2023 valuation result in the following life expectancies.

Life expectancy for a male aged 65 now	20.9 years
Life expectancy at 65 for a male aged 45 now	22.4 years
Life expectancy for a female aged 65 now	24.2 years
Life expectancy at 65 for a female aged 45 now	26.3 years

# Notes to the Financial Statements

For the year ended 31 July 2024

## 23 Endowment reserves

Restricted net assets relating to endowments are as follows:

	Restricted income fund endowments	Restricted permanent endowments	Expendable endowments	2024 Total	2023 Total
	£'000	£'000	£'000	£'000	£'000
<b>Balances at 1 August 2023</b>					
Capital	–	85,541	16,941	<b>102,482</b>	107,426
Accumulated income	–	6,059	1,343	<b>7,402</b>	5,831
	–	91,600	18,284	<b>109,884</b>	113,257
Donations	1,483	25	30	<b>1,538</b>	59
Project income	–	1	518	<b>519</b>	195
Investment income	–	4,264	841	<b>5,105</b>	5,082
Expenditure	(43)	(2,342)	(1,104)	<b>(3,489)</b>	(3,755)
Increase/(decrease) in market value of investments	(40)	5,113	1,012	<b>6,085</b>	(4,954)
<b>Total endowment comprehensive income for the year</b>	<b>1,400</b>	<b>7,061</b>	<b>1,297</b>	<b>9,758</b>	<b>(3,373)</b>
Restricted permanent capital being reclassified as expendable during the year	–	–	–	–	–
Restricted permanent accumulated income being reclassified as expendable during the year	–	–	–	–	–
<b>At 31 July 2024</b>	<b>1,400</b>	<b>98,661</b>	<b>19,581</b>	<b>119,642</b>	<b>109,884</b>
Transfers from accumulated income to capital in the year	1,440	50	(48)	<b>1,442</b>	10
<b>Represented by:</b>					
Capital	1,400	90,704	17,905	<b>110,009</b>	102,482
Accumulated income	–	7,957	1,676	<b>9,633</b>	7,402
	<b>1,400</b>	<b>98,661</b>	<b>19,581</b>	<b>119,642</b>	<b>109,884</b>



# Notes to the Financial Statements

For the year ended 31 July 2024

## 23 Endowment reserves (continued)

### Connected institutions

		Opening fund balance at 31 July 2023	Income	Capital appreciation	Expenditure	Closing fund balance at 31 July 2024
	Note	£'000	£'000	£'000	£'000	£'000
<b>Individual charities</b>						
University of London Studentship Fund	a	9,539	450	541	(388)	10,142
University of London Research Fund	a	6,726	316	380	(266)	7,156
University of London Prize Fund	a	745	35	42	(27)	795
Convocation	b	4,169	191	231	(228)	4,363
Chadburn Lectureship in Medicine	c	16,090	762	915	–	17,767
Teachers of Anatomy	d	136	542	–	(384)	294
Maplethorpe	e	8,622	394	469	(147)	9,338
Perren	f	5,062	231	274	(148)	5,419
Frost Chair	g	3,937	185	224	(184)	4,162
Fischer Family Fund	h	–	1,483	(40)	(43)	1,400

### Summarised charities

	Number of trusts					
Research support	80	43,838	2,059	2,436	(1,277)	47,056
Bursary/Scholarship	18	8,029	375	451	(332)	8,523
General Central University support	14	274	14	13	(3)	298
Other prize funds	8	2,717	125	149	(62)	2,929
		109,884	7,162	6,085	(3,489)	119,642

### Analysis by asset

	At 31 July 2024 £'000	At 31 July 2023 £'000
Current and non-current asset investments	110,009	102,482
Cash & current assets	9,633	7,402
	119,642	109,884

# Notes to the Financial Statements

For the year ended 31 July 2024

## 23 Endowment reserves (continued)

### a University of London Scholarship Fund, Research Fund and Prize Fund

The Charity Commission approved a new scheme on 9 February 2011 for the use of these combined charitable trusts. The income is to be distributed to the federation members of the University of London for three purposes: by awarding prizes, to undertake research, to provide studentships.

### b Convocation

This trust receives donations from University of London alumni and is used to support federal student services.

### c Chadburn Lectureship in Medicine

This trust is to support up to eight lectureships on a part-time basis to provide opportunities for doctors in training whose personal circumstances preclude a full-time commitment to their careers.

### d Teachers of Anatomy

This trust is to promote the study of anatomy within institutions of medical education in South East England by providing cadavers for the purpose of teaching and research in anatomy.

### e Maplethorpe

This trust is to support up to two annual lectureships in the study of pharmacy.

### f Perren

This trust is for the furtherance of astronomical knowledge and the study of astronomy.

### g Frost Chair

This trust is to support an academic Chair in Ophthalmology.

### h Fischer Family Fund

This trust is set up to support the Institute of Advance Legal Studies in acquiring library resources concerning United States–European Union relations and globalisation.

# Notes to the Financial Statements

For the year ended 31 July 2024

## 24 Restricted reserves

Reserves with restrictions are as follows:

	Unspent capital grants £'000	Donations £'000	2024 Total £'000	2023 Total £'000
<b>Balances at 1 August 2023</b>	–	1,000	<b>1,000</b>	935
New donations	54	4,427	<b>4,481</b>	1,464
Expenditure	(54)	(4,503)	<b>(4,557)</b>	(1,399)
<b>Total restricted comprehensive income for the year</b>	–	(76)	<b>(76)</b>	65
<b>At 31 July 2024</b>	–	924	<b>924</b>	1,000
<b>Analysis of other restricted funds /donations by type of purpose:</b>				
Scholarships and bursaries			<b>246</b>	211
Research support			<b>61</b>	138
General			<b>617</b>	651
			<b>924</b>	1,000

## 25 Cash and cash equivalents

	At 1 August 2023 £'000	Cash flows £'000	At 31 July 2024 £'000
<b>Consolidated</b>			
Cash and cash equivalents	107,049	(17,937)	89,112
	107,049	(17,937)	<b>89,112</b>

### Analysis of changes in net funds

	At 1 August 2023 £'000	Cashflows £'000	At 31 July 2024 £'000
<b>Consolidated</b>			
Cash and cash equivalents	107,049	(17,937)	89,112
Endowment assets – short-term deposits and cash	7,402	2,231	9,633
Other investments – short-term deposits and cash	–	–	–
	114,451	(15,706)	<b>98,745</b>
Current asset investments	–	–	–
Debt due after one year	(47,011)	897	(46,114)
	67,440	(14,809)	<b>52,631</b>

Management of liquid resources comprises endowment assets–short term deposits and current asset investments.

Due to some of the consolidated cash and cash equivalents balance being held by subsidiaries, the University-only figures are lower than the consolidated figures, £2,597,000 lower at 1 August 2023, and £5,404,000 lower at 31 July 2024.

# Notes to the Financial Statements

For the year ended 31 July 2024

## 26 Consolidated reconciliation of net debt

	31 July 2024 £'000
<b>Net debt 1 August 2023</b>	(59,250)
Movement in cash and cash equivalents	(17,937)
Other non-cash changes	35,375
Changes in market value and exchange rates	(281)
<b>Net debt 31 July 2024</b>	(42,093)
<b>Change in net debt</b>	<b>17,157</b>

	31 July 2024 £'000	31 July 2023 £'000
<b>Analysis of net debt:</b>		
<b>Cash and cash equivalents</b>	89,112	107,049
<b>Borrowings: amounts falling due within one year</b>		
Unsecured loans	905	788
	<b>905</b>	<b>788</b>
<b>Borrowings: amounts falling due after more than one year</b>		
Unsecured loans	46,114	47,011
	<b>46,114</b>	<b>47,011</b>
<b>Net debt</b>	<b>(42,093)</b>	<b>(59,250)</b>

## 27 Financial instruments

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Financial assets</b>				
<i>Financial assets that are debt instruments measured at amortised cost</i>				
Cash and cash equivalents	89,112	83,707	107,049	104,452
Other debtors	18,388	22,835	17,609	19,402
<b>Financial liabilities</b>				
<i>Financial liabilities measured at amortised cost</i>				
Loans	47,019	47,019	47,799	47,799
Trade creditors	4,257	4,236	3,526	3,503
Other creditors	29,595	29,354	29,066	29,310

# Notes to the Financial Statements

For the year ended 31 July 2024

## 28 Capital and other commitments

Provision has not been made for the following capital commitments:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Commitments contracted for	16,810	16,810	13,588	13,588
	16,810	16,810	13,588	13,588

## 29 Contingent liabilities

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Contingent liability	–	–	–	–
	–	–	–	–

## 30 Lease obligations

Total rentals payable and receivable under operating and finance leases:

				Year ended 31 July 2024	Year ended 31 July 2023
	Land and Buildings finance lease £'000	Land and Buildings operating lease £'000	Other operating leases £'000	Total £'000	Total £'000
<b>Payable during the year</b>	–	273	118	391	430
<b>Future minimum lease payments due:</b>					
Not later than 1 year	1	–	10	11	34
Later than 1 year and not later than 5 years	2	–	30	32	50
Later than 5 years	11	–	–	11	12
<b>Total lease payments due</b>	14	–	40	54	96
<b>Future minimum lease receipts due:</b>					
Not later than 1 year	44	2,394	–	2,438	2,206
Later than 1 year and not later than 5 years	53	6,915	–	6,968	6,411
Later than 5 years	916	17,050	–	17,966	18,640
<b>Total lease payments due</b>	1,013	26,359	–	27,372	27,257



# Notes to the Financial Statements

For the year ended 31 July 2024

## 31 Related parties

In line with the Committee of University Chairman guidance, all members of the Board, the Vice Chancellor's Executive Group and the Collegiate Council are required to complete an annual register of interests to record any areas of potential conflict with the interests of the University. Due to the nature of the University's operations and the composition of the Board of Trustees, the Vice Chancellor's Executive Group and the Collegiate Council, it is inevitable that transactions will take place with organisations in which a member of the Board, Vice Chancellor's Executive Group or Council may have an interest. We have reviewed all interests declared and considered if transactions have occurred in year with those declared bodies. We have not identified any transactions which occurred in the current or prior financial year, that are considered to be material to either the University or the third party identified. All transactions involving organisations in which a member of the Board, Vice Chancellor's Executive Group or Council may have an interest are conducted at arm's length in accordance with the University's financial regulations and normal procurement procedures. Furthermore, the University does not consider the relationship between the University and its Colleges/federation members to be a related party relationship. Refer to the Corporate Governance Statement for more detail on the relationship between the University and its federation members.

Trustees are not entitled to and did not receive any remuneration for their services. Five Trustees received a total of £1,979 (2022–2023: three Trustees £1,872) representing the reimbursement of travel and subsistence expenses incurred in attending Board of Trustees and Committee meetings and events in their official capacity.

## 32 Accounting estimates and judgements

### Judgements

#### *Treatment of pension schemes*

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control, typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as the Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

#### **Investment properties**

For the year ended 31 July 2024, all investment properties have been valued on a fair value basis as per RICS Valuation Global Standards (the definition adopted by the International Accounting Standards Board in IFRS 13). The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

## 33 Post Balance Sheet events

There are no post balance sheet events.

# Annex to the Financial Statements

## Remuneration Committee Annual Statement

In preparing the Financial Statements, the University has had regard to the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code, published in November 2021.

Below is a report on the current constitution and mode of operation of the Committee, and the Committee’s latest report to the Board of Trustees.

Constitution:

The Remuneration Committee, which shall be appointed by the Board of Trustees, shall comprise:

- At least three independent members of the Board of Trustees, one of whom would act as Chair.
- The Chair of the Board of Trustees.
- One Head of a federation member on the Board of Trustees.
- The Committee may co-opt an additional external member with appropriate specialist experience in the field of remuneration.
- The Committee is not chaired by the Chair of the Board of Trustees

Mode of operation:

The Vice-Chancellor is not a member of the Committee, but is invited to attend and participate in its meetings to advise the Committee as required on their direct reports. The Vice-Chancellor, the Secretary and any other officer or member attending shall not be present when their remuneration and terms and conditions of employment are being considered.

1 The membership of the Remuneration Committee is currently as follows:

Constituency	Member
Independent member of the Board of Trustees (Chair)	Andrew Halper
The Chair of the Board of Trustees	Sir Richard Dearlove
Independent member of the Board of Trustees	Ros Wilton
Independent member of the Board of Trustees	Andrew Ratcliffe
One Head of a federation member on the Board of Trustees	Professor Frances Corner

- 2 The Committee held a hybrid meeting on 22 November 2023 in accordance with its terms of reference.
- 3 Apologies were received from Ros Wilton and Professor Frances Corner.
- 4 In attendance at the meeting were the Vice-Chancellor, Professor Wendy Thomson, Simon Cain (Director of HR) and Alistair Jarvis (Pro Vice-Chancellor, Partnerships and Governance).
- 5 The Vice-Chancellor left the meeting while her remuneration was discussed. The Pro Vice-Chancellor (Partnerships and Governance) left the meeting while his remuneration was discussed.
- 6 The Committee transacted the following business:
- 1.1 reviewed the salary, emoluments, allowances and other financial benefits payable by the University to the Vice-Chancellor
  - 2.1 reviewed the emoluments paid to the Deputy Vice-Chancellor
  - 3.1 reviewed the salary, emoluments, allowances and other financial benefits payable by the University to its most senior staff
  - 4.1 received an update on other staff employed by the University on Level 10 of the academic-related salary scale or its equivalent.

### Current remuneration context

- 7 The remuneration of the Vice-Chancellor and the University's most senior staff, currently defined as those reporting directly to the Vice-Chancellor, is determined in the context of:
  - 1.1 The ambition set out in the University's new strategy for 2020–2025.
  - 2.1 The impact of economic pressures and global events on the University's finances.
  - 3.1 The University's role as a services provider across and beyond the HE sector.
  - 4.1 The University's significant property portfolio, which provides, inter alia, academic teaching space, student halls and conferencing facilities.
  - 5.1 The University's central London location and regional, national and global role.
- 8 The Committee's decisions on individual remuneration were informed by:
  - 1.1 The UCEA Senior Staff Remuneration Survey 2023 – with reference to relevant benchmarks. e.g. institution type, location, size and job function.
  - 2.1 (Additionally for the Vice-Chancellor) remuneration of the Heads of federation members of the University extracted from published Financial Statements.
- 9 The Committee noted that:
  - 1.1 The Vice-Chancellor's salary had been uplifted on 1 August 2023 to coincide with her reappointment in accordance with the decision taken by the Committee at its February 2023 meeting.
  - 2.1 Professor David Latchman would continue to perform the role of Deputy Vice-Chancellor following his retirement from Birkbeck, University of London on 31 December 2023.
  - 3.1 The Vice-Chancellor presented her proposals for the remuneration of her direct reports.
  - 4.1 The University was in the process of implementing a new pay and grading structure for L10 Professional staff, and a Professorial Banding structure and associated pay framework for the professoriate.
  - 5.1 All staff, save for those whose remuneration is determined by the Committee, received the nationally negotiated pay award in 2023, this being 5%.
  - 6.1 All staff whose remuneration is determined by the Committee are eligible for membership of the Universities Superannuation Scheme.

### Remuneration Decisions for 2023–2024

- 9 The decisions of the Committee on the remuneration of the Vice-Chancellor, Deputy Vice-Chancellor and most senior staff are recorded in the confidential minutes of the meeting held on 22 November 2023. The Board is specifically asked to note:
  - 1.1 There would be no further adjustment to the salary of the Vice-Chancellor in the current academic year.
  - 2.1 Those staff whose remuneration is decided by the Committee would have their pay uplifted by 5%, in line with the nationally negotiated pay award from 1 August 2023.

### Remuneration of most senior staff

- 10 The Committee welcomed the Vice-Chancellor's confirmation that appraisal meetings had been planned for the most senior staff and that during these meetings forward objectives would also be discussed.

### Remuneration of other senior staff

- 11 The Committee welcomed confirmation that the programme of work to develop and implement a new pay and grading structure for L10 Professional staff and a Professorial Banding structure and associated pay framework for the professoriate had been endorsed by and was being led by the University's senior executive team.
- 12 The Committee noted that:
  - 1.1 The nationally negotiated pay award of 5% had been applied to the salaries of this group, which comprises Directors, Professors employed by the University, and the administrative and other staff employed by the University on Level 10.
  - 2.1 No members of this group had received a one off payment based on performance.



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