



**UNIVERSITY
OF LONDON**

Financial Statements

2021–2022

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Foreword from the Vice-Chancellor



I am delighted to introduce the Financial Statements 2021–2022. It not only presents key highlights of our successes and developments of the past 12 months, but also shares an insight into our future plans.

Our five-year strategy has this core aim:

To enrich our academic work in the pursuit of excellence in education, research and knowledge exchange through collaboration with our Member Institutions; developing academic programmes, networks and partnerships that further our Federation's goals across London, the UK and internationally.

Public value is at the heart of our mission, which strives to make a positive impact locally, nationally and globally.

Over the past year the University has achieved a great deal, and has done so in times of turbulence and uncertainty. Around the world, democracies are under pressure, climate-induced natural disasters are frequent and many people live with armed conflict. Sadly, this year the belief that war in Europe would not be seen again in our lifetime has been shattered with the invasion of Ukraine. In these times, education and dialogue is more important than ever.

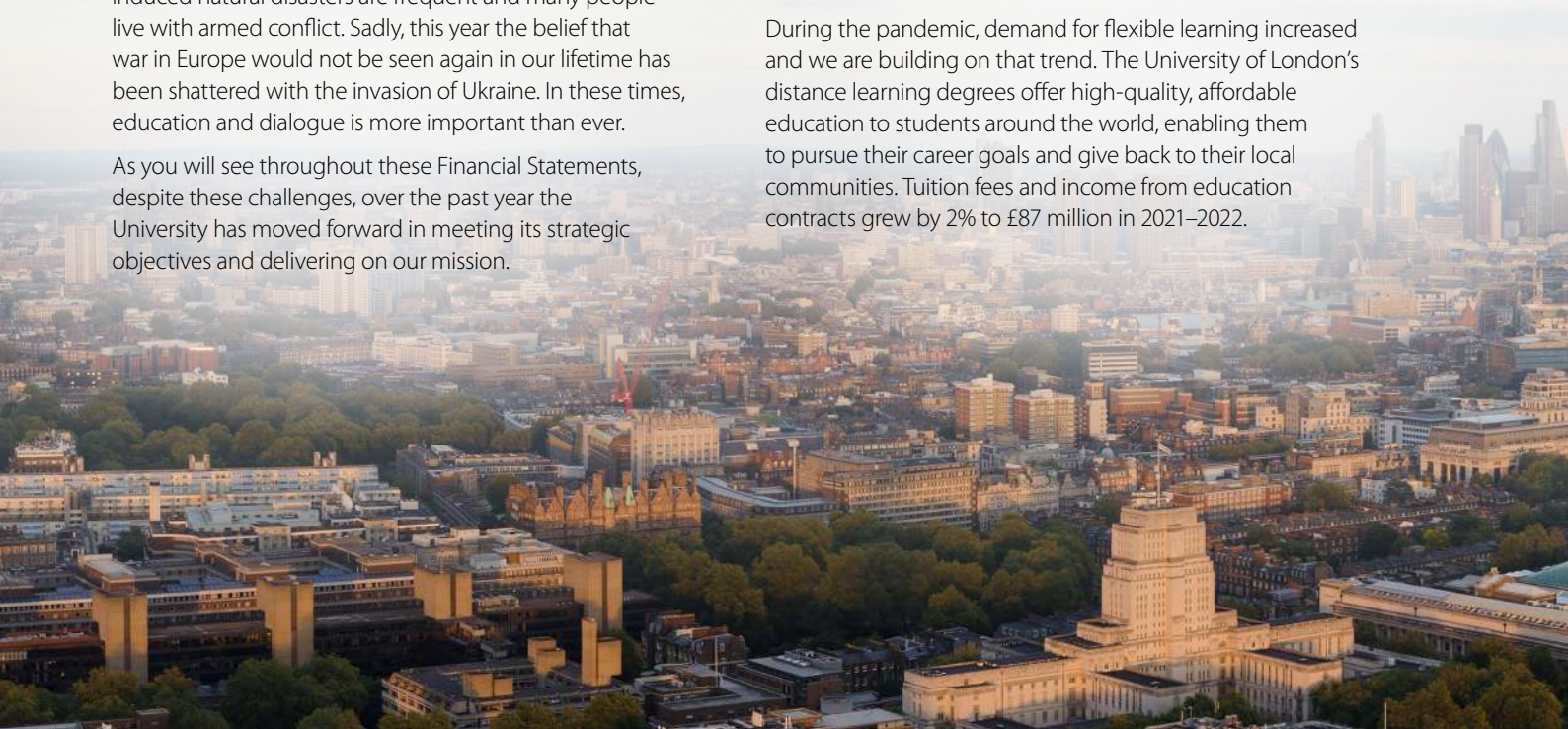
As you will see throughout these Financial Statements, despite these challenges, over the past year the University has moved forward in meeting its strategic objectives and delivering on our mission.

Serving Students

In 2021–2022 we developed plans for the University of London Scholars Programme, which launched in July 2022. The £2 million initiative provides significant funds to help with tuition fees and the cost of living for estranged students, those from disadvantaged backgrounds and students with experience of living under the care of a local authority. Across the Federation, we will award a total of 30 new University of London Scholarships every year.

We have been working hard to make our virtual and physical spaces more accessible and welcoming to students from across the Federation. 2021–2022 saw the planning phase of a programme of improvements to Senate House, which includes new study, social and café spaces, and the Steps@Senate House, which were opened in October 2022. The Steps are a unique space for students, staff and visitors to socialise and enjoy live entertainment, and will host a calendar of events in the coming months. The next stage of the project will see improvements to the Senate House entrance and student housing in Bloomsbury.

During the pandemic, demand for flexible learning increased and we are building on that trend. The University of London's distance learning degrees offer high-quality, affordable education to students around the world, enabling them to pursue their career goals and give back to their local communities. Tuition fees and income from education contracts grew by 2% to £87 million in 2021–2022.



New online degree programmes have been launched in the past year, including a hugely successful MSc in Cyber Security with Royal Holloway, an MSc in Global Environment and Sustainability with Birkbeck and a redeveloped MSc in Professional Accountancy with UCL. And, in the coming year, further new degree programmes will be offered.

We continue to support our students, alumni and staff caught up in the conflict in Ukraine and in many other countries around the world, such as Afghanistan, Myanmar, Sri Lanka and Yemen. We have been working closely with the Council for At-Risk Academics to assist them in their efforts to ensure the safety of university staff across the world.

Research and Public Engagement

The School of Advanced Study and its Institutes have also had a very successful year, winning multi-site international research grants in the highly competitive field of arts and humanities. It has brought world-class research through to engage the public and demonstrate the importance of the arts, humanities and social sciences to society. In recognition of the School's positive impact, it received additional funding from Research England for the academic year 2021–2022.

Senate House Library is planning a Transformation Programme, which will define the University's libraries' role as a world-leading research and teaching resource for the arts and humanities. Library spaces will play a vital part in the University's services to students and engagement with the surrounding community.

Key highlights over the past year include the centenary celebration of the Institute of Historical Research in 2021, and the refurbishment of the Warburg Institute's building on Gordon Square; improvements that will enable better access to its collections. The School of Advanced Study once again delivered the UK's largest national festival of the humanities, 'Being Human', with events across the country.

The University is brokering partnerships between its researchers and London authorities through the London Research and Policy Partnership, which connects researchers from across London's universities with policymakers to tackle the major challenges facing London's communities.

True to its progressive past, the University of London remains committed to addressing inequality and championing social justice. In August, it received the Athena Swan Bronze Award in recognition of its efforts towards greater gender equity.

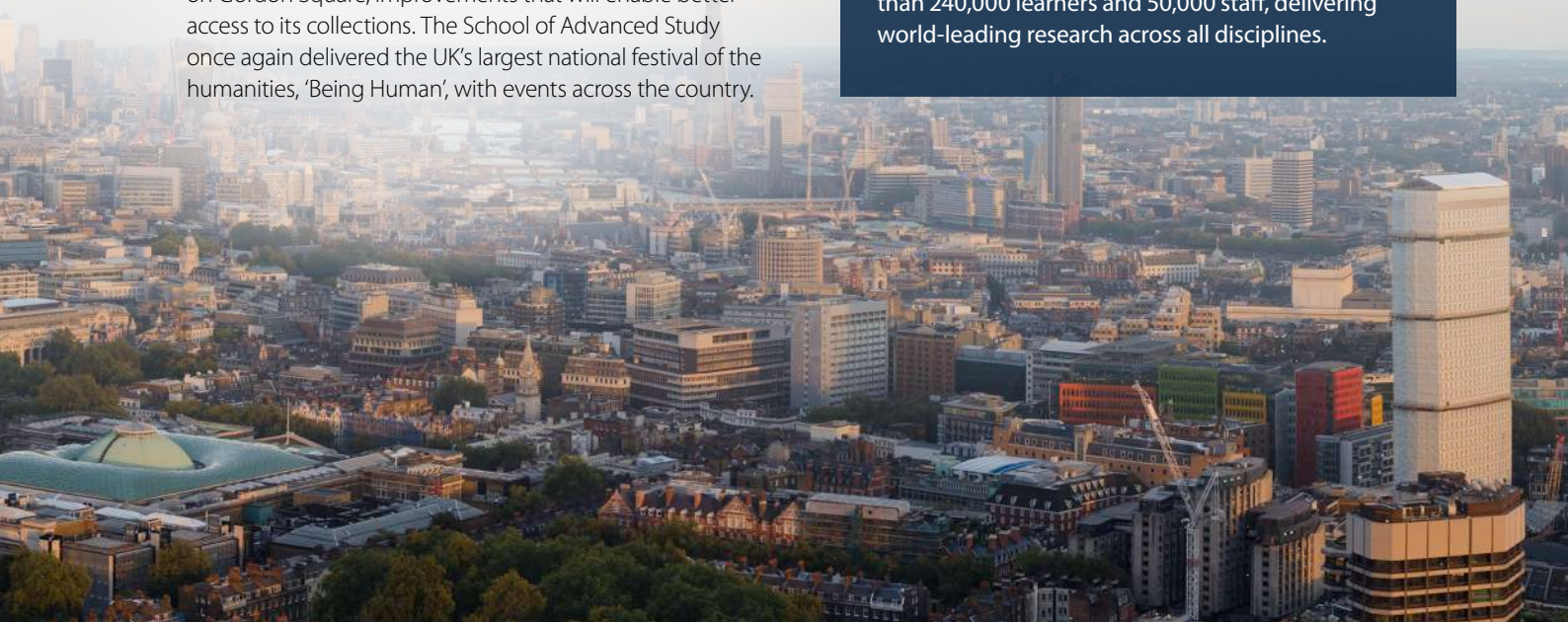
Looking to the coming year our concern is supporting students and staff to manage soaring energy costs and rising inflation. We are fortunate to have a strong financial position to manage these conditions.

As you will see, the outlook for the University is positive and we are well-positioned in a post-COVID world of increased digitisation and online education.

The University of London is the UK's leading provider of digital and blended distance education internationally, offering programmes to over 40,000 students in 190 countries around the world. Although proudly rooted in London, our community and impact are global.

We are a national leader in the humanities, and we promote their value to society and the economy through knowledge creation and exchange.

We are also a federation of 17 world class higher education institutions, with collaboration at the heart of our ethos. The University of London federation is a collective community of more than 240,000 learners and 50,000 staff, delivering world-leading research across all disciplines.



The University in Numbers

Key statistics for 2021–2022

Over
40,000
Students
(Worldwide, SAS & ULIP)



7
New courses launched
(2021–2022)



Over
100,000
Assessments
completed



120
Recognised Teaching
Centres across the world




Students from
190
Countries



3,700
Student rooms available



150
Years of Senate
House Library



100
Years of the Institute of
Historical Research



41
years of HRH
Princess Anne as Chancellor



The University Executive



Vice-Chancellor
Professor Wendy Thomson CBE



Pro Vice-Chancellor
(Research and Public
Engagement)
Professor Jo Fox



Pro Vice-Chancellor
(Finance and Operations)
Rita Akushie



Deputy Vice-Chancellor
Professor Paul Layzell CBE



Pro Vice-Chancellor
(Partnerships and
Governance)
Alistair Jarvis CBE
(Started June 2022)



Pro Vice-Chancellor
(International, Learning and
Teaching)
Professor Mary Stiasny OBE

Dr Ghazwa Alwani-Starr was Pro Vice-Chancellor (Strategy, Planning and Partnerships) until September 2021.

John Stewart was University Secretary and Director of Legal until March 2022.





Financial Review for the Year Ending 31 July 2022

Operating Results

	Year ended 31 July 2022	Year ended 31 July 2021	Year ended 31 July 2020	Year ended 31 July 2019	Year ended 31 July 2018	Year ended 31 July 2017
	Consolidated £'000	Consolidated £'000	Consolidated £'000	Consolidated £'000	Consolidated £'000	Consolidated £'000
Total income	182,657	167,295	155,413	175,154	174,699	174,032
Staff costs excluding USS deficit provision	(55,727)	(63,520)	(60,743)	(65,058)	(62,784)	(63,897)
Other expenditure excluding depreciation and amortisation	(113,768)	(106,529)	(105,615)	(106,379)	(105,184)	(108,562)
Underlying performance	13,162	(2,754)	(10,945)	3,717	6,731	1,573
USS deficit provision movement	(29,701)	5,253	11,418	(18,185)	1,821	3,210
Depreciation and amortisation	(8,756)	(8,902)	(8,001)	(7,006)	(6,216)	(5,256)
Gain on disposal of fixed assets	-	8,969	5,701	-	-	-
Gain on investments	21,230	6,874	44,265	11,521	5,573	16,708
Taxation	-	1	(1)	(1)	(6)	(385)
(Deficit) / Surplus after other gains, losses and taxation	(4,065)	9,441	42,437	(9,954)	7,903	15,850

Financial Review for the Year Ending 31 July 2022

The Financial Statements comprise the consolidated results of the University and its trading subsidiaries.

The University has experienced a welcome period of recovery since restrictions around the COVID-19 pandemic were loosened, with increases in most of its income streams. Most notably, the University saw a resurgence in income from residential accommodation and conferencing activities with revenue from residences, catering and conferences growing by 55%.

Alongside this, planned savings to payroll were also realised during the year. Offsetting this improvement in the University's underlying operations however is a large adjustment to the provision that all members of the Universities Superannuation Scheme (USS) are required to make to recognise the revised deficit recovery plan following the scheme's March 2020 valuation. The factors which influence the scheme's performance are not within the University's control.

This provision is not a cash movement and does not impact the University's banking covenants but it has the effect of detracting from the University's underlying performance and its efforts to improve financial sustainability. Excluding this USS deficit provision movement, the underlying performance before tax, depreciation and amortisation shows a surplus of £13.1 million against deficits in each of the previous two years (see table on page 10).

The impact of the USS deficit provision on the University's overall result for the year has been tempered by increases in the fair market values of the freehold assets that the University holds as investment properties, and an increase in the market value of the endowments investments, giving rise to net deficit of £4.1 million.



The University saw a resurgence in income from residential accommodation and conferencing activities with revenue from residences, catering and conferences growing by

55%





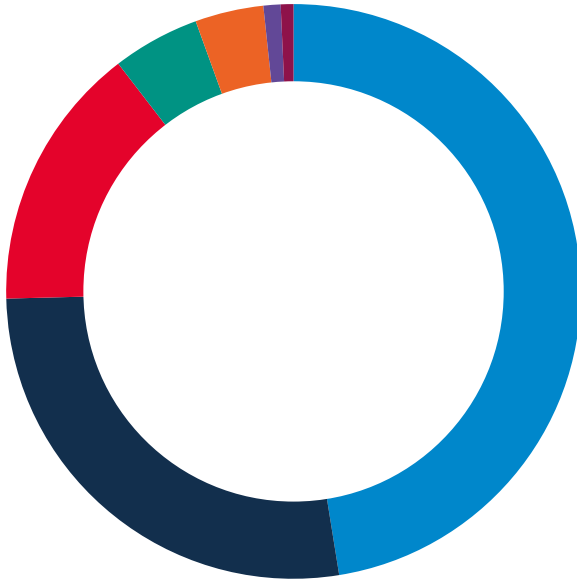
Total income for the year increased to

£182.7 million

in 2021–2022 from

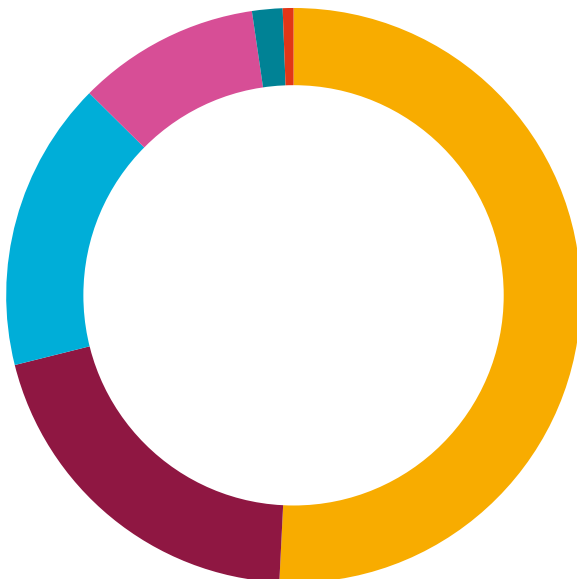
£167.3 million

in 2020–2021



How the University earns its income

- Tuition fees and education contracts **47.5%**
- Property income **27.1%**
- Other income **15%**
- Funding body grants **4.9%**
- Investment income **3.9%**
- Research grants and contracts **1%**
- Donations and endowments **0.7%**



How the University spends its income

- Teaching and research **50.5%**
- Providing halls of residences **20.2%**
- Running the University **16.2%**
- Maintaining campuses **10.2%**
- Senate House Library **1.7%**
- Other expenses **1.2%**



Property income grew from £39 million in 2020–2021 to £49.6 million in 2021–2022 as the UK and countries around the world saw COVID-19 restrictions being lifted.

Income

Total income for the year increased to £182.7 million in 2021–2022 from £167.3 million in 2020–2021. **Tuition fees and income from education contracts** remain the University's largest source of income and saw a 2% increase in the year from £85 million in 2020–2021 to £87 million in 2021–2022. Whilst the University saw a modest growth in the **funding body grants** of 3% from additional funding, this growth was offset by lower income from **research grants and contracts**.

Even without the level of one-off lease premiums that were granted in 2020–2021, **property income** grew from £39 million in 2020–2021 to £49.6 million in 2021–2022 as the UK and countries around the world saw COVID-19 restrictions being lifted. The University saw higher occupancy in halls and generated higher income from conferencing and summer bookings.

Income from Member Institutions subscriptions once again remained static at c. £14 million. These payments are primarily for services provided to our Member Institutions.

Other general income, which includes income generated from services provided to education establishments outside of the Member Institutions of the University has decreased slightly, by 5%, with a third of this decrease attributable to the end of the Government's Job Retention Scheme during the year.

Investment income, generated from our endowments and the University's other investments, increased significantly to £7 million, due to the increase in the distribution level agreed by the Unified Trust Fund (UTF) reflecting the resurgence in the markets in the aftermath of the COVID-19 pandemic.

Donation income totalled £1.3 million, a £0.5 million increase on the donations received in the previous year, mainly driven by donations in relation to the Warburg Project.

Expenditure

The underlying **staff costs** of the University and its subsidiaries decreased by £7.8 million, a decrease of 12% on 2020–2021. Average full time equivalent (FTE) staff numbers for the University (including subsidiaries) decreased from 1,014 to 983 this year, a decrease of 3%. This was due to the continued delivery of the University's plan to reduce recurring staff costs and the difficulties in attracting talent.

As the outcome of the **March 2020 valuation of USS** was finalised during 2021–2022, the USS deficit provision recognised in these Financial Statements has increased, resulting in an adjustment of £29.7 million to total staff costs, increasing the total expenditure to £207.9 million in 2021–2022.

Other **operating expenditure** increased by 7.6% to £113.9 million from £105.8 million in the prior year, reflecting the increase in in-person student activities and the return to full occupancy in halls. **Depreciation** costs decreased slightly by 7% to £6.1 million.

Interest costs decreased in the year to £2.6 million as a result of replacing the £25 million Coronavirus Large Business Interruption Loan Scheme (CLBILS) loan and the £20 million Revolving Credit Facility (RCF) with a new RCF of £50 million in March 2022.

Total expenditure, excluding the movement in the USS deficit provision, decreased by 0.4% from £178.9 million in 2020–2021 to £178.3 million.

Capital Expenditure

During the year the University continued to invest in supporting the growth of distance learning with the launch of seven new programmes in 2021–2022.

The University finished the refurbishment of Dilke House and phases 1 and 2 of 17 Russell Square during 2021–2022.

Total capital expenditure in 2021–2022 was £7.7 million.

Balance Sheet

The net deficit for the year has reduced net assets at 31 July 2022 to £692.2 million, from £696.3 million at 31 July 2021.

Fixed assets decreased during the year by £3.65 million to £506.3 million. There were three additions to the heritage assets, moving the value from £13.2 million to £13.4 million.

The market value of the University's **property investments** has increased by £16.6 million to £171.7 million, reflecting the recovery of the market for central London properties after the COVID-19 restrictions. The value of the **University's and endowment investment** in the Unified Trust Fund increased in the year to £127.2 million as the endowment outperformed the benchmark on a net of fee basis over the year.

The provision for the University's share of the **USS pension deficit** increased from £13.9 million to £43.8 million due to the change in the deficit contributions contractual commitment under the USS's March 2020 valuation in the year.

Trade and other receivables increased significantly by 59%, reflecting the increase in the amount owed by the Unified Trust Fund as a result of the agreed increase in the distribution level during 2021–2022. This balance owing is due to be repaid imminently.

Creditors falling due within one year increased by 17%, mainly driven by a £6 million drawdown from the new RCF on 26 July 2022 with a term date of 3 months.

Creditors falling due after more than one year decreased by £26.1 million to £108.7 million, reflecting the repayment of the CLBILS loan and the scheduled repayments of the 2007 Royal Bank of Scotland Fixed Term Loan.

Cash Flow, Liquidity and Treasury Management

For the year ended 31 July 2022, the University generated a net cash deficit from operating activities of £2.1 million, compared to the previous year's net cash deficit of £1.9 million.

The University put in place a £50 million 5-year RCF in March 2022 to refinance the CLBILS of £25 million and the RCF of £20 million.

The repayment of the CLBILS in March 2022 has influenced the balance sheet in two ways. **Cash and cash equivalents** have decreased to £40 million from £65.4 million and **long-term borrowings** have decreased from £73.3 million to £47.7 million. This balance of cash and cash equivalents at 31 July 2022 represents 70.2 days of expenditure.

At 31 July 2022, investment in capital expenditure and debt service were met from £6 million new borrowing from the RCF. Consequently, the University's **net debt position** was temporarily increased from £8.6 million to £14.5 million. The £6 million draw down was subsequently repaid in September 2022.

Short-term borrowings have increased from £0.8 million to £6.9 million to reflect the £6 million drawdown from the RCF.

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.



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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, 89% of the University's borrowings were at fixed rate (2021: 66%). The fixed interest rate at the year end was 5.095% and relates to the embedded interest rate swap on NatWest long-term debt. The University has no free-standing swaps or derivatives. All borrowings are in sterling and not exposed to currency risk.

The University's facility agreements require compliance with a number of **financial covenants**. At 31 July 2022 all covenants were met.

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 18 months. The University will continue to monitor the impact of high inflation, increased interest rates and pressures on utility and staff costs to ensure it has sufficient liquidity to meet the policy requirement.

Investment

The **endowment funds** are invested in the Unified Trust Fund (UTF). The funds within the UTF are invested in line with an agreed investment strategy set by the Investments Committee which has oversight of the UTF and its investments. The strategy 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 5-year period. The investment strategy splits the fund into three distinct portfolios: Equity, which represents the largest of the three portfolios at approx. 76.9% of the fund value at year end; 9.2% in an Absolute Return Fund; and 13.9% in Property, which is invested in a property fund rather than direct specific property investments.

The Fund's investments have increased in value by £4.6 million on the back of the continued recovery of all the equity markets as well as the continuing strength of absolute return and property portfolios. All investment managers returned positive performance for the year. The performance of the Fund for 2021–2022 saw a positive return of 8.7% compared to the Fund's benchmark target return of 5.9%. The benchmarks for the fund reflect the asset holdings and the associated market conditions.

The **University investment properties** have been subject to a professional valuation as at 31 July 2022 undertaken by CBRE Group, Chartered Surveyors. The valuation exercise resulted in the carrying value of the remaining investment properties increasing by £16.6 million to £171.7 million, confirming that the market for property similar to the University's remains strong since the COVID-19 pandemic.



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The Board assesses its risk appetite in relation to each of the challenges faced and ensures that mitigating actions are put in place to manage risks to acceptable levels.

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Principal Risks and Uncertainties

The Board of Trustees is responsible for managing the risks and opportunities faced by the University. The University maintains a **Strategic Risk Register** which is regularly reviewed and updated by the Executive Group, Audit and Risk Assurance Committee and the Board of Trustees. The Board assesses its **risk appetite** in relation to each of the challenges faced and ensures that mitigating actions are put in place to manage risks to acceptable levels.

The University also recognises that all members of staff should give due attention to managing risk, regardless of the role they perform. All staff should report new risks, or changes to the status of risks, through the management structure.

The Higher Education sector continues to be a target for **ransomware attacks by cyber criminals**, therefore this area remains outside of the University's risk appetite. The University has adopted the specific guidance on risk mitigation issued by the UK's security agencies and remains vigilant in regards to all aspects of cyber risk and now benefits from a 24/7 incident response service.

The University is not alone in being concerned about risk to the **future availability of funding**, although it is well positioned to respond to the changing educational landscape, particularly the growth in distance learning.

The UK university sector continues to experience **a period of change**, with the impact of rising inflation, the cost of living crisis and the squeeze on public finances leading to reductions in the level of central funding. The ongoing impacts of Brexit and COVID-19 continue to filter downwards, while competition is increasing as universities vie for the best students and new providers enter the market.

The University's dependency on public funding is less than most other UK universities; these Financial Statements show that funding from UKRI accounted for 5% of total income. The University receives specific Research England funding for the School of Advanced Study's (SAS) national role in promoting and facilitating research in the arts and humanities. The funding is on the basis of a rolling grant with an annual contestable percentage which is subject to the School meeting the objectives set by its Strategic Advisory Board and has been confirmed for 2022–2023.



Distance learning programmes are a major source of income for the University, and an area of expertise for more than 160 years.

The increase in the number of students over the last four years has brought with it an **increase in student enquiries**, exacerbated by the current turmoil in parts of the world. The University is working on ways of improving key processes to handle these in a sympathetic and timely manner, and plans to introduce a Customer Relationship Management System in the coming year to enable more efficient communication with students.

We recognise that the current global economic volatility and consequential cost of living crisis, the war in Ukraine and civil unrest and climate change effects in parts of the world will have a **negative impact on the wellbeing and mental health** of some of our staff and students. The University's investment in its highly practical wellbeing programme aims to help staff and students as much as possible if they are affected.

Distance learning programmes are a major source of income for the University, and an area of expertise for more than 160 years. There are both opportunities and threats as the market for distance education is increasingly competitive with new providers, new learning technologies and private capital accelerating the pace of change. This competition has increased since the COVID-19 pandemic as the move to distance learning was accelerated, causing more providers to enter the space and for existing providers to mature their technology at a quicker pace.

The University is aware that the current economic climate and volatility in the markets could have a detrimental impact on the University's investments, including their **endowment funds and investment property** portfolio.

Further to this, the global increase in the **cost of energy** will have an impact of the University, its staff and students. As the University's energy prices are fixed until 2024, it will be shielded from the current turbulence in the energy market for the medium term, but it remains mindful that staff and students will acutely feel the increase in energy costs.



Income from student accommodation was impacted by the restrictions imposed during the COVID-19 pandemic. However, the shortage of student accommodation in London remains and the strong appetite for the University's halls of residences returned quickly.

The development of the estate is a key theme in the University strategy and the University is currently reviewing the **Estates Strategy** that will guide decisions and growth in the coming years. The University is appraising the Bloomsbury estate as a whole, looking at the short, medium and long-term space and growth requirements to ensure that the future needs of the University, its Member Institutions and students are properly planned for.

Looking Forward

We recognise that higher than expected inflation levels and anticipated UK recession may have an impact on the University's performance. The University's strong and improving financial position puts us in the best possible place to mitigate these external shocks.

The University has prepared cash flow forecasts for a period of 12 months from the date of approval of these Financial Statements and these have been approved by the Board of Trustees.

After reviewing these forecasts, the Board of Trustees is of the opinion that, taking account of severe but plausible downsides, including the anticipated impact of inflation and recession, 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 forecasts were based on the following key assumptions:

- salary increases
- higher occupancy rates
- a growth in distance learning fee income plus extra for new careers services, and seven new programmes launching during the year
- reduced commercial income, reflecting conferencing business not returned to pre-pandemic level
- increased return on endowment funds
- sale of Lillian Penson House
- no drawdown from the new credit facility.

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The outlook for the University is positive.

The University strategy is focused, clear and

purposeful and is well-positioned in a post-COVID

world of increased digitisation and online education.

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In coming to its final decision that the going concern basis is appropriate, the Board of Trustees considered the latest position on distance learning, student accommodation and commercial income assumptions, and it noted that performance in the three months to 31 October 2022 does not indicate any need to change assumptions in other areas and that cost savings targeted in 2021–2022 have largely been maintained in 2022–2023.

Up-to-date downside scenarios were reviewed, and the Board of Trustees assessed the mitigating actions for meeting banking covenant compliance.

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



Sustainability

Energy and carbon

The University has continued to be ahead of the emissions targets compared to the 2010 baseline, despite a slowing down in terms of reductions compared to the previous years that were affected by COVID-19.

With staff returning to the academic buildings, as expected, utilities usage has increased – full details will be shared in our Higher Education Statistics Agency (HESA) reporting and in the annual sustainability report. The University continued 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 emissions when completed.

Elsewhere, the University has been working with the Greater London Authority as an anchor institution to help decarbonise the estate and educate more staff in carbon literacy.

ISO14001

The University has retained its ISO14001 accreditation. This certifies that the institution operates with the highest environmental standards and continually improves its environmental standards.

Waste

This has been our first full year with Recorra as our waste provider (previously BPR). Due to the lifting of COVID-19 restrictions and our staff returning to our buildings, we have seen a fall in our recycling rates.

We have worked closely with Recorra to improve our signage, educate our staff and think of ways we can reduce our waste produced in the first instance. We have also signed up to the Warp-it platform, which allows us to pass on unneeded furniture and other stationary items to other institutions. This will give the items a new lease of life and save them from landfill.

Engagement

This year we continued to adapt our Reduce the Juice programme, running 'Reduce the Juice: Connect' while continuing our halls engagements. Our halls engagements focused on reducing the amount of waste produced and the usage of water and electricity.

Our webinars covered new topics such as climate and race, greenwashing and plastics. Throughout the year we engaged with 2,423 students through our webinars compared to 2,698 in the previous year.

Our partnerships continued with UCL, the University of Surrey and Goodenough College. We started to offer clothes swaps for UCL students, allowing pre-loved clothes to find a new home.

Biodiversity

We have maintained our Hedgehog Friendly Campus bronze credentials. This award recognises that our campus is hospitable for hedgehogs and we hope to view some of the mammals in the coming years.

The University has also continued its work on the Wild Bloomsbury Project, working alongside UCL and Bedford Estates. We developed a biodiversity baseline for the Bloomsbury area and identified a wide range of projects which would increase and improve biodiversity and the abundance of green spaces in the area.



Total kg CO₂ saved **4,182**

Waste (kg) to energy has increased by

64% to **5,447** in 2022

Total trees saved **23**



Public Benefit Statement



Access and participation

We have been committed to improving access to education since our inception. To promote equality, we challenge prejudices and maximise education for all learners. Through our strategy, we reaffirm our commitment to the values of tolerance and belonging, as we seek to combat discrimination and exclusion.

Alongside our Federation-wide Access Commitment and Care Leavers Guarantee, our newly launched London Scholars Programme supports our commitment to enabling better attainment and more inclusive access to higher education. It will provide significant funds to help with tuition fees and the cost of living for estranged students, those from ethnic minority backgrounds and students with experience of living under the care of a local authority.



“

Alongside our Federation-wide Access Commitment and Care Leavers Guarantee, our newly launched London Scholars Programme supports our commitment to enabling better attainment and more inclusive access to higher education.

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Public engagement

This year, 240 public engagement events were organised by researchers from 64 universities and research organisations, working with 320 cultural and community partners. Our live festival events attracted 21,000 visitors, while 36,000 viewed online recordings and digital content.

In October, the University took part in the annual Bloomsbury Festival, opening up Senate House to the local community. The building hosted the Discovery Hub, where science and creative teams from universities and institutions offered interactive workshops for school groups and families around the theme of Breathe and Wellbeing.



This year, thanks to philanthropic donations, the Clinic – assisted by 100 active volunteers – supported 45 refugee clients with their cases, with 20 ‘fresh claims’ for asylum submitted to the Home Office.

Warburg Renaissance project

In July, the Warburg Institute celebrated its official ground-breaking for the Warburg Renaissance building project, which was able to commence thanks to £5 million raised in philanthropic support and a £9.5 million investment by the University.

The redevelopment will transform the Warburg Institute into a more open and accessible building, with new spaces for events, exhibitions and digital experimentation – benefitting its community as well opening its expertise to new audiences.

University of London Boat Club

It was another successful year for the University of London Boat Club, the elite rowing programme for student-athletes across all of our federal Member Institutions. The Club received a generous gift from a donor who wishes to remain anonymous which will benefit student athletes from across the Federation.

In the coming year, the University will be investing £120,000 to make some immediate upgrades to the Boathouse. In the longer term, we will invest further in improving the wider site facilities to turn it into a world-class boat club and broaden student access to the sport.

Refugee Law Clinic

The University of London’s Refugee Law Clinic was established in 2020 and is an innovative project providing pro bono legal advice for refugee clients. This year, thanks to philanthropic donations, the Clinic – assisted by 100 active volunteers – supported 45 refugee clients with their cases, with 20 ‘fresh claims’ for asylum submitted to the Home Office.

Philanthropy and alumni engagement

The University continued to fundraise for scholarships and bursaries to support students across the School of Advanced Study, the University of London Institute in Paris and our distance and flexible learning programmes, and to provide students in need with urgent financial assistance.

The University held thought leadership events in Hong Kong (virtual) and Singapore to engage with alumni and friends. The annual Holden Lecture featured the recently donated Paul and Adelaide Joseph Archive, giving alumni, friends and the wider public an insight into this collection highlighting the South African anti-Apartheid movement.







Our Students

Our Students

Strategic objective 1: Furthering our position as the UK's leading provider of distance learning worldwide, delivering cutting-edge programmes to increased numbers of people who can benefit most from education.

Our vibrant global community of students transcends geographical, economic and social borders. We are home to the University of London Institute in Paris and have more than 120 recognised teaching centres across 40 countries. This year we have significantly expanded our employability and careers offering, and have made a range of enhancements to benefit our wider University of London student community.

The University of London Scholars Programme

This year, the University of London Scholars Programme was launched with the aim of widening access to higher education and helping young people across London to flourish. Its central purpose is to provide significant funds to help with tuition fees and the cost of living for estranged students, those from ethnic minority backgrounds and students with experience of living under the care of a local authority.

The initiative supports a mix of UK-based undergraduate and postgraduate students who are registered for a programme at the University of London or one of its 17 independent federal Member Institutions.

Collectively, we expect to award a total of 30 new University of London Scholarships every year. This will include 20 students who are resident in London and meet the eligibility criteria above, with an additional 10 awards for students from anywhere in the UK, who will be eligible to receive free accommodation at one of the University's halls of residence.

Support for refugees

This year, the University of London launched a new suite of full-fee scholarships to support refugees and displaced people. The 28 online programmes in the scheme include undergraduate and postgraduate courses across a variety of disciplines. By sponsoring these students, we hope to help people who have been driven from their homes by conflict or crisis to build a brighter future for themselves.

The University of London Institute in Paris has also developed an in-person partnership with a local Paris organisation to support access to English language tuition for refugees and asylum seekers, thereby supporting their capacity to access employment and educational opportunities as they rebuild their lives in Europe. These classes meet weekly and also offer ULIP students the chance to share their own skills and university experience.

The University has a long history of engagement with national and multi-national agencies in the field of refugee policy and practice. Our Refugee Law Initiative (RLI) recently made a significant public statement in response to attempts by countries to externalise their legal obligations towards refugees and asylum seekers. Launched during the RLI's sixth Annual Conference in June, the Declaration on International Protection (Externalisation and Asylum) underlines refugees' legal rights as well as the obligations of both the country of destination and the 'third' country to which refugees have been sent.

New courses

The COVID-19 pandemic brought with it a shift to digital education for many, and the demand for flexible modes of delivery remains high. The University of London's online degree programmes are well placed to offer high-quality, affordable, accessible and career-relevant education to learners all around the world.

Over the past year, we have launched new online degree programmes including a BSc Business Administration (with Royal Holloway, via the Coursera platform), an MSc Computer Science (with Birkbeck) an MSc Global Environment and Sustainability (with Birkbeck), and a redeveloped MSc Professional Accountancy (with UCL).

Our University Strategy articulates our ambitious vision for our online and blended distance learning activity, and we are launching more new degree programmes in the coming year, including an MSc Cyber Security (with Royal Holloway, via Coursera).

A return to in-person graduations

In December, we hosted graduation ceremonies at Senate House for both the School of Advanced Study and the University of London Institute in Paris (ULIP), whose ceremonies could not take place in Paris due to COVID-19 travel restrictions. The following July, the ULIP graduation event returned to the British Ambassador's residence in Paris, hosted by Her Excellency Menna Rawlings the British Ambassador to France, where we also awarded an honorary doctorate to the writer Lilia Hassaine.

Also in July, we were delighted to host the first in-person University of London Worldwide graduation ceremonies since before the pandemic. Graduating classes from the past three years were invited to attend, and more than 1,300 students from 113 different countries gathered in London across three days. Organising the ceremonies presented a unique logistical challenge, and their success is testament to the hard work and dedication of everyone involved. During graduation week, the University also welcomed the newest members of its alumni community to two Alumni Celebration Evenings at Senate House, where our new graduates had the chance to network with their peers and meet University staff. We were pleased to see our uniquely international community represented at the events, with attendees coming from as far as Australia, Singapore and Nigeria.

The week also saw three extraordinary individuals receive special recognition. Honorary Degrees were awarded to Helen Rees OBE, an internationally recognised global health practitioner who has dedicated her career to improving public health in Africa, and Tim Foster MBE, a rowing coach and former international rower whose achievements include winning gold at the 2000 Olympics in Sydney.

An Honorary Fellowship was awarded to Pamela Roberts, who started work as a junior administrator at the University more than 40 years ago and recently retired as Director of Student Recruitment and Enrolments, University of London Worldwide.



Boat Club success

It was another successful year for the University of London Boat Club (ULBC), the elite rowing programme for student-athletes across all of our federal Member Institutions. The University of London's women's eight rowing team won three races at the 2022 Henley Royal Regatta, where Olympic rowing gold medallist Sir Steve Redgrave thanked the University for its support of the ULBC. The Club has secured 45 Henley Royal Regatta wins and 135 Olympic and World Championship medals since it was established in 1839.

In the coming year, the University will be investing £120,000 to make some immediate upgrades to the Boathouse. In the longer term, we will invest further in improving the wider site facilities to turn it into a world-class boat club and broaden student access to the sport.

Student satisfaction survey results

In July, the Office for Students published the results of the 2022 National Student Survey (NSS). The University of London in Paris (ULIP) were delighted to see a 4% rise on last year's overall satisfaction, with a 78% overall satisfaction rating. This is a marked increase from last year's result and is testament to the ULIP team's efforts in listening to and learning from student feedback.

This was also the first year that a small proportion of final year distance learning undergraduates had taken part in the NSS, and the University achieved an overall satisfaction score of 64%. These results align with feedback from our own Student Experience Survey, and a detailed action plan has been developed to address the issues raised.

The School of Advanced Study (SAS) Postgraduate Taught Experience survey result showed an overall satisfaction level of 98%, an increase of 16% on the previous year.



Online assessment continues

With the outbreak of COVID-19, the University was forced to adapt its assessment processes at short notice: written examinations, usually held at examination centres, were replaced by online timed assessments. As an institution specialising in online education, we were uniquely well-placed to make the change, and over the past two years we have refined our processes further.

In 2022, all assessments continued to be run online, with students taking them at home. The May/June session saw 29,000 students entered for assessments and over 90,000 examinations taken.

For the first time, students on the Economics, Management, Finance and Social Sciences (EMFSS) and undergraduate Law programmes sat live examinations via the Inspira Exam Portal, after pilots were run using the software last year. Over 77,000 examinations were taken on the platform.

Careers support

From the academic year 2022–2023, the University is offering an expanded careers service provision for its online and blended distance learning students. This has seen the University of London Careers Service (UoLCS) team grow significantly: a new Engagement Team liaises directly with employers and alumni, while an increased number of careers consultants design and deliver live and synchronous careers education sessions. Small and Specialist College teams have also led on innovative co-creation projects with students, including the first UoLCS/School of Advanced Study National Careers Event: Career Options for English PhDs in March 2022.

The Careers Group's research unit has continued to help address strategic and policy needs for successful careers service delivery across the Federation. Its monthly Employability Digest shares and interprets sector research on student and graduate employability which supports Member Institutions to calibrate their offer. This year the research unit piloted an approach which allocated a certain number of hours of support for bespoke analytics and research projects per Member Institution, alongside our collaborative activities.

Improving our student accommodation offering

In recent months we have been growing and improving the quality of our intercollegiate student accommodation in the Bloomsbury area, at the heart of the University of London community. As part of this, we sold Lillian Penson House in Paddington to help focus future improvement and redevelopment work closer to our campus.

In order to address the shortfall in student bedspaces within Camden, we also decided to incorporate Bonham Carter House and Warwickshire House – previously leased to University College London Hospitals NHS Foundation Trust – into our student accommodation portfolio. Both buildings have been refurbished and have welcomed students for the 2022–2023 academic year.

In Paris, we have added a second contracted supplier of student accommodation as student numbers and housing demand increase.



Student Voice Group co-chair gives graduation speech

One of our graduating students, KellyAnn McGowan, was invited to give an oration at the graduation ceremony on 15 July 2022. KellyAnn, from the United States, studied BA History and served as co-chair of the Student Voice Group (SVG) for the final two years of her degree.

KellyAnn's route to graduation was far from straightforward. She originally attended university in her home country but had to leave aged 19 to support her family when they became homeless. Over several years, she worked multiple jobs in order to save up to return to higher education. Having a lifelong interest in history, she chose a programme that she knew would keep her motivated to learn while working full-time.

While fitting her studies around her professional commitments, KellyAnn still managed to dedicate time to the SVG – an experience which gave her 'insight and connection to the University that [she] never thought possible as a distance learning student'.

This exposure to the inner workings of the University and interaction with senior leadership encouraged KellyAnn to pursue a career in higher education herself, and she is now working as a programme assistant in the Alumni Relations and Development department at Northwestern University.





Research and Public Engagement

Research and Public Engagement

Strategic objective 2: Stimulating innovative intellectual exchange and effective public engagement, drawing on our expertise across the University in the humanities, distance learning, careers and employability, and inclusivity/widening access.

We are a national leader in the humanities. Our School of Advanced Study is the only UK institution nationally funded by Research England to promote and facilitate humanities research. This year, we have continued to steer the national conversation through knowledge creation and exchange, contributing to a growing economy and richer cultural infrastructure.

Library Transformation Programme

The Senate House Library Transformation Programme will open up its unique collection both physically and digitally for the benefit of researchers, students and the public, and will secure a sustainable financial footing for the Library. A new exhibition and engagement space on the ground floor of Senate House will show highlights from the collection, welcoming all visitors and guiding academic users upstairs to the Library entrance. New casual spaces combined with historic silent reading rooms on the entrance level of the Library will provide a vital place for students to work and collaborate in central London.

Moving further up the building, a state-of-the-art special collections centre will increase researcher access to collections by providing dedicated reading rooms, technology to innovate and experiment, and social spaces where they can meet and exchange ideas.

Digitised images of Library collections, digital information that describes and indexes them, and innovative software and hardware will liberate our unique collections for collaborative interdisciplinary research through the lens of the humanities. 'Virtual' teaching spaces will allow digital content to be streamed into lectures and seminars, benefitting learners of all ages from the wider community.

The Institute of Commonwealth Studies reimaged

In 2021, the University commissioned a report into the Future of Commonwealth Studies at the University of London. This provided the basis for the reimagination of the Institute of Commonwealth Studies (ICWS) to provide thought leadership and research leading to policy solutions for contemporary Commonwealth issues.

In 2022–2023, the ICWS is hosting a major series of keynote lectures on a range of human rights issues, as well as seminars, lectures and workshops in Commonwealth Week in March 2023. This series forms an integral part of the ICWS's work on media freedom challenges across the Commonwealth, and specifically China and the Commonwealth.

Vice-Chancellor, Professor Wendy Thomson, participated in the May discussion about the Future of the Commonwealth which was held online. To mark the Platinum Jubilee, the ICWS also organised an event to discuss the future of the 'global' monarch in Commonwealth realms.

Knowledge Diplomacy Seminar Series

Over the last two years, the University of London Institute in Paris (ULIP) has led the Knowledge Diplomacy Seminar Series, a collaboration between the Goethe Institut, British Council (France and Germany), University of London (London and Paris) which is supported by ICR Research.

The first phase, in June 2021, looked at the key role of knowledge diplomacy in relation to the COVID-19 pandemic and climate change; and the second phase, running throughout 2022, both expands and locates the concept in relation to cities.

The series aims to dig deeper into the dynamics of global city cooperation today by focusing on three European capitals: London, Paris and Berlin. It asks what potential these cities – and cities more generally – have for generating dialogue and cooperation in the 21st century, through the lenses of knowledge diplomacy and the future of higher education. The programme consists of four separate web discussions involving leading experts from cities and higher education.

Being Human

Being Human is the UK's festival of the humanities, led by the School of Advanced Study with generous support from Research England and in partnership with the Arts and Humanities Research Council and the British Academy. It serves as a national celebration of public engagement with humanities research, highlighting the ways in which the humanities can inspire and enrich our everyday lives.

In 2021, the festival took place both in-person and online, with the theme of 'Renewal'. 240 free events were organised by researchers from 64 universities and research organisations, in partnership with over 320 cultural and community partners. A special festival Hub led by the University of Glasgow focused on COP26. An estimated 21,000 people attended a live festival event, with a further 36,000 viewing online recordings and accessing digital content.

In 2022 the festival theme is 'Breakthroughs', with 62 participating universities and research organisations. Festival Hubs will take place in Aberdeen, Bangor, Dundee, Newcastle and Wolverhampton, with a special dedicated Hub celebrating the BBC's centenary being held in Bradford.



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320

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Funding uplift for the School of Advanced Study

In recognition of the School of Advanced Study's ambitious strategy in promoting and facilitating arts and humanities research across the UK, Research England awarded an uplift of £0.5 million to the special funding for academic year 2021–2022.

This has allowed a number of key initiatives to be enhanced and new ones to be developed: a new Digital Humanities lab was equipped and the School's online training platform transformed and relaunched.

The funding also facilitated expert analysis of the Research Excellence Framework case studies making the case for humanities, and important work on EDI and environmental initiatives.



A Thousand Words for Weather exhibition

During record-breaking temperature highs in the summer of 2022, Senate House Library collaborated with the Institute of Languages, Cultures and Societies at the School of Advanced Study to host a specially commissioned sound installation.

Presented by arts organisation Artangel and funded by the Higher Education Innovation Funding, *A Thousand Words for Weather* features thousands of words for the weather in 10 languages commonly spoken across the city. The installation is a collaboration between writer Jessica J Lee, sound artist Claudia Molitor and seven London-based poets. Throughout three floors of Senate House Library, visitors experience the sound of the weather as it responds to live data from the Met Office. The exhibition will run until spring 2023.

In July, the Library also hosted a discussion with bestselling author Jeanette Winterson and climatologist Professor Friederike Otto. This conversation and the installation seek to demonstrate that although arts and science may describe the crisis in different ways, they are united in the pursuit of a solution before it's too late.

Outreach and staff development led by our Centre for Online and Distance Education (CODE)

Research in Distance Education and e-Learning (RIDE) is an annual conference organised by the Centre for Online and Distance Education (formerly CDE).

The conference has grown from its origins as the inaugural CDE Fellows Conference in 2006 to become a fixture in the University of London calendar of events, attracting an international audience of practitioners, researchers, educational technologists and senior managers.

In 2022, the conference focused on three overlapping conference themes, delivered across the programme: People, Pedagogy and Practice. The event took place mid-June and was delivered across three days online and in-person at Senate House.

The Open University China (OUC)

CODE is playing a strategic role in supporting staff development and capacity building at OUC. In addition to regularly hosting visiting scholars, CODE was commissioned to deliver a bespoke staff development programme for 250 teaching colleagues from OUC in 2021–2022.



Warburg Renaissance building project

In July, the Warburg Institute celebrated its official ground-breaking for the Warburg Renaissance building project with a ceremony attended by the project's key sponsors and supporters. Scheduled to end in January 2024, the £14.5 million renovation will create a more open and accessible building, with new spaces for events, exhibitions and digital experimentation.

The Warburg Institute was able to raise the necessary funds and commence this project thanks to the generous support of its donors, including the Hermann Reemtsma Stiftung, the Marie-Louise von Motesiczky Charitable Trust, the Wolfson Foundation, the Maurice Wohl Charitable Foundation, the American Friends of the Warburg Institute, the Garfield Weston Foundation, the Foyle Foundation, Erck Rickmers, Mark Storey, Axel Hansing and the Friends of the Warburg Institute.

In addition to a £9.5 million investment by the University, funds were raised in March 2022 at an auction as part of the Phillips 20th Century & Contemporary Art Day Sale. A sale of works by contemporary artists including Anselm Kiefer, Goshka Macuga, Cornelia Parker, Gerhard Richter and Edmund de Waal raised over £170,000 for the Warburg Renaissance, and has taken the Institute over its £14.5 million target. Upon its completion, the renovation will realise the original vision of its founder, Aby Warburg, for a space in which display, discovery and debate are closely connected.

Institute of Historical Research centenary

2021 saw the centenary of the Institute of Historical Research (IHR) within the School of Advanced Study. An online global birthday opened the calendar of events on 8 July, starting at 11am in Australia, the Pacific, East Asia and South Asia, with the next panel including historians working in Africa and the Middle East and a final panel representing Europe and the Americas.

There were 24 National Centenary Events running from July 2021 to May 2022, supported and promoted by the IHR with partners from across the UK. On 15 July 2022, the IHR's centenary year closed with the Centenary Festival, which was a celebration of History: Past, Present and Future. Historians of all kinds came together to talk, showcase their research and address critical issues in the discipline today. The Historical Association, Royal Historical Society, Mass Observation Archive, National Archives and University of London Press were among the 22 organisations involved.

Renaming the Institute of Modern Languages Research

In 2022, the Institute of Modern Languages Research (IMLR), one of the eight Institutes within the School of Advanced Study, changed its name to the Institute of Languages, Cultures and Societies (ILCS). The decision was a result of the strong feeling within the disciplinary field that 'modern languages' is not the most appropriate self-description. Those outside the discipline often assume that 'modern languages' is essentially concerned with language acquisition, when in fact the field is centred around the study of culture.

Additionally, in 2021, the Institute of Latin American Studies closed and much of its operation was incorporated into the IMLR as the new Centre for Latin American and Caribbean Studies (CLACS). The term 'modern languages' did not accurately represent the field of study of many of those connected with CLACS; the new name therefore provides a more accurate description of the Institute's work.

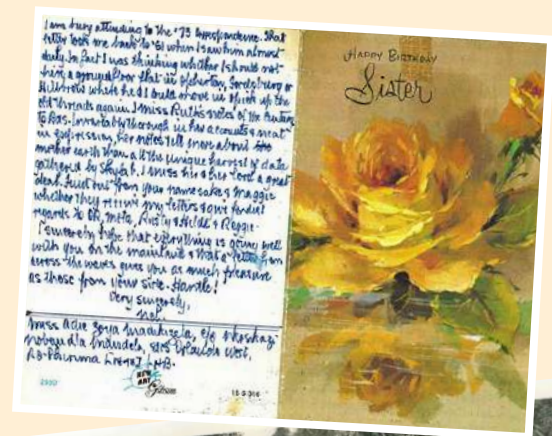
Nelson Mandela archive

Researchers and Senate House Library visitors can now access letters and postcards written by Nelson Mandela from prison to his friends, anti-Apartheid activists Paul and Adelaide Joseph. These materials and 18 photographs of Mandela are a part of the newly donated Paul & Adelaide Joseph collection, which reveals the personal side of Mandela's early years in prison and his friendship with the couple.

The letters and postcards addressed to them date from 1962, when Mandela was arrested, up until 1985. One of the highlights is a birthday card/letter from Nelson Mandela, dated 1 March 1975, in which Mandela talks of looking forward to meeting Tanya and Nadia, the Josephs' other children. Nadia Joseph, born 1966, is an active social justice campaigner who was herself involved in the anti-Apartheid movement.

Below: Birthday card/letter to Adelaide Joseph from Nelson Mandela, 1 March 1975.

Paul Joseph and other anti-Apartheid campaigners leaving Pretoria Central Prison, August 1960.







The Way We Work

The Way We Work



Strategic objective 3: Developing and continuously adapting our organisation and capacity, we will continue to lead and innovate across the sector so that together we can transform lives through education and embody the university of the future.

Collaboration is at the heart of our ethos, and we have been committed to improving access to education since our inception. This passion for learning, sharing and connection is central to our ability to transform lives around the world. In the last 12 months, we have continued to develop and adapt our University and its capacity to ensure it is fit for the future.

Transforming distance learning around the world

An ambitious transformation programme is underway to further our position as the UK's leading provider of online and blended distance learning worldwide and enhance our structure, business processes and course offering.

Restructuring has been completed and work continues on implementing tools that will improve our 45,000 students' educational experience and increase self-service points. A strategy for growth is being developed, along with a roadmap setting out ways to strengthen the current programme and product portfolio.

Cultivating talent

The University is committed to attracting and retaining the best talent, reflecting the diversity of our London location and global reach. To this end, we are developing modern ways of working that promote flexibility and support a positive performance-based culture. Work has been completed to restructure our Human Resources department and ensure processes better meet the needs of our valuable workforce.



Celebrating 185 years since our founding

Pride and Prejudice (1995) actress Joanna David was among four remarkable individuals honoured by the University's Chancellor, Her Royal Highness The Princess Royal, for their contributions to public life at our Foundation Day event in November 2021.

A glittering ceremony held at Senate House in Bloomsbury saw Ms David, international civil servant and diplomat Mary Chinery-Hesse, historian Margaret MacMillan, and George Mpanga – also known as George the Poet – each receive honorary degrees. The event also marked the 185th anniversary of the University of London, which was incorporated by Royal Charter in 1836.

Significant donations

During 2021–2022, the University secured more than £3 million in new philanthropic donations from a number of individuals, charitable trusts and foundations. This included a donation of £150,000 from the Foyle Foundation towards the Warburg Renaissance capital redevelopment campaign, which has now raised a total of £5 million in philanthropic support. Along with the £9.5 million investment by the University, this ensured that work commenced in July 2022.

Further major donations included a £250,000 gift towards the University of London Boat Club (ULBC) from a donor who wishes to remain anonymous. This will support strategic priorities of the ULBC. The Warburg Institute received a generous donation from Mark Storey, a former member of the University's Board of Trustees, towards ongoing priority projects within the Institute.

The University also received £95,000 from a foundation that wishes to remain anonymous towards the Refugee Law Clinic, to support its work in providing pro bono legal advice for refugee clients wishing to claim asylum in the UK.

Senate House: a popular filming location

The University's Senate House building is one of the city's biggest draws as a location for film and television. Best known for being the inspiration for the Ministry of Truth in George Orwell's *1984*, Senate House has been used as a location for heroes from Bond to Batman, as well as playing host to multiple BBC dramas. Most recently, it featured in the official trailer for Marvel Studios' *Secret Invasion* which will be shown on the streaming service Disney+ in 2023.



New senior appointments



Alistair Jarvis CBE

Alistair Jarvis CBE has joined the University as Pro Vice-Chancellor (Partnerships and Governance). Prior to this Alistair was CEO of Universities UK from 2017 to 2022. Leading the representative body for the UK's 140 universities – a registered charity and six subsidiary entities – his role included influencing policy, strategy and member engagement. Before this, he was Deputy CEO and Director of External Relations since 2013. Previously, he was a Director at the University of Birmingham and has held external engagement roles for national organisations. Alistair received a CBE in 2022 for services to Higher Education and supporting the sector during the COVID-19 crisis. He is a member of the UCAS Board of Trustees and a member of the advisory boards of Wonkhe, the UPP Foundation and the Discovery Decade project.



Jem Eskenazi

Jem Eskenazi has joined as our new Chief Information and Digital Officer. Previously, he was chief technology officer at the Abu Dhabi Department of Economic Development. He has more than three decades of technology leadership and business transformation experience, which started in an academic environment at McGill University and spanned several industries. He led a comprehensive modernisation programme at the European Bank for Reconstruction and Development as managing director of information technology, led a technology transformation programme as the chief technology officer of UK Export Finance, and served as chief information officer at Philips Medical Systems and at Air Liquide.

Championing equality

Athena Swan Bronze Award

The University has a long-standing record of proactively promoting inclusion and gender equality within the higher education sector. In August, we received the Athena Swan Bronze Award in recognition of our ongoing efforts to improve representation, career progression and the working environment, and to identify and address any challenges. The award forms part of a framework used by institutions across the sector and is an important step in our journey to further enhance our gender equality practices.

Women of the World Festival

We were proud to take part in the Women of the World Festival, an annual event celebrating the achievements of women and girls globally. A team of dozens of volunteers managed a stall to highlight the University's leading role in enabling access for women to higher education. The event, held at the Southbank Centre, also saw volunteers offer 15-minute mentoring sessions to festivalgoers to inspire them to consider the benefits of higher education. It was also an opportunity to promote our distance learning and School of Advanced Study programmes and Senate House Library.

Celebrating Pride in London

The University was delighted to join celebrations for Pride in London and mark 50 years since the UK's first parade. Crowds returned to central London in July to celebrate the diversity of LGBTQ+ communities and join the fight for equality. More than 20 students and staff members from the University and several independent Member Institutions marched under a giant inflatable graduation cap bearing the University logo in the colours of the rainbow flag.





Our Federation

World-class research

Our Federation of 17 independent Member Institutions produce world-leading research across a range of areas, from science and healthcare to business and the arts and humanities. An independent review by the Research Excellence Framework was published in May 2022 and highlighted many successes, with *Times Higher Education* (THE)'s analysis revealing that five of our Member Institutions made the top 10 overall.

The total average of 4* and 3* on the overall quality of research across panels and disciplines is consistently above 80 per cent across members of the Federation.

In the field of music and the performing arts, University of London Member Institutions fill the top five spaces in the subject rankings, with Queen Mary University of London top, Royal Holloway second and the Royal Central School of Speech and Drama, King's College London and SOAS also in the top five. In the field of agriculture, food and veterinary sciences, the Royal Veterinary College was ranked top in the THE's research power index.

Two members of the Federation, UCL and King's College London, belong to the UK top 10 Research Power Ranking, and six of our members were ranked in the UK top 20 Academic Research Centres.

Creating futures: Member Institutions among top-ranked for social mobility

Our passion for changing lives is embedded in the fabric of the entire Federation, with our independent Member Institutions among the top-ranked English institutions for social mobility in 2022.

Queen Mary University of London took third place overall for a second successive year in the 2022 Social Mobility Index. The ranking also saw King's College London climbing up four places (fifth), followed by the London School of Economics and Political Science in eighth place, City University of London (ninth) and University College London (15th).

Forging close ties between policymakers and researchers

The University has continued to build valuable connections with policymakers and the higher education sector as part of the London Research and Policy Partnership, a scheme launched with local authorities, the Greater London Authority and other institutions to share knowledge and collaborate on the biggest challenges facing the capital.

A year since it was launched, the initiative has gone from strength to strength, with the University brokering several informal connections within the higher education sector to respond to calls for research from local authorities.



Governance



New Appointments

Incoming Board of Trustee members – joined 1 August 2022



Josette Bushell-Mingo OBE

One of five new members of our Board of Trustees, Josette Bushell-Mingo OBE is an award-winning actor and director whose career has included performances with the Royal Shakespeare Company, the National Theatre and the Manchester Royal Exchange. She is also the principal and CEO of the Royal Central School of Speech and Drama. She was awarded an Order of the British Empire for services to the arts in 2006, while serving as artistic director of the Black-led theatre festival PUSH. She also co-founded the festival's sister organisation in Sweden, TRYCK, and was honoured by His Majesty King Carl XVI Gustaf with The King's Medal 8th size with the ribbon of the Order of the Seraphim.



Craig Hassall

Craig Hassall brings to the Board of Trustees a wealth of experience in arts and culture in both the UK and Australia. Craig has been chief executive of the Royal Albert Hall since 2017. Prior to this, he was CEO of Opera Australia, the country's largest performing arts organisation, with over 600 opera performances a year. Previous roles also include serving as deputy general manager of Sydney Theatre Company and managing cultural programmes for the Sydney 2000 Olympic Games. Craig was awarded an Order of Australia honour in 2016.



Kavita Reddi

Joining the Board of Trustees, Kavita Reddi is the co-founder of Voxta, an artificial intelligence voice bot start-up that helps organisations engage their digital platform users in the UK and India. Kavita previously held a number of senior editorial roles in radio and television at the BBC. A large part of her BBC career was at *Newsnight*, covering economics and business news, while her films on the mad cow disease scandal won *Newsnight* its first BAFTA award. She worked across BBC current affairs and documentaries before moving to the BBC's strategy department.



Patrick Dunne

Patrick, who also joins the Board of Trustees, has been chief property, facilities and procurement officer at Sainsbury's plc since 2017, with responsibility for the group's procurement and property portfolio across Sainsbury's, Habitat and Argos. In 2019, he was named 'Supply Leader of the Year' by the Chartered Institute of Procurement, with his team also voted 'Team of the Year'. Patrick was previously global senior vice president and chief property and procurement officer at Walgreens Boots Alliance from 2007 to 2017. He began his career at the Nissan Motor Company, where he played a leading role in Nissan's revival plan and its integration with Renault.



Christopher Rossbach

Another addition to our Board of Trustees, Christopher Rossbach is a co-founder, managing partner and chief investment officer of J. Stern & Co., a private investment partnership based in London and Zurich. Chris is also the portfolio manager for the firm's World Stars Global Equity Fund. Before moving to London, Chris started his career in investment banking at Lazard Frères in New York and has vast experience in the sector. Chris is also a member of the Atlantik-Brücke, an association of German business and political leaders based in Berlin.

Corporate Governance Statement

The following statement is given to assist readers of these Financial Statements to obtain an understanding of the governance procedures of the University. It covers the period from 1 August 2021 to 31 July 2022 and up to the date of approval of the Financial Statements on 23 November 2022.

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 conditions of registration of the Office for Students (OfS), and
- in accordance with the values and elements set out in The Higher Education Code of Governance (September 2020).

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 to have 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 2022:

- 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; and
- 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 now

governed by the University of London Act 2018 and by the Statutes made in 2018 under that Act, which set out its objects, powers and framework of governance.

The University of London is a federal university and, as well as the central academic bodies and central activities included in these Financial Statements, comprises a further 17 Member Institutions, 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; the Vice-Chancellor; the Deputy Vice-Chancellor, and four heads of Member Institutions, appointed 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 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 wholly owned subsidiaries.

The Board of Trustees is supported by the Collegiate Council, which comprises the heads of the 17 Member Institutions of the University, the Vice-Chancellor, the Deputy Vice-Chancellor, the Pro Vice-Chancellor (Research and Engagement) and the Pro Vice-Chancellor (International, Learning and Teaching).

The Collegiate Council is chaired by the Vice-Chancellor. The Collegiate Council is responsible for determining, and advising the Board of Trustees on, the collective view of the Member Institutions in respect of all matters concerning the University of London as an incorporated body, including its strategic direction. It is also responsible for ensuring the proper discharge of the University's academic affairs and it also advises the Board of Trustees regarding the resources and services provided by the University to the Member Institutions, and on the funding of those services.

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 2022, in addition to the Audit and Risk Assurance Committee, are the Academic Board, Estates Committee, the Finance Committee, the Investments Committee and the Remuneration Committee, as well as the Academic Promotions and Titles 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 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 help 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. A key recommendation of the review was the creation of a central Academic Board (replacing boards of the Central Academic Bodies). The Academic Board was convened for the first time in October 2021 and met four times during the academic year. 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, via Collegiate Council, that 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 meets 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 reviews the University's annual report and annual Financial Statements together with the accounting policies before recommendation to the Board of Trustees for approval.

The **Nominations 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. The role of the Committee includes appointments to all committees of the Board of Trustees.

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

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 equal opportunities monitoring and developments in relation to equality, diversity and inclusion.

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 **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 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.

Following the passage of the University of London Act 2018, the University is supporting 12 Member Institutions who are seeking the title of 'University'. The grant of university title would enable them to hold university status in their own right (as opposed to through the University of London). None has expressed any intention to change their legal or trading names upon the award of university title.

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

Membership covers the period from 1 August 2021 to 23 November 2022 (unless further details are given under period of office):

Independent Members	Period of office
Jane Andrewartha	
Stella Beaumont	Until 31 July 2022
Abdul Bhanji	Until 31 July 2022
Philip Clark	Until 31 July 2022
Sir Richard Dearlove (Chair)	
Patrick Dunne	From 1 August 2022
Andrew Halper	
Craig Hassall	From 1 August 2022
Kieran Murphy	
Andrew Ratcliffe	
Kavita Reddi	From 1 August 2022
Malcolm Roberts	Until 31 July 2022
Christopher Rossbach	From 1 August 2022
Mark Storey	Until 30 June 2022
Rosalyn Wilton	

Vice-Chancellor

Wendy Thomson	
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Deputy Vice-Chancellor

Paul Layzell	
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Four Heads of Member Institution, chosen by the Collegiate Council

Colin Bailey, President and Principal of Queen Mary University of London	
Josette Bushell-Mingo, Principal of Royal Central School of Speech and Drama	From 1 August 2022
Frances Corner, Warden of Goldsmiths, University of London	
Stuart Reid, Principal of the Royal Veterinary College	Until 31 July 2022
Michael Spence, President and Provost of UCL	

Statement of board of trustees' responsibilities in respect of the Financial Statements

The Board of Trustees is responsible for preparing the Annual Report and the Financial Statements in accordance with the requirements of the Office for Students' 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 Office for Students ('the Accounts Direction') and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education.

The Board of Trustees is required to prepare 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; and
- 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 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) and 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; and
- 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. Legislation in the UK 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 and Statutes, 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 2022 and up to the date of approval of the Financial Statements on 23 November 2022, 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 carried out during the year ended 31 July 2022:

- 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, and we require 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 based on risk ranking and cost-benefit analysis has been established.
- 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, Uniac. They operate to the standards defined in the Audit Code of Practice (Annex C to the OfS Terms and Conditions of Funding for higher education institutions). 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.





Financial Statements

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

Opinion

We have audited the Financial Statements of University of London ("the University") for the year ended 31 July 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Reserves, Cash Flow Statement and related notes, including the accounting policies in note 1.

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 2022, 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 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;
- 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

Identifying and responding to risks of material misstatement due to fraud

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 of fraudulent revenue recognition, in particular:

- the risk that Group and University management may be in a position to make inappropriate accounting entries; and
- the risk that income from distance learning courses is overstated through recording revenues in the wrong period.
- We did not identify any additional fraud risks.
- We performed procedures including:
 - Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual account combinations and other unusual journal characteristics.
 - Re-performance of a sample of distance learning tuition fee year end deferred income calculations, to assess the accuracy of the income adjustment recognised.
 - We compared the distance learning courses for which income was deferred at 31 July 2021 to those deferred at 31 July 2022 to ensure the completeness of the balance.
 - For a sample of distance learning tuition fee sales invoices raised throughout the financial year, we assessed whether the income had been recognised in the appropriate accounting period by confirming the date of course delivery.

Identifying and responding to risks of material misstatement related to 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 and discussed with senior management 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.

Firstly, the Group and University is subject to laws and regulations that directly affect the Financial Statements including financial reporting legislation (including related companies and higher education legislation), taxation

legislation, pensions legislation and higher education financial reporting related regulation. 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 and University are 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 loss of the University's registration with the Office for Students. Whilst the Group and University is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the Financial Statements.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the senior 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 Strategic Report, Public Benefit Statement, Corporate Governance Statement 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 [X], 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 parent 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 parent 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

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 dated 25 October 2019 issued by the Office for Students.

Matters on which we are required to report by exception

We are 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 a 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.



Fleur Nieboer for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

29 November 2022

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 terms and conditions of funding for higher education institutions issued by the Office for Students and the 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 Group's and parent University's activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report which forms part of the Board of Trustees' Report. The Board of Trustees' Report also describes the financial position of the institution, its cash flows, liquidity position and borrowing facilities.

The Financial Statements have been prepared on a going concern basis which the Board of Trustees considers to be appropriate for the following reasons:

The University have prepared cash flow forecasts for a period of 12 months from the date of approval of these Financial Statements and these have been approved by the Board of Trustees. After reviewing these forecasts the Board of Trustees is of the opinion that, taking account of

severe but plausible downsides, including the possible continued impact of COVID-19, the Group and parent University will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the Financial Statements (the going concern assessment period), and have adequate resources to continue in existence for the foreseeable future.

The base case scenario considered in these forecasts has the following key assumptions:

- salary increases
- higher occupancy rates
- a growth in distance learning fee income plus extra for new careers services, and seven new programmes launching during the year
- reduced commercial income, reflecting conferencing business not returned to pre-pandemic level
- increased return on endowment funds.
- sale of Lillian Penson
- no drawdown from the new credit facility.

In coming to its final decision that the going concern basis was appropriate, the Board of Trustees considered the very latest position on residences income and commercial income, and it noted that the University's financial performance in the three months to 31 October 2022 did not indicate any need to change assumptions in other areas and that cost savings targeted in 2022/23 had been largely underpinned. Up to date downside scenarios were reviewed, and the Board of Trustees were satisfied that actions that might be necessary to assure continued compliance with the University's financing requirements were achievable.

Consequently, the Board of Trustees is confident that the Group and parent University will have sufficient funds 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 Member Institutions within the federation and by charges for specific services supplied by the University to Member Institutions. Heads of Member Institutions within the federation are ex officio members of the Collegiate Council. The Member Institutions 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 receives no similar exemption in respect of Value Added Tax.

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 weekly year-end rate, and gains and losses arising on conversion 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. This consists 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 (ie. fair value at 1 August 2014) and not depreciated due to its infinite useful economic life (UEL)
- Freehold buildings & refurbishment: Buildings, including any refurbishment prior to 1 August 2014, are recognised at fair value as deemed cost (ie. 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 & 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 of plant and equipment costing £10,000 or more, or multiple items of plant and equipment whose functionality is intrinsically linked and which together cost £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. Groups of items purchased together which individually cost under £10,000 and together cost £10,000 or more, but whose functionality is not intrinsically linked, are also 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, a management decision is made over whether the lease 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 inception of the lease. This is then depreciated over the lower of the life of the lease and the UEL 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, a management decision is made over whether the lease 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 University 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, 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; to Aegon, a defined contribution scheme, for the staff of CoSector Limited; and to Singapore Central Provident fund, a defined contribution system, for the staff of Senate House Worldwide Limited Singapore branch.

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 statements 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 brought 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 2022

		Year ended 31 July 2022		Year ended 31 July 2021	
	Notes	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	1	86,690	86,690	84,978	84,978
Funding body grants	2	8,968	8,968	8,711	8,711
Research grants and contracts	3	1,760	1,760	1,832	1,832
Property income	4	49,575	47,825	38,740	37,522
Other income	5	27,324	25,704	28,756	26,597
Investment income	6	7,035	7,335	3,472	3,522
Donations and endowments	7	1,305	1,305	806	806
Total income		182,657	179,587	167,295	163,968
Expenditure					
Staff costs excluding USS pension deficit movement	8	55,727	55,211	63,520	63,110
USS pension deficit movement		29,701	29,701	(5,253)	(5,253)
Total staff costs		85,428	84,912	58,267	57,857
Other operating expenses	10	113,853	111,317	105,766	102,550
Depreciation	13	6,090	6,081	6,539	6,512
Interest and other finance costs	9	2,581	2,581	3,126	3,126
Total expenditure	10	207,952	204,891	173,698	170,045
(Deficit) / Surplus before other gains and losses		(25,295)	(25,304)	(6,403)	(6,077)
Gain on disposal of fixed assets		-	-	8,969	8,969
Gain on investments	16	21,230	21,241	6,874	6,552
(Deficit) / Surplus before tax		(4,065)	(4,063)	9,440	9,444
Taxation	11	-	-	1	-
Total comprehensive income and expenditure for the year		(4,065)	(4,063)	9,441	9,444
Represented by					
Endowment comprehensive income for the year	23	6,951	6,951	18,025	18,025
Restricted comprehensive income for the year	24	320	320	208	208
Unrestricted comprehensive income and expenditure for the year		(11,336)	(11,334)	(8,792)	(8,789)
		(4,065)	(4,063)	9,441	9,444

All (deficit) / 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 2022

	Income and expenditure account			Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000	
Consolidated				
Balance at 1 August 2020	88,281	407	598,125	686,813
(Deficit) / surplus from the income and expenditure statement	20,210	450	(11,219)	9,441
Expenditure on endowment and restricted funds in year	(2,185)	(242)	2,427	-
Total comprehensive income and expenditure for the year	18,025	208	(8,792)	9,441
Balance at 1 August 2021	106,306	615	589,333	696,254
(Deficit) / surplus from the income and expenditure statement	9,479	1,270	(14,814)	(4,065)
Expenditure on endowment and restricted funds in year	(2,528)	(950)	3,478	-
Total comprehensive income and expenditure for the year	6,951	320	(11,336)	(4,065)
Balance at 31 July 2022	113,257	935	577,997	692,189

	Income and expenditure account			Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000	
University				
Balance at 1 August 2020	88,281	407	598,123	686,811
(Deficit) / surplus from the income and expenditure statement	20,210	450	(11,216)	9,444
Expenditure on endowment and restricted funds in year	(2,185)	(242)	2,427	-
Total comprehensive income and expenditure for the year	18,025	208	(8,789)	9,444
Balance at 1 August 2021	106,306	615	589,334	696,255
(Deficit) / surplus from the income and expenditure statement	9,479	1,270	(14,812)	(4,063)
Expenditure on endowment and restricted funds in year	(2,528)	(950)	3,478	-
Total comprehensive income and expenditure for the year	6,951	320	(11,334)	(4,063)
Balance at 31 July 2022	113,257	935	578,000	692,192

Consolidated and University Balance Sheet

For the year ended 31 July 2022

		At 31 July 2022		At 31 July 2021	
	Notes	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Intangible assets	12	5,902	5,902	7,313	7,313
Fixed assets	13	506,250	506,250	509,895	509,886
Heritage assets	13, 14	13,426	13,426	13,200	13,200
Non-current investments	16	307,736	308,358	279,711	280,322
Debtors: amounts falling due after more than one year	18	-	1,923	-	1,876
		833,314	835,859	810,119	812,597
Current assets					
Stock	17	235	235	246	246
Trade and other receivables	18	24,685	24,785	15,494	17,178
Cash and cash equivalents	25	40,007	37,033	65,478	60,789
		64,927	62,053	81,218	78,213
Less: Creditors: amounts falling due within one year	19	(53,228)	(52,896)	(45,608)	(45,080)
Net current assets		11,699	9,157	35,610	33,133
Total assets less current liabilities		845,013	845,016	845,729	845,730
Creditors: amounts falling due after more than one year	20	(108,748)	(108,748)	(134,825)	(134,825)
Provisions					
Pension provisions	21	(43,751)	(43,751)	(13,926)	(13,926)
Other provisions	21	(325)	(325)	(724)	(724)
Total net assets		692,189	692,192	696,254	696,255
Restricted reserves					
Income and expenditure reserve - endowment reserve	23	113,257	113,257	106,306	106,306
Income and expenditure reserve - restricted reserve	24	935	935	615	615
Unrestricted reserves					
Income and expenditure reserve – unrestricted		577,997	578,000	589,333	589,334
Total reserves		692,189	692,192	696,254	696,255

The Financial Statements were approved by the Board of Trustees on 23 November 2022 and were signed on its behalf on that date by:



Sir Richard Dearlove
Chair, Board of Trustees



Professor Wendy Thomson
Vice-Chancellor

Consolidated Cash Flow Statement

For the year ended 31 July 2022

	Notes	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Cash flow from operating activities			
(Deficit) / Surplus for the year before tax		(4,065)	9,440
Adjustment for non-cash items			
Depreciation	13	6,090	6,539
Amortisation and impairment of intangibles	12	3,030	2,363
Loss/(gain) on investments	16	(23,710)	(6,918)
Decrease/(increase) in stock	17	11	152
Decrease/(increase) in debtors	18	(9,191)	12,635
Increase/(decrease) in creditors	19,20	1,051	(11,251)
Increase/(decrease) in pension provision	21	29,825	(5,113)
Increase/(decrease) in other provisions	21	(399)	106
Adjustment for investing or financing activities			
Investment income	6	(7,035)	(3,472)
Interest payable	9	2,334	2,685
(Gain)/loss on the sale of fixed assets		-	(8,969)
Capital grant income	2	(77)	(82)
Cash flows from operating activities		(2,136)	(1,885)
Taxation	11	-	1
Net cash (out)/inflow from operating activities		(2,136)	(1,884)
Cash flows from investing activities			
Proceeds from sales of tangible assets		-	34,980
Capital grants receipts	2	77	82
Investment income	6	7,035	3,472
Payments made to acquire fixed assets	13	(2,671)	(2,780)
Payments made to acquire intangible assets	12	(1,619)	(1,974)
New non-current asset investments	16	(4,315)	(152)
Net cash (out)/inflow from investing activities		(1,493)	33,628
Cash flows from financing activities			
Interest paid	9	(2,334)	(2,685)
New unsecured loans	20	6,266	511
Repayment of borrowings	19	(25,774)	(760)
Net cash (out)/inflow from financing activities		(21,842)	(2,934)
Increase/(decrease) in cash and cash equivalents in the year		(25,471)	28,810
Cash and cash equivalents at beginning of the year	25	65,478	36,668
Cash and cash equivalents at end of the year	25	40,007	65,478

Notes to the Financial Statements

For the year ended 31 July 2022

	Notes	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
1	Tuition fees and education contracts				
	Distance learning students	84,570	84,570	82,954	82,954
	Full-time home and EU students	468	468	445	445
	Full-time overseas students	671	671	471	471
	Part-time students	981	981	1,108	1,108
		86,690	86,690	84,978	84,978
2	Funding body grants				
	Recurrent grant				
	Research England	8,891	8,891	8,629	8,629
	Capital grant	77	77	82	82
		8,968	8,968	8,711	8,711
3	Research grants and contracts				
	Research councils	670	670	533	533
	Research charities	262	262	351	351
	Government (UK and overseas)	699	699	802	802
	Other	129	129	146	146
		1,760	1,760	1,832	1,832
	The source of the grant and fee income, included in notes 1 to 3 is as follows:				
	Grant and fee income				
	Grant income from the OfS	2	2	18	18
	Grant income from other bodies	10,726	10,726	10,525	10,525
	Fee income for research awards	784	784	652	652
	Fee income from non-qualifying courses	699	699	797	797
	Fee income for taught awards	85,207	85,207	83,529	83,529
		97,418	97,418	95,521	95,521
4	Property income				
	Residences, catering and conferences	41,315	39,565	26,636	25,418
	Estates revenue	8,260	8,260	12,104	12,104
		49,575	47,825	38,740	37,522

Notes to the Financial Statements

For the year ended 31 July 2022

	Notes	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
5 Other income					
Member Institutions: Subscriptions and charges		14,330	14,330	14,114	14,114
Other revenue grants		724	724	823	823
Job Retention Scheme		6	5	627	611
Other income		12,264	10,645	13,192	11,049
		27,324	25,704	28,756	26,597
6 Investment income					
Investment income on endowments	23	5,018	5,018	1,807	1,807
Other investment income		2,017	2,317	1,665	1,715
		7,035	7,335	3,472	3,522
7 Donations and endowments					
Donations with restrictions	23, 24	1,253	1,253	409	409
Unrestricted donations		52	52	397	397
		1,305	1,305	806	806
8 Staff costs					
Salaries		39,054	38,612	46,668	46,321
Social security costs		5,123	5,075	5,206	5,163
Movement on USS provision		29,701	29,701	(5,253)	(5,253)
Movement on SAUL provision		-	-	-	-
Other pension costs		11,550	11,524	11,646	11,626
Total		85,428	84,912	58,267	57,857

Included within Salaries is a £2m decrease in relation to employee holiday allowances that have been accrued but not taken.

	2022 No.	2021 No.
Average full-time equivalent staff numbers:		
University and subsidiaries	983	1,014
	983	1,014

In the 2020-21 financial year, in response to the financial impact of the COVID-19 pandemic, the University took a number of actions to reduce its non-staff and staff costs. Through a combination of restructuring and a voluntary redundancy programme, the University reduced its total workforce by just under 10%.

Notes to the Financial Statements

For the year ended 31 July 2022

8 Staff costs (continued)

	2022 No.	2021 No.
Number of staff whose basic pay is over £100,000:		
£100,000 to £104,999	8	7
£105,000 to £109,999	4	2
£110,000 to £114,999	1	2
£115,000 to £119,999	2	1
£120,000 to £124,999	1	2
£125,000 to £129,999	2	2
£135,000 to £139,999	1	1
£155,000 to £159,999	-	1
£160,000 to £164,999	1	-
£195,000 to £199,999	1	-
£230,000 to £234,999	-	1
£270,000 to £274,999	-	1
£300,000 to £304,999	1	-
	22	20

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Total remuneration of the Vice-Chancellor paid in the year:		
Basic salary	304,500	270,000
Payments in lieu of pension contributions	37,758	21,060
Performance related pay, bonuses and other remuneration	-	-
Taxable and non-taxable benefits	-	-
Pension contributions	-	-
	342,258	291,060
Total remuneration of the Vice-Chancellor waived in the year:		
Basic salary waived	-	30,000
Payments in lieu of pension contributions waived	-	2,340
	342,258	323,400

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 seventeen independent universities. The University collaborates across its member universities to deliver world-leading distance education programmes, reaching over 45,000 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.

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 December 2021 the Committee agreed to restore the Vice-Chancellor's pay to 100% from 1 August 2021, following the 10% reduction she had volunteered in the previous year. 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.

Notes to the Financial Statements

For the year ended 31 July 2022

8 Staff costs (continued)

Pay ratios

The full-time equivalent basic salary of the Vice Chancellor during the year was 7.2 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 staff (2021: 8.2). Basic salary includes basic annual full time equivalent pay only.

The full-time equivalent total remuneration of the Vice-Chancellor during the year was 7.9 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 (2021: 8.0). 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 who are included in the Staff Return submitted to HESA which 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 that could be collated within the timescales available.

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 2022		Year ended 31 July 2021	
	£'000	No. of staff	£'000	No. of staff
University and subsidiaries	678	32	3,029	132

The University's pursuit of its strategic aim to develop its capability and capacity for the future, has required some targeted transformation in some areas to its business and the staff impact arising from this transformation activity accounts for the majority of the cost outlined above.

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 and employer's pension contributions.

Key management personnel are deemed to be the nine (2021: 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 2022	Year ended 31 July 2021
	£	£
Key management personnel compensation	1,324	1,281

9 Interest and other finance costs

	Notes	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Loan interest		2,334	2,334	2,685	2,685
Exchange differences		106	106	300	300
Net charge on pension scheme	22	141	141	141	141
		2,581	2,581	3,126	3,126

Notes to the Financial Statements

For the year ended 31 July 2022

10 Analysis of total expenditure by activity

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Academic and related expenditure	87,254	87,195	89,458	89,424
Premises	16,993	16,381	16,303	15,397
Residences, catering and conferences	33,634	33,239	32,082	31,831
Administration and central services	27,039	27,031	26,445	26,436
Defined benefit pension deficit movement	29,701	29,701	(5,253)	(5,253)
Research grants and contracts	1,675	1,675	1,707	1,707
Other expenses	11,656	9,669	12,956	10,503
	207,952	204,891	173,698	170,045

Other operating expenses include:

External auditor's remuneration in respect of statutory audit services (inclusive of VAT)	165	154
External auditor's remuneration in respect of non-statutory audit services (inclusive of VAT)	4	4
External auditor's remuneration in respect of other services (inclusive of VAT)	27	57
Operating lease rentals		
Land and buildings	279	540
Other	77	131
Stock recognised as an expense	-	1

Analysis of total consolidated expenditure by activity and by nature

	Staff costs 2022 £'000	Defined benefit pension deficit movement 2022 £'000	Other operating expenses 2022 £'000	Depreciation 2022 £'000	Finance costs 2022 £'000	Total expenditure 2022 £'000	Total expenditure 2021 £'000
Academic and related expenditure	24,744	-	62,233	277	-	87,254	89,458
Premises	4,047	-	8,967	3,938	41	16,993	16,303
Residences, catering and conferences	2,428	-	27,520	1,785	1,901	33,634	32,082
Administration and central services	15,378	-	10,947	75	639	27,039	26,445
Defined benefit pension deficit movement	-	29,701	-	-	-	29,701	(5,253)
Research grants and contracts	1,213	-	462	-	-	1,675	1,707
Other expenses	7,917	-	3,724	15	-	11,656	12,956
	55,727	29,701	113,853	6,090	2,581	207,952	173,698

Notes to the Financial Statements

For the year ended 31 July 2022

11 Taxation

Recognised in the Statement of Comprehensive Income

	2022 Consolidated £'000	2021 Consolidated £'000
Current tax		
Current tax expense	-	-
Foreign tax suffered in current year	-	(1)
Adjustment in respect of previous years	-	-
Research and development tax credits	-	-
Current tax expense	-	(1)
Deferred tax		
Origination and reversal of timing differences	-	-
Reduction in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
Deferred tax expense	-	-
Total tax expense	-	(1)

12 Intangible assets

	Course development £'000	Assets in the course of construction £'000	Website development £'000	Software £'000	Total £'000
Opening balance at 1 August 2021	4,032	966	258	2,057	7,313
Additions in the year	-	1,635	-	-	1,635
Transfers	1,364	(2,151)	-	787	-
Disposals	-	(16)	-	-	(16)
Amortisation charge and impairment for the year	(1,908)	-	(148)	(974)	(3,030)
Closing balance at 31 July 2022	3,488	434	110	1,870	5,902

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

Notes to the Financial Statements

For the year ended 31 July 2022

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
Consolidated							
Cost or valuation							
At 1 August 2021	149,769	356,707	28,589	3,764	10,917	13,200	562,946
Additions	-	-	62	3,350	-	226	3,638
Transfers	-	676	-	(676)	-	-	-
Disposals	-	-	-	-	-	-	-
Reclassification of property	-	-	-	(967)	-	-	(967)
At 31 July 2022	149,769	357,383	28,651	5,471	10,917	13,426	565,617
Depreciation							
At 1 August 2021	-	(26,345)	(4,438)	-	(9,068)	-	(39,851)
Charge for the year	-	(5,061)	(581)	-	(448)	-	(6,090)
Disposals	-	-	-	-	-	-	-
Reclassification of property	-	-	-	-	-	-	-
At 31 July 2022	-	(31,406)	(5,019)	-	(9,516)	-	(45,941)
Net book value							
At 31 July 2022	149,769	325,977	23,632	5,471	1,401	13,426	519,676
At 31 July 2021	149,769	330,362	24,151	3,764	1,849	13,200	523,095
University							
Cost and valuation							
At 1 August 2021	149,769	356,707	28,589	3,764	10,467	13,200	562,496
Additions	-	-	62	3,350	-	226	3,638
Transfers	-	676	-	(676)	-	-	-
Disposals	-	-	-	-	-	-	-
Reclassification of property	-	-	-	(967)	-	-	(967)
At 31 July 2022	149,769	357,383	28,651	5,471	10,467	13,426	565,167
Depreciation							
At 1 August 2021	-	(26,345)	(4,438)	-	(8,627)	-	(39,410)
Charge for the year	-	(5,061)	(581)	-	(439)	-	(6,081)
Disposals	-	-	-	-	-	-	-
Reclassification of property	-	-	-	-	-	-	-
At 31 July 2022	-	(31,406)	(5,019)	-	(9,066)	-	(45,491)
Net book value							
At 31 July 2022	149,769	325,977	23,632	5,471	1,401	13,426	519,676
At 31 July 2021	149,769	330,362	24,151	3,764	1,840	13,200	523,086

Reclassification of property is the reclassification of assets in the course of construction to investment properties.

Notes to the Financial Statements

For the year ended 31 July 2022

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.london.ac.uk/senate-house-library/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.london.ac.uk/senate-house-library/our-collections/special-collections

For insurance purposes, 19 of the books and manuscripts considered by the Historical Collections Department to be the most cultural 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 £10.545m.

During the year ended 31 July 2022, there were three additions to the heritage assets totaling £225,500. A painting was gifted to the Warburg Institute in April 2022 and a set of archive material relating to Nelson Mandela was donated to the University of London in April 2022. A portrait was also commissioned of Dame Lillian Penson in April 2022.

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 Garden 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 2022

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
Consolidated						
At 1 August 2021		151,565	8,357	13,483	102,955	276,360
Additions		3,540	432	-	-	3,972
Property reclassification		-	-	-	-	-
Transfers from cash		-	-	-	343	343
Revaluation		16,625	-	477	4,128	21,230
At 31 July 2022		171,730	8,789	13,960	107,426	301,905
Short-term deposits and cash					5,831	5,831
	-	171,730	8,789	13,960	113,257	307,736
University						
At 1 August 2021	611	151,565	8,357	13,483	102,955	276,971
Additions	-	3,540	432	-	-	3,972
Property reclassification	-	-	-	-	-	-
Transfers from cash	-	-	-	-	343	343
Revaluation	-	16,625	-	477	4,128	21,230
Subsidiaries' net assets movement	11	-	-	-	-	11
At 31 July 2022	622	171,730	8,789	13,960	107,426	302,527
Short-term deposits and cash					5,831	5,831
	622	171,730	8,789	13,960	113,257	308,358
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						5,903
UPP Duncan House (Holdings) Limited share capital and premium						157
UPP Duncan House (Holdings) Limited loan						2,518
						8,789

Notes to the Financial Statements

For the year ended 31 July 2022

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 2022 CoSector Limited had net assets of £555,000 and accordingly, in the Balance Sheet of the University at this date, the value of investments, including the subsidiary, is increased by this amount.

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 2022 Senate House Services One Limited had net assets of nil, so there is no impact on the Balance Sheet of the University.

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 2022 Senate House Worldwide Limited had net assets of £66,000 and accordingly, in the Balance Sheet of the University at this date, the value of investments, including the subsidiary, is increased by this amount.

Prosum Shared Services 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. The company has not traded in the year.

Investment properties

The investment properties (all freehold) were valued at 31 July 2021 by CBRE Ltd, Chartered Surveyors. In the year ended 31 July 2021 and 31 July 2022, the valuation methodology for 52-60 Gower Street is on a development basis. The remaining properties continue to be valued by capitalising both the term at passing rent and the reversionary interest at market rent. Appropriate yields have been applied to the term and reversion respectively in order to provide an investment value of the University's interest in the land and buildings after making allowance for purchaser's costs.

Investment in the Unified Trust Fund

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

17 Stock

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Finished goods	235	235	246	246
	235	235	246	246

Notes to the Financial Statements

For the year ended 31 July 2022

18 Trade and other receivables

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Amounts falling due within one year:				
Research grants receivables	19	19	98	98
Other trade receivables	5,215	5,228	3,284	3,158
Other receivables	11,822	11,821	5,124	5,124
Prepayments	2,422	2,372	1,824	1,749
Accrued income	5,207	5,207	5,164	5,149
Amounts due from subsidiary companies	-	138	-	1,900
	24,685	24,785	15,494	17,178
Amounts falling due after more than one year:				
Amounts due from subsidiary companies	-	1,923	-	1,876
	24,685	26,708	15,494	19,054

19 Creditors : amounts falling due within one year

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Trade payables	4,576	4,573	1,825	1,807
Social security and other taxation payable	1,305	1,290	1,787	1,777
Accruals	25,862	25,680	25,439	25,320
Deferred income	12,176	12,054	13,093	12,715
Other payables	2,448	2,438	2,684	2,681
Unsecured loans repayable within one year	6,861	6,861	780	780
Amounts due to subsidiary companies	-	-	-	-
	53,228	52,896	45,608	45,080

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 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Grant income	1,922	1,922	996	996
	1,922	1,922	996	996

Notes to the Financial Statements

For the year ended 31 July 2022

20 Creditors: amounts falling due after more than one year

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Deferred income	61,076	61,076	61,558	61,558
Unsecured loans	47,672	47,672	73,267	73,267
	108,748	108,748	134,825	134,825

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Analysis of deferred income:				
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	10,814	10,692	11,731	11,353
Included within Accruals and Deferred income				
in note 19	12,176	12,054	13,093	12,715
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	809	809	-	-
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	71	71	-	-
Long-term halls deferred income to be released in				
five years or more	54,748	54,748	56,110	56,110
To be released after more than one year	61,076	61,076	61,558	61,558
Total deferred income	73,252	73,130	74,651	74,273

Analysis of unsecured loans:				
Due within one year or on demand (note 19)	6,861	6,861	780	780
Due between one and two years	1,135	1,135	1,111	1,111
Due between two and five years	2,218	2,218	27,161	27,161
Due in five years or more	44,319	44,319	44,995	44,995
Due after more than one year	47,672	47,672	73,267	73,267
Total unsecured loans	54,533	54,533	74,047	74,047

Included in loans are the following:

Lender	Amount £'000	Term	Interest rate %	Borrower
RBS (unsecured)	47,506	2047	5.10	University
Lloyds (unsecured)	6,000	2022	SONIA plus 0.35	University
	53,506			

Repayment on the RBS unsecured loan started in 2018.

Notes to the Financial Statements

For the year ended 31 July 2022

21 Provisions for liabilities

Consolidated

	Obligation to fund deficit on USS pension £'000	Obligation to fund deficit on SAUL pension £'000	Total pensions provisions £'000	Other provisions £'000	Total provisions £'000
At 1 August 2021	13,926	-	13,926	724	14,650
Additions	29,825	-	29,825	285	30,110
Utilised	-	-	-	(684)	(684)
Released	-	-	-	-	-
At 31 July 2022	43,751	-	43,751	325	44,076

University

	Obligation to fund deficit on USS pension £'000	Obligation to fund deficit on SAUL pension £'000	Total pensions provisions £'000	Other provisions £'000	Total provisions £'000
At 1 August 2021	13,926	-	13,926	724	14,650
Additions	29,825	-	29,825	285	30,110
Utilised	-	-	-	(684)	(684)
Released	-	-	-	-	-
At 31 July 2022	43,751	-	43,751	325	44,076

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.

Following the completion of the 2020 actuarial valuation, a new deficit recovery plan has been agreed of which more detail is given in note 22 (i). This new plan requires deficit payments of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. 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 2023. £285k relates to overseas tax liabilities in regards to past transactions that the University is currently in the process of agreeing with the relevant tax authority.

Notes to the Financial Statements

For the year ended 31 July 2022

22 Pension schemes

Different categories of staff were eligible to join one of two principal different schemes.

- Universities Superannuation Scheme (USS)
- Superannuation Arrangements of the University of London (SAUL)

The two main schemes, being 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.

The charge to the Consolidated Statement of Comprehensive Income is analysed as follows:

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
USS	8,074	8,161
SAUL	3,431	3,385
Other pension schemes	45	100
	11,550	11,646

(i) The Universities Superannuation Scheme

The total cost charged to the Consolidated Statement of Comprehensive Income is £8,074k (2021: £8,161k).

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (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 2020 valuation was the sixth 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. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 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: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

Notes to the Financial Statements

For the year ended 31 July 2022

22 Pension schemes (continued)

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme’s experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

2020 valuation	
Mortality base table	101% of S2PMA “light” for males and 95% of S3PFA for females.
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5 and an additional of 0.5% p.a. 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:

	2022	2021
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 to 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.33%	0.89%
Pensionable salary growth	2%	3%

(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 £3,431k (2021: £3,385k).

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 2020. At the valuation date, the value of the assets of the scheme was £3,612 million and the value of the scheme’s technical provisions was £3,829 million indicating a shortfall of £217 million. The assets therefore were sufficient to cover 94% 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 2022

22 Pension schemes (continued)

Most recent valuations of SAUL available year ended (in £million)

	2022	2021
Scheme assets	£4,564m	£4,310m
Total scheme liabilities	£3,948m	£3,931m
FRS 102 total scheme surplus / (deficit)	£616m	£379m
FRS 102 total funding level	116%	110%

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

Financial assumptions

	31 March 2020		31 March 2017	
	Technical provisions	Future service costs	Technical provisions	Future service costs
Discount rate:				
Pre-retirement	3.15% pa	3.15% pa	4.06% pa	4.03% pa
Post-retirement (non-CDF)	1.05% pa	1.05% pa	1.96% pa	1.93% pa
Post-retirement (CDF pensioners)	1.91% pa	1.91% pa	2.22% pa	N/A
Price inflation (RPI)	2.70% pa	2.70% pa	3.39% pa	3.35% pa
Price inflation (CPI)	RPI less 1% pa	RPI less 1% pa	2.49% pa	2.45% pa
Salary increases			3.49% pa	3.49% pa
Pension increases in payment				
(Excess over GMP):				
Pre 2016 (CPI)	RPI less 1% pa	RPI less 1% pa	2.49% pa	N/A
Post 2016 (CPI max 2.5%)	CPI max 2.5% pa	CPI max 2.5% pa	1.77% pa	1.70% pa

Demographic assumptions

	31 March 2020	31 March 2017
Retirement		
Active final salary members	All at age 62	All at age 62
Other members	Earliest age unreduced	Earliest age unreduced
Mortality – base table	S2PA year of birth tables with the “Middle” table for females weighted as Non-pensioners: 123% for males and 100% for females and Pensioners: 118% for males and 97% for females	S2PA year of birth tables weighted 100% for males and 94% for females
Mortality – future improvements	CMI 2020 projections with a long-term trend rate of 1.75% p.a.	CMI 2016 projections with a long-term improvement rate of 1.75% p.a.

The mortality assumptions used for the 31 March 2020 valuation result in the following life expectancies

Life expectancy for a male aged 65 now	21.1 years
Life expectancy at 65 for a male aged 45 now	22.7 years
Life expectancy for a female aged 65 now	24.4 years
Life expectancy at 65 for a female aged 45 now	26.2 years

Notes to the Financial Statements

For the year ended 31 July 2022

23 Endowment reserves

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £'000	Expendable endowments £'000	2022 Total £'000	2021 Total £'000
Balances at 1 August 2021				
Capital	85,880	17,075	102,955	84,974
Accumulated income	2,318	1,033	3,351	3,307
	88,198	18,108	106,306	88,281
Donations	33	27	60	41
Project income	27	246	273	325
Investment income	4,186	832	5,018	1,807
Expenditure	(1,805)	(723)	(2,528)	(2,185)
Increase in market value of investments	3,444	684	4,128	18,037
Total endowment comprehensive income for the year	5,885	1,066	6,951	18,025
Restricted permanent capital being reclassified as expendable during the year	-	-	-	-
Restricted permanent accumulated income being reclassified as expendable during the year	-	-	-	-
At 31 July 2022	94,083	19,174	113,257	106,306
Transfers from accumulated income to capital in the year	300	43	343	(56)
Represented by:				
Capital	89,624	17,802	107,426	102,955
Accumulated income	4,459	1,372	5,831	3,351
	94,083	19,174	113,257	106,306

Notes to the Financial Statements

For the year ended 31 July 2022

23 Endowment reserves (continued)

Connected institutions		Opening fund balance	Income	Capital appreciation	Expenditure	Closing fund balance
	Note	£'000	£'000	£'000	£'000	£'000
Individual charities						
University of London Studentship Fund	a	9,299	445	366	(179)	9,931
University of London Research Fund	a	6,534	312	257	(129)	6,974
University of London Prize Fund	a	719	34	28	(10)	771
Convocation	b	4,052	198	156	(84)	4,322
Chadburn Lectures	c	15,474	752	619	(482)	16,363
Teachers of Anatomy	d	430	262	-	(273)	419
Maplethorpe	e	8,356	386	318	(248)	8,812
Perren	f	4,888	225	185	(49)	5,249
Frost Chair	g	3,846	184	152	(66)	4,116
Summarised charities						
	Number of trusts					
Research Support	80	41,991	2,046	1,632	(829)	44,840
Bursary/Scholarship	18	7,880	371	305	(129)	8,427
General central University support	14	263	13	9	(11)	274
Other prize funds	8	2,574	123	101	(39)	2,759
		106,306	5,351	4,128	(2,528)	113,257
Analysis by asset						
				At 31 July 2022	At 31 July 2021	
				£'000	£'000	
Current and non-current asset investments				107,426	102,955	
Cash & current assets				5,831	3,351	
				113,257	106,306	

Notes to the Financial Statements

For the year ended 31 July 2022

23 Endowment reserves (continued)

a University of London Scholarship 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 Member Institutions 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.

Warburg Institute

The Warburg Institute is a constituent part of the School of Advanced Study specialising in cultural history, art history and history of ideas in the Renaissance. The Warburg Institute operates as an integral part of the operation of the University of London and therefore the income and expenditure of the Warburg Institute are included within University income and expenditure account. The designated reserves of the Warburg Institute are included within University reserves.

Notes to the Financial Statements

For the year ended 31 July 2022

24 Restricted reserves

Reserves with restrictions are as follows:

	Unspent capital grants £'000	Donations £'000	2022 Total £'000	2021 Total £'000
Balances at 1 August	-	615	615	407
New donations	77	1,193	1,270	450
Expenditure	(77)	(873)	(950)	(242)
Total restricted comprehensive income for the year	-	320	320	208
At 31 July 2022	-	935	935	615
Analysis of other restricted funds /donations by type of purpose:				
Scholarships and bursaries			203	190
Research support			186	125
General			546	300
			935	615

25 Cash and cash equivalents

	At 1 August 2021 £'000	Cash flows £'000	At 31 July 2022 £'000
Consolidated			
Cash and cash equivalents	65,478	(25,471)	40,007
	65,478	(25,471)	40,007

Analysis of changes in net funds

	At 1 August 2021 £'000	Cashflows £'000	At 31 July 2022 £'000
Consolidated			
Cash and cash equivalents	65,478	(25,471)	40,007
Endowment assets - short term deposits and cash	3,351	2,480	5,831
Other investments - short term deposits and cash	-	-	-
	68,829	(22,991)	45,838
Current asset investments	-	-	-
Debt due after one year	(73,267)	25,595	(47,672)
	(4,438)	2,604	(1,834)

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, £4,689,000 lower at 1 August 2021, and £2,974,000 lower at 31 July 2022.

Notes to the Financial Statements

For the year ended 31 July 2022

26 Consolidated reconciliation of net debt

	31 July 2022 £'000
Net debt 1 August 2021	8,569
Movement in cash and cash equivalents	(25,471)
Other non-cash changes	31,534
Changes in market value and exchange rates	(106)
Net debt 31 July 2022	14,526
Change in net debt	5,957

	31 July 2022 £'000	31 July 2021 £'000
Analysis of net debt:		
Cash and cash equivalents	40,007	65,478
Borrowings: amounts falling due within one year		
Unsecured loans	6,861	780
	6,861	780
Borrowings: amounts falling due after more than one year		
Unsecured loans	47,672	73,267
	47,672	73,267
Net debt	14,526	8,569

27 Financial instruments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Financial assets				
<i>Financial assets that are debt instruments measured at amortised cost</i>				
Cash and cash equivalents	40,007	37,033	65,478	60,789
Other debtors	22,263	24,336	13,670	17,305
Financial liabilities				
<i>Financial liabilities measured at amortised cost</i>				
Loans	54,533	54,533	74,047	74,047
Trade creditors	4,576	4,573	1,825	1,807
Other creditors	28,310	28,118	28,123	28,001

Notes to the Financial Statements

For the year ended 31 July 2022

28 Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2022:

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Commitments contracted for	23,452	23,452	3,890	3,890
	23,452	23,452	3,890	3,890

29 Contingent liabilities

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Contingent liability	185	185	-	-
	185	185	-	-

Upon termination of its membership in a consortium on the 31 July 2022, the University became liable for its share of any deficit in the related pension fund.

30 Lease obligations

Total rentals payable and receivable under operating and finance leases:

	Year ended 31 July 2022			Year ended 31 July 2021	
	Land and Buildings finance lease £'000	Land and Buildings operating lease £'000	Other operating leases £'000	Total £'000	Total £'000
Payable during the year	1	279	77	357	672
Future minimum lease payments due:					
Not later than 1 year	1	-	132	133	143
Later than 1 year and not later than 5 years	3	-	64	67	148
Later than 5 years	12	-	-	12	13
Total lease payments due	16	-	196	212	304
Future minimum lease receipts due:					
Not later than 1 year	341	1,607	-	1,948	1,370
Later than 1 year and not later than 5 years	250	5,543	-	5,793	3,971
Later than 5 years	919	18,685	-	19,604	18,560
Total lease payments due	1,510	25,835	-	27,345	23,901

Notes to the Financial Statements

For the year ended 31 July 2022

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, which 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/ Member Institutions to be a related party relationship. Refer to the Corporate Governance Statement (pages 26 to 28) for more detail on the relationship between the University and its Colleges.

Trustees are not entitled to and did not receive any remuneration for their services. Three Trustees received a total of £1,799 (2020-21: two Trustees £1,918) 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

Estimates

Estimates used to calculate pension deficit liability

The pension provision includes key assumptions on discount rates, salary inflation and staff numbers in the future. The USS pensions liability has been calculated using a discount rate of 3.33%, an average salary increase rate of 2% per year and staff growth rate of 2% per year. The changes in salary costs and staff numbers have been assessed using the forecast impact of the University's strategic plans on the number of staff employed, and known statutory and other increases to pay. The discount rate used is considered to be the equivalent of that of a high quality corporate bond.

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 those provided by USS and SAUL. 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) and the resulting expense is recognised through the profit or loss account in accordance with section 28 of FRS 102. The University is satisfied that the schemes provided by USS and SAUL meet the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the Financial Statements.

Investment properties

For the year ended 31 July 2021 and 31 July 2022, 52-60 Gower Street has been valued on a development basis. The remaining properties continue to be valued by capitalising both the term at passing rent and the reversionary interest at market rent. Appropriate yields have been applied to the term and reversion respectively in order to provide an investment value of the University's interest in the land and buildings after making allowance for purchaser's costs.

Notes to the Financial Statements

For the year ended 31 July 2022

33 Post Balance Sheet events

On 31 August 2022, the University completed on the sale of Lillian Penson Hall, Talbot Square. The net book value of the property as at 31 July 2022 was £20.8 million.

On 1st September 2022, the University changed the use of its property Bonham Carter and Warwickshire House to student accommodation, transferring its classification from an investment property to an operational property for the year ending 31 July 2023.

Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS 102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS 102 discount rate, have increased significantly since 31 July 2022, with corresponding falls in asset values. The markets have been exceptionally volatile and therefore while both gross defined benefit obligations and asset values will have fallen, it is difficult to estimate the impact of these changes on the net balance sheet position.

Annex to 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 (the Code), published in June 2018.

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 Member Institution 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 may be invited to attend and participate in its meetings to advise the Committee as required on his or her 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.

Report to the Board of Trustees

At its last meeting on 15 December 2021, the members of the Remuneration Committee were as follows.

Constituency	Member
Independent member of the Board of Trustees (Chair)	Abdul Bhanji
The Chair of the Board of Trustees	Sir Richard Dearlove
Independent member of the Board of Trustees	Stella Beaumont
Independent member of the Board of Trustees	Andrew Ratcliffe
One Head of a Member Institution on the Board of Trustees	Professor Stuart Reid

- 1 In attendance at the meeting were the Vice-Chancellor, Professor Wendy Thomson and Simon Cain (Director of HR) and Steve Cannon (Interim University Secretary). The Vice-Chancellor withdrew from the meeting for the duration of the discussion on her remuneration and work pattern.
- 2 The Committee transacted the following business:
 - 2.1 reviewed the salary, emoluments, allowances and other financial benefits payable by the University to the Vice-Chancellor
 - 2.2 reviewed the emoluments paid to the Deputy Vice-Chancellor
 - 2.3 reviewed the salary, emoluments, allowances and other financial benefits payable by the University to its most senior staff
 - 2.4 received an oral update from the Vice-Chancellor on other staff employed by the University on Level 10 of the academic-related salary scale or its equivalent
 - 2.5 noted the revised Higher Education Senior Staff Remuneration Code.

Current remuneration context

- 3 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:
 - 3.1 The ambition set out in the new University Strategy 2020–2025.
 - 3.2 The continued impact of the COVID-19 pandemic on the University's finances and operations.
 - 3.3 The University's role as a services provider across and beyond the higher education (HE) sector.
 - 3.4 The University's significant property portfolio, which provides *inter alia*, academic teaching space, student halls and conferencing facilities; and
 - 3.5 The University's central London location and regional, national and global role.
- 4 The Committee's decisions on individual remuneration were informed by:
 - 4.1 The UCEA (Universities and Colleges Employers Association) Senior Staff Remuneration Survey 2019 – with reference to relevant benchmarks (e.g. institution type, location, size and job function); and
 - 4.2 (For the Vice-Chancellor) (i) remuneration of the Heads of Member Institutions of the University extracted from published Financial Statements
- 5 The Committee noted that:
 - 5.1 With the exception of the Vice-Chancellor, the small number of senior staff who had voluntarily accepted a 10% reduction in their remuneration for the period 1 August 2020 to 31 July 2021, had had their remuneration restored to 100% with effect from 1 August 2021.
 - 5.2 Professor Paul Layzell was content to continue to perform the role of Deputy Vice-Chancellor unremunerated.
 - 5.3 The Vice-Chancellor had conducted appraisals with each of her direct reports (the University's most senior staff).
 - 5.4 With one exception, the University's most senior staff had not expressed any expectation that their remuneration would be adjusted upwards.
 - 5.5 All staff, save for those whose remuneration is determined by the Committee, received the nationally negotiated pay award in 2021, this being 1.5%.
 - 5.6 All staff whose remuneration is determined by the Committee are eligible for membership of the Universities Superannuation Scheme.
 - 5.7 The Schedule of Contributions for the Universities Superannuation Scheme that came into effect on 1 October 2021 had a significant impact on the non-superannuable cash payment made to those electing the enhanced opt-out.

Remuneration decisions for 2021–2022

- 6 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 of 15 December 2021. The Board is specifically asked to note:
 - 6.1 The salary of the Vice-Chancellor will be restored to 100% with effect from 1 August 2021.
 - 6.2 The Vice-Chancellor will continue to be engaged on a full-time basis for the remainder of her term of office.
 - 6.3 The Deputy Vice-Chancellor would continue unremunerated.
 - 6.4 Those staff whose remuneration is decided by the Committee would have their pay uplifted by 1.5% from 1 August 2021.
 - 6.5 One member of the most senior staff group would have their pay further uplifted from 1 January 2022 in recognition of the significant additional duties assumed following the departure of the Pro Vice-Chancellor (Strategy, Planning and Partnerships). The individual's title would also be amended to reflect their broader role.
 - 6.6 Those electing the enhanced opt-out from the Universities Superannuation Scheme would receive a non-superannuable cash payment equivalent to 12.2% of salary with effect from 1 October 2021. The calculation of the non-superannuable cash payment to be reviewed in the event of future changes to the Universities Superannuation Scheme Schedule of Contributions.

Remuneration of most senior staff

- 7 The Committee welcomed the Vice-Chancellor's confirmation that she was in the process of agreeing new objectives with this group and that these would be shared with the Committee and the Board in due course.

Remuneration of other senior staff

- 8 The Committee welcomed the University's intention to progress the work to develop the evidential evaluation of this group's performance.
- 9 The Committee noted that (i) The nationally negotiated pay award of 1.5% 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. (ii) A very small number had seen adjustments to their remuneration because of changes to their role. (iii) No members of this group had received a one-off payment based on performance.

Any Other Business

- 10 The Committee was informed that the revised Higher Education Senior Staff Remuneration Code did not require any amendments to its current Terms of Reference or mode of operation.
- 11 The Committee was informed that the most recent Gender Pay Gap analysis, due for reporting on 31 March 2022, had been shared with the Equality and Inclusion Committee and that further work was being undertaken to develop a full picture of what was driving the year-on-year reduction of the Gender Pay Gap.
- 12 The Committee was informed that the Race Pay Gap analysis remained a work in progress and was reminded that, while the University is committed to producing this data on an ongoing basis, the reporting of this data is not yet a statutory requirement.



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