

# UNIVERSITIES UK

England & Wales · Charity number 1001127

## Details

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Status	Registered
Legal form	Charitable company
Company number	<a href="#">02517018</a>
Registered	1990-12-07
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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**Website** [www.universitiesuk.ac.uk](http://www.universitiesuk.ac.uk)

## Activities

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**Objects:** TO PROMOTE, ENCOURAGE AND DEVELOP THE UNIVERSITY SECTOR OF HIGHER EDUCATION IN THE UNITED KINGDOM AND THEREBY ADVANCE EDUCATION FOR THE PUBLIC BENEFIT

**Activities:** Our mission is to be the voice of universities, helping to maintain the world-leading strength of the UK university sector and supporting our members to achieve their aims and objectives.

## Classification

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- **How:** Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** The General Public/mankind

## Geography

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- **Area of benefit:** UNITED KINGDOM
- Belgium
- Northern Ireland
- Scotland

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-07-31	£17,927,000	£18,648,000	£8,942,000	165
2024-07-31	£19,128,000	£14,561,000	£9,663,000	162
2023-07-31	£17,082,000	£16,738,000	£5,096,000	159
2022-07-31	£17,918,000	£19,739,000	£4,752,000	141
2021-07-31	£13,700,000	£13,306,000	£6,573,000	148
2020-07-31	£14,063,000	£13,707,000	£6,179,000	145

## Trustees

Name	Role	Appointed
PROFESSOR KAREN MARGARET HOLFORD		2023-08-01
Professor Andrew Malcolm Jones		2024-08-01
Professor Charles Egbu		2024-08-01
Professor Elwen Mair Evans		2025-08-01
Professor Evelyn Welch		2024-10-01
Professor Graham Baldwin		2024-08-01
Professor James Alexander Miller		2025-08-01
Professor Jane Harrington		2023-08-01
Professor Jennifer Mary Higham		2019-08-01
Professor Lisa Oriol Roberts		2022-08-01
Professor Malcolm Colin Press		2022-01-01
Professor Nicholas Jennings		2026-01-01
Professor Paul Bartholomew		2025-08-01
Professor Paul Croney		2022-08-01
Professor Peter Nicholas Hugh Beech		2023-08-01
Professor SALLY LOUISE MAPSTONE		2017-08-01
Professor Sasha Roseneil		2024-08-01
Professor Steven West		2021-08-01
Professor Timothy Simon Jones		2025-08-01

**UNIVERSITIES UK**

England & Wales - Charity number 1001127

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# Accounts

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Universities  
UK



# Annual report and consolidated financial statements

Year ended 31 July 2025



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Registered Charity in England and Wales  
No: 1001127

Registered Charity in Scotland  
No: SC052497

Registered Company  
No: 2517018

# Trustees' report

The trustees present their report and the financial statements for Universities UK for the year ended 31 July 2025.

## Name and membership

The name of the charity and company is Universities UK. Universities UK is the representative organisation for the UK's universities. Its members are the executive heads of UK university institutions who have met the criteria for membership agreed by the Board of the company. It currently has 141 members. Membership is voluntary and members are represented both at the UK level and in the devolved nations through Universities Scotland and Universities Wales.

The objectives of Universities UK as set out in its Articles of Association are:

- To promote and provide facilities for discussion and consultation between representatives of university institutions in the UK, on any matters affecting or relevant to the university sector of higher education in the UK.
- To formulate policies on any matters affecting or relevant to the university sector of higher education in the UK.
- To represent the university sector of higher education in the UK and to conduct dealings and to liaise with the government, any local, national or other institutions, authorities, agencies, bodies or persons, wheresoever in the world situated.
- To provide information, advice and assistance to universities within the UK, or any of their representatives, on any aspect of educational affairs, including administrative and financial matters relating to or connected with education.
- To take any steps (including without prejudice to the generality of the foregoing the issue, maintenance, financing and enforcement of legal proceedings) for the purpose of protecting the interest, reputation or good standing of the universities or the university sector of higher education in the UK or the integrity of any degree, diploma or other awards issued by universities in the UK.

## Mission and main activities

At Universities UK, we harness the power of the UK's universities and create the conditions for them to thrive. We are the collective voice of 141 universities, bringing them together to pursue a common cause: Thriving universities, serving society.

This mission forms the core of our [strategic plan](#) which runs to 2030 and sets out our ambitions for the sector. We will use our unique role to ensure our universities can transform the lives of more individuals, drive greater growth and create flourishing places through the knowledge and skills they generate, and be globally competitive centres of research making ground-breaking discoveries. We will help them achieve more by securing sustainable funding and building pride in our universities.

## Public benefit

All of Universities UK's activities are ultimately carried out for the wider public benefit of creating and maintaining a world-class higher education sector that benefits students, the UK economy, the UK's educational and research standing in the world and the wider social good. Collectively, the institutions led by the members of Universities UK demonstrate their wide social and economic contribution through the delivery of research, teaching, expertise and training. Higher education is available to all with the ability to benefit, regardless of their economic circumstances. The benefits of this activity to the UK are considerable.

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. In delivery of its services and activities, Universities UK has fully supported its members, and assisted them to achieve their public benefit goals.

## Trustees

The Board are directors of the company and trustees of the charity, elected or appointed from among its members. Those appointed for the year to 31 July 2025 were as follows:

- Professor Dame Sally Mapstone DBE FRSE  
*President 2023–2025*
- Professor Graham Baldwin
- Professor Nic Beech  
*Treasurer*
- Professor Paul Boyle CBE \*\*\*  
*Vice-President Wales*
- Professor Nishan Canagarajah \*\*\*\*
- Professor Paul Croney OBE
- Professor Charles Egbu
- Professor Iain Gillespie \*\*  
*Vice-President Scotland*
- Professor Jane Harrington
- Professor Jenny Higham
- Professor Dame Karen Holford DBE
- Professor Andrew Jones
- Professor Sir Gerry McCormac \*\*\*
- Professor Malcolm Press CBE  
*President elect 2025–2027*
- Professor Lisa Roberts
- Professor Sasha Roseneil
- Professor Rama Thirunamachandran OBE \*\*\*
- Professor Adam Tickell \*
- Professor Evelyn Welch MBE
- Professor Shearer West CBE \*\*\*
- Professor Sir Steven West CBE

The following were also members of the UK Board on the date this report was approved:

- Professor Paul Bartholomew
- Professor Elwen Evans KC  
*Vice-President Wales*
- Professor Martin Jones
- Professor Tim Jones
- Professor James Miller  
*Vice-President Scotland*

From 1 January 2025 to 31 July 2025, Sir Paul Grice took the role of interim Vice-Convenor for Universities Scotland pending elections and attended Board meetings in that capacity.

No member of the UK Board had a beneficial interest in any contract with the company. Board members are elected by the vice-chancellors and principals of the member universities or appointed by the Board following a recommendation from the Governance and Nominations Committee.

## Chief Executive

Vivienne Stern MBE

\* *Term of office ended 7 November 2024*

\*\* *Term of office ended 9 December 2024*

\*\*\* *Term of office ended 31 July 2025*

\*\*\*\* *Term of office ended 9 October 2025*

## Structure, governance and management

### Organisational structure of the company

#### Universities UK

Universities UK is a company limited by guarantee with the registered number 2517018, governed by its Articles of Association adopted in March 2022. It is a charity with the registered number 1001127 (England and Wales) and SC052497 (Scotland). Its principal offices are in Bloomsbury, London.

#### Universities Scotland

In Scotland (where it operates from its Edinburgh office under the name Universities Scotland), Universities Scotland is a national council of the charity Universities UK.

#### Universities Wales

In Wales (where it operates from its Cardiff office under the name Universities Wales), Universities Wales is a national council of the charity Universities UK.

### Structure of subsidiary companies

#### Woburn House Conference Centre Ltd

Universities UK owns 100% of the share capital of Woburn House Conference Centre Ltd (company number 3031467) whose business is the operation of the conference facilities at Woburn House. Income generated from the activity of the centre is covenanted to Universities UK.

#### Medical Schools Council

Universities UK is the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular medical education, research and training. Its Board of Directors is elected from its own members.

#### MSC Assessment

The Medical Schools Council is the holding member of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The objects of MSC Assessment are to advance medical education for the benefit of the public including by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training. Its Board of Directors is elected from members of the Medical Schools Council.

The results and financial position of Woburn House Conference Centre Ltd, the Medical Schools Council and MSC Assessment are consolidated with those of Universities UK in preparing its consolidated financial statements. Separate results are shown in note 21 to the financial statements.

#### CVCP Properties plc

CVCP Properties plc is not a subsidiary of Universities UK but is considered to be a related party. Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is a major tenant of CVCP Properties plc in Woburn House.

### Restricted funds

The restricted funds managed by Universities UK include parts of Universities UK International funds (operating unit of Universities UK). Medical Schools Council and its various funds (a subsidiary) and MSC Assessment (a sub-subsidiary) are also restricted funds in Universities UK's consolidated financial statements. Further details on the objectives, activities and financial performance of all restricted funds are given in notes 19 and 21 to the financial statements.

### Relationship with higher education sector agencies

Universities UK is the original subscribing member of various UK higher education sector agencies including Advance HE, Office of the Independent Adjudicator, Quality Assurance Agency, UCAS, Universities and Colleges Employers Association and Jisc.

Members of Universities UK contribute to governance oversight of these bodies through Board membership and other involvement, alongside interaction between Universities UK staff and staff of the bodies concerned. Transactions between Universities UK and these sector agencies are disclosed in note 24 to the financial statements.

## Governance and decision-making

### Non-executive directors/trustees

The Board of Trustees comprises up to 21 members and meets five times a year as a minimum. The President, elected by the members, serves a two-year term. The Convenor of Universities Scotland and Chair of Universities Wales are members of the Universities UK Board, serving as Vice-Presidents alongside an elected Vice-President for England and Northern Ireland. The membership also elects a Board member to serve as Treasurer.

### Induction and training of trustees

New trustees receive information supporting their induction and have the opportunity to attend an in person induction with the senior team ahead of their first Board meeting, which includes relevant Charity Commission and OSCR documents on the role of a trustee, a copy of the Universities UK Articles of Association and the Strategic Plan. It is the aim of the organisation to update trustees and members on any new legislation that may affect the governance of the charity and to offer on-going support through additional training when required.

### Board sub-committees

Universities UK has six standing committees: Board Advisory, Resources, Audit and Risk, Governance and Nominations, Membership and Remuneration. Four elected policy lead roles on the Board lead on key policy issues of the UK higher education agenda in line with the organisation's strategic priorities. Membership of committees is made up of a combination of Board members and Universities UK members. The Resources, Audit and Risk and Remuneration also have an independent member appointed through a competitive recruitment process.

### Arrangements for setting pay and remuneration

Member input and support to the work of Universities UK is on a non-remunerated basis. The pay and remuneration of executive management is set by a Remuneration Committee, which comprises Universities UK members chaired by the Treasurer and includes an independent member. The pay and remuneration levels for all other staff grades is negotiated with the recognised union, Prospect, as part of the recognition agreement.

### Executive management

The Chief Executive leads a Senior Leadership Team comprising the Directors of Policy; Universities UK International; Communications; Operations; Strategy, Insight and Member Engagement; Universities Scotland and Universities Wales.

## Charity Governance Code

Universities UK governance has been reviewed against the Charity Governance Code. Universities UK is committed to applying good practice where possible and explaining where it is not aligned, the reasons for this or changes that are being planned. The Code is applied in the context of Universities UK being a relatively small membership organisation of 141 members, with Board members elected by and from its membership.

### Principle 1 – organisational purpose

2024–25 was the second year of the Strategic Plan: A common cause: thriving universities, serving society. The Board has oversight of the management of resources ensuring that the allocation is linked to operational plans in pursuit of strategic objectives and therefore overall organisational purpose.

### Principle 2 – leadership

The Board is led by the President. Across the Board there are robust debates leading to an agreed direction for the officers and staff to follow. The President has oversight of CEO performance.

### Principle 3 – integrity

Board members declare all conflicts of interest at every meeting and will absent themselves from discussions as required. Through its sub-committee structures the Board has oversight of issues such as finances, HR practices, procurement, data security and integrity, safeguarding and remuneration to make sure that the charity operates responsibly in line with its own ethics and values.

### Principle 4 – decision making, risk and control

The Board have oversight of finance, performance and risk through its sub-committee structure and Board meeting agendas. The Audit and Risk Committees considers risk at each meeting. The Board are presented with the strategic risk registers at every meeting and have a full discussion on risk once a year, or more often if significant changes occur. All sub-committees have Terms of Reference established which are approved by the Board.

### Principle 5 – Board effectiveness

15 out of the potential 21 Board members are elected from the membership by the membership. Board posts have set terms, and roles are subject to re-election when those terms expire. It is unusual for total service to exceed nine years, but possible if members are elected to different roles on the Board or they have expertise or responsibilities relevant to the Board's deliberations or strategic priorities.

### Principle 6 – equality, diversity, and inclusion

15 board posts are elected from and by the membership. There are challenges with the diversity of potential candidates from a restricted pool. The remaining positions are 'nominated members' identified by the Governance and Nominations Committee and approved by the Board. The nominated positions are selected using a matrix of skills, experience, knowledge, background and institution. The Board believes that as far as it can within the constraints of an elected Board, reasonable steps are taken to ensure that diversity in its widest sense is prioritised and implemented.

### Principle 7 – openness and accountability

The Board and Executive team make every effort to engage with the full membership and give all members opportunities to participate in setting the direction of work for the charity through regular member meetings, roundtable events, task and finish groups and a bi-annual member survey. The Chief Executive hosts group Teams calls each featuring 15–20 members, to which all members are invited, to discuss current issues and has a rolling programme of institution visits.

## Strategic report

### Strategic aims

2024–25 was the second year of the strategic plan 'A common cause: thriving universities, serving society'. The strategic objectives in that plan are:

By 2030 we will have enabled our universities to:

- Create opportunity through high-quality education
- Provide knowledge and skills that drive growth and prosperity
- Make groundbreaking discoveries with the power to change our world.

To help them achieve this we will:

- Secure sustainable funding
- Build pride in our universities

And, at Universities UK, we know that we need to develop to be:

- An exceptional membership organisation
- A great place to work
- A socially responsible organisation.

These aims are achieved through the delivery of activities to members in England, Northern Ireland, Scotland and Wales to support their domestic and international activities, and institutions providing higher education in medical and health. Our work is organised through annual programme plans, detailing our short-term objectives.

2024–25 was the final year of Professor Dame Sally Mapstone's presidency. Over the term of her presidency, she has championed the strength of our sector and has successfully built strong, productive relationships across both the current and previous governments. We are grateful for Sally's leadership over the last two years navigating Universities UK through some challenges for the sector.

Early in the year we concluded the transfer of USS employer representative responsibility to UCEA. This was the culmination of many years careful work with UCEA and USS to hand over this responsibility to achieve the aim of having one organisation supporting the sector on pensions. The final piece of work achieved in September 2025 was the transfer of the funding Universities UK had raised from the largest USS employers for a Governance Review of the USS pension scheme. Now the sector is benefiting from one organisation representing employers across TPS, USS and LGPS.

### **Activities for members – England, Northern Ireland, UK wide and International**

Our activities include policy research, analysis and development, relationship building, lobbying, campaigning and advocacy, communications with the media, public and stakeholders and development and delivery of services to our members.

The strategic report sets out how we have worked for the higher education sector in this challenging year. Financial pressures across all four nations of the UK, geopolitics, political hostility towards the quality and value of the education our universities provide: finding ourselves at the centre of culture wars; and uncertainty about international student mobility have all impacted universities' ability to serve society. But where these challenges have arisen, Universities UK in collaboration with our members and others across the sector have acted to address them.

Where criticisms of the sector occurred, we were able to respond with robust evidence or bring our members together to take action. Where potentially catastrophic policy decisions such as the potential closure of the Graduate Route emerged, we leveraged our own and our members' networks and evidence to robustly counter the arguments.

This year has necessitated a significant amount of reactive work and Universities UK has had periods of dedicating significant resource and effort to critical but unplanned work. This is evident in our work supporting members with campus tensions or the supreme court rulings with resources and ad hoc meetings that members have found very valuable.

Alongside having to respond to the external environment, we have continued with proactive work. We have championed the sector through our positive campaigning, deepened our influence among political stakeholders and others, and created a real shift in the narrative about university finances.

This year more than ever has shown that none of this would be possible without the engagement of our member institutions. At every turn, our members and their wider teams have provided support, advice and contributions to our work, and have supported each other.

Engagement with Members remains high with regular monthly VC calls, our annual conference at The University of Reading in September 2024 and our quarterly members' meetings. We continued our engagement with new and mid-term vice-chancellors through peer-to-peer learning opportunities, and our Specialist Institutions' Forum (SIF) brought focus and profile to the issues of our specialist institutions.

Universities UK has secured strong parliamentary and political engagement this year. There were 60 written and oral questions in Parliament on issues relevant to our members. We received 62 positive references from parliamentarians and government. We also held 66 meetings with UK government and shadow ministers. In addition, we engaged with 54 new MPs.

The All-Party Parliamentary Universities Group, which Universities UK provides the secretariat for, has thrived with a membership of 97 universities, 35 MPs and 38 peers.

Using print, broadcast and social media, we disseminated information to members and the wider public. Our activity was covered by 2,400 unique authors and garnered 19,000 media mentions online, with a print media reach of over 57 million.

There were 950k visitors to the Universities UK website, amassing over 1.8 million page views. Our social media presence continues to grow with 2.4million X impressions and 1.7million LinkedIn impressions with a 22% growth in our followers.

From January, we led our Spending Review campaign focusing on opportunity, growth and productivity, and transformation and efficiency. It generated 3,036 media and social media mentions, 20,000 webpage views, reached 5 million people, and involved 573 unique authors. We achieved strong political impact through events, roundtables, and meetings with MPs, peers, and ministers. Member engagement was high, with 218 case studies submitted and strong interaction across social media and regional news.

Our Vice President, England and Northern Ireland has regular engagement with the two Vice Chancellors in the Northern Ireland universities and keeps the Board updated with any developments or issues relating to Northern Ireland institutions.

Ensuring that we thoughtfully prioritise our effort has been central to our success in reactive work while still being able to deliver proactive outputs and outcomes such as our lobbying on the comprehensive spending review. In the member survey, 93% of respondents agreed that Universities UK focuses on issues that matter most to the higher education sector.

## Key outcomes in 2024–25

As a result of the activities in the year Universities UK achieved the following in the pursuit to secure a sustainable future for our universities, support student success and deliver high quality education.

### Our Blueprint for change

Our Blueprint for Change was published in autumn 2024 and timed to successfully shape the new Labour government's policy and economic agenda.

The positioning of the Blueprint played a critical role in securing some significant announcements at the government's Autumn Budget 2024, including:

- An inflationary uplift in the undergraduate tuition fee and maintenance loans in England for 2025–26 (£370m), followed by a similar decision in Wales
- An overall protection of the 'core' research budget (£6.1bn)
- A new R&D missions fund (initial £25m investment)
- A refined Proof-of-Concept fund to support spinouts (£40m).

At a strategic level, the Blueprint put our vision for higher education and research firmly onto No.10's radar thanks to the support of our appointed Commissioners. It also heavily influenced both the DfE and DSIT reform agendas, placing the sector in a constructive position to negotiate to secure additional public investment in an extremely challenging fiscal environment. This has been particularly evident when it comes to our work on transformation and efficiency.

Outside of the Budget announcements, it has unlocked strategic decisions by external parties to the benefit of member institutions. These include ensuring:

- UKRI considers actions it can take to reduce inefficiencies in research
- DSIT considers how universities might benefit from 10-year R&D funding cycles
- The initiation of a review of governance by the CUC
- UCAS and Sutton Trust will work in partnership with us to improve access through a contextual admissions refresh.

More recently, it laid important groundwork for securing vital Spending Review commitments including an £86bn investment for R&D (and an increase in DSIT's budget as part of this), and a relatively promising DfE settlement in a period of significant fiscal constraint.

## Sustainable Funding and Comprehensive spending review

Universities UK's Blueprint has been one part of a strategy to put sustainable funding of the higher education and research system, in all four nations of the UK, on the political agenda. We set out to a) prove there is a problem, with robust analysis by PWC published a year and a half ago; b) make others care, with a sustained approach to raising the profile of the issue in public and with politicians and illustrating why it matters to the UK; c) put forward solutions, which we have done via the Blueprint and subsequent discussions with government.

While the inflationary increases in the domestic tuition fee in England and Wales was a welcome first step, the financial situation facing members remains extremely challenging. We have continued to highlight to governments, directly and through consistent public messaging, the impacts of declining funding and importance of further investment in the sector through:

- Analysis of the impact of cost saving measures on academic experience, investment in research, and university infrastructure.
- Provision analysis, showing impacts of reduced teaching funding on subject provision
- Analysis of the cumulative impact of government policy decisions on HE finances.

Although DfE have yet to allocate their budget for higher education following the Spending Review, Ministers in England are sending strong signals that they intend to act. The DSIT settlement for research provides a basis for a real terms increase in UKRI funding and QR, for which we will advocate vigorously as departmental allocations are settled.

### Key publications

- [Opportunity, growth and partnership: a blueprint for change: Putting universities on firm financial footing.](#)

### Transformation and efficiency

In December 2024, following a commitment in Universities UK's Blueprint, we established a new Transformation and Efficiency Taskforce, chaired by Sir Nigel Carrington, to consider new ways of working to deliver meaningful change and achieve greater efficiency across the sector.

The first report of the Taskforce, 'Transformation and Efficiency – Towards a new era of collaboration', was published in June and identified seven key opportunities for universities across the UK to work together, share services and assets, and collaborate to deliver fundamental transformation and unlock significant savings.

The report has been strongly and publicly welcomed by government ministers, as well as officials and by sector leaders. It has positioned Universities UK and the sector itself as partners with government in addressing the challenges our universities face. Ministers consistently refer to the work of the taskforce in public and private discussions about future policy, including the English Higher Education Reform Agenda and the work is regularly referenced by media in reporting of sector finances.

Our engagement also resulted in additional clarity on competition law compliance and HE collaboration published by the CMA.

Our well-attended summit was an opportunity to bring together leaders, innovators and key stakeholders to discuss the emerging findings of the report and address the financial challenges faced by the sector to deliver long-term stability.

Building on their "Collaboration for a sustainable future" report, we worked with JISC to develop outline strategic cases for the most beneficial and feasible options for national collaboration to improve sector performance and reduce waste and costs.

With the support of expert partners, KPMG, Mills & Reeve, PwC, Shakespeare Martineau, Moorhouse and Lloyds, the taskforce delivered workshops across the UK and provided guidance on areas including innovative collaborative structures, structured approaches to cost reduction, maximising value from estates, competition law, digital transformation and financing transformation.

#### Key publications

- [Transformation and efficiency: Towards a new era of collaboration](#)
- [Universities grip financial crisis – but at what cost to the nation?](#)
- [New era of collaboration between universities to transform the sector and drive efficiency.](#)

### International student recruitment including Immigration White Paper

For the third time in a little over a year, Universities UK led work to successfully protect the Graduate Route in the run-up to the publication of the government's Immigration White Paper.

Using the Blueprint as our basis, we produced analysis which was shared across various government departments to highlight the importance of the UK's Graduate Route to international student recruitment. We provided the resources our members need to take action with local politicians, supported politicians to speak on our behalf, and raised the issue in the national media.

Since the publication of the White Paper, we have led sector advocacy on Basic Compliance Assessment thresholds and the proposed international student levy.

### Influencing government priorities (HE reform and Industrial strategy)

Since the Secretary of State sent her letter to the English sector with her five priorities for HE Reform, we have actively shaped the sector's response – working with government officials and members to develop clear, actionable proposals that show how universities are already delivering and can go further. Through roundtables, one to one conversations and member engagement we are steering the government's thinking as it finalises the Post-16 Strategy which will include further direction of HE reform.

We have engaged with officials in the Department for Business and Trade and across Whitehall to influence decision makers working on the Industrial Strategy and sector plans. We have lobbied to ensure that universities are embedded in the design of the strategy, and that the sector's contributions to the successful delivery of the strategy – across skills, R&D, innovation and placemaking – are recognised.

For all four nations of the UK, universities are drivers of local and national growth. We have increased our public advocacy and proactive communications work to highlight this, through campaigns like #UnisStartUpTheUK, which was featured in 100 pieces of coverage online and at least a dozen print articles, and through our publication Why universities are critical to an industrial strategy which highlighted the contributions of 18 Universities UK members.

This work was supported by the #UnisStartUpWales campaign, with Wales-specific case studies and engagement.

#### Key publications

- [Why universities are critical to an industrial strategy.](#)

### Opportunity through high quality education

Freedom of Speech has been an important area of work for Universities UK in the last year. Underlining the sector's commitment to protecting and promoting Free Speech, and supporting our members to navigate this complex landscape has been the focus of a great deal of our attention. We regularly convene members to discuss approaches to managing campus tensions, and create opportunities to discuss this with key stakeholders, as well as supporting members to respond to the Supreme Court ruling on the definition of sex. We have created a repository of material shared by our members to assist each other in dealing with complex issues. We have secured commitments from Ministers to improve the Freedom of Speech Act, to address some serious concerns about the legislation as originally passed, and have worked closely with the OFS to inform their guidance to institutions on this topic.

We worked to take proactive ownership of quality matters across the four nations by establishing the Quality Council for UK Higher Education, and through this convene the sector UK-wide to consider and address areas of risk and opportunity.

On expanding opportunity, we published our Access to Success action plan as a follow up to the Blueprint to take forwards its key recommendations. We launched a partnership with the Sutton Trust and UCAS on contextual admissions, which has been supported by Ministers and takes its lead from a previous initiative led by Universities Scotland.

In England, we've managed to protect on the per-student funding rate for the access and success elements of SPG in cash terms. In England we also secured a 3.1% increase in maintenance support for undergraduate students in England; and influenced the curriculum and assessment review, securing a delay to level 2 qualification defunding until 2027.

We have supported members to expand and diversify their transnational education, with a focus on ensuring secure and sustainable growth. We succeeded in securing a significant reduction in burden associated with planned transnational education data collection and regulation for English and Welsh providers. We have also highlighted the crucial role of TNE and other university activity in contributing to the UK's soft power global influence, joining the government's Soft Power Council and feeding in to the Foreign Affairs Committee's Soft Power Inquiry.

On outward mobility we published new research and shared early findings with government ahead of the autumn budget and in support of our Comprehensive Spending Review (CSR) submission. Turing Scheme funding was confirmed for 2025–26 including our recommendation on funding for short-term placements. We met with EU representatives and provided briefings to FCDO and Cabinet office officials to influence the terms of the agreement that was announced at the UK-EU summit on 19 May, to work towards a Youth Mobility Scheme and Erasmus+ association.

### Key publications

- [Our responses to Office for Students consultations on free speech](#)
- [Franchise governance framework](#)
- [Our response to the Department for Education's \(DfE\) consultation 'Strengthening oversight of partnership delivery in higher education'](#)
- [Exploring opportunities for international alignment on quality in England](#)
- [Our response to the Office for Students \(OFS\) consultation on OFS strategy for 2025 to 2030](#)
- [Access to success: Our action plan for opportunity](#)
- [University sector unveils plan to boost access to higher education for the most disadvantaged in society](#)
- [Gone international: a new generation.](#)

### Knowledge and skills for growth and prosperity

On Innovation and Enterprise we have been consistently lobbying in favour of sustained and increased HEIF funding, and their equivalents across the devolved nations as well as continuing Regional Innovation Funding to replace ERDF funds. We submitted a detailed briefing to HM Treasury reinforced by work with Research England on the evidence base to support the impact of HEIF. We have helped secure and develop the new £500 million Local Innovation Partnership Fund with DSIT, Research England and HMT. We have ensured that funding is available to support both university collaboration with Mayoral Combined Authorities but also collaboration on local growth in other regions and nations in the UK.

We have campaigned on the role and value of universities to the start-up and spin-out ecosystem in the UK.

As part of the 'Unis Start Up the UK' campaign, supported by the #UnisStartUpWales campaign run by Universities Wales, we highlighted both the scale of university activity and many examples from across the UK, securing significant coverage across regional and local press with 100 pieces of coverage online and at least a dozen print articles accompanied by a well-attended Parliamentary reception at which several founders were present. The campaign achieved over 1,200 page views in the first week, 3,400 to date and 29,700 LinkedIn impressions. The work complemented our engagement with the implementation of the recommendations of the Independent Review of University Spinouts where we have ensured universities are directly influencing policy as well as our lobbying for increased proof-of concept funds.

We have lobbied MHCLG on the value of universities to Local Growth and have actively promoted examples of the university contribution to local growth across a wide range of our policy work. Universities have been identified as key stakeholders that Mayoral Strategic Authorities are expected to engage with when developing local growth plans.

We have established a Civic and Local Growth Network which has already provided detailed input to the development of Local Innovation Partnerships Fund, has discussed at senior level the regional role of Innovate UK and is working with the NHS Confederation on local collaboration.

On skills, we facilitated regular engagement between members and Skills England, securing recognition of high-level skills in workforce planning. We published analysis linking graduate skills to economic growth, including their role in the eight priority sectors. We engaged with the IfATE Bill and responded to the NHS 10-Year Plan consultation. We secured a win with the DfE's decision to reopen ITT accreditation for previously unsuccessful providers.

#### Key publications

- [Unis start up the UK \(Campaign\)](#)
- [Spotlight on university enterprise in Devon and Cornwall](#)
- [Making local growth happen in the North East of England](#)
- [How university research and innovation is primed to drive local growth](#)
- [Industrial strategy \(written submission to parliament\)](#)
- [Research and innovation \(written submission to parliament\)](#)
- [The value of universities to growth and opportunity \(written submission to parliament\).](#)

#### Ground-breaking discoveries

Our sustained advocacy for a long-term, sustainable research and innovation system was instrumental in securing a major win for the sector by helping protect overall government R&D investment, with £20.4 billion allocated in 2025–26. We partnered with Elsevier to launch new analysis of the UK's R&D footprint, strengthening the evidence base for policy. The data highlighted the UK's strong emphasis on research quality, with an average Field-Weighted Citation Impact (FWCI) of 1.55 – indicating that UK research is cited 55% more than the global average. It also showed that academic research in the UK is highly collaborative with industry, at more than twice the global average (5.6% vs. 2.7%).

We developed a clear narrative on the critical role of QR in helping institutions undertake and sustain high-quality research, which was used in our Spending Review advocacy work. We influenced government thinking on financial resilience through strategic roundtables with Vice-Chancellors, feeding into DSIT's internal work.

We influenced high-level policy thinking of senior government figures, including the Science Minister, as they consider reforming research funding to meet DSIT's objectives and support sector sustainability. We shaped the development of the REF PCE pilot through member feedback and secured greater recognition of the challenges facing institutions affected by REF eligibility issues linked to the teachers' pension scheme.

We ensured DSIT understands the seriousness with which universities are undertaking efficiency measures in R&D which helped our case for investment at the spending review, and we ensured UKRI works with us as it implements change to address incentives in the system which are affecting full economic cost recovery. We also drove progress on reducing research bureaucracy, relaunching the Universities UK Research Bureaucracy Working Group, and supported sector standards by contributing to the refresh of the Research Integrity Concordat.

## Horizon Europe

To make the most of the opportunities that Horizon Europe offers we supported the UK's 'boosting participation in Horizon Europe' agenda by delivering six high-level Horizon Europe delegations (France, The Netherlands, Norway, Poland, Ireland and Germany). To do this at scale we secured a £190k grant from the Wellcome Trust. Each delegation attracted between 10–15 PVCs and overall involved approximately 50 participants.

We reinstated Universities UK International (UUKi)'s regular presence in Brussels: delivering two UUKi led delegations engaging with the UK Mission to the EU, DSIT, EUA and the European Commission representatives. A third and much larger delegation was held in July to coincide with the EC's launch of draft proposals for the EC's Multiannual Financial Framework (MFF, 2028 onwards) which will form a basis for budget and priority setting for the next round of EC programmes such as the Framework Programme 10 (FP10).

The UK participation rates in Horizon Europe are going up since we became associated in 2024, data on this is still patchy but we understand that the UK has safely reversed the downward participation trend. This is particularly the case in Pillar 1 (European Research Council and Marie Skłodowska Curie Actions, MSCAs) where the UK's participation has bounced back strongly and some early successes show that the UK is back to being first (in particular in MSCA Postdoctoral Fellowships 2024, ERC Advanced Grants 2024). Our participation rates in Pillar 2 – collaborative projects – is good but this is the area that might require a little bit more time to fully recover as we take time to rebuild partnerships. We understand that where we have participated in Pillar 2 our success rate is higher than the average.

Looking ahead beyond Horizon Europe we published our position paper on FP10 highlighting the need for the programme to be based on excellence as well as openness and recognising what the UK as 'likeminded' partner country can offer to the EU. Our FP10 paper was shared with the European Commission, European Universities Association and our European partners. In the UK the paper was shared with DSIT and UKRI advocacy for UK's association to FP10 and the mutual benefit of the association to the UK and importantly the EU too.

## International Science Partnerships Fund

We established ourselves as a core partner of government in delivering the International Science Partnership Fund, delivering two ISPF funded UK–France schemes and successfully concluded the ISPF funded UK–Israel innovation researcher mobility scheme. We further manage the £875k ISPF funded UK–Korea International Research Partnership in Engineering Biology. We delivered two bilateral research collaboration webinars with the ISPF priority countries – South Africa and South Korea. Each webinar attracted over 200 participants who learned about the latest collaborative funding opportunities, examples of successful projects and had the opportunity to network.

## Highlighting the non-financial contributions of international students

UUKi published the report 'Powering the engine: the non-financial contribution of international postgraduate students' to the UK which reveals the impact of international postgraduate research talent to the UK's R&D and outlines recommendations regarding visa policies, data collection and coordinating effort. The report has received 1,114 page views and has been downloaded 249 times.

### Key publications

- [Universities UK writes to Chancellor on how research can contribute to growth](#)
- [Investing in ideas: why supporting university research and development matters](#)
- [UUKi leads Horizon Europe delegations](#)
- [Our vision for Framework Programme 10](#)
- [Powering the engine: the non-financial contribution of international postgraduate students to the UK.](#)

### Building pride in our universities

With the new Labour government facing an incredibly tough public spending environment and the backdrop of strained university finances, our work has focused on making the case for higher education funding as a growth driving investment, as well as strengthening our influence within Westminster.

Universities UK has driven the conversation on higher education within the national media and among parliamentarians with a series of research reports demonstrating the value of universities to the economy, to future earnings and to the high-growth sectors identified in the industrial strategy. Our campaign on university start-ups brought to life the sector's contribution to supporting entrepreneurship and local economic growth. Our four-point plan on widening opportunity demonstrated the sector's commitment to delivering on the second of Labour's five missions.

We have also used the strength of our media relationships to strategically place stories in support of the case for investment in UK higher education. This included the member survey showing the difficult decisions members have been taking to reduce costs, covered across BBC broadcast, and the provision analysis demonstrating the risk of funding shortfalls to the government's growth strategy, covered by the Financial Times.

We have defended the sector's reputation in national media on issues ranging from freedom of speech to franchised provision, where we successfully managed the negative impact of a series of stories in The Sunday Times.

As well as generating over 19,000 mentions across print, online and social media, Universities UK has also had 66 meetings with UK government, shadow ministers, and spokespeople.

We have established strong relationships with the new government over the past year, and continue to demonstrate universities' positive impact with key departments outside of the Department for Education. The engagement we pursued with ministers and advisors while in opposition helped to secure ministerial presence at both the Universities UK annual conference and Labour Party Conference events. We have also created other opportunities for members to meet with relevant Ministers and their shadow counterparts, including on major issues such as the Immigration White Paper.

### Key publications

- [New analysis reveals graduates in every region earn at least a third more](#)
- [New analysis shows that graduates will be key to government's industrial strategy](#)
- [New analysis reveals rapid rise in uni start-ups, but leaders warn of risk of losing them to international competitors](#)
- [University sector unveils plan to boost access to higher education for the most disadvantaged in society.](#)

## Activities for members: Universities Scotland

Universities Scotland represents the Principals and Directors of Scotland's 19 higher education institutions, developing higher education policy and campaigning on issues where members have a shared interest.

Over the past year, Universities Scotland has championed the interests of Scotland's higher education sector. In an evolving political, economic, and global context, we've worked to ensure the voice of universities is heard – and acted upon – across government, parliament, the media, and in international forums.

At the heart of our work is a deep commitment to ensuring that Scottish higher education is inclusive, fair, and delivering for students.

### Widening Access

- In 2025, we secured a Scottish Parliament inquiry into the next steps for widening access. As we look ahead to 2030, maintaining momentum on this issue is essential. Our '40 Faces' showcase, featuring Cabinet Secretary Jenny Gilruth, the Fair Access Commissioner, and student voices, brought this agenda to life.
- We've continued to work closely with Colleges Scotland to drive articulation, ensuring students can move easily between college and university, and engaged actively in high-level roundtables with Ministers Dey and Gilruth to advance our shared goals.

### Fair Admissions and Support for Disabled Applicants

- Fairness in admissions remains a cornerstone of our approach. This year saw the publication of a revised guarantee of fairness. We also launched a new guide for disabled applicants, ensuring prospective students can navigate the system with confidence and support.

### Teaching and Learning Quality

- We played a central role in shaping the Teaching Quality Enhancement Framework (TQEF), working intensively through our Learning and Teaching Committee with the Scottish Funding Council (SFC) and contributing formal evidence to QAA Scotland's consultation.

### Supporting Student Wellbeing

- We worked closely with the Scottish Government on both student mental health and student accommodation, helping to shape policies that will improve the experience of learners across the country.

### Tackling Gender-Based Violence

- Seven years on from our original "Changing the Culture" report, we published a follow-up highlighting progress – and where further action is needed – in tackling gender-based violence, harassment and hate crime in higher education.

We have been working to positioning universities at the heart of economic and skills strategy.

### Growing the Economy

- In April, we hosted our first Universities Scotland Economic Growth Conference, setting out the sector's central role in driving regional and national economic development. This work aligns with our strong engagement with the UK Government's Industrial Strategy where the Scottish sector's research strengths align with priority sectors. We worked in partnership with Prosper, Scotland's Industrial Council, to shape a policy blueprint on Scotland's future economy that positions universities as engines of innovation and growth. Universities Scotland has joined a new Scottish Government Innovation Stakeholders Forum, designed to support implementation of the National Innovation Strategy.

### Supporting the Health Workforce

- Our support for the Scottish Medical Schools Board and Admissions Group has continued, including a successful leadership handover and strong collaboration with government. A joint health workforce conference with the Scottish Government helped bring partners together to consider new and innovative ways to support the health workforce.

### Skills for the Future

- We've remained a key contributor to the Graduate Apprenticeship Enhancement Group and engaged with the Scottish Government as they begin their work to develop an approach to national and regional skills planning. Our Skills Policy Group represented the sector on the Offshore Wind Skills Working Group, aligning our work with Scotland's net-zero ambitions.

Amid continued budget pressures, Universities Scotland has been a clear and consistent voice calling for sustainable and competitive investment in higher education.

### Sector Funding

- While our full budget asks were not met, we secured a modest uplift in both teaching and research funding for 2025–26 – progress in a challenging climate. Through media engagement and parliamentary advocacy, we raised the alarm on key cost pressures, including rising employer National Insurance contributions.
- A future-focused funding workshop, with input from every institution, helped set the strategic direction for the next 18 months. We also expanded our Funding Policy Group, broadening the sector's capacity to address this long-term challenge.
- Additionally, we provided targeted support to the University of Dundee Taskforce, ensuring institutional sustainability remains a national priority.

### Advocating for the Sector

We've maintained a strong parliamentary presence, ensuring higher education is well represented in key legislative and policy discussions. This included:

- Submissions to multiple parliamentary committees on education reform, widening access, skills, financial sustainability, youth mobility, and housing.
- Continued secretariat support to the Cross-Party Group on Colleges and Universities.
- A successful Westminster reception for Scottish MPs, strengthening our UK-wide voice.
- Ongoing engagement with Scottish Ministers, opposition leaders, and party education spokespeople.
- Early relationship-building with the new UK Government post-general election.

### Strengthening Scotland's Global Reach

In a world where global collaboration is essential, we've worked to advocate for Scotland's universities internationally.

- A successful Brussels delegation marked the start of our new 2025–26 international strategy.
- With the Scottish Government, we have developed strategic positions on Horizon Europe and FP10, and strengthened our Brussels relationships.
- The Universities Scotland–German U15 Conference in Leipzig highlighted shared strengths in entrepreneurship and innovation, supported by the Scottish Government's Berlin office.
- We partnered with Brand Scotland to launch the "Come to Study. Find Scotland" campaign.
- Our close partnership with the British Council continues with successful events for international scholars and a workshop focused on sharing best practice in Transnational Education.

We contributed to work on transnational education risk and represented Scotland at NAFSA (San Diego) and EAIE (Aussone) – major global education events.

## Activities for members: Universities Wales

In 2024–25, Universities Wales focused on two critical priorities: the financial sustainability of Welsh universities and the establishment of Medr, Wales' new Commission for Tertiary Education and Research, while also continuing our work on the decline in higher education participation in Wales.

The financial challenges facing universities came to the fore this year. Our advocacy led to widespread press and political coverage of the challenges, a series of engagements with government, additional in-year financial support for universities, and the announcement that tuition fees in Wales would match proposed changes in England.

Linked to our work on financial sustainability, was the publication of the London Economics report on the economic impact of Welsh universities' teaching, research and innovation, which revealed that for every £1 of public money invested, Welsh universities generate over £13 of economic impact. We used the findings of this report in our campaigning and advocacy work on financial sustainability, highlighting the significant benefits Welsh universities bring to the wider Welsh economy.

Later in the year we launched our Unis Start Up Wales campaign (linked to Universities UK's Unis Start Up the UK campaign) which highlighted the rapid rise in student and staff start-ups coming out of Welsh universities, and the benefits that brings to the economy. We collected a number of case studies from members, which were shared on social media, on our website and in our newsletters.

Participation continued to be a key focus in 2024–25, with UCAS figures showing a continued fall in the number of Welsh 18-year-olds choosing to go to university. As a direct result of our briefings, the Children, Young People and Education Committee held an inquiry on routes into post-16 education and training, to which we provided a written response as well as giving evidence in person. We also issued a press release in response to the UCAS January intake figures, resulting in significant media coverage.

Following on from our Transforming Lives campaign launched in 2023–24, we held an event on the Senedd estate in October to promote and celebrate the campaign and its participants. The event was attended by a number of Senedd Members, including the Minister for Further and Higher Education and opposition education spokespeople. At the event we launched a publication featuring a collection of case studies gathered throughout the campaign.

Engagement with Medr, the new Commission for Tertiary Education and Research in Wales, which officially launched on 1 August, was also key priority for us in 2024–25. As well as building relationships with key staff and council members, we also provided comprehensive and robust responses to Medr consultations, including on its strategic plan and on a proposed new regulatory framework addressing conditions of registration and funding. The second phase of consultation on the new regulatory system is expected to take place in autumn 2025.

Welsh Government's first set of regulations relating to registration came into force in November 2024. Universities Wales engaged further with Medr to mitigate remaining areas of potential concern, such as the handling of franchise provision. A consultation on the second set of regulations took place in the spring, with Universities Wales submitting a joint response with Chairs of Universities Wales.

In 2024–25, Universities Wales carried out its second annual perception audit, with interviewees including Senedd Members and Welsh MPs. Despite the challenging media environment, the perception audit demonstrated progress in all areas of external affairs engagement and organisational reputation.

With the policy environment around immigration and international students still unstable, Universities Wales published 'Wales Beyond Borders', which set out a series of recommendations to unlock Wales' full potential in the global academic and innovation landscape. The report received positive engagement from politicians, with a number of MSs attending the launch event.

### Wales Innovation Network (WIN)

Universities Wales has continued to deliver WIN, which enhances collaboration in research and innovation between Welsh universities, increasing both grant capture and the overall impact of R&I across the sector.

In 2024–25, WIN published an impact report covering its first three years of operation, which revealed that WIN funding has successfully leveraged more than £38 million in external investment - a 19-fold return on investment. Contributing to this success was the WIN Small Grant Fund, which this year awarded nine grants to seed-fund collaborative R&I projects.

WIN currently operates five thematic networks that support the development of collaboration in key areas, such as Net Zero and public health. These include the All-Wales Policing Academic Collaboration, bringing together academic and policing partners with a focus on public trust in policing, with findings directly influencing policing practices. The Welsh Arts and Humanities Alliance (WAHA), which champions arts and humanities research, has recently coordinated a successful bid for an all-Wales doctoral training award.

In partnership with Taighde Éireann – Research Ireland, WIN launched the Research Alliance Award, a funding programme designed to strengthen Ireland-Wales research ties and support the development of competitive grants for Horizon Europe. Eight projects were funded across a diverse range of disciplines, spanning cutting-edge fields from neurodegenerative therapies to sustainable energy and AI-driven environmental solutions. Additionally, working with Wales Higher Education Brussels (WHEB) and AHRC, WIN supported a WAHA delegation to Brussels. Welsh research was showcased at a reception as part of Welsh Government's St David's Day celebrations, followed by a workshop on European funding.

To support researchers' engagement with key R&I topics, WIN introduced a series of monthly webinars covering a range of themes, including research commercialisation, place-based approaches, and building consortia for Horizon bids. Several targeted workshops were also held, such as one on *Health, Climate and People*, bringing together stakeholders from across the public, private, and third sectors to foster community engagement and long-term partnerships. These activities directly support the strategic development of future collaborative funding opportunities.

### Global Wales

In the final year of the Global Wales III phase, the team delivered some significant achievements on behalf of the sector amidst fundamental changes to the structure of the programme due to Welsh Government budget cuts.

Across priority countries India, USA, Canada, Vietnam and Germany, activities included the awarding of 44 partnership grants and 13 Global Wales funded scholarships. We organised five outward delegations and three inward visits, alongside welcoming 18 high school advisors to Wales.

Global Wales was joined by Welsh institutions at a large student recruitment event in the USA and two major higher education conferences, exhibiting under the Study in Wales brand. Meanwhile, Study in Wales marketing campaigns reached over 750 million views and 9 million clicks through to the Study in Wales website, generating over 780,000 leads to university profiles and websites.

### Welsh Higher Education Brussels (WHEB)

Key areas of focus for WHEB in 2024–25 included supporting Welsh university engagement with Horizon Europe, keeping universities informed about the development of future EU programmes, and tracking alignment with the European Research Area and European Higher Education Area. Participation in the Brussels-based UNILION and ERRIN networks has continued to be important with information gathered and shared back to Wales.

Activities included visits by the delivery of webinars on approaches to consortia-building and opportunities for Early Career Researchers; a continuation of the partnership with the Flanders Research Agency; and signposting participation in the COST programme. Thematic research areas covered through these events include AI, health and wellbeing, minority languages, ocean science and bioeconomy.

The major engagement event of 2024–25, as part of the St David's Day events in Brussels, involved close collaboration with the Wales Arts and Humanities Alliance to run a research networking event highlighting excellence in cultural heritage research and focusing on the opportunities in the forthcoming European Partnership on Resilient Cultural Heritage.

WHEB has worked with UUKi and Universities Scotland to shape a position paper on the next EU R&I programme and tracked the development of the European Research Area action lines, and hosted a meeting with the European Commission on regional approaches to this.

## Activities for members: Health

### Medical Schools Council (MSC)

#### Activities to meet these aims in 2024–25

The academic year 2024–25 marked the end of a decade in which significant work had taken place to increase the number of medical students from the most deprived socio-economic backgrounds. The publication of *Fostering Potential* in December 2024 provided detailed data demonstrating, over the decade, an increase from 6% to 14% of the number of medical students from Index of Multiple Deprivation (IMD) Quintile 1 (the most deprived quintile). A representative spread would be 20% in each quintile and MSC is working towards that objective.

The year was also marked by extensive work with the GMC around the Medical Licensing Assessment. After many years of intense work, the year saw the successful live sittings of the MLA's Applied Knowledge Test for all students graduating in 2024–25.

It was also the year in which DHSC ignored a 22 year precedent and declined to reimburse universities for the additional cost of the new consultant contract: a contract negotiated without the involvement of the universities or DfE. This poses a real threat to clinical academia. MSC has spent the year making the case for pay parity between Honorary and Substantive NHS consultants and to include consultants holding substantive contracts with universities in any future negotiating framework.

#### Aim 1: To be the authoritative voice of UK medical schools

The statutory education bodies in the four countries {NHS England Workforce Training and Education (NHSE WT&E), NHS Education Scotland (NES), Health Education and Improvement Wales (HEIW) and the Northern Ireland Medical and Dental Training Agency (NIMDTA)} recognise that MSC is the body with which they must engage for the collective views of the UK's medical schools. This close collaboration continued throughout the year as the new Government decided on its approach to the NHS following the most comprehensive consultation in the organisation's history. *Fit for the Future* – the NHS 10 Year Plan was published on 3 July 2025 and will underpin MSC's work in 2025–26.

#### Aim 2: To maintain the world class quality of UK medical education

Innovation which improves the quality of medical education and thus improves patient care – has long been recognised globally as a strength of the UK system. The MSC initiative to work with the GMC to create the UK Medical Education Database (UKMED) is one example. To reflect the speed of technological change, in 2024–25 MSC published guidance around Data Science in the undergraduate curriculum. MSC has long espoused sharing experience as the most effective method to raise quality. It actively pursues this agenda through the multiple activities of its Education leads, the Selection Alliance, Assessment Alliance, Research leads and EDI Alliance.

#### Aim 3: To be a global leader in medical assessment

The most significant change in medical education for decades was the decision by UK medical schools to set and administer a national exam – the Medical School Applied Knowledge Test (AKT), regulated by the GMC. The exam is delivered locally by medical schools using the ExamWrite platform MSC has developed over the last 10 years. It went live in 2024–25 with extremely positive feedback from both staff and students. MSC also works with the British Pharmacological Society to set and deliver the *Prescribing Safety Assessment*. Consultations will take place over the next 6 months to determine ways in which the PSA might assess more practical aspects of prescribing as well as modifications to prevent duplication with the Applied Knowledge Test.

#### Aim 4: To focus on Widening participation, Equity, Diversity and Inclusivity and to enhance clinical leadership and develop leaders within medical schools

The MSC Equality, Diversity and Inclusion Alliance (MSC EDIA) was set up in 2020 to take forward the MSC's work on EDI which is an important strategic focus for the organisation.

#### Aim 5: To maintain and build on the close relationship between universities and the NHS

Support of the University Hospital Association moved to NHS Providers in April 2025.

#### Aim 6: To explore the public's needs of doctors, the number required and the changing role of the doctor in the future of healthcare

The NHS 10 Year Plan published in July 2025 envisages fewer doctors working in Trusts in the future, more generalists and GPs and all doctors working at the top of their game, undertaking work only they can do. MSC will focus on such issues in the coming academic year.

### **Aim 7: To promote clinical academic careers and the conduct of high-quality research in medical school**

MSC has focused on inspiring medical students to consider clinical academic careers. It has commissioned a piece of research on *Student views of intercalation* and is and continuing to collect and publish data on those doctors with substantive contracts with universities rather than the NHS. It continues to work tirelessly to secure pay parity between NHS consultants and their colleagues with substantive contracts with universities.

### **Aim 8: To facilitate the transition between undergraduate and postgraduate environments**

MSC and the UK Foundation Programme Office (UKFPO) continue to work together to facilitate the transition between undergraduate and postgraduate education and training. The Preference Informed Allocation (PIA) scheme was again used to allocate posts in 2024–25 with 84% of students receiving their first choice. The 4 nations each takes a different approach to the Specialised Foundation Programme and further work is still required in this area.

### **Aim 9: To support all aspects of medical schools' work and add real value for members**

When MSC was created in the last century it was essentially a support network for the Heads of the medical schools. With time it has metamorphosed into an organisation seeking to support all aspects of medical schools' missions.

### **Aim 10: To provide a supportive network for medical school deans and their colleagues**

The Heads of Schools confirmed to an external review that if MSC did not exist it would have to be invented. It provides an invaluable mechanism for the resolution of issues and for supporting all members of the medical school community for the greater good of students, staff, patients and the UK economy.

## **Developing our organisation**

This was the second year of the Strategic Plan 2024–2030: A Common Cause: Thriving universities, service society. This has seen a shift in how we work, and what we work on. The thematic areas of work such as mental health, harassment and concordats have been passed to partner organisations who are experts in these areas allowing Universities UK to focus resources on the significant issues impacting the sector.

As part of our strategy to develop closer links to the communities we operate in, we have partnered with Camden Giving in London, and carried out fundraising activities including a quiz night and staff participating in challenge events raising funds for the local charity. This included £2,350 funds raised, volunteer engagement and donations of warm clothing to the homeless project at the Swiss church.

In June 2025, we ran our annual member survey to collect views from members on our work and ensure we are meeting the ambitions of our strategic plan. Results this year showed continued high satisfaction with Universities UK and our offer to the membership.

- 117 responses (83% membership) with a broadly representative sample based on geography, mission group affiliation and institution type
- Generally, high satisfaction with outputs, positive sentiment and agreement that Universities UK represents value for money.
- Agreement with statements about Universities UK's performance against our strategic plan were high (in most cases, 90–100%)
- 100% of respondents stated Universities UK represents value for money either 'very well' or 'fairly well' – up from 96% last year
- 82% agree they are engaged or very engaged in the work of Universities UK
- Strengths identified include Universities UK's strong leadership, ability to influence government on whole sector priorities at the highest level, and our convening power. Comments about strengths were more numerous and tended to be stronger in sentiment than weaknesses.

## Looking forward – our priorities for 2025–26

The coming year is arguably going to be even more important in securing our universities' and our nations' future. Our programmes for 2025–26 are:

- **Local growth and innovation:**  
To position university innovation and knowledge exchange as critical to local and national growth through developing policy proposals, supported by partners and business, that address key political challenges and promote ambitious solutions involving sustaining and growing the role of universities.
- **Domestic research**  
Universities use research to create groundbreaking discoveries and solutions to current and future challenges, and support the UK's growth. We should not take this for granted. A long-term, sustainable R&D system will allow universities to maximise their potential and position the UK as a world leader in science and technology.
- **Opportunity and skills**  
Empowering universities to transform lives, and make higher education accessible to everyone who can benefit. It works to make sure students thrive while at university, and progress with skills that meet individual ambitions, alongside national and local skills needs for the future.
- **High quality education**  
Building trust and confidence in the quality of UK higher education and promoting a sector that provides opportunity for students and delivers good value for money, all while maintaining high standards underpinned by effective and proportionate regulation.
- **Financial sustainability**  
A sustainable, future-proof business model enabling them to deliver their missions for students, staff, communities, and economies throughout the UK.
- **Global competitiveness**  
Fostering the conditions to enable universities to develop and implement their international strategies, to deliver benefits to local communities, the UK, and across the world. International HE and research activities of universities will be trusted, responsible and secure.

At Universities UK, we know that we need to develop our organisation to be:

- An exceptional membership organisation
- A great place to work
- A socially responsible organisation.

There are also two internal programmes of work: **equality, diversity and inclusion and organisation development** programmes looking at people, processes and systems and equality impacts of our work. These programmes cover the following projects – development of a knowledge management strategy, review of line manager and leadership development tools, development of the road map to net zero, roll out of equality impact assessment tool and the further development of our 'insight' function.

We want Universities UK to be an exceptional membership organisation. We deliver with and for our members, making sure they and we have support and information we need to create thriving universities that serve society. We will do this in three ways:

- **Strategy:**  
Ensuring the organisation can deliver the ambitions of our strategic plan, and ensuring our strategic plan stays relevant.
- **Insight:**  
Sharing knowledge, allowing Universities UK to learn from our members, our members to learn from us, and them from one another.
- **Member Engagement:**  
Creating high-quality and high-value opportunities for our members to come together with one another and with us.

## Financial review

### Review of position at the end of the year

The statement of financial activities for the year is set out on page 29 and the balance sheet on page 31 of the financial statements.

Consolidated income and expenditure for the year and position at the end of the year are summarised in the table below.

	Unrestricted activities £'000	Restricted activities £'000	Total 2025 £'000	Total 2024 £'000
Income	11,071	6,856	17,927	19,128
Expenditure	(10,828)	(7,820)	(18,648)	(14,561)
Surplus/(deficit)	243	(964)	(721)	4,567
Transfers	13	(13)	-	-
Net movement in funds	256	(977)	(721)	4,567
Funds brought forward	5,298	4,365	9,663	5,096
Funds carried forward	5,554	3,388	8,942	9,663

A consolidated deficit of £721,000 is reported for the financial year ended 31 July 2025 which is made up of a £977,000 restricted deficit and a £256,000 unrestricted surplus.

- During the year £934,000 was transferred to UCEA in respect of a review of the governance of the USS pension scheme. These funds were raised during the year to 31 July 2024 and transferred to UCEA who are the USS employers representative.
- Universities UK International, Universities Scotland and Universities Wales unrestricted surpluses were £64,000, £27,000 and £26,000 respectively.

Unrestricted income in 2025 increased on last year to £11,071,000 (2024: £10,728,000).

- Conference income increased by £131,000 year on year.
- Unrestricted subscription income increased by £168,000.
- Investment income (interest receivable) was down from £367,000 to £325,000.

Restricted income of £6,856,000 was lower than the 2024 level of £8,400,000. This income stream is variable in nature but notably in 2024 £1,600,000 was raised in relation to USS (levy and governance review).

The organisation's net assets were £8,942,000 at 31 July 2025 (2024: £9,663,000). This decrease in assets is due to the transfer of the funds to UCEA in respect of the USS governance review.

### Principal funding sources

Membership subscriptions provides 63% of the unrestricted income, and the balance comes from sales of goods and services (14%), conference receipts (11%), covenant income (7%), and investment and other income (5%). This income is used principally to support charitable activities, but also the cost of charged-for goods and services. Universities UK does not fundraise from the public and is therefore not registered with the Fundraising Regulator.

### Significant events affecting financial performance and position

During the year £934,000 was transferred to UCEA for the review of USS governance completing the work to transfer the USS employer representative responsibilities to UCEA, making that organisation the strategic lead for pensions across the sector.

Like all other employers, the unexpected announcement to increase employers' national insurance meant review of planned spend. The wider financial environment in the sector had impacts on our events programme attracting delegates decreasing our expected income in that area.

The external political environment created a need to find the resources to support reactive work – the protection of the graduate route, geopolitical events, responding to attacks on the value of higher education and developing support for a sector experiencing financial instability.

Taking a forward look at our own financial strength, towards the end of the year we ran a voluntary severance scheme to strengthen our financial position going into 2025–26, so recognised severance payments in this year for six individuals.

### **Impact of material pension liability**

The deficit recovery plan for the USS pension scheme first agreed in 2017 and updated following the 2020 valuation has, as a result of Financial Reporting Standard (FRS) 102, required a provision for the extra employer pension contributions required over the life of the plan. This has historically reduced reserves, though without any immediate impact on the cash position or on financial risk. In the prior year, the provision has been reversed and the related credit has reduced expenditure. The impact is dealt with in more detail in relation to the effect on performance against the reserves policy.

### **Fixed assets**

The changes to intangible and tangible fixed assets during the year are shown in notes 12 and 13 to the financial statements.

### **Other interests**

The long leasehold interest in Woburn House is owned by CVCP Properties plc, a business set up by the membership in 1995 for the purpose of acquiring the building. CVCP Properties plc also owns a central London residential flat which is let out at commercial rates with the revenue contributing to the annual covenant to Universities UK.

### **Investment policy**

Universities UK plans strategically over a five-year time horizon and budgets annually to expend substantially all anticipated unrestricted income, subject to retaining a prudent amount in reserves. It has no permanent endowment and provides for capital expenditure from unrestricted reserves.

The Board of Trustees does not consider that it is necessary to accumulate and invest income for the longer term. Its investment policy is therefore to retain surplus funds as cash and place them on bank deposit and treasury reserve at the best rate consistent with a prudent treasury management policy. As a result, it is not appropriate for the organisation to adopt an ethical investment policy.

### **Principal risks and uncertainties**

The UK Board, supported by the Audit and Risk Committee which carries delegated responsibility for risk management, keeps under review the strategic and operational risks facing the organisation and its subsidiaries together with the programmes and activities that help manage those risks effectively.

As a membership organisation, Universities UK's principal risk is failing to respond adequately to developments in higher education policy and funding or to its members' needs, which would risk damage to its reputation and influence and a possible loss of members and subscription revenue. Horizon scanning, member feedback mechanisms and monitoring member engagement levels are in place to minimise and mitigate this risk and other external financial and operational risks and uncertainties.

Specifically, potential policy divisions within the membership and Universities UK's response to those are monitored via the Board, members' meetings and the Policy Networks. Operational risks include inflationary pressures on our costs, the wellbeing of our staff with the demands on the organisation, IT systems, cyber security and the infrastructure of Woburn House, and strategies are in place to identify and mitigate those risks.

### **Reserves policy**

The trustees have reviewed the requirements for free reserves (unrestricted reserves less any amounts designated or otherwise committed) in the light of the principal strategic and operating risks to the organisation, as outlined above. The nature and likely timing and financial impact of these risks are not considered to be either sufficiently immediate or material to warrant carrying higher reserves. Accordingly, the current target of four to six months of unrestricted expenditure is deemed appropriate as this would ensure sufficient funds are available to meet current commitments if income streams were erratic or exceptional expenditure was incurred.

Universities UK reports its results under the Charity SORP, based on revised UK Generally Accepted Accounting Practice (GAAP): FRS 102. This has a significant impact on free reserves as Universities UK has to provide for the present value of employer contributions to past service deficits in multi-employer defined benefit pension schemes previously accounted for solely as defined contribution schemes, and the cost of untaken staff leave. The trustees have considered the impact of this and agreed to focus on cash liquidity of assets and risk, so levels of reserves would be stated before and after the provisions required under FRS 102 (if applicable) but using levels before any provisions for operational and decisions making purposes.

The impact of the reporting regime has been to reduce reported unrestricted reserves by £4.1m in 2023 and to cause Universities UK's group free reserves to be just £16,000 at this point and therefore less than the target range of months of unrestricted expenditure. The trustees do not believe

the impact of FRS 102 to be significant as most of the provision is for extra pension payments that will be made over a number of years up to 2038. Following the March 2023 USS valuation this provision is no longer required and has been removed. The remaining provision is for the cost of unused leave.

<b>Performance against reserves policy</b>	2025 £'000	2024 £'000
Total unrestricted reserves	5,449	5,222
Less: committed to fixed assets	(895)	(835)
Less: designated funds	(791)	(739)
Free reserves under SORP (A)	3,763	3,648
Add back: pension and annual leave liabilities	112	142
Reserves for Universities UK policy purposes (B)	3,875	3,790
Total unrestricted expenditure (non-designated) (C)	9,067	5,429
Exclude: pension and annual leave credits	30	3,970
Unrestricted expenditure for Universities UK policy purposes (D)	9,097	9,399
Months of expenditure expressed in reserves:		
Under SORP (12 X A / C)	5	8
Under Universities UK policy (12 X B / D)	5.1	4.8
Months (target)	4.0 – 6.0	4.0 – 6.0

### Political and charitable donations

The company made no political donations in the year (2024: nil). During the year, charitable donations made in lieu of buying and sending hard copy Christmas cards were £100 (2024: £600)

## Statement of Trustees' responsibilities

The trustees (who are also directors of Universities UK for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Audit information

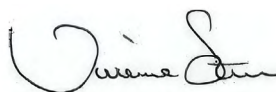
So far as each of the trustees at the time the Trustees' report is approved is aware:

- there is no relevant information of which the auditors are unaware; and
- they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Auditor

A scheduled review of audit provision will take place in the coming year.

The Trustees' report is approved by the trustees of the charity. The Strategic report, which forms part of the Trustees' report, is approved by the trustees in their capacity as directors in company law of the Charity.



**Vivienne Stern MBE**

Chief Executive



**Professor Nic Beech**

Treasurer

21 November 2025

# Independent auditor's report to the members of Universities UK

## Opinion

We have audited the financial statements of Universities UK for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, the Charity statement of financial activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2025 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report (incorporating the Strategic report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the group and parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company'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 the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates. We considered laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson, Senior Statutory Auditor  
For and on behalf of HaysMac LLP,  
Statutory Auditor  
10 Queen Street Place  
London  
EC4R 1AG  
Date: 27 November 2025

# Consolidated statement of financial activities – year ended 31 July 2025

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
<b>Income from:</b>					
Donations	2	733	-	733	629
Charitable activities	3	8,423	6,645	15,068	16,325
Other trading activities	4	1,590	96	1,686	1,636
Investments		325	105	430	529
Other income		-	10	10	9
<b>Total</b>		<b>11,071</b>	<b>6,856</b>	<b>17,927</b>	<b>19,128</b>
<b>Expenditure on:</b>					
Raising funds		931	94	1,025	924
Charitable activities		9,897	7,726	17,623	13,637
<b>Total</b>	7	<b>10,828</b>	<b>7,820</b>	<b>18,648</b>	<b>14,561</b>
<b>Net income</b>		<b>243</b>	<b>(964)</b>	<b>(721)</b>	<b>4,567</b>
Transfers between funds	19	13	(13)	-	-
<b>Net movements in funds</b>		<b>256</b>	<b>(977)</b>	<b>(721)</b>	<b>4,567</b>
<b>Total funds at 1 August 2024</b>		<b>5,298</b>	<b>4,365</b>	<b>9,663</b>	<b>5,096</b>
<b>Total funds at 31 July 2025</b>	19	<b>5,554</b>	<b>3,388</b>	<b>8,942</b>	<b>9,663</b>

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

The notes on pages 33 to 58 form part of these financial statements.

# Charity statement of financial activities for the year ended 31 July 2025

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
<b>Income from:</b>					
Donations	2	1,326	-	1,326	1,262
Charitable activities	3	8,423	3,962	12,385	13,700
Other trading activities	4	197	-	197	156
Investments		315	-	315	412
Other income		-	-	-	1
<b>Total</b>		<b>10,261</b>	<b>3,962</b>	<b>14,223</b>	<b>15,531</b>
<b>Expenditure on:</b>					
Raising funds		137	-	137	74
Charitable activities		9,897	4,869	14,766	11,048
<b>Total</b>	7	<b>10,034</b>	<b>4,869</b>	<b>14,903</b>	<b>11,122</b>
<b>Net income</b>		<b>227</b>	<b>(907)</b>	<b>(680)</b>	<b>4,409</b>
<b>Net movements in funds</b>		<b>227</b>	<b>(907)</b>	<b>(680)</b>	<b>4,409</b>
<b>Total funds at 1 August 2024</b>		<b>5,222</b>	<b>1,464</b>	<b>6,686</b>	<b>2,277</b>
<b>Total funds at 31 July 2025</b>	19	<b>5,449</b>	<b>557</b>	<b>6,006</b>	<b>6,686</b>

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

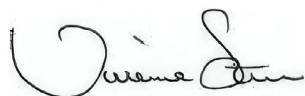
The notes on pages 33 to 58 form part of these financial statements.

## Balance sheets as at 31 July 2025

	Notes	Group		Charity	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Fixed assets</b>					
Intangible fixed assets	12	91	78	57	74
Tangible fixed assets	13	341	239	237	160
Investments	14	600	600	600	600
		<b>1,032</b>	<b>917</b>	<b>894</b>	<b>834</b>
<b>Current assets</b>					
<b>Debtors</b>					
- due within one year		2,192	2,033	2,494	2,489
- due after more than one year		750	750	750	750
	15	<b>2,942</b>	<b>2,783</b>	<b>3,244</b>	<b>3,239</b>
Investments – short term deposits		5,361	6,888	3,211	4,738
Cash at bank and in hand		2,240	1,930	683	215
		<b>10,543</b>	<b>11,601</b>	<b>7,138</b>	<b>8,192</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(2,633)	(2,855)	(2,026)	(2,340)
<i>Net current assets</i>		<b>7,910</b>	<b>8,746</b>	<b>5,112</b>	<b>5,852</b>
<i>Total assets less current liabilities</i>		<b>8,942</b>	<b>9,663</b>	<b>6,006</b>	<b>6,686</b>
<b>Total net assets</b>		<b>8,942</b>	<b>9,663</b>	<b>6,006</b>	<b>6,686</b>
<b>Funds and reserves</b>					
Restricted funds		3,388	4,365	557	1,464
Unrestricted funds		5,449	5,222	5,449	5,222
Non-charitable trading funds		105	76	-	-
<b>Total funds</b>	19	<b>8,942</b>	<b>9,663</b>	<b>6,006</b>	<b>6,686</b>

Approved by the Board of Directors and authorised for issue on 21 November 2025.

Signed on their behalf:



Vivienne Stern MBE  
Chief Executive



Professor Nic Beech  
Treasurer

Company Number: 2517018

The notes on pages 33 to 58 form part of these financial statements.

## Consolidated cash flow statement for the year ended 31 July 2025

	2025 £'000	2024 £'000
<b>a Reconciliation of net expenditure to net cash flow from operating activities</b>		
Net (expenditure)/income for the year	(721)	4,567
Interest income	(430)	(529)
Depreciation and amortisation charges	146	150
(Increase)/decrease in debtors	(159)	4
Decrease in creditors	(222)	(3,785)
<b>Net cash used in operating activities</b>	<b>(1,386)</b>	<b>407</b>
<b>b Statement of cash flows</b>		
Cash flows from operating activities	(1,386)	407
Cash flows for investing activities		
Purchase of fixed assets	(261)	(93)
Interest income	430	529
<b>Net cash used in investing activities</b>	<b>169</b>	<b>436</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(1,217)</b>	<b>843</b>
<b>Cash and cash equivalents at 1 August</b>	<b>8,818</b>	<b>7,975</b>
<b>Cash and cash equivalents at 31 July</b>	<b>7,601</b>	<b>8,818</b>
Cash and cash equivalents at 31 July is made up of:		
Investments – short term deposits	5,361	6,888
Cash at bank and in hand	2,240	1,930
<b>Total cash and cash equivalents</b>	<b>7,601</b>	<b>8,818</b>

	At 1 August 2024 £'000	Cash flows £'000	At 31 July 2025 £'000
Analysis of changes in net funds:			
Cash	1,930	310	2,240
Investments – short term deposits	6,888	(1,527)	5,361
<b>Total net funds</b>	<b>8,818</b>	<b>(1,217)</b>	<b>7,601</b>

# Notes to the financial statements – year ended 31 July 2025

## 1. Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Universities UK meets the definition of a public benefit entity under FRS 102. It is a company limited by guarantee and is incorporated in the UK. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The consolidated financial statements incorporate the results of Universities UK and its subsidiaries, Woburn House Conference Centre Ltd, Medical Schools Council and MSC Assessment.

### a. Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The liability in respect of the pension deficit recovery plan (if applicable) has been calculated using key assumptions concerning future payroll growth and the discount rate (see note 23).

### b. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees have reviewed financial position, reserves levels and future plans and this has given the trustees confidence that the charity remains a going concern into the future.

### c. Income

Income from donations and grants (including government grants) is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Subscriptions are recognised over the period to which they relate.

Conference fee and other trading income is recognised on an accruals basis.

Investment income is credited in the period in which it is earned.

### d. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributable to a particular heading, they have been allocated to activities on a basis consistent with the use of the resource.

Direct costs, including directly attributable salaries, are allocated on the basis of time to the key strategic areas of activity.

Overheads and other salaries are allocated between activities on the bases of usage, ie the same basis as expenditure incurred directly in undertaking the activity.

Governance costs are those incurred in connection with the management of Universities UK's assets, the organisation's administration and compliance with constitutional and statutory requirements.

Unconditional grants payable are charged to the statement of financial activities in the year in which they are communicated to the recipient as at that time a valid expectation has been created that the grants will be paid. Conditional grants are charged on a similar basis when conditions fall outside the control of the charity. Any unpaid amounts are shown as liabilities at the balance sheet date.

**e. Intangible and tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Leasehold improvements assets are stated at cost less depreciation. A full year's depreciation is charged in the year the asset is brought into use and none in the year of disposal.

The rates of depreciation are as follows:

Furniture and equipment: between four and ten years

Computer equipment: over three years

Website development and IT systems: over four years

Leasehold improvements: over the life of the lease

Universities UK capitalisation policy is to capitalise individual assets costing over £2,500.

**f. Investments**

Unlisted investments held as fixed assets are stated at cost, as permitted by FRS 102.

**g. Cash and cash equivalents**

Surplus cash funds are held on deposit for up to a year in order to achieve a better rate of interest.

**h. Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Liabilities are recognised on an accruals basis. Loans receivable are measured initially at fair value and are measured subsequently at amortised cost using the effective interest method.

**i. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**j. Debtors**

Short term debtors are measured at transaction price, less any impairment.

**k. Operating leases**

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the lease.

**l. Employee benefits***Short term benefits*

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

*Employee termination benefits*

Termination benefits are accounted for on an accruals basis and in line with FRS 102.

**m. Pensions**

Universities UK participates in the Universities Superannuation Scheme (USS) and Superannuation Arrangements of the University of London (SAUL).

Employees who commenced employment and joined SAUL for the first time after 1 April 2023 are enrolled into a new Defined Contribution section of the scheme for the first three years of membership.

Both USS and SAUL pension schemes are multi-employer schemes, with the assets held in separate trustee-administered funds. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme.

Because of the mutual nature of the schemes, the schemes' assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. Universities UK is therefore exposed to actuarial risks associated with members employed at other participating employers in the schemes and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the schemes as if they were defined contribution schemes.

As a result, the amount charged to income and expenditure through the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

Given the mutual nature of the schemes, participating employers are not expected to be liable for any other current participating employer's obligations, but in the event of an insolvency of any participating employer within each scheme, an amount of any pension shortfall which cannot otherwise be recovered in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Since Universities UK has entered into an agreement to participate in a deficit recovery plan for USS, it now also recognises a liability (if applicable) under FRS 102 for the future contributions payable that arise from this agreement to the extent that they relate to the deficit and the resulting expense in the statement of financial activities. As there was a Technical Provisions surplus at 31 March 2023, no deficit contributions were required and there is no defined benefit liability. The provision was unwound in full on 1 January 2024.

#### **n. Universities Scotland and Universities Wales**

The funds of these National Councils are included within the designated unrestricted funds of Universities UK. In line with the group reserves policy, the year end fund balances are expected to be utilised within four to six months.

## **2. Donations**

CVCP Properties plc is a company owned by 99 higher education institutions, whose executive heads are members of Universities UK. Universities UK is also a shareholder, owning all 550,000 preference shares and 50,000 (1%) of its ordinary shares. The company owns two leasehold properties and the net profits from its activities are covenanted annually to Universities UK. Covenanted income receivable during the year from CVCP Properties plc was £732,960 (2024: £628,650). Other transactions with CVCP Properties plc are included in note 24.

Covenanted income receivable during the year from Woburn House Conference Centre was £593,072 (2024: £633,540).

### 3. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000
<b>Group</b>						
Subscriptions from membership	7,021	2,926	9,947	6,853	4,231	11,084
Grants and contracts	156	3,719	3,875	210	3,916	4,126
Conference income	1,246	-	1,246	1,115	-	1,115
	8,423	6,645	15,068	8,178	8,147	16,325
<b>Charity</b>						
Subscriptions from membership	7,021	791	7,812	6,853	2,202	9,055
Grants and contracts	156	3,171	3,327	210	3,320	3,530
Conference income	1,246	-	1,246	1,115	-	1,115
	8,423	3,962	12,385	8,178	5,522	13,700

See notes 5 and 6 for further analysis.

### 4. Other trading activities

Trading activities relate principally to Woburn House Conference Centre Ltd, a subsidiary. They are stated net of intra-group trading.

### 5. Subscriptions from membership

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000
Universities UK	5,811	-	5,811	5,677	1,541	7,218
Universities Scotland	666	150	816	647	97	744
Universities Wales	544	641	1,185	529	564	1,093
<b>Charity</b>						
Medical Schools Council	-	1,944	1,944	-	1,833	1,833
MSC Assessment	-	191	191	-	196	196
<b>Group</b>	7,021	2,926	9,947	6,853	4,231	11,084

## 6. Grants and contracts

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000
Taith *	-	1,183	1,183	-	2,018	2,018
DSIT *	-	463	463	-	88	88
Research England *	-	413	413	-	533	533
Welsh Government *	-	279	279	-	-	-
Medr/Higher Education Funding Council for Wales *	-	222	222	-	174	174
The Wellcome Trust	-	190	190	-	-	-
FCDO *	-	139	139	-	236	236
Scottish Funding Council *	-	100	100	-	141	141
Scottish Government *	-	66	66	-	53	53
All Party Parliamentary University Group	46	12	58	44	7	51
London Higher	50	-	50	50	-	50
Conservatoires UK	16	34	50	15	33	48
Northern Consortium	-	30	30	-	-	-
British Council *	-	27	27	-	14	14
UCAS	27	-	27	5	-	5
University of Pennsylvania	12	-	12	12	-	12
Department for the Economy *	-	11	11	-	11	11
UK Research and Innovation *	-	-	-	50	-	50
Study Group UK	-	-	-	21	-	21
The Culture Capital Exchange	-	-	-	13	-	13
Office for Students *	-	-	-	-	7	7
Other organisations	5	2	7	-	5	5
<b>Charity</b>	156	3,171	3,327	210	3,320	3,530
NHS England *	-	523	523	-	556	556
Other organisations	-	25	25	-	40	40
<b>Group</b>	156	3,719	3,875	210	3,916	4,126

\* Grants from government and government agencies.

## 7. Total resources expended

	Direct costs £'000	Support costs £'000	Total 2025 £'000	Direct costs £'000	Support costs £'000	Total 2024 £'000
<b>Group</b>						
Cost of raising funds	979	46	1,025	884	40	924
<b>Charitable activities</b>						
<b>Activities for members</b>						
Core (see split below)	10,497	3,311	13,808	7,072	3,243	10,315
Conferences	808	150	958	584	149	733
Medical & health	1,423	149	1,572	1,221	142	1,363
Exam delivery	1,209	76	1,285	1,138	88	1,226
Total activities for members	13,937	3,686	17,623	10,015	3,622	13,637
<b>Total resources expended</b>	<b>14,916</b>	<b>3,732</b>	<b>18,648</b>	<b>10,899</b>	<b>3,662</b>	<b>14,561</b>
<b>Charity</b>						
Cost of raising funds	120	17	137	57	17	74
<b>Charitable activities</b>						
<b>Activities for members</b>						
Core (see split below)	10,497	3,311	13,808	7,072	3,243	10,315
Conferences	808	150	958	584	149	733
Total activities for members	11,305	3,461	14,766	7,656	3,392	11,048
<b>Total resources expended</b>	<b>11,425</b>	<b>3,478</b>	<b>14,903</b>	<b>7,713</b>	<b>3,409</b>	<b>11,122</b>
<b>Group and charity</b>						
<b>Split of core activities</b>						
England, NI and UK-wide	4,632	2,792	7,424	1,048	2,726	3,774
International	3,730	186	3,916	4,064	161	4,225
Universities Wales	1,177	165	1,342	1,049	192	1,241
Universities Scotland	958	168	1,126	911	164	1,075
<b>Total resources expended</b>	<b>10,497</b>	<b>3,311</b>	<b>13,808</b>	<b>7,072</b>	<b>3,243</b>	<b>10,315</b>

## 8. Support costs allocations

	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2025 £'000
<b>Group</b>						
Trading activities: costs of goods sold and other costs	5	5	26	8	2	46
<b>Charitable activities</b>						
Core	1,040	203	101	1,399	568	3,311
Conferences	47	9	5	63	26	150
Medical and health	41	13	14	38	43	149
Exam delivery	46	21	-	9	-	76
<b>Total resources</b>	<b>1,179</b>	<b>251</b>	<b>146</b>	<b>1,517</b>	<b>639</b>	<b>3,732</b>
<b>Charity</b>						
Trading activities: costs of goods sold and other costs	5	1	1	8	2	17
<b>Charitable activities</b>						
Core	1,040	203	101	1,399	568	3,311
Conferences	47	9	5	63	26	150
<b>Total resources</b>	<b>1,092</b>	<b>213</b>	<b>107</b>	<b>1,470</b>	<b>596</b>	<b>3,478</b>
<hr/>						
	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2024 £'000
<b>Group</b>						
Trading activities: costs of goods sold and other costs	6	5	20	7	2	40
<b>Charitable activities</b>						
Core	1,148	195	119	1,218	563	3,243
Conferences	53	9	5	56	26	149
Medical and health	42	11	6	37	46	142
Exam delivery	49	20	-	19	-	88
<b>Total resources</b>	<b>1,298</b>	<b>240</b>	<b>150</b>	<b>1,337</b>	<b>637</b>	<b>3,662</b>
<b>Charity</b>						
Trading activities: costs of goods sold and other costs	6	1	1	7	2	17
<b>Charitable activities</b>						
Core	1,148	195	119	1,218	563	3,243
Conferences	53	9	5	56	26	149
<b>Total resources</b>	<b>1,207</b>	<b>205</b>	<b>125</b>	<b>1,281</b>	<b>591</b>	<b>3,409</b>

**8. Support costs allocations** continued

	Total 2025 £'000	Total 2024 £'000
Governance costs are made up of the following:		
Staff costs	177	176
External audit	39	35
Other professional fees	5	9
Meeting costs and expenses	30	20
	251	240
Other direct costs include:		
Auditor's remuneration:		
For audit services	37	35
For other services	6	7
Operating lease rentals:		
Land and buildings	664	677
Office and equipment	5	3

## 9. Analysis of staff costs

	Total 2025 £'000	Total 2024 £'000
Total staff costs including full and part-time employees were:		
Wages and salaries	8,106	8,038
Social security costs	949	860
Other pension costs	1,637	1,795
FRS 102 USS pension adjustment	-	(4,037)
Termination payments	155	97
	<b>10,847</b>	<b>6,753</b>

Movements on the USS deficit recovery plan provision (see note 23) are shown as a separate line above. The charity was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of financial activities.

	2025 no.	2024 no.
The average number of employees throughout the year was:		
Charitable activities	137	136
Support staff	24	21
Trading activities – Woburn House Conference Centre Ltd	4	5
	<b>165</b>	<b>162</b>

The number of employees whose emoluments exceeded £60,000 (excluding employer's pension contributions) was 43 (2024: 41).

	2025 no.	2024 no.
£60,001–£70,000	18	16
£70,001–£80,000	8	11
£80,001–£90,000	8	8
£90,001–£100,000	2	1
£100,001–£110,000	5	2
£130,001–£140,000	-	1
£140,001–£150,000	-	1
£150,001–£160,000	1	1
£160,001–£170,000	1	-

The total employer pension contributions for these staff were £461,960 (2024: £507,848).

## 10. Trustees' emoluments and emoluments of other key management personnel

No trustees received any remuneration for their services.

During the year, £24,392 in travel and accommodation expenses were reimbursed to the institution of one trustee. (2024: £17,243).

The total employee benefits of the Senior Leadership Team who are considered to be key management personnel (in addition to trustees) was:

	2025 £'000	2024 £'000
Wages and salaries	809	868
Social security costs	102	96
Other pension costs	113	133
	<b>1,024</b>	<b>1,097</b>

The Senior Leadership comprises the Chief Executive and Directors of Policy; Strategy, Insight and Member Engagement; Universities UK International; Communications; Operations; Universities Scotland and Universities Wales. Between May 2023 and February 2025 the Director of Policy was on an inward secondment and costs are not included above.

## 11. Taxation

The charity is exempt from corporation tax under Sections 466–497 of the Corporation Taxes Act 2010 as all its income is applied to charitable purposes.

## 12. Intangible fixed assets

<b>Website development and software</b>	<b>Group £'000</b>	<b>Charity £'000</b>
<b>Cost</b>		
At 1 August 2024	404	263
Additions	60	19
At 31 July 2025	464	282
<b>Depreciation</b>		
At 1 August 2024	326	189
Charge for year	47	36
At 31 July 2025	373	225
<b>Net book value</b>		
At 31 July 2025	91	57
At 31 July 2024	78	74

### 13. Tangible fixed assets

	Leasehold Improvements £'000	Furniture & Equipment £'000	Office Technology £'000	Total £'000
<b>Group</b>				
<b>Cost</b>				
At 1 August 2024	527	276	147	950
Additions	-	44	157	201
Written off	-	-	(20)	(20)
At 31 July 2025	527	320	284	1,131
<b>Depreciation</b>				
At 1 August 2024	419	207	85	711
Charge for year	45	21	33	99
Written off	-	-	(20)	(20)
At 31 July 2025	464	228	98	790
<b>Net book value</b>				
At 31 July 2025	63	92	186	341
At 31 July 2024	108	69	62	239
<b>Charity</b>				
<b>Cost</b>				
At 1 August 2024	527	60	78	665
Additions	-	-	147	147
Written off	-	-	(20)	(20)
At 31 July 2025	527	60	205	792
<b>Depreciation</b>				
At 1 August 2024	419	30	56	505
Charge for year	45	5	20	70
Written off	-	-	(20)	(20)
At 31 July 2025	464	35	56	555
<b>Net book value</b>				
At 31 July 2025	63	25	149	237
At 31 July 2024	108	30	22	160

## 14. Investments held as fixed assets

	Total 2025 £'000	Total 2024 £'000
<b>Group and charity</b>		
CVCP Properties plc ordinary shares of £1 each	50	50
CVCP Properties plc preference shares of £1 each	550	550
	600	600

CVCP Properties plc is an unquoted company and the shares are stated at cost.

## 15. Debtors

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade debtors	782	763	409	429
Amounts due from subsidiary undertakings	-	-	884	922
Other debtors	771	676	771	676
Prepayments and accrued income	639	594	430	462
Loan	750	750	750	750
	2,942	2,783	3,244	3,239

The £750,000 loan is due for repayment within five years, and no later than 25 November 2026. The loan is secured by way of a fixed charge over the Woburn House building. Interest is payable on the loan at 3% above National Westminster Bank plc base rate.

## 16. Creditors: amounts falling due within one year

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade creditors	789	772	402	514
Amounts due to subsidiary undertakings	-	-	21	17
Taxation and social security	401	385	401	385
Other creditors	266	145	266	145
Accruals	548	577	337	331
Deferred income	629	976	599	948
	2,633	2,855	2,026	2,340

At the year end outstanding pension contributions amounted to £138,199 (2024: £139,062).

## 17. Deferred income

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Brought forward	976	717	948	667
Released in the year	(976)	(717)	(948)	(667)
Deferred in the year	629	976	599	948
Carried forward	629	976	599	948

Deferred income comprises membership subscriptions received in advance, grant income deferred when conditions exist which prevent recognition of the income, and income received for future events and conferences.

## 18. Operating lease commitments

The group and charity have the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Total 2025 £'000	Total 2024 £'000
<b>Group</b>		
Land and buildings:		
Within one year	693	646
Between one and five years	225	813
Office equipment:		
Within one year	4	1
Between one and five years	14	-
	<b>936</b>	<b>1,460</b>
<b>Charity</b>		
Land and buildings:		
Within one year	647	600
Between one and five years	210	752
Office equipment:		
Within one year	1	-
Between one and five years	2	-
	<b>860</b>	<b>1,352</b>

## 19. Movement in funds

	At 1 Aug 2024 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2025 £'000
<b>Unrestricted funds</b>					
<b>Group and charity</b>					
Investment fund (see note 14)	600	-	-	-	600
Universities Scotland / Universities Wales (see note 1(n))	739	1,255	(1,762)	559	791
General funds	3,883	8,377	(7,656)	(546)	4,058
	5,222	9,632	(9,418)	13	5,449
<b>Restricted funds</b>					
Universities UK International	-	525	(525)	-	-
Ukraine Twinning	-	139	(139)	-	-
Ukraine UKRI/RE	24	(12)	(12)	-	-
Israel research mobility	-	43	(43)	-	-
ISPF France	-	116	(116)	-	-
ISPF Korea	-	305	(305)	-	-
Wellcome	-	190	(190)	-	-
Northern Consortium	-	30	(30)	-	-
Global Wales II + 1	28	-	(4)	-	24
Global Wales III	106	1,183	(1,287)	-	2
India Scholarship	10	-	-	-	10
Universities Wales International	61	-	(4)	-	57
Welsh Innovation Network (WIN)	137	471	(457)	-	151
WREC network	22	25	(47)	-	-
Research Ireland	-	250	(218)	-	32
Future International	19	100	(93)	-	26
Research Foundation Flanders	-	24	(16)	-	8
WHEB	67	235	(215)	-	87
US International	40	106	(139)	-	7
Future Funding	-	54	-	-	54
HE Assets report	-	17	-	-	17
Branding Subgroup	-	97	(16)	-	81
USS Governance review	935	-	(935)	-	-
Other	15	64	(78)	-	1
<b>Charity</b>	1,464	3,962	(4,869)	-	557

**19. Movement in funds** continued

	At 1 Aug 2024 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2025 £'000
Medical Schools Council	1,363	627	(602)	(2)	1,386
Medical Licensing Assessment	177	1,267	(1,085)	(3)	356
University Hospital Association	268	5	(273)	-	-
Dental Schools Council	252	142	(152)	(1)	241
Pharmacy Schools Council	130	106	(117)	(1)	118
Association of Dental Hospitals	58	69	(44)	-	83
Summer School	-	477	(477)	-	-
MSC Assessment	653	201	(201)	(6)	647
<b>Group</b>	4,365	6,856	(7,820)	(13)	3,388
Non-charitable trading funds	76	1,439	(1,410)	-	105
<b>Group – total funds</b>	9,663	17,927	(18,648)	-	8,942

**19. Movement in funds** continued

	At 1 Aug 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2024 £'000
<b>Unrestricted funds</b>					
<b>Group and charity</b>					
Investment fund (see note 14)	600	-	-	-	600
Universities Scotland / Universities Wales (see note 1(n))	802	1,214	(1,795)	518	739
General funds	328	8,068	(4,008)	(505)	3,883
	1,730	9,282	(5,803)	13	5,222
<b>Restricted funds</b>					
Universities UK International	-	515	(515)	-	-
Ukraine Twinning	-	236	(236)	-	-
Ukraine UKRI/RE	39	54	(69)	-	24
Israel research mobility	-	88	(88)	-	-
Global Wales II + 1	78	-	(66)	16	28
Global Wales III	-	2,018	(1,912)	-	106
Vietnam Partnership	39	5	(28)	(16)	-
India Scholarship	10	-	-	-	10
Universities Wales International	63	-	(2)	-	61
Welsh Innovation Network (WIN)	239	394	(496)	-	137
WREC network	-	25	(3)	-	22
Future International	-	50	(31)	-	19
WHEB	-	230	(163)	-	67
US International	25	133	(118)	-	40
Branding Subgroup	1	97	(98)	-	-
USS Pensions reform	-	663	(663)	-	-
USS Governance review	-	937	(2)	-	935
KE Concordat	-	48	(48)	-	-
Research development Concordat	36	22	(58)	-	-
Other	17	66	(68)	-	15
<b>Charity</b>	547	5,581	(4,664)	-	1,464

## 19. Movement in funds continued

	At 1 Aug 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2024 £'000
Medical Schools Council	1,384	619	(638)	(2)	1,363
Medical Licensing Assessment	102	1,064	(986)	(3)	177
University Hospital Association	191	135	(58)	-	268
Dental Schools Council	226	144	(117)	(1)	252
Pharmacy Schools Council	122	92	(83)	(1)	130
Association of Dental Hospitals	45	51	(38)	-	58
Summer School	-	511	(511)	-	-
MSC Assessment	695	203	(239)	(6)	653
<b>Group</b>	<b>3,312</b>	<b>8,400</b>	<b>(7,334)</b>	<b>(13)</b>	<b>4,365</b>
Non-charitable trading funds	54	1,446	(1,424)	-	76
<b>Group – total funds</b>	<b>5,096</b>	<b>19,128</b>	<b>(14,561)</b>	<b>-</b>	<b>9,663</b>

Transfers during the year between funds relate to contributions made from unrestricted monies to restricted funds for specific projects, where there are insufficient restricted funds available to meet expenditure or where the charity is committed to contributing towards projects from its own resources.

Background information on each of the restricted funds is set out below:

- **Universities UK International** is the international arm of Universities UK, representing UK universities and acting in their collective interests globally. It actively promotes universities abroad, provides trusted information for and about them, and creates new opportunities for the sector.
- FCDO are providing funding to support the development of the **UK-Ukraine twinning** scheme set up by the Cormack Consultancy Group.
- UKRI/Research England £5 million grant to deliver “Building a strategic research and innovation response to global crises: Supporting the UK-Ukraine Twinning Initiative”. This includes delivery of the **UK-Ukraine R&I Twinning** Grants Scheme (Strand A) and Cross sector projects on lessons learned (Strand B).
- Funded by the Department of Science, Innovation and Technology (DSIT) Universities UK administers the UUKi **UK-Israel researcher mobility** scheme that enables UK based researchers to upskill their innovation and entrepreneurial skills by undergoing a period of mobility to Israel.
- Funded by the Department for Science, Innovation and Technology (DSIT) via the International Science Partnerships Fund (ISPF), UUKi deliver the ‘Building a Strategic Research and Innovation Ecosystem – Grants Scheme Programme’. This includes the delivery of the **UK-France** Science, Innovation, and Technology Researcher Mobility Scheme and the UK-France Science, Innovation, and Technology Pump priming scheme.
- Also funded via DSIT’s ISPF UUKi deliver the **UK-Korea** International Research Partnership for Engineering Biology in collaboration with Imperial College London.
- The **Wellcome Trust** funding to ‘Boosting participation om Horizon Europe – the role of the UK Higher Education Sector’ supported six UUKi-led delegations to European countries (France, The Netherlands, Norway, Poland, Ireland, Germany), an early-careers researcher event and a delegation to Brussels.
- The **Northern Consortium** provided funding support towards the publication of UUKi’s report [Gone international: a new generation](#) in collaboration with Jisc.

## 19. Movement in funds continued

- Universities Wales was the lead partner of **Global Wales II and Global Wales II+1**. Funding was received from HEFCW to develop existing target markets, expand into new markets and invest in the ‘Study in Wales’ brand domestically and internationally. This programme concluded in Autumn 2023, and following the submission of final monitoring statements, permission was granted by HEFCW to use remaining funds to support Global Wales III activities.
- Universities Wales delivers the **Global Wales III** programme, funded by Welsh Government via Taith. Global Wales III works with priority markets to increase international recruitment to Wales, establish new partnerships and increase education export earnings.
- The **Wales Innovation Network (WIN)** supports Welsh Universities in increasing research competitiveness. A team, hosted by Universities Wales will streamline the creation of new collaborations in research and innovation, secure additional investment through the development of collaborative bids, and raise the profile of Wales’ research and innovation capabilities.
- Universities Wales through the Wales Innovation Network (WIN) received funding from HEFCW (now Medr) to establish and coordinate **Wales-wide Research Environment and Culture Networks (WREC Networks)**. WIN has been tasked to deliver workshops, using a mixture of virtual and in-person events, to develop more positive and supportive research cultures and environments.
- Universities Wales through the Wales Innovation Network received funding from Welsh Government’s innovation team to support a collaborative funding programme with **Research Ireland**. The programme has delivered grant funding for partnerships of Welsh and Irish universities to support consortia building to support applications for funding to the Horizon Europe programme.
- Partnership funding from the **Research Foundation Flanders** under Global Wales III. Universities Wales will cover the final payment due in July 2026. The original contract, which set an end date of July 2026, was agreed before the Global Wales III programme was shortened from four years to three. The final delivery phase of the project is now being managed by WHEB.
- **Welsh Higher Education Brussels (WHEB)** is funded by Medr and members to promote the interests of Welsh universities in Europe. WHEB’s aims and objectives include the promotion of Welsh research, supporting the engagement of researchers in Wales with Horizon Europe, promoting a global outlook by positioning Wales as an outward-looking nation, and identifying appropriate mechanisms for early career researchers to participate in European research activities and join relevant thematic networks and platforms.
- The **Universities Scotland International Unit** develops and implements policy and research on international issues on behalf of the Scottish higher education sector. This supports the ‘Connected Scotland’ initiative with Scottish Government, Scottish Funding Council and others for targeted international promotion of Scottish higher education.
- **Future Funding** is a programme of work being taken forward jointly with the Scottish Government to look at the future funding and vision for Scotland’s universities
- **HE Assets Report** is a grant provided by British Council Scotland to develop new co-commissioned promotional material (aligned with the British Council’s “Strategic analysis of the Distinctive Assets of Scottish higher education” report) and events that aim to promote the distinctive features and strengths of Scottish universities to an international audience.
- **US International Committee Branding Subgroup** is joint sector funding that supports the recruitment of international students by increasing the sector’s positioning and awareness through paid-media campaigns and collateral development both independently and in support of recruitment campaigns run by Brand Scotland.
- Funds raised to undertake a **review of USS governance**.
- The **Knowledge Exchange Concordat** supported the development, improvement and promotion of good practice across the UK with a development year in England involving institutional self-assessment, submission of action plans and peer evaluation.
- The **Researcher Development Concordat** is an agreement that sets out conditions to create the very best culture for researchers to thrive. It contains principles relating to ‘Environment and Culture’, ‘Employment’, and ‘Professional and Career Development’ and outlines key responsibilities for researchers, managers of researchers, institutions, and funders. Universities UK took on the secretariat role for the Concordat in 2021.

## 19. Movement in funds continued

- The **Medical Schools Council** represents the interests and ambitions of UK Medical Schools as they relate to the generation of national health, wealth and knowledge through biomedical research and the profession of medicine.
- Income and expenditure relating to the Medical School Council's role in developing and delivering the **Medical Licensing Assessment (MLA)**.
- The **University Hospital Association** promotes the unique interests of university hospitals across the UK. Its role is to represent the unique tripartite – service, teaching and research – interests of UK University Hospital Trusts in partnership with other national bodies. During the year the assets, liabilities and staff of this fund were transferred to NHS Providers.
- The **Dental Schools Council** represents the interests and ambitions of the UK's Dental Schools as they relate to the generation of national health, wealth and knowledge acquisition through research and the profession of dentistry.
- The **Pharmacy Schools Council** is building on the work of the Council of UK Head of Pharmacy and has benefited from being able to access increased resources through being hosted by a secretariat which also supports equivalent groups for other healthcare professionals.
- The **Association of Dental Hospitals** represents the voices of dental hospitals across the UK and Ireland.
- The **Summer School** programme is HEE funding (now NHS England) to deliver summer schools for students from a widening participation background.
- **MSC Assessment** is a subsidiary of the Medical Schools Council set up to run medical assessment activities.

## 20. Allocation of net assets between funds

The net assets held for various funds are as follows:

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2025 Total £'000
Fixed assets	32	295	105	432
Investments	-	600	-	600
	32	895	105	1,032
Current assets	3,990	5,669	884	10,543
Current liabilities	(634)	(1,115)	(884)	(2,633)
<b>Group total net assets</b>	<b>3,388</b>	<b>5,449</b>	<b>105</b>	<b>8,942</b>

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2024 Total £'000
Fixed assets	8	235	74	317
Investments	-	600	-	600
	8	835	74	917
Current assets	4,870	5,876	855	11,601
Current liabilities	(513)	(1,489)	(853)	(2,855)
<b>Group total net assets</b>	<b>4,365</b>	<b>5,222</b>	<b>76</b>	<b>9,663</b>

## 21. Subsidiaries

### Woburn House Conference Centre Ltd

The charity owns 100% of the share capital of Woburn House Conference Centre Ltd, a company limited by shares (company number 03031467). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HQ.

The £2 cost of the investment has been written down to zero in the accounts of the parent company. The trading activity of Woburn House Conference Centre Ltd is the management of the conference centre and meeting rooms at Woburn House. The results and financial position of Woburn House Conference Centre Ltd are consolidated with those of Universities UK in preparing the consolidated accounts.

A summary of the trading results for the year ended 31 July 2025 and 2024, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown. Audited accounts have been filed with the Registrar of Companies.

	Total 2025 £	Total 2024 £
<b>Profit and loss account</b>		
Turnover	1,590,273	1,605,874
Cost of sales	(641,060)	(654,992)
<b>Gross profit</b>	<b>949,213</b>	<b>950,882</b>
Administration costs	(73,753)	(62,252)
Staff costs	(263,806)	(246,779)
<b>Operating profit</b>	<b>611,654</b>	<b>641,851</b>
Interest receivable	10,213	13,361
<b>Profit on ordinary activities before taxation</b>	<b>621,867</b>	<b>655,212</b>
Taxation	-	-
<b>Profit on ordinary activities after taxation</b>	<b>621,867</b>	<b>655,212</b>
Gift aid payment to Universities UK	(593,072)	(633,540)
<b>Retained profit carried forward</b>	<b>28,795</b>	<b>21,672</b>
	Total 2025 £	Total 2024 £
<b>Balance sheet</b>		
Fixed assets	104,853	74,215
Current assets	883,902	849,776
Creditors: amounts falling due within one year	(883,811)	(847,842)
Net current assets / (liabilities)	91	1,934
<b>Total net assets</b>	<b>104,944</b>	<b>76,149</b>
Represented by:		
Share capital	2	2
Profit and loss account	104,942	76,147
	<b>104,944</b>	<b>76,149</b>

## 21. Subsidiaries continued

### Medical Schools Council

Universities UK is also the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular (but without limitation) medical education, research and training.

A summary of income and expenditure for the year to 31 July 2025 and 2024, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown below. Audited accounts have been filed with the Registrar of Companies.

Unrestricted funds and free reserves at 31 July 2025 were £1.4m (2024 free reserves: £1.4m) which is equal to 28 months of unrestricted expenditure (2024: 26 months). This is in line with the organisation's reserves policy.

	Total 2025 £	Total 2024 £
<b>Income and expenditure account</b>		
Income	2,692,800	2,615,333
Expenditure	(2,756,090)	(2,437,950)
<b>(Deficit)/surplus</b>	<b>(63,290)</b>	<b>177,383</b>
<b>Balance sheet</b>		
Assets	2,785,035	2,843,414
Liabilities	(600,657)	(595,746)
<b>Net assets</b>	<b>2,184,378</b>	<b>2,247,668</b>

### MSC Assessment

The Medical Schools Council is the parent of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of MSC Assessment are to advance medical education for the benefit of the public including, without limitation, by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training.

A summary of the income and expenditure for the year to 31 July 2025 and 2024, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year is shown below. Audited accounts have been filed with the Registrar of Companies.

	Total 2025 £	Total 2024 £
<b>Income and expenditure account</b>		
Income	200,950	203,340
Expenditure	(207,102)	(245,603)
<b>Net expenditure</b>	<b>(6,152)</b>	<b>(42,263)</b>
<b>Balance sheet</b>		
Assets	675,617	718,450
Liabilities	(29,039)	(65,720)
<b>Net assets</b>	<b>646,578</b>	<b>652,730</b>

## 22. Conduit funding

	2025 £	2024 £
Funds received in advance b/fwd	-	19,921
Amount received	217,425	201,434
Amount paid out	(217,425)	(221,355)
Funds received in advance c/fwd	-	-

Amounts received and dispersed to universities on behalf of the UK-Ukraine R&I Twinning Grants Scheme and MITACS for Globalink Research Internships.

Certain trustees are Vice Chancellors of institutions in receipt of grants.

## 23. Pension

Universities UK participates in the Universities Superannuation Scheme and Superannuation Arrangement of the University of London. Both schemes are a combination of defined benefit (DB) and defined contribution (DC).

The employer contribution rate for the USS DB and DC pension schemes was 14.5% from 1 January 2024 onwards (from 21.6%). The employer contribution rate for the SAUL DB pension scheme was 19% from 1 September 2024 (from 21%). The employer contribution rate for the SAUL DC pension scheme was 16%.

Summary	USS	SAUL
Group contributions for the year to 31 July 2025	£1,117,562	£510,708
Active members at 31 July 2025	90	59
Group contributions for the year to 31 July 2024	£1,261,992	£531,444
Active members at 31 July 2024	93	59

### Universities Superannuation Scheme (USS)

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

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

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The charity was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of financial activities. (see note 18).

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.1 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are set out in [Statement of Funding Principles](#).

At 31 March 2025, USS had 233,937 (2024: 232,360) members.

## 23. Pension continued

### Superannuation Scheme of the University of London (SAUL)

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2023. 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.

The funding principles were agreed by the Trustee and employers in June 2024 and will be reviewed again at SAUL's next formal valuation in 2026.

At the 31 March 2023 valuation SAUL was 105% funded on its Technical Provisions basis. As SAUL was in surplus on its Technical Provisions basis, no deficit contributions were required. The Trustee and the Employers have agreed that the ongoing Employers' contributions will fall from a rate of 21% of CARE salaries to 19% of CARE salaries from 1 September 2024.

At 31 March 2025, SAUL had 92,471 (2024: 87,244) members.

## 24. Related party transactions

Related party transactions are disclosed for CVCP Properties plc, Advance HE, QAA, Universities and Colleges Admissions Service, Jisc, OIA and UCEA.

Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is the original subscribing member of the other organisations and members of Universities UK contribute to governance oversight through Board membership and other involvement. Related party transactions are at arm's length where those terms can be substantiated.

	Year ended 31 July 2025		As at 31 July 2025	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	1,008,056	790,248	1,491,004	5,064
Advance HE	960	3,293	-	-
Quality Assurance Agency	-	2,105	295	-
UCAS	148	69,425	1,344	-
Jisc	-	18,070	4,145	-
OIA	-	1,834	-	-
UCEA	948,998	12,547	-	2,276
	1,958,162	897,522	1,496,788	7,340

	Year ended 31 July 2024		As at 31 July 2024	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	1,090,290	690,683	1,387,803	447
Advance HE	-	8,976	1,637	-
Quality Assurance Agency	15,000	1,995	295	15,000
UCAS	1,819	29,760	7,976	-
Jisc	-	34,351	12,650	-
OIA	-	590	-	-
UCEA	501,369	19,111	9	300,924
	1,608,478	785,466	1,410,370	316,371

## 25. Members

The charity is incorporated as a private company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 July 2025 there were 141 members (2024: 141).

## 26. Income and expenditure by fund

Group	Notes	Unrestricted Funds		Restricted Funds		Total Funds	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	2	733	629	-	-	733	629
Charitable activities	3	8,423	8,178	6,645	8,147	15,068	16,325
Other trading activities	4	1,590	1,553	96	83	1,686	1,636
Investments		325	367	105	162	430	529
Other income		-	1	10	8	10	9
<b>Total</b>		<b>11,071</b>	<b>10,728</b>	<b>6,856</b>	<b>8,400</b>	<b>17,927</b>	<b>19,128</b>
<b>Expenditure on:</b>							
Raising funds		931	842	94	82	1,025	924
Charitable activities		9,897	6,385	7,726	7,252	17,623	13,637
<b>Total</b>	7	<b>10,828</b>	<b>7,227</b>	<b>7,820</b>	<b>7,334</b>	<b>18,648</b>	<b>14,561</b>
<b>Net income / (expenditure)</b>		<b>243</b>	<b>3,501</b>	<b>(964)</b>	<b>1,066</b>	<b>(721)</b>	<b>4,567</b>
Transfers between funds		13	13	(13)	(13)	-	-
<b>Net movements in funds</b>		<b>256</b>	<b>3,514</b>	<b>(977)</b>	<b>1,053</b>	<b>(721)</b>	<b>4,567</b>
<b>Total funds at 1 August</b>		<b>5,298</b>	<b>1,784</b>	<b>4,365</b>	<b>3,312</b>	<b>9,663</b>	<b>5,096</b>
<b>Total funds at 31 July</b>		<b>5,554</b>	<b>5,298</b>	<b>3,388</b>	<b>4,365</b>	<b>8,942</b>	<b>9,663</b>

**26. Income and expenditure by fund** continued

Charity	Notes	Unrestricted Funds		Restricted Funds		Total Funds	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	2	1,326	1,262	-	-	1,326	1,262
Charitable activities	3	8,423	8,178	3,962	5,522	12,385	13,700
Other trading activities	4	197	156	-	-	197	156
Investments		315	353	-	59	315	412
Other income		-	1	-	-	-	1
<b>Total</b>		<b>10,261</b>	<b>9,950</b>	<b>3,962</b>	<b>5,581</b>	<b>14,223</b>	<b>15,531</b>
<b>Expenditure on:</b>							
Raising funds		137	74	-	-	137	74
Charitable activities		9,897	6,384	4,869	4,664	14,766	11,048
<b>Total</b>	7	<b>10,034</b>	<b>6,458</b>	<b>4,869</b>	<b>4,664</b>	<b>14,903</b>	<b>11,122</b>
<b>Net income / (expenditure)</b>		<b>227</b>	<b>3,492</b>	<b>(907)</b>	<b>917</b>	<b>(680)</b>	<b>4,409</b>
<b>Net movements in funds</b>		<b>227</b>	<b>3,492</b>	<b>(907)</b>	<b>917</b>	<b>(680)</b>	<b>4,409</b>
<b>Total funds at 1 August</b>		<b>5,222</b>	<b>1,730</b>	<b>1,464</b>	<b>547</b>	<b>6,686</b>	<b>2,277</b>
<b>Total funds at 31 July</b>		<b>5,449</b>	<b>5,222</b>	<b>557</b>	<b>1,464</b>	<b>6,006</b>	<b>6,686</b>

# Reference and administrative details

## Principal and Registered Office

Woburn House  
20 Tavistock Square  
London  
WC1H 9HQ

## Solicitors

Bates Wells & Braithwaite London LLP  
10 Queen Street Place  
London  
EC4R 1BE

## Bankers

National Westminster Bank plc  
214 High Holborn  
London  
WC1H 9XA

## Auditors

HaysMac LLP  
10 Queen Street Place  
London  
EC4R 1AG

Universities UK also has two regional offices:

## Universities Scotland

20 Potterrow  
Edinburgh  
EH8 9BL

## Universities Wales

Units 6 & 7, Suite B  
One Central Square  
Cardiff  
CF10 1FS

Registered Charity in England and Wales No. 1001127

Registered Charity in Scotland No. SC052497

Registered Company No. 2517018

Universities UK is the collective voice of 141 universities in England, Scotland, Wales and Northern Ireland.

Our mission is to create the conditions for UK universities to be the best in the world; maximising their positive impact locally, nationally and globally.

Universities UK acts on behalf of universities, represented by their heads of institution.



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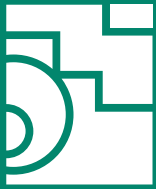
**UNIVERSITIES UK**

England & Wales - Charity number 1001127

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# Accounts

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Universities  
UK

# Annual report and consolidated financial statements

Year ended  
31 July 2024

Registered Charity in England and Wales No: 1001127  
Registered Charity in Scotland No: SC052497  
Registered Company No: 2517018

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# Trustees' report

The trustees present their report and the financial statements for Universities UK for the year ended 31 July 2024.

## Name and membership

The name of the charity and company is Universities UK. Universities UK is the representative organisation for the UK's universities. Its members are the executive heads of UK university institutions who have met the criteria for membership agreed by the Board of the company. It currently has 141 members. Membership is voluntary and members are represented both at the UK level and in the devolved nations through Universities Scotland and Universities Wales.

The objectives of Universities UK as set out in its Articles of Association are:

- To promote and provide facilities for discussion and consultation between representatives of university institutions in the UK, on any matters affecting or relevant to the university sector of higher education in the UK.
- To formulate policies on any matters affecting or relevant to the university sector of higher education in the UK.
- To represent the university sector of higher education in the UK and to conduct dealings and to liaise with the government, any local, national or other institutions, authorities, agencies, bodies or persons, wheresoever in the world situated.
- To provide information, advice and assistance to universities within the UK, or any of their representatives, on any aspect of educational affairs, including administrative and financial matters relating to or connected with education.
- To take any steps (including without prejudice to the generality of the foregoing the issue, maintenance, financing and enforcement of legal proceedings) for the purpose of protecting the interest, reputation or good standing of the universities or the university sector of higher education in the UK or the integrity of any degree, diploma or other awards issued by universities in the UK.

## Mission and main activities

At Universities UK, we harness the power of the UK's universities and create the conditions for them to thrive. We are the collective voice of 141 universities, bringing them together to pursue a common cause: Thriving universities, serving society.

This mission forms the core of our [strategic plan](#) which runs to 2030 and sets out our ambitions for the sector. We will use our unique role to ensure our universities can transform the lives of more individuals, drive greater growth and create flourishing places through the knowledge and skills they generate, and be globally competitive centres of research making ground-breaking discoveries. We will help them achieve more by securing sustainable funding and building pride in our universities.

## Public benefit

All of Universities UK's activities are ultimately carried out for the wider public benefit of creating and maintaining a world-class higher education sector that benefits students, the UK economy, the UK's educational and research standing in the world and the wider social good. Collectively, the institutions led by the members of Universities UK demonstrate their wide social and economic contribution through the delivery of research, teaching, expertise and training. Higher education is available to all with the ability to benefit, regardless of their economic circumstances. The benefits of this activity to the UK are considerable.

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. In delivery of its services and activities, Universities UK has fully supported its members, and assisted them to achieve their public benefit goals.

## Trustees

The Board are directors of the company and trustees of the charity, elected or appointed from among its members. Those appointed for the year to 31 July 2024 were as follows:

Professor Dame Sally Mapstone DBE FRSE	President 2023–2025
Professor Nic Beech	Treasurer
Professor Paul Boyle CBE	Vice-President Wales from 1 January 2024
Professor Nishan Canagarajah	
Professor Karen Cox **	
Professor Paul Croney OBE	
Professor Iain Gillespie	Vice-President Scotland
Professor Jane Harrington	
Professor Jenny Higham	
Professor Dame Karen Holford DBE	
Professor Debra Humphris CBE ***	
Professor Sir Gerry McCormac	
Professor Quintin McKellar CBE ***	Vice-President England and Northern Ireland
Professor Malcolm Press CBE	
Rt Hon James Purnell ****	
Professor Lisa Roberts	
Professor Rama Thirunamachandran OBE	
Professor Adam Tickell *****	
Professor Elizabeth Treasure CBE *	Vice-President Wales
Professor Shearer West CBE	
Professor Sir Steven West CBE	

\* *Term of office ended 31 December 2023*

\*\* *Term of office ended 22 May 2024*

\*\*\* *Term of office ended 31 July 2024*

\*\*\*\* *Term of office ended 6 September 2024*

\*\*\*\*\* *Term of office ended 7 November 2024*

The following were also members of the UK Board on the date this report was approved:

Professor Graham Baldwin  
 Professor Charles Egbu  
 Professor Andrew Jones  
 Professor Sasha Roseneil  
 Professor Evelyn Welch MBE

No member of the UK Board had a beneficial interest in any contract with the company. Board members are elected by the vice-chancellors of the member universities or appointed by the Board following a recommendation from the Governance and Nominations Committee.

## Chief Executive

Vivienne Stern MBE

## Structure, governance and management

### Organisational structure of the company

#### Universities UK

Universities UK is a company limited by guarantee with the registered number 2517018, governed by its Articles of Association adopted in March 2022. It is a charity with the registered number 1001127 (England and Wales) and SC052497 (Scotland). Its principal offices are in Bloomsbury, London.

#### Universities Scotland

In Scotland (where it operates from its Edinburgh office under the name Universities Scotland), Universities Scotland is a national council of the charity Universities UK.

#### Universities Wales

In Wales (where it operates from its Cardiff office under the name Universities Wales), Universities Wales is a national council of the charity Universities UK.

### Structure of subsidiary companies

#### Woburn House Conference Centre Ltd

Universities UK owns 100% of the share capital of Woburn House Conference Centre Ltd (company number 3031467) whose business is the operation of the conference facilities at Woburn House. Income generated from the activity of the centre is covenanted to Universities UK.

#### Medical Schools Council

Universities UK is the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular medical education, research and training. Its Board of Directors is elected from its own members.

#### MSC Assessment

The Medical Schools Council is the holding member of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The objects of MSC Assessment are to advance medical education for the benefit of the public including by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training. Its Board of Directors is elected from members of the Medical Schools Council.

The results and financial position of Woburn House Conference Centre Ltd, the Medical Schools Council and MSC Assessment are consolidated with those of Universities UK in preparing its consolidated financial statements. Separate results are shown in note 22 to the financial statements.

#### CVCP Properties plc

CVCP Properties plc is not a subsidiary of Universities UK but is considered to be a related party. Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is a major tenant of CVCP Properties plc in Woburn House.

### Restricted funds

The restricted funds managed by Universities UK include parts of Universities UK International funds (operating units of Universities UK). Medical Schools Council and its various funds (a subsidiary) and MSC Assessment (a sub-subsidiary) are also restricted funds in Universities UK's consolidated financial statements. Further details on the objectives, activities and financial performance of all restricted funds are given in notes 20 and 22 to the financial statements.

### Relationship with higher education sector agencies

Universities UK is the original subscribing member of various UK higher education sector agencies including Advance HE, Higher Education Careers Service Unit, Office of the Independent Adjudicator, Quality Assurance Agency, UCAS, Universities and Colleges Employers Association and Jisc.

Members of Universities UK contribute to governance oversight of these bodies through Board membership and other involvement, alongside interaction between Universities UK staff and staff of the bodies concerned. Transactions between Universities UK and these sector agencies are disclosed in note 25 to the financial statements.

## Governance and decision-making

### Non-executive directors/trustees

The Board of Trustees comprises up to 21 members and meets five times a year as a minimum. The President, elected by the members, serves a two-year term. The Chairs of Universities Scotland and Universities Wales are members of the Universities UK Board, serving as Vice-Presidents alongside an elected Vice-President for England and Northern Ireland. The membership also elects a Board member to serve as Treasurer.

### Induction and training of trustees

New trustees receive information supporting their induction, which includes relevant Charity Commission and OSCR documents on the role of a trustee, a copy of the Universities UK Articles of Association and the Strategic Plan. It is the aim of the organisation to update trustees and members on any new legislation that may affect the governance of the charity and to offer on-going support through additional training when required.

### Board sub-committees

Universities UK has six standing committees: Board Advisory, Resources, Audit and Risk, Governance and Nominations, Membership and Remuneration. Four elected policy lead roles on the Board lead on key policy issues of the UK higher education agenda in line with the organisation's strategic priorities. Membership of committees is made up of a combination of Board members and Universities UK members. The Resources, Audit and Risk and Remuneration also have an independent member appointed through a competitive recruitment process.

### Arrangements for setting pay and remuneration

Member input and support to the work of Universities UK is on a non-remunerated basis. The pay and remuneration of executive management is set by a Remuneration Committee, which comprises Universities UK members chaired by the Treasurer and includes an independent member. The pay and remuneration levels for all other staff grades is negotiated with the recognised union, Prospect, as part of the recognition agreement.

### Executive management

The Chief Executive leads a Senior Leadership Team comprising the Directors of Policy; Universities UK International; Communications; Operations; Strategy, Insight and Member Engagement; Universities Scotland and Universities Wales.

### Charity Governance Code

Universities UK governance has been reviewed against the Charity Governance Code. Universities UK is committed to applying good practice where possible and explaining where it is not aligned, the reasons for this or changes that are being planned. The Code is applied in the context of Universities UK being a relatively small membership organisation of 141 members, with Board members elected by and from its membership.

#### Principle 1 – organisational purpose

2023–24 was the first year of the Strategic Plan: A common cause: thriving universities, serving society. The Board has oversight of the management of resources ensuring that the allocation is linked to operational plans in pursuit of strategic objectives and therefore overall organisational purpose.

#### Principle 2 – leadership

The Board is led by the President, supported by a Board Advisory Committee. Across the Board and the Advisory Committee there are robust debates leading to an agreed direction for the officers and staff to follow. The President has oversight of CEO performance.

#### Principle 3 – integrity

Board and Board Advisory Committee members declare all conflicts of interest at every meeting and will absent themselves from discussions as required. Through its sub-committee structures the Board has oversight of issues such as finances, HR practices, procurement, data security and integrity, safeguarding and remuneration to make sure that the charity operates responsibly in line with its own ethics and values.

#### Principle 4 – decision making, risk and control

The Board have oversight of finance, performance and risk through its sub-committee structure and Board meeting agendas. The Audit and Risk Committees considers risk at each meeting. The Board are presented with the strategic risk registers at every meeting and have a full discussion on risk once a year, or more often if significant changes occur. All sub-committees have Terms of Reference established which are approved by the Board.

### Principle 5 – Board effectiveness

15 out of 21 Board members are elected from the membership by the membership. Board posts have set terms, and roles are subject to re-election when those terms expire. It is unusual for total service to exceed nine years, but possible if members are elected to different roles on the Board or they have expertise or responsibilities relevant to the Board's deliberations or strategic priorities.

### Principle 6 – equality, diversity, and inclusion

15 board posts are elected from and by the membership. There are challenges with the diversity of potential candidates from a restricted pool. The remaining positions are 'nominated members' identified by the Governance and Nominations Committee and approved by the Board. The nominated positions are selected using a matrix of skills, experience, knowledge, background and institution. The Board believes that as far as it can within the constraints of an elected Board, reasonable steps are taken to ensure that diversity in its widest sense is prioritised and implemented.

### Principle 7 – openness and accountability

The Board and Executive team make every effort to engage with the full membership and give all members opportunities to participate in setting the direction of work for the charity through regular member meetings, roundtable events, task and finish groups and a bi-annual member survey. The Chief Executive hosts group Teams calls each featuring 15–20 members, to which all members are invited, to discuss current issues and has a rolling programme of institution visits.

## Strategic report

### Strategic aims

2023–24 was the first year of the strategic plan 'A common cause: thriving universities, serving society'. The strategic objectives in that plan are:

By 2030 we will have enabled our universities to:

- Create opportunity through high-quality education
- Provide knowledge and skills that drive growth and prosperity
- Make groundbreaking discoveries with the power to change our world

To help them achieve this we will:

- Secure sustainable funding
- Build pride in our universities

And, at Universities UK, we know that we need to develop to be:

- An exceptional membership organisation
- A great place to work
- A socially responsible organisation.

These aims are achieved through the delivery of activities to members in England, Northern Ireland, Scotland and Wales to support their domestic and international activities, and institutions providing higher education in medical and health. Our work is organised through annual programme plans, detailing our short-term objectives.

### Activities for members – England, Northern Ireland, UK wide and International

Our activities include policy research, analysis and development, relationship building, lobbying, campaigning and advocacy, communications with the media, public and stakeholders and development and delivery of services to our members.

This was the first year of the Presidential term of Professor Dame Sally Mapstone DBE FRSE. We are grateful to the significant contribution made by Professor Sir Steve West, who served as President 2021–23.

The strategic report sets out how we have worked for the higher education sector this year which has been a challenging year for the university sector. Financial pressures across all four nations of the UK, geopolitics, political hostility towards the quality and value of the education our universities provide, finding ourselves at the centre of culture wars, and uncertainty about international student mobility have all impacted universities' ability to serve society. But where these challenges have arisen, Universities UK in collaboration with our members and others across the sector have acted to address them.

Where criticisms of the sector occurred we were able to respond with robust evidence or bring our members together to take action. Where potentially catastrophic policy decisions such as the potential closure of the Graduate Route emerged, we leveraged our own and our members' networks and evidence to robustly counter the arguments.

Alongside having to respond to the external environment, we've continued with our proactive work. We've championed the sector through our positive campaigning, deepened our influence among political and stakeholders and others, and created a real shift in the narrative about university finances.

This year more than ever has shown that none of this would be possible without the engagement of our member institutions. At every turn, our members and their wider teams have provided support, advice and contributions to our work, and have supported each other.

The implementation of our strategy does mean that we have exited areas of work, like the thematic areas such as mental health, harassment and the work on concordats. We have worked with partners and other organisations supporting the sector that are already experts in particular areas and handed over areas of work. This allows Universities UK to focus resources on our key strategic aims.

Engagement with Members remains high with regular monthly VC calls, our annual conference at The University of Manchester in September 2023 and our quarterly members' meetings. We continued our engagement with new and mid-term vice-chancellors through peer-to-peer learning opportunities, and our Specialist Institutions' Forum (SIF) brought focus and profile to the issues of our small and specialist institutions.

The Uni Exchange, a series of webinars for university communications and marketing teams continue with monthly webinars featuring a range of guest speakers exchanging their experiences in communications, campaigns, and political engagement. The webinars provided the opportunity for professional development, insights into successful campaigns and best practice on enhancing university communications strategies. They also consider how media, digital and political engagement by individual institutions can impact on the wider sector.

Universities UK has secured a significant amount of parliamentary and political engagement in the year with 84 written and oral questions in parliament on issues of interest to Universities UK members and 93 positive references to our work from parliamentarians and government and 69 meetings with UK government and shadow ministers. The [All-Party Parliamentary Universities Group](#), which Universities UK provides the secretariat for, has thrived with a membership of 100 universities, 52 MPs and 64 peers prior to the dissolution of Parliament.

Using print, broadcast and social media, we disseminated information to members and the wider public. There were 1,260,000 unique visitors to the Universities UK website and our social media presence continues to grow with 2.4million X (formerly Twitter) impressions and 1.7million LinkedIn impressions.

The #WeAreInternational campaign was relaunched that celebrated the social, cultural and civic contributions international students make to the UK. Over 70 universities joined the campaign on the relaunch day, reaching over 7 million people. Events and conferences remain an important channel for sharing information and good practice across the sector and providing opportunities for higher education staff and partners to network.

Our Vice President, England and Northern Ireland has regular engagement with the two Vice Chancellors in the Northern Ireland universities and keeps the Board updated with any developments or issues relating to Northern Ireland institutions.

## Key outcomes in 2023–24

As a result of the activities in the year, Universities UK achieved the following in the pursuit to secure a sustainable future for our universities, support student success and deliver high quality education.

### Making the case for sustainable funding

Our strategy at the beginning of the year was threefold: to show there is a problem with the way universities are funded in all four nations of the UK, to show why sustainable funding matters, and to propose practical solutions with buy-in from stakeholders.

In January, we published the report we commissioned from PwC on the sector's current financial sustainability. This, combined with media and political engagement, made it clear that there is a problem, and since then we have seen the narrative around university finances shift markedly with widespread understanding of the scale of the challenge. In response, we know that DfE have increased resource on HE finances and, in May, the OfS conducted a similar exercise to PwC, which further highlighted the challenges facing the English sector.

Our upcoming priorities will be working with a new government to find longer term solutions to the funding challenges including through our 'Blueprint' project, supporting members with transformation through resources and our convening power, building on February's 'Survive or Thrive' Financial Sustainability event, and ensuring there are appropriate contingency plans in place in the event of provider failure. The Labour party manifesto makes it clear that financial sustainability of the higher education sector is seen as a significant issue.

### Protecting the graduate route

As part of a monumental cross-sector effort, Universities UK and Universities UK International (UUKi) were central to preserving the Graduate Route. During the Spring, we coordinated the sector response to the Migration Advisory Committee's (MAC) rapid review of the graduate route, meeting weekly with the MAC secretariat to provide input and collate evidence from across the sector. We engaged MPs, Peers and wider stakeholders across the political spectrum and secured coverage highlighting the importance of the Graduate Route.

Universities UK [analysis](#) showed that the introduction of the graduate route directly contributed to 632,000 international first-year enrolments over a five year period – equivalent to an additional net economic contribution of £62.6 billion to the UK economy.

Following evidence gathered from members, we were able to make a robust case with officials and others, that government interventions had reduced international student recruitment. We were able to make it clear that further changes to the policy environment would be catastrophic for the sector and by extension, to the future prosperity of the UK. As a result, Number 10 dropped plans to restrict the route, and there was no reference to it in the Conservative Manifesto.

### Preparing for a general election

With the expectation of a General Election at some point in 2024, we formulated a Universities UK election strategy and were ready to implement these plans when the election was called earlier than expected. This has meant increased engagement with ministers, shadow ministers, their advisors and officials.

In February, we published our manifesto entitled 'Opportunity and growth: a manifesto from Universities UK'. This set out how universities and the next government can work closely to support a national drive to achieve stronger economic growth and improve opportunities for individuals and for communities across the whole of the UK. It included clear, evidenced asks including reforming the student maintenance package, returning teaching investment in England to 2015–16 levels, a long-term strategic approach to R&D, and ensuring universities are able to meet skills needs and boost their local communities.

With a snap election called for July, we were well prepared to act quickly, delivering General Election guidance for members, summaries of manifestos, and working with the Electoral Commission to boost student voter registration.

### Our Blueprint for Higher Education and Research

In expectation of a new government and a comprehensive spending review in the autumn, we prepared a blueprint, "Opportunity, Growth, and Partnership" making the case for a reset, on the part of both universities and government, of how universities serve our society and country over the next decade and into the future. The *Blueprint* characterises what the sector already does, in terms of education, research and innovation, what works, what should change and what needs support to achieve still more. The approach throughout the *Blueprint* is evidence-based, change oriented, and consciously reform driven. While the focus of the *Blueprint* is England in the first instance, we have been careful to set out the relevance and extension to the Devolved Administrations where it best makes sense to do so.

The *Blueprint* consists of eight chapters, the development each of which were led by an expert Commissioner with the help of an expert advisory group, tackling a different area of the higher education landscape. The Commission was led by Professor Dame Sally Mapstone.

### Opportunity through high-quality education

This year, we continued our work on student cost of living, including lobbying an improved maintenance package in England. We tied this ask to our ‘100 faces’ campaign which highlighted the transformative impact of university on first generation students and their impact on society. This campaign secured impressive local and national media coverage; showcased how greater diversity of access to talent leads to growth and raised awareness of the need for a fairer and more sustainable maintenance package.

We continue to work closely with UCAS, Ofqual and devolved equivalents and DfE to ensure **university admissions** support fairness and transparency, including by engaging with and supporting UCAS’ reform package. Following negative coverage in the Sunday Times, we have taken action to stave off damaging government intervention, including by reviewing our admissions code of practice, promoting the Agent Quality Framework, and co-commissioning the QAA’s review of international foundation programmes and international year one programmes.

Elsewhere **internationally**, we influenced DfE to steer decisions about dependent visas away from a ranking-based approach, influenced the design of the Turing programme with several UUKi recommendations incorporated, concluded our work with AdvanceHE on EDI in TNE, and developed our outward student mobility working group. The second part of UUKi’s #WeAreInternational campaign celebrated the contributions of international students graduates and alumni.

We continue to support members with **student experience** issues including convening members and stakeholder groups on supporting student mental health, harassment and other student experience challenges, including extensive support and resources on responding to campus issues relating to the conflict in Israel and Gaza (outlined below).

On **regulatory** and **quality** matters, we fed into and influenced the recommendations on the House of Lords enquiry into the OfS and the Behan Review, worked closely with DfE on franchise provision and the NAO report, continued our secretariat of the UK Standing Committee for Quality Assessment (UKSCQA), and liaised with Jisc, HESPA and the OfS on difficulties with rollout of Data Futures. This policy work was complemented by outward messaging; vigorously responding to attacks on poor quality and low value, disseminating analysis on longitudinal employment outcomes, and ensuring quality and value was a thread running through our campaigns and briefings.

A Taskforce, set up in partnership with Unite Students and chaired by Professor Nic Beech, Vice-Chancellor, University of Salford convened dozens of stakeholders to explore the drivers of student drug use and put forward practical recommendations for universities. Informed by polling, focus groups and expert roundtable discussions, the report found that only a minority of students who take drugs have ever asked for support from their university about it. With this in mind and drawing on evidence from across the sector and internationally, the report sets out how a drug ‘harm reduction’ approach could lead to better outcomes than straightforward zero-tolerance approaches, recognising that student health and wellbeing should be central to institutional policies.

### Key publications

- [100 faces campaign – first in family](#)
- [Value of university campaign](#)
- [TEF explainer](#)
- [#WeAreInternational campaign](#)
- [Analysis of graduate employment outcomes](#)
- [Understanding the impact of regulatory burden](#)
- [Managing risks in TNE partnerships](#)
- [Internationalisation at Home: an introductory handbook](#)
- [Enabling student health and success: Tackling supply and demand for drugs and improving harm reduction](#)

## Knowledge and skills for growth and prosperity

In September we published our report in collaboration with London Economics on the contribution the higher education sector makes to the UK economy. The report outlined how universities contribute over £130bn and support over a quarter of a million jobs. The report gained widespread national and local coverage. The findings later fed into a series of regional briefings about **economic growth** highlighting how universities spark growth.

Our joint report with HEPI also highlighted the annual contribution of international students to the economy, showing a £41.9bn net contribution with each parliamentary constituency £58m better off on average.

Our lobbying with others, notably the Universities Wales team, on a need for **short term funding** to address gaps in local innovation funding resulted in the government announcing a new £60m Regional Innovation Fund (RIF). We continue to build and share evidence on the impact of RIF and other funding streams such as HEIF, and continue to work closely with UKRI and other funders across the devolved administrations.

We closely engaged with HMT on the review of **university spinouts** and meet regularly with Research England and UKRI to support and influence the implementation of its recommendations.

Our jobs of the future campaign work highlighted how universities were central to delivering future **skills needs** and findings have been central to briefings with stakeholders and political influencers on the impact of HE.

We engaged with the NHS and wider stakeholders to ensure the role of universities was clear in the **NHS long-term workforce plan** and published research with Nuffield Trust into how greater financial support is needed to meet the ambitious targets. Our manifesto also sets out how universities and government can ensure the future needs of the **teaching workforce** can also be met.

We have continued to work closely with DfE, SLC and OfS to influence the introduction of the **Lifelong Learning Entitlement**.

### Key publications

- [The impact of the higher education sector on the UK economy](#)
- [The cost and benefits of international higher education students to the UK](#)
- [Jobs of the future](#)
- [Universities powering the NHS](#)

## Ground-breaking discoveries

In September 2023, after years of lobbying by Universities UK and UUKi, the UK's **association to Horizon Europe** was announced. Since then, we have been working to ensure that the UK's participation in the programme, including developing asks to share with potential funders.

We also secured confirmation of **International Science Partnerships Fund (ISPF) ODA** funding allocation and have worked closely with DSIT and partner organisations on developing the strategy for ISPF and its delivery.

We continued to make a case for the importance of a **longer-term sustainable R&D system**, engaging with UKRI, DSIT, ministers and shadow ministers, supporting an APPUG on discovery research, and developing shared messages on the evidence of R&D contributions.

With input from members and our policy network, we have shaped development of the next iteration of the **REF**, including on people, culture and environment indicators and through the consultation on Open Access. We also supported and fed into the **Bureaucracy Review, Landscape Review and the Science and Technology Framework**.

### Key publications

- [Why university research needs a long-term funding strategy](#)

## Building pride in our universities

Against a tricky political backdrop, we worked hard to change the **public narrative** about our universities for the better, championing our members at every opportunity and responding with well-evidenced rebuttals where criticisms in the media or by political stakeholders were unfounded. Our **reactive media work** has led to over 4,000 mentions across online and print media over the course of a year. This reactive work was complemented by our **campaigns** including the economic impact campaign, value of university, [powering the NHS](#), and [100 faces first in family](#) which drove positive messaging in print and social media and among stakeholders.

Through our **events programme, member engagement** and range of **webinars**, we have convened our members, providing a forum for them to identify priorities for improvement. We have also supported our member to actively respond to other challenges, such as secure international collaboration and emerging issues in the international environment.

We provided extensive support for members on **Israel-Gaza**, helping them learn from each other in order to support a sector-wide response to uphold the reputation of the sector. We convened regular calls to share best practice on maintaining campus cohesion and to develop sector responses, and created a repository of resources for members to draw from.

#### Key publications

- [Cyber security and universities: managing the risk](#)
- [Reviewing members progress on climate and sustainability](#)

#### Transfer of USS employer representative responsibility

This was the last year in which Universities UK held the role of the USS employer's representative. From 1 August 2024 this role will be fulfilled by the Universities and Colleges Employers Association (UCEA). The Universities UK board started considering whether Universities UK was the best placed to carry out this role in 2019, and after discussions with stakeholders agreed to pursue a conversation with UCEA to take on this work so all pay and reward work for the sector sat in one organisation. Work to transfer this responsibility has been taking place over the last two years with engagement with all USS employers, development of a sustainable funding model for the work and the necessary rules changes for USS. The existing Universities UK pensions team transferred to UCEA on 1 August 2024 so there was seamless transition for USS employers.

## Activities for members - Universities Scotland

Universities Scotland represents the Principals and Directors of Scotland's 19 higher education institutions, developing higher education policy and campaigning on issues where members have a shared interest. Universities Scotland achieved outcomes for members across a range of fronts in 2023–24.

#### Campaigns

We launched the [40 Faces](#) widening access campaign, with participation from all 19 members, to feature the student voice, demonstrate the sector's continued commitment to the access agenda and to proactively highlight the increasing challenges in achieving the 2030 access targets.

#### Reform

We have influenced Scottish Government on the focus and prioritisation of reform actions. The publication in June 2024 of a formal consultation on reform of the architecture of the post school funding body will be a key focus for work in the coming months.

#### Funding

We submitted our case to the Scottish Government's 2024-25 budget process, [Opportunity and Growth in a Time of Challenge](#). In the context of a budget outcome where many unprotected areas of spend saw pressure on their budgets, the sector saw a good outcome (4.75% cash terms increase) for capital funding, including the SFC's Research Excellence Grant.

The outcome for the Funding Council's resource budget was challenging (a 2.8% cash terms cut). Universities Scotland engaged closely with both Scottish Government and the SFC to consider options for making cuts in ways that will result in the least damage to the sector.

We campaigned for and received the Barnett consequential from Regional Innovation Funding, worth £6 million to Scotland in 2024. We worked jointly with UCU Scotland to highlight the impact of the increased employers' contribution to STPS to Scottish Government and to ask for continued financial support.

#### International

We advocated for Scottish Government to publish an International Education Strategy (IES). The IES was published in February 2024, formed through collaboration that has continued, with US and members playing key roles in shaping delivery.

We successfully negotiated a 900% increase in the Scottish Government destination marketing allocation (from £40K to £400K), influencing how that funding will be spent and securing sector leadership in delivery. We also secured strategic funding from SFC (£80K) to support the international policy officer post at Universities Scotland.

We supported Scottish Government with development of the Scottish Education Exchange Programme (SEEP) Test and Learn Project and provided sector representation and feedback during both development and delivery and in the design of the project's second year.

We continue to support promotion of Scottish HE internationally including:

- Sector funded recruitment campaigns in South East Asia and the USA;
- Signing an MoU with the Hunan Education Department (China);
- Hosting/co-ordinating multiple inward delegations, including Shangdong (China), Rhineland (Germany), Finland and Australia; and
- Supporting HE involvement in ministerial visits overseas, e.g. China, COP28.

### Connected Scotland

We expanded and strengthened the Connected Scotland (CS) partnership. We worked closely with universities, Brand Scotland, and other CS partners to promote Scottish higher education overseas under the 'Scotland is Now' brand.

We co-hosted additional events in Edinburgh (British Council Going Global Reception, Study UK Scholars event) and London (Attaches reception to promote Scottish HE). We worked with Scottish Government and the Deputy First Minister to promote Scottish HE in Paris. The model of cross-government and sector working was highlighted as a case study in the IES.

### Learning and Teaching

We commissioned and published data to reinforce the career success of graduates. Based on polling data from Scottish graduates and CEOs, the data found that 84.5% of Scottish graduates credit their university with helping them gain employment.

### Research

We facilitated early engagement for the Scottish sector with the Advanced Research and Innovation Agency (ARIA), including a webinar and engagement through our Research and Knowledge Exchange Committee (RKEC) with CEO Ilan Gur, highlighting differences in devolved funding for research.

We instigated and facilitated a series of discussions on Security and Trusted Research which led to a sector group being formed to share best practice and develop key messages for Scottish Government regarding research security.

Following the announcement that the UK would associate to Horizon Europe, we hosted a sector discussion with EU Commissioner Iliana Ivanova on boosting Horizon Europe participation. We have also fed into the UUKi position on FP10 and held sector discussion on a Scottish FP10 position for advocacy.

We facilitated a Scottish sectoral response to the consultation on the People, Culture and Environment component of REF2029.

### Innovation

Building on previous work with the Government's Economy Directorate to centre the role of universities in the innovation eco-system, we worked with Scottish Government to highlight challenges in retaining spin-outs and start-ups in Scotland and influence early implementation of the National Innovation Strategy. We also facilitated member engagement with the Scottish Funding Council on the evolution of the Knowledge Exchange and Innovation Fund to the University Innovation Fund.

### Medical School Board

We supported the Board's efforts to increase medical school applications from Scottish domiciled students by supporting the Establishment of a Short Life Working Group on medical schools' admissions and improving data collection processes to enable clearer trend analysis.

### Political and parliamentary engagement

Following dialogue with the First Minister in the summer of 2023 we have pursued 'Cross Cabinet Conversations' across the portfolios of Cabinet Secretaries. We have held one formal engagement on the 'economy' in February 2024 and have health and creative economy conversations planned for autumn.

We have met with the Deputy First Minister, Economy Secretary, Education Secretary and HE Minister over the course of the year, including hosting the Higher Education Minister at a roundtable with universities on career education and graduate skills development. We have also supported Scottish Government roundtables on widening access and skills planning.

We have worked with opposition parties in Holyrood and the Scottish media to ensure continued focus on the underfunding of HE and the need for a solution. This is a narrative that is increasing in prominence.

We mobilised stakeholder and media coverage in support of the Graduate Route, including business figures and the Scottish Cities Alliance, the Scottish Government and SNP Westminster Group in light of the Migration Advisory Committee review. This aligned to the broader approach of UUKi.

We launched a General Election Manifesto for Scottish HE and hosted the Labour Shadow Universities Minister for a roundtable in Glasgow in March 2024. We briefed parliamentarians on the Education Committee as part of post and pre-budget scrutiny in January/February and again in June.

We held four Cross Party Groups in Parliament on the subjects of reform and the views of the college and university sector on the Withers report, the opportunities and challenges within AI, immigration policy, and the legacy of the Covid-19 pandemic on the student experience.

We briefed the Scottish Government on the financial impact of the fall in international student numbers from November 2023 through to June 2024.

### Scotland's Covid Inquiry

We supported the sector's initial engagement with the Inquiry, setting up exploratory roundtables with Inquiry representatives and submitting information that summarised the events and experience of the sector through the period of the pandemic.

### Organisational

We successfully supported the change in leadership at Universities Scotland, with our new Director taking up post in March 2024.

## Activities for members - Universities Wales

In 2023–24, Universities Wales focused on two critical priorities: the financial sustainability of Welsh universities and tackling the decline in participation in Wales.

Our advocacy led to widespread press coverage of our financial challenges, a series of engagements with government, and influenced the fee increase which brought Wales into alignment with England. In addition to our influencing activity, we also commissioned work to explore possible areas of collaboration and business transformation in the sector. This work has informed discussions with universities on what can be taken forward.

Universities Wales' analysis on the participation challenge across post-compulsory education and training also led to the Welsh Government identifying participation as one of the key education priorities. Continuing to work and campaign on this area will be a key priority in 2024–25.

A long-standing area of work for Universities Wales has been the establishment of our new regulator and funder: Medr. Across 2023–24, we have responded to new regulations, undertaken wide-spread engagement with the new team and identified our priorities and collective vision for the new organisation.

Our ongoing 'Transforming Lives' campaign, rolled out in 2023–24 and showcasing inspiring stories of people whose lives were changed by university, will continue to highlight the power of higher education.

Global Wales has seen some significant achievements amidst fundamental changes to the structure of the programme due to Welsh Government budget cuts.

Across priority countries India, USA, Canada, Vietnam, France and Germany, activities included 3 MOUs between international and Welsh organisations; the awarding of 21 partnership grants and 36 Global Wales funded scholarships. Four outward delegations and 3 inward visits were organised, alongside welcoming 50 high school advisors to Wales. Global Wales was joined by Welsh institutions at 11 overseas student recruitment events, two major HE conferences and one FE conference, exhibiting under the Study in Wales brand. Meanwhile, Study in Wales paid marketing campaigns achieved over 400m impressions, 6.2m web clicks and over 89,000 clicks to universities.

Universities Wales is currently undertaking a project to scope and provide recommendations for a future approach to international tertiary education and research in Wales under Medr, Wales' new Commission for Tertiary Education and Research.

Universities Wales has continued to deliver the Wales Innovation Network (WIN) in 2023–24, funded by HEFCW and member subscriptions. The programme aims to facilitate collaboration between Welsh universities to increase the grant capture and impact of Welsh universities' research and innovation.

WIN continues to run five networks across key thematic areas to support the building collaborative, impactful R&I projects. Networks include the All-Wales Policing Academic Collaboration, which has facilitated projects with a focus on violence against women and girls, with research outputs feeding into policing practice. The Welsh Arts and Humanities Alliance has formed to champion arts and humanities research across Wales and has concentrated on PGR provision.

To further support collaboration, WIN awarded 16 small grants to seed-fund collaborative R&I projects. This follows on the success of the first year of small grants funding, run in 2022–23 in partnership with Global Wales. By the end of the funding period, the grants had generated over £9,000,000 in grant applications.

WIN continues to support Welsh universities to explore collaborative opportunities. In partnership with the National Centre for Universities and Business, WIN organised a workshop to explore collaborative models of research commercialisation. WIN was allocated funding by HEFCW to support coordination of research culture activity across Welsh universities.

WIN has showcased Wales's R&I strengths. Working with Secretary of State for Wales, WIN co-hosted a reception in Lancaster House to showcase Wales's strengths to UK politicians, civil servants and funders. WIN also collaborated with Wales Higher Education Brussels (WHEB) to co-host a reception in Brussels.

Working with WIN on an event in Brussels to showcase research excellence in Welsh universities was a key activity for WHEB and was the first significant event undertaken by the office since its incorporation into Universities Wales. The event was planned as part of the St David's Day celebrations in Brussels at the end of February and we were able to secure the presence of the First Minister for Wales who spoke at the event alongside the Flemish Representative to the EU which coincided with the Belgian presidency of the EU during the first half of 2024. Invited guests from the European Commission, European Parliament, European Technology Platforms, regions, universities and research organisations attended the event which has also led to follow up activities to strengthen Welsh collaboration with EU partners such as engagement with the European Aquaculture Technology Platform and invitations to attend other events in Brussels.

The association of the UK to the Horizon Europe programme on 1 January 2024 is a key determinant for the work of the office in Brussels. WHEB is supporting the sector to participate in networks to (re)build relationships with EU counterparts with a view to increase participation in the EU programme. Following the success of the first call for Welsh partners to be involved in the Flemish Research Organisation Scientific Research Network scheme, we have ensured that another call is open to Welsh academics for a second year. WHEB has also played a key role in organising a session to promote COST in Wales, a major scheme for researchers to network and build consortia for proposals for funding.

WHEB continues to support the engagement of Early Career Researchers with the programme, hosting visits by academics to Brussels to learn about EU funding and related policy developments. A significant part of the output of the office has been presenting the Horizon Europe Strategic Plan for 2025–27 to each of the universities and highlighting the key orientations for the last three years and the expected impacts so that the institutions can prepare and engage with and participate in the programme.

The office is also engaged in monitoring the current discussions on the future EU programmes that will start in 2028. Various university networks, regions and member states are advocating for key elements to be included in the next research and innovation programme (FP10) and WHEB submitted a response on the Erasmus programme which will input into the development of the new education programme.

## Activities for members – Health

### Medical Schools Council (MSC)

The academic year 2023–24 was marked by continued political turmoil and marked by extensive work with the GMC around the Medical Licensing Assessment. After many years of intense work, the first live sitting of the MLA's Applied Knowledge Test took place on 25 and 26 June 2024 for those schools which take written finals in the penultimate year.

#### Aim 1: To be the authoritative voice of UK medical schools

The statutory education bodies in the four countries {NHS England Workforce Training and Education (NHSE WT&E), NHS Education Scotland (NES), Health Education and Improvement Wales (HEIW) and the Northern Ireland Medical and Dental Training Agency (NIMDTA)} recognise that MSC is the body with which they must engage for the collective views of the UK's medical schools. MSC convened a meeting of senior stakeholders in September 2023 to analyse the steps that would be required throughout the system to make a success of the Long Term Workforce Plan. *Geary, McKee and Petty-Saphon, British Medical Journal 2024 1-10* summarises the findings in the paper: *Mind the Implementation gap: a systems analysis of the NHS Long Term Workforce Plan*. Intensive work has continued throughout the year to enhance the likelihood of successful expansion of medical student numbers and to identify potential pitfalls.

MSC plays a central role in the interdepartmental liaison group HENSE – the Health Education National Strategic Exchange. The CEO also attends the Scottish Medical Schools Board. Over the course of 2023–24, the MSC Secretariat worked closely with the Scottish medical schools to analyse the domicile of Scottish applicants and to determine where they choose to work after their medical degrees.

#### Aim 2: To maintain the world-class quality of UK medical education

Innovation which improves the quality of medical education and thus improves patient care – has long been recognised globally as a strength of the UK system. The MSC initiative to create the UK Medical Education Database (UKMED) with the GMC and other stakeholders has created the ability to undertake high quality research into, for example workforce planning and different educational initiatives – such as widening access. MSC has long espoused sharing experience as the most effective method to raise quality. It actively pursues this agenda through the multiple activities of its Education leads, its Selection Alliance, Assessment Alliance and EDI Alliance.

#### Aim 3: To be a global leader in medical assessment

Assessment drives learning – but the assessments themselves need to be reliable with both face and construct validity and need to discriminate accurately between able and less able students. Assessments should result in the smallest possible number of false negatives and false positives at the pass/fail border. The most significant change in medical education for decades was the decision by UK medical schools to set and administer a national exam – the Medical School *Applied Knowledge Test* (AKT), regulated by the GMC.

MSC also works with the British Pharmacological Society to set and deliver the *Prescribing Safety Assessment*. Securing a sustainable future for the PSA is a current priority and it is hoped that progress will be made in the next academic year. It is also intended that clarity will be provided to demonstrate topics which are covered in the PSA but not in the Medical Licensing Assessment.

#### Aim 4: To focus on Widening participation, Equality, Diversity and Inclusivity and to enhance clinical leadership and develop leaders within medical schools

The MSC Equality, Diversity and Inclusion Alliance (MSC EDIA) was set up in 2020 to take forward the MSC's work on EDI which is an important strategic focus for the organisation. In 2023–24 the MSC EDIA has further developed its strategic focus and the group is now starting to produce tangible outputs.

#### Aim 5: To maintain and build on the close relationship between universities and the NHS

The MSC secretariat currently supports the University Hospital Association and so staff are ideally placed to maximise the usefulness of their understanding of different issues from the perspectives of both the NHS and Higher Education. However from 2025 it is anticipated that UHA will be supported by NHS Providers and not MSC with the intention of raising the profile of the organisation. UHA is keen to maintain links with the Deans and to ensure that NHS Providers becomes well briefed on issues of importance to medical schools.

**Aim 6: To explore the public's needs of doctors, the number required and the changing role of the doctor in the future of healthcare**

The Government's long awaited Workforce Plan was published in July 2023. It recommended a doubling of medical student numbers in the next 10 years. Changes would include the creation of medical doctor apprenticeships and the possible shortening of the medical degree to 4 years. Such changes have wide ranging implications and need very careful planning as described in Aim 1 above. Work will continue in 2024–25 to articulate the future role of the doctor in an increasingly unstable world impacted by dramatically changing technologies.

**Aim 7: To promote clinical academic careers and the conduct of high-quality research in medical schools**

In September 2023, MSC, the GMC and the Academy of Medical Sciences sent a joint letter to the Heads and Deans of UK Medical Schools, and their associated university Vice-Chancellors. The letter served as a call to action for higher education institutions to recognise the value of clinical academics and to take collaborative steps to support and sustain this vital workforce for the benefit of patients, medical education, and society at large.

To address some of the concerns outlined in the above letter, it is vital to have access to high quality data on the clinical academic workforce. MSC has been working with UKRI, the Higher Education Statistics Agency (HESA) and the Academy of Medical Sciences to influence the next Research Excellence Framework process, which is due in 2029. The REF is the UK's system for assessing the excellence of research in UK higher education institutions, and REF outcomes are used to inform the allocation of public funding for universities' research.

**Aim 8: To facilitate the transition between undergraduate and postgraduate environments**

MSC and the UK Foundation Programme Office (UKFPO) continue to work together to facilitate the transition between undergraduate and postgraduate education and training. MSC attends regular meetings of the Foundation School Directors to ensure it is up to date with what is happening in the Foundation Programme so medical schools can be informed of any changes and the CEO sits on the UK Foundation Programme Board.

MSC worked with NHSE and the UKFPO in 2023–24 to look at how the system for allocating students to their first training post in the NHS might be improved. MSC had put forward a process based on student preference that would replace the existing competitive process. A consultation received over 14,000 responses, 66% of which were in favour of the Preference Informed Allocation (PIA) scheme. PIA was used to allocate posts in 2023–24. More students were allocated their 1st and 2nd choices – however more UK students received their last choice causing a good deal of discontent. It was also realised that an element of selection would be desirable for the allocation of posts in the Specialised Foundation Programme. This is currently under development for potential use in 2025.

**Aim 9: To support all aspects of medical schools' work and add real value for members**

When MSC was created in the last century it was essentially a support network for the Heads of the medical schools. With time it has metamorphosed into an organisation seeking to support all aspects of medical schools' missions. The *MSC Selection Alliance* remains steadfast in its commitment to broadening access to the medical profession for applicants from all backgrounds. Throughout 2023–24, it has continuously evaluated and expanded its outreach initiatives and information dissemination efforts. Leveraging cold spot mapping, MSCSA has effectively targeted schools with historically low rates of students applying to medical school, providing them with additional support.

**Aim 10: To provide a supportive network for medical school deans and their colleagues**

The Heads of Schools confirmed to an external review that if MSC did not exist it would have to be invented. It provides an invaluable mechanism for the resolution of issues and for supporting all members of the community for the greater good of students, staff, patients and the UK economy.

### Developing our organisation

This was the first year of the [Strategic Plan 2024–2030: A Common Cause: Thriving universities, serving society](#). This has seen a shift in how we work, and what we work on. The thematic areas of work such as mental health, harassment and concordats have been passed to partner organisations who are experts in these areas allowing Universities UK to focus resources on the significant issues impacting the sector. In the Autumn of 2023, we did restructure our staff group to be in a better position to deliver on the strategic ambitions.

As part of our strategy to develop closer links to the communities we operate in, we have partnered with Camden Giving in London, and carried out fundraising activities including a quiz night and staff participating in challenge events raising funds for the local charity.

In June 2024, we ran our annual member survey to collect views from members on the organisation and ensure we are meeting the ambitions of our strategic plan. Results this year showed continued high satisfaction with Universities UK and our offer to the membership.

109 members (77%) completed the survey and were broadly representative by region and mission group alignment. 97% of respondents said Universities UK provides value for money to its members (same as 2023), and 87% felt engaged with the work of Universities UK (up from 80% on 2023). Over 90% agreed with statements on Universities UK's expertise, focus, agility, convening power, and connection and influence, with around three quarters agreeing that Universities UK is visionary, that our work is transparent, and that members can influence decisions.

Satisfaction with our services and communications for members (such as newsletters, monthly VC calls, members meetings etc) remained high with the majority rating them positively and all seeing slight increases on last year. Qualitative comments pointed to an improved, more focussed organisation with strong leadership and strong positive outcomes this year. It was suggested that Universities UK could be more visible in representing the full diversity of its membership though, and some pointed to future risks around maintaining sector cohesion with current financial pressures.

Given the positivity, we will not be looking to overhaul anything significantly in our member engagement but will look to make small changes where scores are slightly lower than others.

Our operational support services functions (IT, HR, Facilities and Finance) continued to create the work environment, processes, systems and structures to support our colleagues to focus on their work. We launched a strategic review of our pay and reward structures, rolled out a recruitment tool kit, reviewed and developed the security infrastructure for IT services, developed and launched a 'comms hub' for institutions to share good practice and redeveloped our members areas of the website.

## Looking forward – our priorities for 2024–25

The coming year is arguably going to be even more important in securing our universities' and our nations' future. A new government presents a real opportunity for us to create a more collaborative relationship and to set a proactive and positive vision for the sector. In September 2024 we will publish our 'Blueprint' which will set out how government and universities can work together to ensure universities can deliver against the future needs of our country.

At Universities UK, we harness the power of the UK's universities and create the conditions for them to thrive. We are the collective voice of 141 universities, bringing them together to pursue a common cause: thriving universities, serving society. This mission forms the core of our [strategic plan](#) which runs to 2030 and sets out our ambitions for the sector. Our influence, convening power, and insight will enable our universities to:

- transform the lives of more people from the UK and around the world through high-quality education.
- drive greater growth and prosperity through the knowledge and skills they generate, creating places that allow communities to flourish.
- be globally competitive centres of research, at the forefront of making ground-breaking discoveries with the power to change our world.

To help them achieve this we will:

- secure sustainable funding that enables our universities to serve society better.
- build trust and confidence that our universities are a national asset to be proud of and are acting in the best interests of society.

### Our programmes for 2024-25

**Local growth and innovation** – to position university innovation and knowledge exchange as critical to local and national growth through developing policy proposals, supported by partners and business, that address key political challenges and promote ambitious solutions involving sustaining and growing the role of universities.

**Domestic research** – Universities use research to create groundbreaking discoveries and solutions to current and future challenges, and support the UK's growth. We should not take this for granted. A long-term, sustainable R&D system will allow universities to maximise their potential and position the UK as a world leader in science and technology.

**Opportunity and skills** – empowering universities to transform lives, and make higher education accessible to everyone who can benefit. It works to make sure students thrive while at university, and progress with skills that meet individual ambitions, alongside national and local skills needs for the future.

**High quality education** – building trust and confidence in the quality of UK higher education and promoting a sector that provides opportunity for students and delivers good value for money, all while maintaining high standards underpinned by effective and proportionate regulation.

**Financial sustainability** – a sustainable, future-proof business model enabling them to deliver their missions for students, staff, communities, and economies throughout the UK.

**Global competitiveness** – fostering the conditions to enable universities to develop and implement their international strategies, to deliver benefits to local communities, the UK, and across the world. International HE and research activities of universities will be trusted, responsible and secure.

At Universities UK, we know that we need to develop our organisation to be:

- An exceptional membership organisation
- A great place to work
- A socially responsible organisation.

There are also two internal programmes of work: **equality, diversity and inclusion** and **organisation development programmes** looking at people, processes and systems and equality impacts of our work. These programmes cover the following projects – development of a knowledge management strategy, review of line manager and leadership development tools, development of the road map to net zero, roll out of equality impact assessment tool and the further development of our 'insight' function.

We want Universities UK to be an exceptional membership organisation. We deliver with and for our members, making sure they and we have support and information we need to create thriving universities that serve society. We will do this in three ways:

- Strategy: ensuring the organisation can deliver the ambitions of our strategic plan, and ensuring our strategic plan stays relevant.
- Insight: Sharing knowledge, allowing Universities UK to learn from our members, our members to learn from us, and them from one another.
- Member Engagement: Creating high-quality and high-value opportunities for our members to come together with one another and with us.

## Financial review

### Review of position at the end of the year

The statement of financial activities for the year is set out on page 27 and the balance sheet on page 29 of the financial statements.

Consolidated income and expenditure for the year and position at the end of the year are summarised in the table below.

	Unrestricted activities £'000	Restricted activities £'000	Total 2024 £'000	Total 2023 £'000
Income	10,728	8,400	19,128	17,082
Expenditure	(7,227)	(7,334)	(14,561)	(16,738)
Surplus	3,501	1,066	4,567	344
Transfers	13	(13)	-	-
Net movement in funds	3,514	1,053	4,567	344
Funds brought forward	1,784	3,312	5,096	4,752
Funds carried forward	5,298	4,365	9,663	5,096

A consolidated surplus of £4,567,000 is reported for the financial year ended 31 July 2024 of which £3,514,000 is unrestricted. £3,947,000 of this unrestricted surplus related to a credit movement on the pension deficit recovery plan provision and £23,000 to a credit movement on the annual leave accrual (FRS 102 adjustments). Excluding these items, there was an unrestricted deficit for the year ended 31 July 2024 of £456,000.

- £500,000 was committed to UCEA for the transfer of USS employer representative responsibilities.
- Universities Scotland and Universities Wales unrestricted deficits were £51,000 and £12,000 respectively.

Unrestricted income in 2024 increased on last year to £10,728,000 (2023: £9,892,000).

- Conference income increased by £311,000 year on year.
- Unrestricted subscription income increased by £308,000.
- Investment income (interest receivable) was up £135,000 from £232,000.
- Woburn House Conference Centre Ltd saw income (net of internal charges) increase to £1,423,000 from £1,338,000

Restricted income of £8,400,000 was higher than the 2023 level of £7,190,000. This income stream is variable in nature but notably in 2024 £1,600,000 was raised in relation to USS (levy and governance review) compared to £396,000 in 2023. A further increase related to Medical Schools Council activities.

The organisation's net assets were £9,663,000 at 31 July 2024 (2023: £5,096,000). The majority of this increase in assets is due to the USS pension deficit recovery plan provision no longer being required (2023 liability: £3,946,000).

### Principal funding sources

Membership subscriptions provides 64% of the unrestricted income, and the balance comes from sales of goods and services (15%), conference receipts (10%), covenant income (6%), and investment and other income (5%). This income is used principally to support charitable activities, but also the cost of charged-for goods and services. Universities UK does not fundraise from the public and is therefore not registered with the Fundraising Regulator.

### Significant events affecting financial performance and position

The high cost of utilities impacted Universities UK as a tenant with a need to make up a surplus in service charge. The external political environment created a need to find the resources to support reactive work – most notably the earlier than expected general election, the protection of the graduate route, geopolitical events such as the conflict in Israel-Gaza, and responding to attacks on the value of higher education.

### Impact of material pension liability

The deficit recovery plan for the USS pension scheme first agreed in 2017 and updated following the 2020 valuation has, as a result of Financial Reporting Standard (FRS) 102, required a provision for the extra employer pension contributions required over the life of the plan. This has historically reduced reserves, though without any immediate impact on the cash position or on financial risk. In the current year, the provision has been reversed and the related credit has reduced expenditure. The impact is dealt with in more detail in relation to the effect on performance against the reserves policy.

### Fixed assets

The changes to intangible and tangible fixed assets during the year are shown in notes 12 and 13 to the financial statements.

### Other interests

The long leasehold interest in Woburn House is owned by CVCP Properties plc, a business set up by the membership in 1995 for the purpose of acquiring the building. CVCP Properties plc also owns a central London residential flat which is let out at commercial rates with the revenue contributing to the annual covenant to Universities UK.

### Investment policy

Universities UK plans strategically over a five-year time horizon and budgets annually to expend substantially all anticipated unrestricted income, subject to retaining a prudent amount in reserves. It has no permanent endowment and provides for capital expenditure from unrestricted reserves.

The Board of Trustees does not consider that it is necessary to accumulate and invest income for the longer term. Its investment policy is therefore to retain surplus funds as cash and place them on bank deposit and treasury reserve at the best rate consistent with a prudent treasury management policy. As a result, it is not appropriate for the organisation to adopt an ethical investment policy.

### Principal risks and uncertainties

The UK Board, supported by the Audit and Risk Committee which carries responsibility for risk management, keeps under review the strategic and operational risks facing the organisation and its subsidiaries together with the programmes and activities that help manage those risks effectively.

As a membership organisation, Universities UK's principal risk is failing to respond adequately to developments in higher education policy and funding or to its members' needs, which would risk damage to its reputation and influence and a possible loss of members and subscription revenue. Horizon scanning, member feedback mechanisms and monitoring member engagement levels are in place to minimise and mitigate this risk and other external financial and operational risks and uncertainties.

Specifically, potential policy divisions within the membership and Universities UK's response to those are monitored via the Board, members' meetings and the Policy Networks. Operational risks include inflationary pressures on our costs, the wellbeing of our staff with the demands on the organisation, IT systems, cyber security and the infrastructure of Woburn House, and strategies are in place to identify and mitigate those risks.

### Reserves policy

The trustees have reviewed the requirements for free reserves (unrestricted reserves less any amounts designated or otherwise committed) in the light of the principal strategic and operating risks to the organisation, as outlined above. The nature and likely timing and financial impact of these risks are not considered to be either sufficiently immediate or material to warrant carrying higher reserves. Accordingly, the current target of four to six months of unrestricted expenditure is deemed appropriate as this would ensure sufficient funds are available to meet current commitments if income streams were erratic or exceptional expenditure was incurred.

Universities UK reports its results under the Charity SORP, based on revised UK Generally Accepted Accounting Practice (GAAP): FRS 102. This has a significant impact on free reserves as Universities UK has to provide for the present value of employer contributions to past service deficits in multi-employer defined benefit pension schemes previously accounted for solely as defined contribution schemes, and the cost of untaken staff leave. The trustees have considered the impact of this and agreed to focus on cash liquidity of assets and risk, so levels of reserves would be stated before and after the provisions required under FRS 102 (if applicable) but using levels before for any provisions for operational and decisions making purposes.

The impact of the reporting regime has been to reduce reported unrestricted reserves by £4.1m in 2023 and to cause Universities UK's group free reserves to be just £16,000 at this point and therefore less than the target range of months of unrestricted expenditure.

The trustees do not believe the impact of FRS 102 to be significant as most of the provision is for extra pension payments that will be made over a number of years up to 2038. Following the March 2023 USS valuation this provision is no longer required and has been removed. The remaining provision is for the cost of unused leave.

<b>Performance against reserves policy</b>	2024 £'000	2023 £'000
Total unrestricted reserves	5,222	1,730
Less: committed to fixed assets	(835)	(912)
Less: designated funds	(739)	(802)
Free reserves under SORP (A)	3,648	16
Add back: pension and annual leave liabilities	142	4,112
Reserves for Universities UK policy purposes (B)	3,790	4,128
Total unrestricted expenditure (non-designated) (C)	5,429	7,664
Exclude: pension and annual leave credits	3,970	305
Unrestricted expenditure for Universities UK policy purposes (D)	9,399	7,969
Months of expenditure expressed in reserves:		
Under SORP (12 X A / C)	8	0
Under Universities UK policy (12 X B / D)	4.8	6.2
Months (target)	4.0 – 6.0	4.0 – 6.0

#### **Political and charitable donations**

The company made no political donations in the year (2023: nil). During the year, charitable donations made in lieu of buying and sending hard copy Christmas cards were £600 (2023: £510).

## Statement of Trustees' responsibilities

The trustees (who are also directors of Universities UK for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Audit information

So far as each of the trustees at the time the Trustees' report is approved is aware:

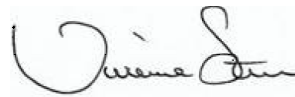
- there is no relevant information of which the auditors are unaware; and
- they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Auditor

On 18 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP.

A scheduled review of audit provision will take place in the coming year.

The Trustees' report is approved by the trustees of the charity. The Strategic report, which forms part of the Trustees' report, is approved by the trustees in their capacity as directors in company law of the Charity.



**Vivienne Stern MBE**  
Chief Executive



**Professor Nic Beech**  
Treasurer

22 November 2024

# Independent auditor's report to the members of Universities UK

## Opinion

We have audited the financial statements of Universities UK for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, the Charity statement of financial activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2024 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report (incorporating the Strategic report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the group and parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company'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 the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates. We considered laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson, Senior Statutory Auditor  
For and on behalf of HaysMac LLP,  
Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

29/11/2024

# Consolidated statement of financial activities – year ended 31 July 2024

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
<b>Income from:</b>					
Donations	2	629	-	629	724
Charitable activities	3	8,178	8,147	16,325	14,558
Other trading activities	4	1,553	83	1,636	1,486
Investments		367	162	529	297
Other income		1	8	9	17
<b>Total</b>		<b>10,728</b>	<b>8,400</b>	<b>19,128</b>	<b>17,082</b>
<b>Expenditure on:</b>					
Raising funds		842	82	924	750
Charitable activities		6,385	7,252	13,637	15,988
<b>Total</b>	7	<b>7,227</b>	<b>7,334</b>	<b>14,561</b>	<b>16,738</b>
<b>Net income</b>		<b>3,501</b>	<b>1,066</b>	<b>4,567</b>	<b>344</b>
Transfers between funds	20	13	(13)	-	-
<b>Net movements in funds</b>		<b>3,514</b>	<b>1,053</b>	<b>4,567</b>	<b>344</b>
<b>Total funds at 1 August 2023</b>		<b>1,784</b>	<b>3,312</b>	<b>5,096</b>	<b>4,752</b>
<b>Total funds at 31 July 2024</b>	20	<b>5,298</b>	<b>4,365</b>	<b>9,663</b>	<b>5,096</b>

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

The notes on pages 31 to 56 form part of these financial statements.

# Charity statement of financial activities for the year ended 31 July 2024

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
<b>Income from:</b>					
Donations	2	1,262	-	1,262	1,411
Charitable activities	3	8,178	5,522	13,700	12,219
Other trading activities	4	156	-	156	106
Investments		353	59	412	224
Other income		1	-	1	17
<b>Total</b>		<b>9,950</b>	<b>5,581</b>	<b>15,531</b>	<b>13,977</b>
<b>Expenditure on:</b>					
Raising funds		74	-	74	67
Charitable activities		6,384	4,664	11,048	13,739
<b>Total</b>	7	<b>6,458</b>	<b>4,664</b>	<b>11,122</b>	<b>13,806</b>
<b>Net income</b>		<b>3,492</b>	<b>917</b>	<b>4,409</b>	<b>171</b>
<b>Net movements in funds</b>		<b>3,492</b>	<b>917</b>	<b>4,409</b>	<b>171</b>
<b>Total funds at 1 August 2023</b>		<b>1,730</b>	<b>547</b>	<b>2,277</b>	<b>2,106</b>
<b>Total funds at 31 July 2024</b>	20	<b>5,222</b>	<b>1,464</b>	<b>6,686</b>	<b>2,277</b>

All activities are continuing. There are no gains or losses other than those disclosed in the charity statement of financial activities.

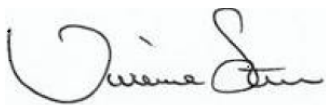
The notes on pages 31 to 56 form part of these financial statements.

# Balance sheets – 31 July 2024

	Notes	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Fixed assets</b>					
Intangible fixed assets	12	78	113	74	105
Tangible fixed assets	13	239	261	160	207
Investments	14	600	600	600	600
		<b>917</b>	<b>974</b>	<b>834</b>	<b>912</b>
<b>Current assets</b>					
<b>Debtors</b>					
- due within one year		2,033	2,037	2,489	2,476
- due after more than one year		750	750	750	750
	15	<b>2,783</b>	<b>2,787</b>	<b>3,239</b>	<b>3,226</b>
Investments – short term deposits		6,888	5,414	4,738	3,564
Cash at bank and in hand		1,930	2,561	215	809
		<b>11,601</b>	<b>10,762</b>	<b>8,192</b>	<b>7,599</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(2,855)	(2,999)	(2,340)	(2,593)
<i>Net current assets</i>		<b>8,746</b>	<b>7,763</b>	<b>5,852</b>	<b>5,006</b>
<i>Total assets less current liabilities</i>		<b>9,663</b>	<b>8,737</b>	<b>6,686</b>	<b>5,918</b>
Creditors: amounts falling due after one year	18	-	(3,641)	-	(3,641)
<b>Total net assets</b>		<b>9,663</b>	<b>5,096</b>	<b>6,686</b>	<b>2,277</b>
<b>Funds and reserves</b>					
Restricted funds		4,365	3,312	1,464	547
Unrestricted funds		5,222	1,730	5,222	1,730
Non-charitable trading funds		76	54	-	-
<b>Total funds</b>	20	<b>9,663</b>	<b>5,096</b>	<b>6,686</b>	<b>2,277</b>

Approved by the Board of Directors and authorised for issue on 22 November 2024.

Signed on their behalf:



**Vivienne Stern MBE**  
Chief Executive



**Professor Nic Beech**  
Treasurer

Company Number: 2517018

The notes on pages 31 to 56 form part of these financial statements.

# Consolidated cash flow statement for the year ended 31 July 2024

	2024 £'000	2023 £'000
<b>a Reconciliation of net expenditure to net cash flow from operating activities</b>		
Net income for the year	4,567	344
Interest income	(529)	(297)
Depreciation and amortisation charges	150	129
Decrease in debtors	4	931
Decrease in creditors	(3,785)	(2,432)
<b>Net cash used in operating activities</b>	<b>407</b>	<b>(1,325)</b>
<b>b Statement of cash flows</b>		
Cash flows from operating activities	407	(1,325)
Cash flows for investing activities		
Purchase of fixed assets	(93)	(110)
Interest income	529	297
<b>Net cash used in investing activities</b>	<b>436</b>	<b>187</b>
<b>Change in cash and cash equivalents in the year</b>	<b>843</b>	<b>(1,138)</b>
Cash and cash equivalents at 1 August	7,975	9,113
<b>Cash and cash equivalents at 31 July</b>	<b>8,818</b>	<b>7,975</b>
Cash and cash equivalents at 31 July is made up of:		
Investments – short term deposits	6,888	5,414
Cash at bank and in hand	1,930	2,561
<b>Total cash and cash equivalents</b>	<b>8,818</b>	<b>7,975</b>

	At 1 August 2023 £'000	Cash flows £'000	At 31 July 2024 £'000
Analysis of changes in net funds:			
Cash	2,561	(631)	1,930
Investments – short term deposits	5,414	1,474	6,888
<b>Total net funds</b>	<b>7,975</b>	<b>843</b>	<b>8,818</b>

# Notes to the financial statements – year ended 31 July 2024

## 1. Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Universities UK meets the definition of a public benefit entity under FRS 102. It is a company limited by guarantee and is incorporated in the UK. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The consolidated financial statements incorporate the results of Universities UK and its subsidiaries, Woburn House Conference Centre Ltd, Medical Schools Council and MSC Assessment.

### a. Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The liability in respect of the pension deficit recovery plan (if applicable) has been calculated using key assumptions concerning future payroll growth and the discount rate (see note 24).

### b. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees have reviewed financial position, reserves levels and future plans and this has given the trustees confidence that the charity remains a going concern into the future.

### c. Income

Income from donations and grants (including government grants) is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Subscriptions are recognised over the period to which they relate.

Conference fee and other trading income is recognised on an accruals basis.

Investment income is credited in the period in which it is earned.

### d. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributable to a particular heading, they have been allocated to activities on a basis consistent with the use of the resource.

Direct costs, including directly attributable salaries, are allocated on the basis of time to the key strategic areas of activity.

Overheads and other salaries are allocated between activities on the bases of usage, ie the same basis as expenditure incurred directly in undertaking the activity.

Governance costs are those incurred in connection with the management of Universities UK's assets, the organisation's administration and compliance with constitutional and statutory requirements.

Unconditional grants payable are charged to the statement of financial activities in the year in which they are communicated to the recipient as at that time a valid expectation has been created that the grants will be paid. Conditional grants are charged on a similar basis when conditions fall outside the control of the charity. Any unpaid amounts are shown as liabilities at the balance sheet date.

#### e. Intangible and tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Leasehold improvements assets are stated at cost less depreciation. A full year's depreciation is charged in the year the asset is brought into use and none in the year of disposal.

The rates of depreciation are as follows:

Furniture and equipment	- between four and ten years
Computer equipment	- over three years
Website development and IT systems	- over four years
Leasehold improvements	- over the life of the lease

Universities UK capitalisation policy is to capitalise individual assets costing over £2,500.

#### f. Investments

Unlisted investments held as fixed assets are stated at cost, as permitted by FRS 102.

#### g. Cash and cash equivalents

Surplus cash funds are held on deposit for up to a year in order to achieve a better rate of interest.

#### h. Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Liabilities are recognised on an accruals basis. Loans receivable are measured initially at fair value and are measured subsequently at amortised cost using the effective interest method.

#### i. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### j. Debtors

Short term debtors are measured at transaction price, less any impairment.

#### k. Operating leases

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the lease.

#### l. Employee benefits

##### *Short term benefits*

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

##### *Employee termination benefits*

Termination benefits are accounted for on an accruals basis and in line with FRS 102.

#### m. Pensions

Universities UK participates in the Universities Superannuation Scheme (USS) and Superannuation Arrangements of the University of London (SAUL).

Both these pension schemes are defined benefit, multi-employer schemes (contracted out of the State Second Pension [S2P] up until 31 March 2016), with the assets held in separate trustee-administered funds. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme.

Because of the mutual nature of the schemes, the schemes' assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. Universities UK is therefore exposed to actuarial risks associated with members employed at other participating employers in the schemes and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the schemes as if they were defined contribution schemes.

As a result, the amount charged to income and expenditure through the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

Given the mutual nature of the schemes, participating employers are not expected to be liable for any other current participating employer's obligations, but in the event of an insolvency of any participating employer within each scheme, an amount of any pension shortfall which cannot otherwise be recovered in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Since Universities UK has entered into an agreement to participate in a deficit recovery plan for USS, it now also recognises a liability (if applicable) under FRS 102 for the future contributions payable that arise from this agreement to the extent that they relate to the deficit and the resulting expense in the statement of financial activities. As there was a Technical Provisions surplus at 31 March 2023, no deficit contributions were required and there is no defined benefit liability. The provision was unwound in full on 1 January 2024.

#### **n. Universities Scotland and Universities Wales**

The funds of these National Councils are included within the designated unrestricted funds of Universities UK. In line with the group reserves policy, the year end fund balances are expected to be utilised within four to six months.

## **2. Donations**

CVCP Properties plc is a company owned by 97 higher education institutions, whose executive heads are members of Universities UK. The company owns two leasehold properties and the net profits from its activities are covenanted annually to Universities UK. Covenanted income receivable during the year from CVCP Properties plc was £628,650 (2023: £724,363). Other transactions with CVCP Properties plc are included in note 25.

Covenanted income receivable during the year from Woburn House Conference Centre was £633,540 (2023: £687,033).

### 3. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
<b>Group</b>						
Subscriptions from membership	6,853	4,231	11,084	6,545	2,512	9,057
Grants and contracts	210	3,916	4,126	145	4,552	4,697
Conference income	1,115	-	1,115	804	-	804
	8,178	8,147	16,325	7,494	7,064	14,558
<b>Charity</b>						
Subscriptions from membership	6,853	2,202	9,055	6,545	722	7,267
Grants and contracts	210	3,320	3,530	145	4,003	4,148
Conference income	1,115	-	1,115	804	-	804
	8,178	5,522	13,700	7,494	4,725	12,219

See notes 5 and 6 for further analysis.

### 4. Other trading activities

Trading activities relate principally to Woburn House Conference Centre Ltd, a subsidiary. They are stated net of intra-group trading.

### 5. Subscriptions from membership

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Universities UK	5,677	1,541	7,218	5,393	409	5,802
Universities Scotland	647	97	744	647	97	744
Universities Wales	529	564	1,093	505	216	721
<b>Charity</b>						
Medical Schools Council	-	1,833	1,833	-	1,569	1,569
MSC Assessment	-	196	196	-	221	221
<b>Group</b>	6,853	4,231	11,084	6,545	2,512	9,057

## 6. Grants and contracts

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Taith *	-	2,018	2,018	-	2,256	2,256
Research England *	-	533	533	-	1,110	1,110
FCDO *	-	236	236	-	203	203
Higher Education Funding Council for Wales *	-	174	174	-	43	43
Scottish Funding Council *	-	141	141	-	115	115
DSIT *	-	88	88	-	58	58
All Party Parliamentary University Group	44	7	51	44	15	59
Scottish Government *	-	53	53	-	50	50
London Higher	50	-	50	50	-	50
UK Research and Innovation *	50	-	50	-	20	20
Conservatoires UK	15	33	48	15	31	46
Study Group UK	21	-	21	-	-	-
British Council *	-	14	14	-	15	15
The Culture Capital Exchange	13	-	13	-	-	-
University of Pennsylvania	12	-	12	10	-	10
Department for the Economy *	-	11	11	-	10	10
Office for Students *	-	7	7	-	7	7
Welsh Government *	-	-	-	-	30	30
The Wellcome Trust	-	-	-	-	25	25
University of Nottingham	-	-	-	25	-	25
Other organisations	5	5	10	1	15	16
<b>Charity</b>	210	3,320	3,530	145	4,003	4,148
NHS England *	-	556	556	-	484	484
Department of Health & Social Care *	-	-	-	-	11	11
Other organisations	-	40	40	-	54	54
<b>Group</b>	210	3,916	4,126	145	4,552	4,697

\* Grants from government and government agencies.

## 7. Total resources expended

	Direct costs £'000	Support costs £'000	Total 2024 £'000	Direct costs £'000	Support costs £'000	Total 2023 £'000
<b>Group</b>						
Cost of raising funds	884	40	924	719	31	750
<b>Charitable activities</b>						
<b>Activities for members</b>						
Core (see split below)	7,072	3,243	10,315	10,153	2,923	13,076
Conferences	584	149	733	536	127	663
Medical & health	1,221	142	1,363	1,152	122	1,274
Exam delivery	1,138	88	1,226	893	82	975
Total activities for members	10,015	3,622	13,637	12,734	3,254	15,988
<b>Total resources expended</b>	<b>10,899</b>	<b>3,662</b>	<b>14,561</b>	<b>13,453</b>	<b>3,285</b>	<b>16,738</b>
<b>Charity</b>						
Cost of raising funds	57	17	74	54	13	67
<b>Charitable activities</b>						
<b>Activities for members</b>						
Core (see split below)	7,072	3,243	10,315	10,153	2,923	13,076
Conferences	584	149	733	536	127	663
Total activities for members	7,656	3,392	11,048	10,689	3,050	13,739
<b>Total resources expended</b>	<b>7,713</b>	<b>3,409</b>	<b>11,122</b>	<b>10,743</b>	<b>3,063</b>	<b>13,806</b>
<b>Group and charity</b>						
<b>Split of core activities</b>						
England, NI and UK-wide	1,048	2,726	3,774	3,915	2,367	6,282
International	4,064	161	4,225	4,601	217	4,818
Universities Wales	1,049	192	1,241	901	150	1,051
Universities Scotland	911	164	1,075	736	189	925
<b>Total resources expended</b>	<b>7,072</b>	<b>3,243</b>	<b>10,315</b>	<b>10,153</b>	<b>2,923</b>	<b>13,076</b>

## 8. Support costs allocations

	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2024 £'000
<b>Group</b>						
Trading activities: costs of goods sold and other costs	6	5	20	7	2	40
<b>Charitable activities</b>						
Core	1,148	195	119	1,218	563	3,243
Conferences	53	9	5	56	26	149
Medical and health	42	11	6	37	46	142
Exam delivery	49	20	-	19	-	88
<b>Total resources</b>	<b>1,298</b>	<b>240</b>	<b>150</b>	<b>1,337</b>	<b>637</b>	<b>3,662</b>
<b>Charity</b>						
Trading activities: costs of goods sold and other costs	6	1	1	7	2	17
<b>Charitable activities</b>						
Core	1,148	195	119	1,218	563	3,243
Conferences	53	9	5	56	26	149
<b>Total resources</b>	<b>1,207</b>	<b>205</b>	<b>125</b>	<b>1,281</b>	<b>591</b>	<b>3,409</b>
<hr/>						
	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2023 £'000
<b>Group</b>						
Trading activities: costs of goods sold and other costs	4	5	15	5	2	31
<b>Charitable activities</b>						
Core	989	166	105	1,119	544	2,923
Conferences	43	7	5	49	23	127
Medical and health	41	10	4	32	35	122
Exam delivery	37	17	-	18	10	82
<b>Total resources</b>	<b>1,114</b>	<b>205</b>	<b>129</b>	<b>1,223</b>	<b>614</b>	<b>3,285</b>
<b>Charity</b>						
Trading activities: costs of goods sold and other costs	4	1	1	5	2	13
<b>Charitable activities</b>						
Core	989	166	105	1,119	544	2,923
Conferences	43	7	5	49	23	127
<b>Total resources</b>	<b>1,036</b>	<b>174</b>	<b>111</b>	<b>1,173</b>	<b>569</b>	<b>3,063</b>

**8. Support costs allocations** continued

	Total 2024 £'000	Total 2023 £'000
Governance costs are made up of the following:		
Staff costs	176	151
External audit	35	33
Other professional fees	9	13
Meeting costs and expenses	20	7
	<b>240</b>	<b>204</b>
Other direct costs include:		
Auditor's remuneration:		
For audit services	35	33
For other services	7	9
Operating lease rentals:		
Land and buildings	677	646
Office and equipment	3	3

## 9. Analysis of staff costs

	Total 2024 £'000	Total 2023 £'000
Total staff costs including full and part-time employees were:		
Wages and salaries	8,038	7,018
Social security costs	860	767
Other pension costs	1,795	1,910
FRS 102 USS pension adjustment	(4,037)	(489)
Termination payments	97	33
	<b>6,753</b>	<b>9,239</b>

Movements on the USS deficit recovery plan provision (see note 24) are shown as a separate line above. The charity was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of financial activities.

	2024 no.	2023 no.
The average number of employees throughout the year was:		
Charitable activities	141	137
Support staff	16	15
Trading activities – Woburn House Conference Centre Ltd	5	5
	<b>162</b>	<b>157</b>

The number of employees whose emoluments exceeded £60,000 (excluding employer's pension contributions) was 41 (2023: 35).

	2024 no.	2023 no.
£60,001–£70,000	16	16
£70,001–£80,000	11	5
£80,001–£90,000	8	8
£90,001–£100,000	1	3
£100,001–£110,000	2	1
£130,001–£140,000	1	-
£140,001–£150,000	1	2
£150,001–£160,000	1	-

The total employer pension contributions for these staff were £507,848 (2023: £552,522).

## 10. Trustees' emoluments and emoluments of other key management personnel

No trustees received any remuneration for their services.

During the year £17,243 in travel and accommodation expenses were reimbursed to the institution of one trustee. (2023: £4,793).

The total employee benefits of the Senior Leadership Team who are considered to be key management personnel (in addition to trustees) was:

	2024 £'000	2023 £'000
Wages and salaries	868	765
Social security costs	96	90
Other pension costs	133	165
	<b>1,097</b>	<b>1,020</b>

The Senior Leadership comprises the Chief Executive and Directors of Policy; Strategy, Insight and Member Engagement; Universities UK International; Communications; Operations; Universities Scotland and Universities Wales.

## 11. Taxation

The charity is exempt from corporation tax under Sections 466–497 of the Corporation Taxes Act 2010 as all its income is applied to charitable purposes.

## 12. Intangible fixed assets

<b>Website development and software</b>	Group £'000	Charity £'000
<b>Cost</b>		
At 1 August 2023	385	244
Additions	19	19
At 31 July 2024	404	263
<b>Depreciation</b>		
At 1 August 2023	272	139
Charge for year	54	50
At 31 July 2024	326	189
<b>Net book value</b>		
At 31 July 2024	78	74
At 31 July 2023	113	105

### 13. Tangible fixed assets

	Leasehold Improvements £'000	Furniture & Equipment £'000	Office Technology £'000	Total £'000
<b>Group</b>				
<b>Cost</b>				
At 1 August 2023	527	564	87	1,178
Additions	-	2	72	74
Written off	-	(290)	(12)	(302)
At 31 July 2024	527	276	147	950
<b>Depreciation</b>				
At 1 August 2023	375	483	59	917
Charge for year	44	14	38	96
Written off	-	(290)	(12)	(302)
At 31 July 2024	419	207	85	711
<b>Net book value</b>				
At 31 July 2024	108	69	62	239
At 31 July 2023	152	81	28	261
<b>Charity</b>				
<b>Cost</b>				
At 1 August 2023	527	347	62	936
Additions	-	-	28	28
Written off	-	(287)	(12)	(299)
At 31 July 2024	527	60	78	665
<b>Depreciation</b>				
At 1 August 2023	375	312	42	729
Charge for year	44	5	26	75
Written off	-	(287)	(12)	(299)
At 31 July 2024	419	30	56	505
<b>Net book value</b>				
At 31 July 2024	108	30	22	160
At 31 July 2023	152	35	20	207

#### 14. Investments held as fixed assets

	Total 2024 £'000	Total 2023 £'000
<b>Group and charity</b>		
CVCP Properties plc ordinary shares of £1 each	50	50
CVCP Properties plc preference shares of £1 each	550	550
	600	600

CVCP Properties plc is an unquoted company and the shares are stated at cost.

#### 15. Debtors

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade debtors	763	799	429	425
Amounts due from subsidiary undertakings	-	-	922	892
Other debtors	676	776	676	776
Prepayments and accrued income	594	462	462	383
Loan	750	750	750	750
	2,783	2,787	3,239	3,226

The £750,000 loan is due for repayment within five years, and no later than 25 November 2026. The loan is secured by way of a fixed charge over the Woburn House building. Interest is payable on the loan at 3% above National Westminster Bank plc base rate.

#### 16. Creditors: amounts falling due within one year

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade creditors	772	616	514	461
Amounts due to subsidiary undertakings	-	-	17	3
Taxation and social security	385	335	385	335
Other creditors	145	175	145	175
Accruals	577	1,156	331	952
Deferred income	976	717	948	667
	2,855	2,999	2,340	2,593

At the year end outstanding pension contributions amounted to £139,062 (2023: £174,546).

## 17. Deferred income

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Brought forward	717	1,073	667	987
Released in the year	(717)	(1,073)	(667)	(987)
Deferred in the year	976	717	948	667
Carried forward	976	717	948	667

Deferred income comprises membership subscriptions received in advance, grant income deferred when conditions exist which prevent recognition of the income, and income received for future events and conferences.

## 18. Creditors: amounts falling due after more than one year

	Total 2024 £'000	Total 2023 £'000
<b>Group and charity</b>		
Pension deficit funding payments in relation to USS	-	3,641

See note 24 for further details regarding these liabilities.

## 19. Operating lease commitments

The group and charity have the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Total 2024 £'000	Total 2023 £'000
<b>Group</b>		
Land and buildings:		
Within one year	646	702
Between one and five years	813	1,457
Office equipment:		
Within one year	1	3
Between one and five years	-	1
	<b>1,460</b>	<b>2,163</b>
<b>Charity</b>		
Land and buildings:		
Within one year	600	657
Between one and five years	752	1,352
	<b>1,352</b>	<b>2,009</b>

## 20. Movement in funds

	At 1 Aug 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2024 £'000
<b>Unrestricted funds</b>					
<b>Group and charity</b>					
Investment fund (see note 14)	600	-	-	-	600
Universities Scotland / Universities Wales (see note 1(n))	802	1,214	(1,795)	518	739
General funds	328	8,068	(4,008)	(505)	3,883
	1,730	9,282	(5,803)	13	5,222
<b>Restricted funds</b>					
Universities UK International	-	515	(515)	-	-
Ukraine Twinning	-	236	(236)	-	-
Ukraine UKRI/RE	39	54	(69)	-	24
Israel research mobility	-	88	(88)	-	-
Global Wales II + 1	78	-	(66)	16	28
Global Wales III	-	2,018	(1,912)	-	106
Vietnam Partnership	39	5	(28)	(16)	-
India Scholarship	10	-	-	-	10
Universities Wales International	63	-	(2)	-	61
Welsh Innovation Network (WIN)	239	394	(496)	-	137
WREC network	-	25	(3)	-	22
Future International	-	50	(31)	-	19
WHEB	-	230	(163)	-	67
US International	25	133	(118)	-	40
Scotland is Now	1	97	(98)	-	-
USS Pensions reform	-	663	(663)	-	-
USS Governance review	-	937	(2)	-	935
KE Concordat	-	48	(48)	-	-
Research development Concordat	36	22	(58)	-	-
Other	17	66	(68)	-	15
<b>Charity</b>	547	5,581	(4,664)	-	1,464

**20. Movement in funds** continued

	At 1 Aug 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2024 £'000
Medical Schools Council	1,384	619	(638)	(2)	1,363
Medical Licensing Assessment	102	1,064	(986)	(3)	177
University Hospital Association	191	135	(58)	-	268
Dental Schools Council	226	144	(117)	(1)	252
Pharmacy Schools Council	122	92	(83)	(1)	130
Association of Dental Hospitals	45	51	(38)	-	58
Summer School	-	511	(511)	-	-
MSC Assessment	695	203	(239)	(6)	653
<b>Group</b>	3,312	8,400	(7,334)	(13)	4,365
Non-charitable trading funds	54	1,446	(1,424)	-	76
<b>Group – total funds</b>	5,096	19,128	(14,561)	-	9,663

**20. Movement in funds** continued

	At 1 Aug 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2023 £'000
<b>Unrestricted funds</b>					
<b>Group and charity</b>					
Investment fund (see note 14)	600	-	-	-	600
Universities Scotland / Universities Wales (see note 1(n))	675	1,197	(1,549)	479	802
General funds	(207)	7,335	(6,333)	(467)	328
	1,068	8,532	(7,882)	12	1,730
<b>Restricted funds</b>					
Universities UK International	-	526	(526)	-	-
Ukraine Twinning	-	190	(190)	-	-
Ukraine UKRI/RE	-	552	(513)	-	39
Israel research mobility	-	58	(58)	-	-
Global Wales II	83	-	(60)	(23)	-
Global Wales II + 1	235	-	(180)	23	78
Global Wales III	-	2,256	(2,256)	-	-
Vietnam Partnership	79	-	(40)	-	39
World Cup	-	30	(30)	-	-
India Scholarship	10	-	-	-	10
Universities Wales International	115	-	(52)	-	63
Welsh Innovation Network (WIN)	477	216	(454)	-	239
US International	33	120	(128)	-	25
Scotland is Now	-	97	(96)	-	1
Pensions reform	-	396	(396)	-	-
KE Concordat	1	40	(41)	-	-
The Concordats review	-	45	(45)	-	-
Research development Concordat	-	109	(73)	-	36
Other	5	90	(78)	-	17
<b>Charity</b>	1,038	4,725	(5,216)	-	547

**20. Movement in funds** continued

	At 1 Aug 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2023 £'000
Medical Schools Council	1,276	648	(537)	(3)	1,384
Medical Licensing Assessment	-	821	(716)	(3)	102
University Hospital Association	178	123	(110)	-	191
Dental Schools Council	195	115	(84)	-	226
Pharmacy Schools Council	110	86	(73)	(1)	122
Association of Dental Hospitals	27	48	(30)	-	45
Summer School	165	333	(498)	-	-
MSC Assessment	668	291	(259)	(5)	695
Other	2	-	(2)	-	-
<b>Group</b>	<b>3,659</b>	<b>7,190</b>	<b>(7,525)</b>	<b>(12)</b>	<b>3,312</b>
Non-charitable trading funds	25	1,360	(1,331)	-	54
<b>Group – total funds</b>	<b>4,752</b>	<b>17,082</b>	<b>(16,738)</b>	<b>-</b>	<b>5,096</b>

Transfers during the year between funds relate to contributions made from unrestricted monies to restricted funds for specific projects, where there are insufficient restricted funds available to meet expenditure or where the charity is committed to contributing towards projects from its own resources.

Background information on each of the restricted funds is set out below:

- **Universities UK International** is the international arm of Universities UK, representing UK universities and acting in their collective interests globally. It actively promotes universities abroad, provides trusted information for and about them, and creates new opportunities for the sector.
- FCDO are providing funding to support the development of the UK-**Ukraine twinning** scheme set up by the Cormack Consultancy Group.
- UKRI/Research England £5 million grant to deliver “Building a strategic research and innovation response to global crises: Supporting the UK-Ukraine Twinning Initiative”. This includes delivery of the UK-**Ukraine R&I Twinning** Grants Scheme (Strand A) and Cross sector projects on lessons learned (Strand B).
- Funded by the Department of Science, Innovation and Technology (DSIT) Universities UK administers the UUKi UK-**Israel researcher mobility** scheme that enables UK based researchers to upskill their innovation and entrepreneurial skills by undergoing a period of mobility to Israel.
- Universities Wales was the lead partner of **Global Wales II** and **Global Wales II+1**. Funding was received from HEFCW to develop existing target markets, expand into new markets and invest in the ‘Study in Wales’ brand domestically and internationally. This programme concluded in Autumn 2023, and following the submission of final monitoring statements, permission was granted by HEFCW to use remaining funds to support Global Wales III activities.
- Universities Wales delivers the **Global Wales III** programme, funded by Welsh Government via Taith. Global Wales III works with priority markets to increase international recruitment to Wales, establish new partnerships and increase education export earnings.
- The **Vietnam partnership** resulted in Global Wales II being matched with five partner universities in Vietnam under the Higher Education Partnerships (HEP) programme and running training programmes in Leadership and Governance with University Industry Links. HEP was rebranded as Going Global Partnerships in 2022, with Global Wales co-ordinating a new consortium project involving four Vietnamese universities and four Welsh Universities. The project concluded in March 2024.
- This funding was to produce a series of videos promoting Wales and Welsh education during the men’s football **World Cup**. The videos featured home and international students from across Wales sharing their passion for football, their home country and Wales.

## 20. Movement in funds continued

- **India Scholarship** was a partnership commitment between British Council India and Global Wales II to jointly fund 16 post graduate scholarships of £5k per scholarship, for students from Telangana in India to attend university in Wales for one year. The partnership has ended, and permission has been granted by British Council to use remaining funds to support Global Wales III partnership activities in India.
- The **Wales Innovation Network (WIN)** supports Welsh Universities in increasing research competitiveness. A team, hosted by Universities Wales will streamline the creation of new collaborations in research and innovation, secure additional investment through the development of collaborative bids, and raise the profile of Wales' research and innovation capabilities.
- Universities Wales through the Wales Innovation Network (WIN) received funding from HEFCW (now Medr) to establish and coordinate **Wales-wide Research Environment and Culture Networks (WREC Networks)**. WIN has been tasked to deliver workshops, using a mixture of virtual and in-person events, to develop more positive and supportive research cultures and environments.
- Funded by HEFCW (now Medr), **Future International** is a review of the International Education Priorities for Wales. The project will include undertaking a scoping exercise and preparing a series of recommendations for a future international approach, including addressing the role of international activity in institutional sustainability.
- **Welsh Higher Education Brussels (WHEB)** is funded by Medr and members to promote the interests of Welsh universities in Europe. WHEB's aims and objectives include the promotion of Welsh research, supporting the engagement of researchers in Wales with Horizon Europe, promoting a global outlook by positioning Wales as an outward-looking nation, and identifying appropriate mechanisms for early career researchers to participate in European research activities and join relevant thematic networks and platforms.
- The **Universities Scotland International Unit** develops and implements policy and research on international issues on behalf of the Scottish higher education sector. This supports the 'Connected Scotland' initiative with Scottish Government, Scottish Funding Council and others for targeted international promotion of Scottish higher education.
- **Scotland is Now** is joint sector funding that supports targeted paid-for social media campaign activities in a set of focus countries to support the recruitment of international students, to increase the sector's positioning and awareness, and to extend its focus on being welcome and open.
- A restricted subscription was raised from members towards the **pensions reform** programme following from our statutory role as the employers' representative in the USS pension scheme.
- Funds raised to undertake a **review of USS governance**.
- The **Knowledge Exchange Concordat** is supporting the development, improvement and promotion of good practice across the UK with a development year in England involving institutional self-assessment, submission of action plans and peer evaluation.
- The **Concordats Review** is a joint project between Universities UK, UK Research and Innovation (UKRI) and the Wellcome Trust. The project will review evidence to help stakeholders improve the ways concordats, agreements and initiatives affect research culture and environment.
- The **Researcher Development Concordat** is an agreement that sets out conditions to create the very best culture for researchers to thrive. It contains principles relating to 'Environment and Culture', 'Employment', and 'Professional and Career Development' and outlines key responsibilities for researchers, managers of researchers, institutions, and funders. Universities UK took on the secretariat role for the Concordat in 2021.
- The **Medical Schools Council** represents the interests and ambitions of UK Medical Schools as they relate to the generation of national health, wealth and knowledge through biomedical research and the profession of medicine.
- Income and expenditure relating to the Medical School Council's role in developing and delivering the Medical Licensing Assessment (MLA).
- The **University Hospital Association** promotes the unique interests of university hospitals across the UK. Its role is to represent the unique tripartite – service, teaching and research – interests of UK University Hospital Trusts in partnership with other national bodies.

## 20. Movement in funds continued

- The **Dental Schools Council** represents the interests and ambitions of the UK's Dental Schools as they relate to the generation of national health, wealth and knowledge acquisition through research and the profession of dentistry.
- The **Pharmacy Schools Council** is building on the work of the Council of UK Head of Pharmacy and has benefited from being able to access increased resources through being hosted by a secretariat which also supports equivalent groups for other healthcare professionals.
- The **Association of Dental Hospitals** represents the voices of dental hospitals across the UK and Ireland.
- The **Summer School** programme is HEE funding (now NHS England) to deliver summer schools for students from a widening participation background.
- **MSC Assessment** is a subsidiary of the Medical Schools Council set up to run medical assessment activities.

## 21. Allocation of net assets between funds

The net assets held for various funds are as follows:

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2024 Total £'000
Fixed assets	8	235	74	317
Investments	-	600	-	600
	8	835	74	917
Current assets	4,870	5,876	855	11,601
Current liabilities	(513)	(1,489)	(853)	(2,855)
Net assets	4,365	5,222	76	9,663
<b>Group total</b>	<b>4,365</b>	<b>5,222</b>	<b>76</b>	<b>9,663</b>

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2023 Total £'000
Fixed assets	7	312	55	374
Investments	-	600	-	600
	7	912	55	974
Current assets	4,098	5,812	852	10,762
Current liabilities	(793)	(1,353)	(853)	(2,999)
Net assets	3,312	5,371	54	8,737
Long-term liabilities	-	(3,641)	-	(3,641)
<b>Group total</b>	<b>3,312</b>	<b>1,730</b>	<b>54</b>	<b>5,096</b>

## 22. Subsidiaries

### Woburn House Conference Centre Ltd

The charity owns 100% of the share capital of Woburn House Conference Centre Ltd, a company limited by shares (company number 03031467). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HQ.

The £2 cost of the investment has been written down to zero in the accounts of the parent company. The trading activity of Woburn House Conference Centre Ltd is the management of the conference centre and meeting rooms at Woburn House. The results and financial position of Woburn House Conference Centre Ltd are consolidated with those of Universities UK in preparing the consolidated accounts.

A summary of the trading results for the year ended 31 July 2024 and 2023, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown. Audited accounts have been filed with the Registrar of Companies.

	Total 2024	Total 2023
	£	£
<b>Profit and loss account</b>		
Turnover	1,605,874	1,473,950
Cost of sales	(654,992)	(497,643)
<b>Gross profit</b>	950,882	976,307
Administration costs	(62,252)	(66,963)
Staff costs	(246,779)	(199,719)
<b>Operating profit</b>	641,851	709,625
Interest receivable	13,361	6,577
<b>Profit on ordinary activities before taxation</b>	655,212	716,202
Taxation	-	-
<b>Profit on ordinary activities after taxation</b>	655,212	716,202
Gift aid payment to Universities UK	(633,540)	(687,033)
<b>Retained profit carried forward</b>	21,672	29,169
	Total 2024	Total 2023
	£	£
<b>Balance sheet</b>		
Fixed assets	74,215	55,140
Current assets	849,776	854,910
Creditors: amounts falling due within one year	(847,842)	(855,573)
Net current assets / (liabilities)	1,934	(663)
<b>Total net assets</b>	76,149	54,477
Represented by:		
Share capital	2	2
Profit and loss account	76,147	54,475
	76,149	54,477

## 22. Subsidiaries continued

### Medical Schools Council

Universities UK is also the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular (but without limitation) medical education, research and training.

A summary of income and expenditure for the year to 31 July 2024 and 2023, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown below. Audited accounts have been filed with the Registrar of Companies.

Unrestricted funds and free reserves at 31 July 2024 were £1.4m (2023 free reserves: £1.4m) which is equal to 26 months of unrestricted expenditure (2023: 31 months). This is in line with the organisation's reserves policy.

	Total 2024 £	Total 2023 £
<b>Income and expenditure account</b>		
Income	2,615,333	2,173,550
Expenditure	(2,437,950)	(2,055,494)
<b>Surplus</b>	<b>177,383</b>	<b>118,056</b>
<b>Balance sheet</b>		
Assets	2,843,414	2,540,695
Liabilities	(595,746)	(470,410)
<b>Net assets</b>	<b>2,247,668</b>	<b>2,070,285</b>

### MSC Assessment

The Medical Schools Council is the parent of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of MSC Assessment are to advance medical education for the benefit of the public including, without limitation, by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training.

A summary of the income and expenditure for the year to 31 July 2024 and 2023, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year is shown below. Audited accounts have been filed with the Registrar of Companies.

	Total 2024 £	Total 2023 £
<b>Income and expenditure account</b>		
Income	203,340	291,130
Expenditure	(245,603)	(264,491)
<b>Net expenditure</b>	<b>(42,263)</b>	<b>26,639</b>
<b>Balance sheet</b>		
Assets	718,450	720,222
Liabilities	(65,720)	(25,229)
<b>Net assets</b>	<b>652,730</b>	<b>694,993</b>

## 23. Conduit funding

	2024 £	2023 £
Funds received in advance b/fwd	19,921	-
Amount received	201,434	4,533,396
Amount paid out	(221,355)	(4,513,475)
Funds received in advance c/fwd	-	19,921

Amounts received and dispersed to universities on behalf of the UK-Ukraine R&I Twinning Grants Scheme and MITACS for Globalink Research Internships.

Certain trustees are Vice Chancellors of institutions in receipt of grants.

## 24. Pension

### Universities Superannuation Scheme

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

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

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The charity was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of financial activities. (see note 18).

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.1 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are set out in [Statement of Funding Principles](#).

At 31 March 2023, USS had 232,360 (2023: 223,229) members.

### Superannuation Scheme of the University of London (SAUL)

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2023. 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.

The funding principles were agreed by the Trustee and employers in June 2024 and will be reviewed again at SAUL's next formal valuation in 2026.

## 24. Pension continued

At the 31 March 2023 valuation SAUL was 105% funded on its Technical Provisions basis. As SAUL was in surplus on its Technical Provisions basis, no deficit contributions were required. The Trustee and the Employers have agreed that the ongoing Employers' contributions will fall from a rate of 21% of CARE salaries to 19% of CARE salaries from 1 September 2024.

At 31 March 2024, SAUL had 87,244 (2023: 81,763) members.

Summary	USS	SAUL
Group contributions for the year to 31 July 2024	£1,261,992	£531,444
Active members at 31 July 2024	93	59
Group contributions for the year to 31 July 2023	£1,459,670	£465,791
Active members at 31 July 2023	86	61

## 25. Related party transactions

Related party transactions are disclosed for CVCP Properties plc, Advance HE, QAA, Higher Education Statistics Agency, Universities and Colleges Admissions Service, Jisc, OIA and UCEA. In October 2022, the Higher Education Statistics Agency merged with Jisc.

Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is the original subscribing member of the other organisations and members of Universities UK contribute to governance oversight through Board membership and other involvement. Related party transactions are at arm's length where those terms can be substantiated.

	Year ended 31 July 2024		As at 31 July 2024	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	1,090,290	690,683	1,387,803	447
Advance HE	-	8,976	1,637	-
Quality Assurance Agency	15,000	1,995	295	15,000
HESA	-	-	-	-
UCAS	1,819	29,760	7,976	-
Jisc	-	34,351	12,650	-
OIA	-	590	-	-
UCEA	501,369	19,111	9	300,924
	1,608,478	785,466	1,410,370	316,371

	Year ended 31 July 2023		As at 31 July 2023	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	923,180	773,056	1,529,751	303
Advance HE	-	2,892	1,776	-
Quality Assurance Agency	-	925	395	-
HESA	-	175	-	-
UCAS	1,454	9,890	3,600	-
Jisc	-	15,245	-	-
OIA	-	790	-	-
UCEA	595	44,420	8,673	-
	925,229	847,393	1,544,195	303

There were no other related party transactions.

## 26. Members

The charity is incorporated as a private company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 July 2024 there were 141 members (2023: 140).

## 27. Income and expenditure by fund

Group	Notes	Unrestricted Funds		Restricted Funds		Total Funds	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	2	629	724	-	-	629	724
Charitable activities	3	8,178	7,494	8,147	7,064	16,325	14,558
Other trading activities	4	1,553	1,425	83	61	1,636	1,486
Investments		367	232	162	65	529	297
Other income		1	17	8	-	9	17
<b>Total</b>		<b>10,728</b>	<b>9,892</b>	<b>8,400</b>	<b>7,190</b>	<b>19,128</b>	<b>17,082</b>
<b>Expenditure on:</b>							
Raising funds		842	690	82	60	924	750
Charitable activities		6,385	8,523	7,252	7,465	13,637	15,988
<b>Total</b>	7	<b>7,227</b>	<b>9,213</b>	<b>7,334</b>	<b>7,525</b>	<b>14,561</b>	<b>16,738</b>
<b>Net income / (expenditure)</b>		<b>3,501</b>	<b>679</b>	<b>1,066</b>	<b>(335)</b>	<b>4,567</b>	<b>344</b>
Transfers between funds		13	12	(13)	(12)	-	-
<b>Net movements in funds</b>		<b>3,514</b>	<b>691</b>	<b>1,053</b>	<b>(347)</b>	<b>4,567</b>	<b>344</b>
<b>Total funds at 1 August</b>		<b>1,784</b>	<b>1,093</b>	<b>3,312</b>	<b>3,659</b>	<b>5,096</b>	<b>4,752</b>
<b>Total funds at 31 July</b>		<b>5,298</b>	<b>1,784</b>	<b>4,365</b>	<b>3,312</b>	<b>9,663</b>	<b>5,096</b>

**27. Income and expenditure by fund** continued

Charity	Notes	Unrestricted Funds		Restricted Funds		Total Funds	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	2	1,262	1,411	-	-	1,262	1,411
Charitable activities	3	8,178	7,494	5,522	4,725	13,700	12,219
Other trading activities	4	156	106	-	-	156	106
Investments		353	224	59	-	412	224
Other income		1	17	-	-	1	17
<b>Total</b>		<b>9,950</b>	<b>9,252</b>	<b>5,581</b>	<b>4,725</b>	<b>15,531</b>	<b>13,977</b>
<b>Expenditure on:</b>							
Raising funds		74	67	-	-	74	67
Charitable activities		6,396	8,523	4,652	5,216	11,048	13,739
<b>Total</b>	7	<b>6,470</b>	<b>8,590</b>	<b>4,652</b>	<b>5,216</b>	<b>11,122</b>	<b>13,806</b>
<b>Net income / (expenditure)</b>		<b>3,480</b>	<b>662</b>	<b>929</b>	<b>(491)</b>	<b>4,409</b>	<b>171</b>
<b>Net movements in funds</b>		<b>3,480</b>	<b>662</b>	<b>929</b>	<b>(491)</b>	<b>4,409</b>	<b>171</b>
<b>Total funds at 1 August</b>		<b>1,730</b>	<b>1,068</b>	<b>547</b>	<b>1,038</b>	<b>2,277</b>	<b>2,106</b>
<b>Total funds at 31 July</b>		<b>5,210</b>	<b>1,730</b>	<b>1,476</b>	<b>547</b>	<b>6,686</b>	<b>2,277</b>

# Legal and administrative information

**Principal and Registered Office**

Woburn House  
20 Tavistock Square  
London  
WC1H 9HQ

**Bankers**

National Westminster Bank plc  
214 High Holborn  
London  
WC1H 9XA

**Solicitors**

Bates Wells & Braithwaite  
10 Queen Street Place  
London  
EC4R 1BE

**Auditors**

HaysMac LLP  
10 Queen Street Place  
London  
EC4R 1AG

Universities UK also has two regional offices:

**Universities Scotland**

20 Potterrow  
Edinburgh  
EH8 9BL

**Universities Wales**

Units 6 & 7, Suite B  
One Central Square  
Cardiff  
CF10 1FS

**Registered Charity in England and Wales No.** 1001127

**Registered Charity in Scotland No.** SC052497

**Registered Company No.** 2517018

Universities UK is the collective voice of 141 universities in England, Scotland, Wales and Northern Ireland.

Our mission is to create the conditions for UK universities to be the best in the world; maximising their positive impact locally, nationally and globally.

Universities UK acts on behalf of universities, represented by their heads of institution.



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**UNIVERSITIES UK**

England & Wales - Charity number 1001127

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# Accounts

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Universities  
UK

# Annual report and consolidated financial statements

Year ended 31 July 2023

Registered Charity in England and Wales No: 1001127  
Registered Charity in Scotland No: SC052497  
Registered Company No: 2517018

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# Trustees' report

The trustees present their report and the financial statements for Universities UK for the year ended 31 July 2023.

## Name and membership

The name of the charity and company is Universities UK. Universities UK is the representative organisation for the UK's universities. Its members are the executive heads of UK university institutions who have met the criteria for membership agreed by the Board of the company. It currently has 142 members. Membership is voluntary and members are represented both at the UK level and in the devolved nations through Universities Scotland and Universities Wales.

The objectives of Universities UK as set out in its Articles of Association are:

- To promote and provide facilities for discussion and consultation between representatives of university institutions in the UK, on any matters affecting or relevant to the university sector of higher education in the UK.
- To formulate policies on any matters affecting or relevant to the university sector of higher education in the UK.
- To represent the university sector of higher education in the UK and to conduct dealings and to liaise with the government, any local, national or other institutions, authorities, agencies, bodies or persons, wheresoever in the world situated.
- To provide information, advice and assistance to universities within the UK, or any of their representatives, on any aspect of educational affairs, including administrative and financial matters relating to or connected with education.
- To take any steps (including without prejudice to the generality of the foregoing the issue, maintenance, financing and enforcement of legal proceedings) for the purpose of protecting the interest, reputation or good standing of the universities or the university sector of higher education in the UK or the integrity of any degree, diploma or other awards issued by universities in the UK.

## Mission and main activities

At Universities UK, we harness the power of the UK's universities and create the conditions for them to thrive. We are the collective voice of 142 universities, bringing them together to pursue a common cause: Thriving universities, serving society.

This mission forms the core of our strategic plan which runs to 2030 and sets out our ambitions for the sector. We will use our unique role to ensure our universities can transform the lives of more individuals, drive greater growth and create flourishing places through the knowledge and skills they generate, and be globally competitive centres of research making ground-breaking discoveries. We will help them achieve more by securing sustainable funding, and building pride in our universities.

## Public benefit

All of Universities UK's activities are ultimately carried out for the wider public benefit of creating and maintaining a world-class higher education sector that benefits students, the UK economy, the UK's educational and research standing in the world and the wider social good. Collectively, the institutions led by the members of Universities UK demonstrate their wide social and economic contribution through the delivery of research, teaching, expertise and training. Higher education is available to all with the ability to benefit, regardless of their economic circumstances. The benefits of this activity to the UK are considerable.

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. In delivery of its services and activities, Universities UK has fully supported its members, and assisted them to achieve their public benefit goals.

## Trustees

The Board are directors of the company and trustees of the charity, elected or appointed from among its members. Those appointed for the year to 31 July 2023 were as follows:

Professor Sir Steven West CBE	President 2021–2023
Professor Colin Bailey CBE ***	
Professor Dame Janet Beer DBE *	
Professor Paul Boyle CBE	
Professor Nishan Canagarajah	
Professor Karen Cox	
Professor Paul Croney OBE	
Professor Jenny Higham	
Professor Debra Humphris CBE	
Professor Sir Chris Husbands ***	
Professor Dame Sally Mapstone DBE FRSE	Convener, Universities Scotland & Vice-President Scotland, President elect 2023–2025
Mr Stephen Marston ***	Treasurer
Professor Sir Gerry McCormac **	
Professor Quintin McKellar CBE	Vice-President England and Northern Ireland
Professor Malcolm Press CBE	
Professor Lisa Roberts	
Professor Rama Thirunamachandran OBE	
Dr Paul Thompson ***	
Professor Wendy Thomson CBE ***	
Professor Adam Tickell	
Professor Elizabeth Treasure	Chair, Universities Wales & Vice-President Wales
Professor Shearer West CBE	

\* *Term of office ended 31 December 2022*

\*\* *Term of office started 1 January 2023*

\*\*\* *Term of office ended 31 July 2023*

The following were also members of the UK Board on the date this report was approved:

Professor Nic Beech	Appointed 1 August 2023, Treasurer 2023–2025
Professor Iain Gillespie	Appointed 1 August 2023, VP Scotland 2023–2025
Professor Jane Harrington	Appointed 1 August 2023
Professor Karen Holford CBE	Appointed 1 August 2023
Rt Hon James Purnell	Appointed 1 August 2023

No member of the UK Board had a beneficial interest in any contract with the company. Board members are elected by the vice-chancellors of the member universities or nominated by the Governance and Nominations Committee.

## Chief Executive

Vivienne Stern MBE

## Structure, governance and management

### Organisational structure of the company

#### Universities UK

Universities UK is a company limited by guarantee with the registered number 2517018, governed by its Articles of Association adopted in March 2022. It is a charity with the registered number 1001127 (England and Wales) and SC052497 (Scotland). Its principal offices are in Bloomsbury, London.

#### Universities Scotland

In Scotland (where it operates from its Edinburgh office under the name Universities Scotland), Universities Scotland is a national council of the charity Universities UK.

#### Universities Wales

In Wales (where it operates from its Cardiff office under the name Universities Wales), Universities Wales is a national council of the charity Universities UK.

### Structure of subsidiary companies

#### Woburn House Conference Centre Ltd

Universities UK owns 100% of the share capital of Woburn House Conference Centre Limited (company number 3031467) whose business is the operation of the conference facilities at Woburn House. Income generated from the activity of the centre is covenanted to Universities UK.

#### Medical Schools Council

Universities UK is the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular medical education, research and training. Its Board of Directors is elected from its own members.

#### MSC Assessment

The Medical Schools Council is the holding member of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The objects of MSC Assessment are to advance medical education for the benefit of the public including by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training. Its Board of Directors is elected from members of the Medical Schools Council.

The results and financial position of Woburn House Conference Centre Limited, the Medical Schools Council and MSC Assessment are consolidated with those of Universities UK in preparing its consolidated financial statements. Separate results are shown in note 22 to the financial statements.

#### CVCP Properties plc

CVCP Properties plc is not a subsidiary of Universities UK but is considered to be a related party. Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is a major tenant of CVCP Properties plc in Woburn House.

### Restricted funds

The restricted funds managed by Universities UK include parts of Universities UK International funds (operating units of Universities UK). Medical Schools Council and its various funds (a subsidiary) and MSC Assessment (a sub-subsidiary) are also restricted funds in Universities UK's consolidated financial statements. Further details on the objectives, activities and financial performance of all restricted funds are given in notes 20 and 22 to the financial statements.

### Relationship with higher education sector agencies

Universities UK is the original subscribing member of various UK higher education sector agencies including Advance HE, Higher Education Careers Service Unit, Higher Education Statistics Agency, Office of the Independent Adjudicator, Quality Assurance Agency, UCAS, Universities and Colleges Employers Association and Jisc.

Members of Universities UK contribute to governance oversight of these bodies through Board membership and other involvement, alongside interaction between Universities UK staff and staff of the bodies concerned. Transactions between Universities UK and these sector agencies are disclosed in note 26 to the financial statements.

## Governance and decision-making

### Non-executive directors/trustees

The Board of Trustees comprises up to 21 members and meets five times a year as a minimum. The President, elected by the members, serves a two-year term. The Chairs of Universities Scotland and Universities Wales are members of the Universities UK Board, serving as Vice-Presidents alongside an elected Vice-President for England and Northern Ireland. The membership also elect a Board member to serve as Treasurer.

### Induction and training of trustees

New trustees receive information supporting their induction, which includes relevant Charity Commission and OSCR documents on the role of a trustee, a copy of the Universities UK Articles of Association and the Strategic Plan. It is the aim of the organisation to update trustees and members on any new legislation that may affect the governance of the charity and to offer on-going support through additional training when required.

### Board sub-committees

Universities UK has six standing committees: Board Advisory, Resources, Audit and Risk, Governance and Nominations, Membership and Remuneration. Four elected policy lead roles on the Board lead on key policy issues of the UK higher education agenda in line with the organisation's strategic priorities. Membership of committees is made up of a combination of Board members and UUK members. The Resources, Audit and Risk and Remuneration also have an independent member appointed through a competitive recruitment process.

### Arrangements for setting pay and remuneration

Member input and support to the work of Universities UK is on a non-remunerated basis. The pay and remuneration of executive management is set by a Remuneration Committee, which comprises Universities UK members chaired by the Treasurer and includes an independent member. The pay and remuneration levels for all other staff grades is negotiated with the recognised union, Prospect, as part of the recognition agreement.

### Executive management

The Chief Executive leads a Senior Leadership Team comprising the Directors of Policy, Universities UK International, Communications, Operations, Member Services, Universities Scotland and Universities Wales.

## Charity Governance Code

Universities UK governance has been reviewed against the Charity Governance Code. Universities UK is committed to applying good practice where possible and explaining where it is not aligned, the reasons for this or changes that are being planned. The Code is applied in the context of Universities UK being a relatively small membership organisation of 142 members, with most of the Board elected by and from its membership.

### Principle 1 – organisational purpose

2022–23 was the final year of the strategic plan for 2018–23: World Leading Impact. The Board has spent time in the year thinking through organisation purpose and future strategic direction, with a new strategy published in September 2023. The Board has oversight of the management of resources ensuring that the allocation is linked to operational plans in pursuit of strategic objectives and therefore overall organisational purpose.

### Principle 2 – leadership

The Board is led by the President, supported by a Board Advisory Committee. Across the Board and the Advisory Committee there are robust debates leading to an agreed direction for the officers and staff to follow. 2022–23 was the second and final year of the current President's term. Elections took place in the year for President, Treasurer and other vacant Board posts terms came to an end. The President has oversight of CEO performance.

### Principle 3 – integrity

Board and Board Advisory Committee members declare all conflicts of interest at every meeting and will absent themselves from discussions as required. Through its sub-committee structures the Board has oversight of issues such as finances, HR practices, procurement, data security and integrity, safeguarding and remuneration to make sure that the charity operates responsibly in line with its own ethics and values.

### Principle 4 – decision making, risk and control

The Board have oversight of finance, performance and risk through its sub-committee structure and Board meeting agendas. The Audit and Risk Committees considers risk at each meeting. The Board are presented with the strategic risk registers at every meeting and have a full discussion on risk once a year, or more often if significant changes occur. All sub-committees have Terms of Reference established which are approved by the Board.

### Principle 5 – Board effectiveness

15 out of 21 Board members are elected from the membership by the membership. Board posts have set terms, and roles are subject to re-election when those terms expire. It is unusual for total service to exceed nine years, but possible if members are elected to different roles on the Board or they have expertise or responsibilities relevant to the Board's deliberations or strategic priorities.

By 31 December 2022, on retiring, Professor Dame Janet Beer DBE (President and Chair of the Board from 2017–19) had served 13.5 years in a number of different elected roles including President and International Policy Lead. All remaining Directors are within best practice of nine-year terms.

### Principle 6 – equality, diversity, and inclusion

15 board posts are elected from and by the membership, there are challenges with the diversity of potential candidates from a restricted pool. The remaining positions are 'nominated members' identified by the Governance and Nominations Committee and approved by the Board. The nominated positions are selected using a matrix of skills, experience, knowledge, background and institution. The Board believes that as far as it can within the constraints of an elected Board, reasonable steps are taken to ensure that diversity in its widest sense is prioritised and implemented.

### Principle 7 – openness and accountability

The Board and Executive team make every effort to engage with the full membership and give all members opportunities to participate in setting the direction of work for the charity through regular member meetings, roundtable events, VC dinners with the senior team, task and finish groups and a bi-annual member survey. The members have been involved in the year with discussions on organisation purpose and future strategic direction. The Chief Executive hosts group Teams calls each featuring 15–20 members, to which all members are invited, to discuss current issues. Members of the senior team also regularly speak one-to-one with members and visit universities, meeting with members of their senior teams.

## Strategic report

### Strategic aims

2022–23 represented the final year of Universities UK's five-year-strategic plan: [2018–23, World Leading Impact](#). The strategic objectives in that plan are:

- **Opportunity:** Anyone with the will and potential to succeed, no matter their background, has the opportunity to transform their lives through accessing an outstanding academic experience at a UK university.
- **Impact:** UK universities are demonstrably world-leading in the production and application of knowledge and skills through research, teaching and innovation, evidencing significant economic, social, cultural and civic impact and contributing materially to society.
- **Trust:** Through demonstrating positive impact on students' lives, economic growth, public services and civil society, UK universities enjoy widespread public trust and political support.
- **Global universities:** UK universities are global leaders in international education and research, educating a significant proportion of globally mobile students, demonstrating increased levels of high impact international research collaboration; and achieving increases in outwardly mobile students and students registered on UK programmes overseas.
- **Autonomy:** UK universities are free to make autonomous decisions and adopt strategies according to their diverse missions and the needs of their students and communities, while taking collective responsibility for the quality of leadership and governance in higher education and benefiting from stable and sustainable funding that enables them to maximise their positive impact.
- We will continue to **develop our organisational capabilities** to ensure that we are making the most of our members, our people, our external profile, our resources and our work.

These aims are achieved through the delivery of activities to members in England, Northern Ireland, Scotland and Wales to support their domestic and international activities, and institutions providing higher education in medical and health. Our work is organised through annual programme plans, detailing our short-term objectives.

## Activities for members – England, Northern Ireland, UK wide and International

Our activities include policy research, analysis and development, relationship building, lobbying, campaigning and advocacy, communications with the media, public and stakeholders and development and delivery of services to our members.

The strategic report sets out how we have worked for the sector this year. For example, we have convened a national conversation on the future funding of university teaching and research while building the evidence base which will illustrate the need for action. We have reviewed our approach to communications. We have shaped policy on international student visas, seeing off proposed restrictions to the Graduate Route. We have pushed forward proposals for the improvement of regulation in England, building the case for change and securing modest but meaningful progress. We have influenced key pieces of legislation such as the Freedom of Speech Bill, to reduce the potential adverse consequences. Our work to represent USS employers has seen us pick a careful path towards the current valuation, working towards securing agreement with the unions on a route map to longer term stability in the scheme. And at the political level, we have built upon our reputation as a constructive partner of Government while simultaneously broadening and deepening our political relationships with the Labour front bench.

None of this would be possible without the active engagement of our member institutions. Member engagement remains high with regular monthly VC calls, our annual conference at The University of Leicester in September and our quarterly members' meetings. We continued our engagement with new and mid-term vice-chancellors through peer-to-peer learning opportunities, and our Specialist Institutions' Forum (SIF) brought focus and profile to the issues of our small and specialist institutions.

Universities UK has secured a significant amount of parliamentary engagement in the year with 34 written and oral questions in parliament on issues of interest to Universities UK members and 71 positive references to our work from parliamentarians and government. Regular meetings with ministers, advisors and peers have happened throughout the year. [The All-Party Parliamentary Universities Group](#), which Universities UK provides the secretariat for, has thrived with a membership of 94 universities, 48 MPs and 44 peers.

Using print, broadcast and social media, we disseminated information to members and the wider public. There were 1,500,000 unique visitors to the Universities UK website and our social media presence continues to grow with 2.2million Twitter impressions and 1.4million LinkedIn impressions.

Our new "Comms Hub" was launched in the year which will be a resource for communications and political affairs messaging and sharing case studies of work across the sector.

The #WeAreInternational campaign was relaunched that celebrated the social, cultural and civic contributions international students make to the UK. Over 70 universities joined the campaign on the relaunch day, reaching over 7million people.

Events and conferences remain an important channel for sharing information and good practice across the sector and providing opportunities for higher education staff and partners to network. There were 37 higher education themed events, attracting 7,750 delegates, over 50 sponsors and nearly 700 speakers. Topics covered included Political Affairs, Employability and Skills, Enhancing the Student Experience, Global Wales and the successful annual International Higher Education Forum.

## Key outcomes in 2022–23

As a result of the activities in the year Universities UK achieved the following in the pursuit to secure a sustainable future for our universities, support student success and deliver high quality education.

**Launch of the national conversation** on the future of university funding. Working with governments, political parties, consumer groups, employers, staff, students and the wider public the conversation is aiming to identify possible long-term approaches to the funding that universities receive for their teaching and research.

Universities UK continues to be closely involved in the policy development of the **Lifelong Loan Entitlement** in England. The consultation response saw the government commit to the removal of all remaining ELQ restrictions, and to introduce maintenance support for in-person modular study.

Universities UK presented data and information on the impact of the **cost of living crisis** for the student population and welcomed the government's decision to increase hardship funding for the higher education sector to shore up the support provided by member institutions to their students.

### Research and Innovation

- Commissioned a [review of concordats and agreements](#) and led the development of the [Research Culture and Practice Forum](#).
- Published [Higher Education Research and Innovation in Facts and Figures](#) and webpage on the contributions of university research and innovation.
- Established a new Pro Vice Chancellor for Research and Innovation Network to help develop Universities UK positions on research and innovation policy.

Universities UK and the sector were delighted with the announcement that a deal had been reached on the UK's association with **Horizon Europe**. This has been the basis of a significant amount of policy work, lobbying, campaigning and influencing to secure this important agreement to allow our scientists to work together, irrespective of borders. This enables to do everything possible to ensure the UK rapidly bounces back towards previous levels of participation and is able to secure genuine value, delivering the wealth of research and opportunities available.

The report '[Our universities: generating growth and opportunity](#)' explores ways in which universities can contribute to **economic growth**. The report highlights the success of UEZ projects in Nottingham, Liverpool, Hertfordshire, Bradford and Bristol. It demonstrates how well-placed and crucial universities are to supporting economic growth a priority for the UK government.

Engaged closely with the Labour party to influence developing thinking on **innovation policy**, including submission to their review of startups, and hosted a roundtable with the Shadow Chief Secretary to the Treasury.

Raised awareness of the risks to University **research and innovation** projects currently supported by European structural funds, resulting in recognition of the issue by the Secretary of States for DSIT and DLUHC.

### Regulation

- Steered OfS to a slightly refined approach to Access and Participation Plans which should reduce burden for many member institutions.
- Submitted written evidence and gave oral evidence to the House of Lords Industry and Regulators Committee inquiry into the Office for Students, setting out a constructive case for reform.
- Hosted a Good Regulation Symposium, bringing together HE and non-HE regulators, sector leaders, students, and academic experts to explore the performance of the OfS to date and where learning from other sectors can be shared establishing UUK as a leading voice in these discussions.

Continued to influence the development of the **Higher Education (Freedom of Speech) Bill**, ensuring that the tort remains a backstop, rather than a first port of call. Alongside this, we have been proactive and visible by co-ordinating a [cross-sector statement](#) to highlight commitment to the pursuit of truth and free exchange of ideas.

In the work on **admissions**, UCAS data showed conditional unconditional offers have almost completely disappeared, driven largely by the Universities UK code of practice.

## Quality

- Worked with the QAA and GuildHE to publish principles around external examining, completing the activity commitments of the UKSCQA statement of intent on grade inflation, and took on the secretariat function of the UKSCQA.
- Demonstrated the sector's continued efforts to address the risks associated with grade inflation, securing support from ministers in England for a renewed commitment to return to pre-pandemic levels.
- Submitted responses to OfS consultations on condition B3, the Teaching Excellence Framework, and the metrics and measures used in the assessment of quality, to shape regulatory approaches in England.

Universities UK has influenced changes to the **National Student Survey**. Largely this has involved communicating concerns of increased divergence across the nations. This was set out in the [consultation response](#) published earlier in the year.

## Tackling harassment

- Universities UK produced a [Practice Note](#) to help universities respond to reported spiking incidents. The Note outlines principles and considerations for universities, along with 'immediate actions' checklist to respond to an incident. We also published practical guidance on Tackling **staff-student sexual misconduct**.
- In April, Universities UK responded to OfS' consultation on a new approach to regulating harassment and sexual misconduct, stating the view that this is not a suitable area for OfS regulation.

## Student mental health

- In partnership with PAPYRUS Prevention of Young Suicide published [recommendations](#) calling on universities to be more proactive in preventing student suicides, in particular how and when universities should involve families, carers and trusted others when there are serious concerns about the safety or mental health of a student.
- Universities UK published a [checklist](#) for universities to help them support students in the transition to, during, and upon returning from a placement.

## International students

Universities UK has responded robustly throughout the year to the speculation that the UK government may look to cut international student numbers. Universities UK have been clear throughout all conversations with government that protecting the Graduate route and the government's commitment to international student recruitment must be a priority – work with [Public First](#) shows the public are not in favour of cutting the number of international students.

Ahead of the government announcements, on Tuesday 16 May, UUKi, with partners HEPI, Kaplan International Pathways, and London Economics, published a report exploring the impact of international students to the UK economy. The costs and benefits of international higher education students to the UK report is a follow up to a similar report published in 2021.

The report demonstrated that:

- The economic benefit of international students rose from **£31.3 billion to £41.9 billion** between 2018–19 and 2021–22 and generated a **net benefit of £37.4bn** when all public costs accounted for.
- On average, each UK parliamentary constituency is **£58 million better off**, equivalent to approximately **£560 per UK resident**.
- Even when accounting for dependants and other costs, international students are a huge net contributor.

It includes a detailed breakdown of economic value by constituency, and received significant and sustained media coverage across local, national and sector press. It has also been shared extensively across government and funders, including the devolved administrations.

The students that choose the UK contribute greatly to our campuses and communities, and each has their own ambitions and aspirations – these stories need to be recognised and celebrated. This is why Universities UK began working with partners at UKISCA, BUILA, and London Higher, and others to **relaunch the #WeAreInternational campaign**. On 23 May – coincidentally, and poignantly, on the day of the government announcements – #WeAreInternational began once again, with universities across the UK celebrating the social, cultural and civic contributions internationals students make, telling their individual stories.

The aim of this campaign is to raise awareness of these individual stories and to further enhance the positive understanding of and sentiment towards international students in the eyes of public, political and media opinion. Over 70 universities joined in the campaign on the relaunch day, reaching over 7 million people.

In support for universities **recruitment of international students**, in partnership with BUILA Universities UK developed new agent good practice guide and a student facing guide to using agents. Alongside this, Universities UK has also helped prevent the implementation of a regressive Home Office policy on 'remote delivery', working with officials to develop a more proportionate and workable policy.

### **Security**

- Published [case studies](#) and [streamlined resources](#) on how universities are managing risk in internationalisation.
- Facilitated peer learning at domestic and international level on security-related issues
- Engaged extensively with government departments and arm's length bodies to support engagement with the sector and associated guidance.
- In collaboration with NCSC and Jisc produced Cybersecurity Guidance.

## Publications

In 2022–23 Universities UK produced evidence-based outputs on the most significant issues facing the higher education sector, to influence policy making, support universities to enhance positive impact, share effective approaches to common challenges and to help our members to achieve their overall missions and objectives. These outputs included:

- [Spiking: what universities can do](#) – practice note to support universities’ response to spiking
- [Preventing and managing monkeypox in higher education settings](#) – providing principles for the prevention and case management of monkeypox infection in UK higher education settings, with additional information on access to care and vaccination
- [Our universities: generating growth and opportunity](#)
- [Opening the national conversation on university funding](#)
- [Our work on degree classification standards](#) – a report being together all our work to protect degree standards since 2018
- [Degree outcomes statements in England and Wales](#) – full list of degree outcome statements, as part of Universities UK and GuildHE’s commitment to degree classification standards
- [How universities are turning the corner on grade inflation](#) – our review of progress shows that universities have taken significant action in the past year to protect degree standards
- [10 ways we can boost degree apprenticeships](#) – degree apprenticeships are a success story, now is a good time to build the foundations for future success
- [Research and innovation facts and figures: 2022](#) – latest data shows that universities are at the heart of research and innovation across the country
- [Cost of living crisis: impact on university students](#)
- [Our response to the de-designation of the Quality Assurance Agency for Higher Education](#)
- [Our response to the APPG Students inquiry into the impact of the cost of living crisis on students](#)
- [University Enterprise Zones: boosting local business](#) – To confront increasing regional inequality, flagging productivity and an ever-widening skills gap universities and local businesses need to work together better. University Enterprise Zones (UEZs) offer a promising solution
- [Supporting good practice in student accommodation: considerations for senior university leaders](#)
- [Diversification and strengthening international recruitment practices](#)
- [International student recruitment from Europe: the road to recovery](#) – the third report in our series examining the UK’s international student recruitment performance
- [The scale of UK higher education transnational education 2020-21](#) – the sixth edition of the report, providing a snapshot analysis of where, at what level, and through what type of provision TNE students studied during the 2020-21 academic year
- [The UK-Japan relationship: collaboration in higher education, research and innovation](#)
- [The management of outward student mobility programmes in the UK](#)
- [The costs and benefits of international higher education students to the UK economy](#)

Throughout the year the responses to Office for Student consultations were published:

- [The payment of fees for investigations](#)
- [A new approach to regulating harassment and sexual misconduct in English higher education](#)
- [Proposals on regulating access and participation plans](#)
- [Consultation on changes to the national student survey](#)

## Activities for members – Universities Scotland

Universities Scotland represents the Principals and Directors of Scotland’s 19 higher education institutions, developing higher education policy and campaigning on issues where members have a shared interest. Universities Scotland achieved outcomes for members across a range of fronts in 2022–23.

### Funding

Universities Scotland campaigned throughout the year on funding issues, based on our overall statement of the sector’s contribution and needs [Time to Choose: The need to invest strategically in Scotland’s universities](#).

On core university funding, Universities Scotland achieved a £20m cash increase in resource funding for higher education in the Scottish Budget published in December 2022, at a time when many other sectors in receipt of public funding were seeing cash cuts. Unfortunately Scottish Government later decided to reverse the published increases for colleges and universities. We turned that at least in part to the sector’s advantage, by using this reversal as a campaigning tool to generate increased cross-party political recognition of the financial strains on the sector, including Parliamentary briefings and high-profile media appearances.

Also on funding, we secured a £3.5m increase in funding from DSIT, formerly BEIS, for research, avoiding the potential for Scottish Government to reallocate this to other priorities outside the sector.

### Policy influence

Universities Scotland achieved a wider range of policy influence objectives including in the following areas.

#### Innovation Policy

We Influenced Scottish Government’s Innovation Strategy so that it places universities at the centre of generating innovation-led economic growth. This formed part of a wider campaign to build a closer relationship with the Economy Directorate-General of Scottish Government which has led to them prioritising universities as a driver of economic growth.

#### Skills policy

We offered intensive input to the Withers Review of skills policy so that it supports the breadth of universities’ contribution to developing people with the skills and attributes for the future, changing a Scottish Government narrative that had previously been quite narrow about universities’ contribution and unlocking new policy potential with regard to Graduate Apprenticeships and lifelong learning.

### Purpose & Principles of post-school education

We made detailed and frequent inputs to the Scottish Government’s extensive exercise on the purpose and principles of post-school education and research so that the published outcomes recognise the full range of universities’ contributions to society, forming a basis for further policy-making. This mitigated a high risk that this exercise would have narrowed SG’s aspirations for higher education.

### Widening access to higher education

We drove further progress on widening access policy, including detailed contributions to a working group to secure Scottish Government recognition of the need to include a wider set of metrics of disadvantage rather than just measure this by postcode, and building a close relationship with the new Commissioner for Fair Access that has made him an advocate for the sector’s achievements.

### Interface between school and university

We participated in the Hayward Review of school-level qualifications so that it reflects universities’ perspectives on reform, moving towards a modernised curriculum and assessment arrangements at school to better support learners progression to positive destinations. We also contributed university sector perspectives to the Scottish Government’s National Conversation on Education.

### Quality enhancement

We substantially influenced the Scottish Funding Council’s development of a ‘tertiary quality framework’ so that this will protect Scottish universities’ distinctive enhancement-led approach.

### Political relations

Universities Scotland managed an intensive programme of political relations, including a highly-successful Scottish Parliament event to promote universities’ contribution to inclusive economic growth, which attracted nearly 40 MSPs. Our briefings were regularly quoted in the Scottish Parliament by members from across the political spectrum, and our intensive programme of meetings with politicians culminated in Principals’ dinner with the First Minister in July 2023, with the promise of further structured engagement with the members of the Scottish Cabinet over the course of the next 12 months.

### International

We worked with UUKi to influence overall UK policy international mobility and the international promotion of higher education, and to inform the development of Scottish Government’s International Education Strategy.

We intensified our relationships with key international partners, including hosting a successful mission by the U-15 group of research-intensive German universities.

We continued to work with Connected Scotland partners to develop and deploy campaigns to promote Scottish Higher education overseas, under the 'Scotland is Now' brand.

### **Organisational review**

We also commissioned an organisational review to inform the further development of Universities Scotland as a highly-effective organisation. This reported in April 2023, and implementation work is now being taken forward in close co-creation with staff and with the US Corporate Governance group of members.

## **Activities for members - Universities Wales**

Universities Wales also delivered across a range of priorities including securing key commitments in the Welsh Government's regulation and funding reforms and securing further support for programmes including Global Wales and the Wales Innovation Network.

### **CTER**

Wales is currently in the first stage of implementing the wide-ranging regulatory and funding reforms of the Tertiary Education and Research (Wales) Act 2022, which received Royal Assent in September 2022. The new Commission for Tertiary Education and Research (CTER) was formally established on 15 December 2022 and is due to replace HEFCW by April 2024. The first Board appointments were made including the Chair, Deputy Chair and CEO and are due to start from September 2023. Notably, this included the appointment of the former Chair of Universities Wales as Chair of the CTER.

### **Global Wales**

In 2022–23, Universities Wales delivered the first year of the four-year Global Wales III programme, funded by the Welsh Government through Taith (Wales' international exchange programme). The programme aims to increase education export earnings, raise the profile of Wales internationally and increase student recruitment and mobilities.

The programme delivered activities across all four target markets – Europe, North America, India and Vietnam – as well as Study in Wales brand and marketing activity. This included marketing campaigns across all priority markets, inward and outward delegations, scholarships for international students to study in Wales, guidance counsellor tours of Wales, funding for Welsh institutions to engage in partnership development, attendance at

key international conferences and the development of memoranda of understanding with key partners including Universities Canada.

In addition to Global Wales III activity, the team was also able to utilise other funding sources to deliver benefits for members. Most notably, this includes a second round of grant funding to support partnership building between universities in Wales and Ukraine.

### **WIN**

In 2022–23 Universities Wales continued to deliver the Wales Innovation Network (WIN), which is funded by HEFCW and member subscriptions. The programme aims to promote and facilitate collaboration between Welsh universities, drawing on the diverse research and innovation (R&I) strengths across the sector to build competitive funding bids.

The programme seeks to build R&I networks, communicate Wales' R&I strengths, and to facilitate collaboration and enrich the R&I environment in Wales. In 2022–23 WIN built networks in key thematic areas and worked with Global Wales to award seed-funding to build collaborations, both domestically and internationally. WIN has launched an all-Wales technicians' network, modelled on those elsewhere in the UK and has become a supporter of the Technicians' Commitment.

WIN worked with Welsh Government's innovation team to ensure that collaborative strengths identified by WIN were included in Wales' new innovation strategy, which was launched in February 2023.

### **Research funding**

Universities Wales undertook a range of work to highlight the impact of the loss of EU structural funds on R&I activity at Welsh universities, including holding an event in Westminster for an audience of cross-party MPs. Our work in this area has secured national media coverage and has been referenced in the Senedd. Universities Wales continues to work with UUK colleagues on lobbying for bridging funding to support university research projects that were ESIF funded.

### **Skills**

Universities Wales supported and fed into Welsh Government's independent review of Vocational Qualifications in Wales, ensuring the role of universities in delivering skills for the future, particularly in relation to vertical alignment from Level 4 to Level 6, was understood by the steering group. The Senedd's Cross-Party Group for Universities, coordinated by Universities Wales, held a joint meeting with the Cross-Party Group on Further Education and Skills to discuss a Welsh Government-commissioned report on transitions into employment, and the role of universities and colleges in delivering skills education.

Degree apprenticeships Universities Wales has continued to engage with Welsh Government and HEFCW on expansion of the Degree Apprenticeship programme in Wales through the Welsh Government's Degree Apprenticeship Framework Advisory Group.

### **Civic Mission**

The Universities Wales Civic Mission Network held a showcase event at the Senedd to highlight the work Welsh universities are doing to help alleviate poverty in communities across Wales. Sponsored by Hefin David MS, the showcase was attended by Senedd Members and included a speech by Jeremy Miles MS, Minister for Education and Welsh Language.

### **Mental health and wellbeing**

Universities Wales responded to the Senedd's Children, Young People and Education Committee's inquiry into student mental health via written and oral evidence. Key recommendations including improved information sharing, join-up with the NHS and increased support for transitions were all taken forward by the Committee and accepted by Welsh Government in response to the Committee's report.

Universities Wales was invited to sit on the Deputy Minister for Mental Health and Wellbeing's Advisory Group on mental health, and will be feeding into Welsh Government's revised mental health strategy.

## **Activities for members – Health**

### **Medical Schools Council (MSC)**

The academic year 2022–23 was marked by political turmoil in the Government, the cost of living crisis and the on-going war in Ukraine together with a slow return to face to face meetings and office working post-pandemic. MSC was widely praised for the leadership it provided to the sector during the pandemic and the extremely effective guidance it provided to protect patients, students and staff.

The year was also marked by extensive work with the GMC around the Medical Licensing Assessment. The medical schools will collectively set and administer a common test of applied knowledge to be regulated by the GMC. Piloting the process continued in 2022–23 and will go live in June 2024 for schools taking finals in the penultimate year. The MSC has 10 aims in it works representing the medical schools:

#### **Aim 1: To be the authoritative voice of UK medical schools**

The first meeting of the Health Education England /MSC Strategic Liaison Group was held in October 2022; MSC also plays a central role in the interdepartmental liaison group HENSE – the Health Education National Strategic Exchange. In the year MSC gave evidence to the House of Lords Science

and Technology Committee's Inquiry into clinical academics in the NHS and invited to 10 Downing St for a meeting of 12 senior leaders in the healthcare sector with the Prime Minister and Secretary of State for Health.

#### **Aim 2: To ensure the world-class quality of UK medical education**

The MSC initiative to create the UK Medical Education Database (UKMED) with the GMC and other stakeholders has created the ability to undertake high quality research into, for example workforce planning and different educational initiatives – such as widening access. The MSC works with the General Medical Council on the Medical Licensing Assessment. They have also engaged with the GMC on matters relating to registration and student fitness to practise.

#### **Aim 3: To be a global leader in medical assessment**

The most significant change in medical education for decades was the decision by UK medical schools to set and administer a national exam – the Medical School Applied Knowledge Test (AKT), regulated by the GMC. Three additional staff members have been employed to work on the development of the AKT.

The AKT is currently in the pilot stage with almost all schools participating in 2022–23 going live in the 2024–25 academic year and at this point all students will only be permitted to graduate if they have passed the AKT and CPSA.

#### **Aim 4: To focus on Equality, Diversity and Inclusivity and to enhance clinical leadership and develop leaders within medical schools**

In 2022–23 the MSC Equality, Diversity and Inclusion Alliance has further developed its strategic focus and the group is now starting to produce tangible outputs.

#### **Aim 5: To maintain and build on the close relationship between universities and the NHS**

The MSC secretariat also supports the University Hospital Association and so staff are ideally placed to maximise the usefulness of their understanding of different issues from the perspectives of both the NHS and Higher Education.

#### **Aim 6: To explore the public's needs of doctors, the number required and the changing role of the doctor in the future of healthcare**

MSC intends to be at the centre of the process of the implementation of the Government's long awaited Workforce Plan published in July 2023.

**Aim 7: To promote clinical academic careers and the conduct of high-quality research in medical schools**

There has been a welcome focus on clinical academic careers in the past 12 months with the helpful recommendations from the House of Lords Science and Technology Committee, to whom MSC gave evidence.

**Aim 8: To facilitate the transition between undergraduate and postgraduate environments**

MSC and the UK Foundation Programme Office (UKFPO) continue to work together to facilitate the transition between undergraduate and postgraduate education and training.

**Aim 9: To support all aspects of medical schools' work and add real value for members**

When MSC was created in the last century it was essentially a support network for the Heads of the medical schools. With time it has metamorphosed into an organisation seeking to support all aspects of medical schools' missions.

**Aim 10: To provide a supportive network for medical school deans and their colleagues**

The Heads of Schools confirmed to an external review that if MSC did not exist it would have to be invented. It provides an invaluable mechanism for the resolution of issues and for supporting all members of the community for the greater good of students, staff, patients and the UK economy.

**USS pensions reform**

Our responsibilities for representing employers in the USS pensions scheme continue to be a significant workstream. This year the team have worked with the USS Trustee and JNC to progress an ambitious timetable for the 2023 valuation with a view to implement any benefit reform on 1 April 2024. Alongside this work they have continued to work on low-cost options and exploring conditional indexation.

We have progressed the discussions with UCEA with a view to them taking on the role of the USS employer representative and have engaged with all USS employers in the year to present our joint proposal for this change. We expect this transfer will happen in Spring 2024.

**Developing our organisation**

A significant piece of work in the year has been the development of the new [Strategic Plan 2024-2030: A Common Cause: Thriving universities, service society](#). This was a year of engaging our members, staff and stakeholders and developing an ambitious plan to tackle the significant issues impacting our member institutions and the wider HE sector.

We continued to focus on services to and engagement with our members. As the incoming CEO in September 2022, Vivienne Stern has prioritised meeting our members to understand their views, with 63 institution visits in the year. We ran the popular new and mid term VC sessions, and continued to facilitate mentoring and peer to peer networking among the Vice-Chancellor community. In August 2023, after 35 years' service to Universities UK, our Director of Member Services left the organisation. The Trustees would like to thank Dr Antoinette Titchener-Hooker for her outstanding service and part she played in developing the well regarded services for members.

Our operational support services functions (IT, HR, Facilities and Finance) continued to create the work environment, processes, systems and structures to support our colleagues to focus on their work. We reviewed and developed the security infrastructure for IT services, developed and launched a 'comms hub' for institutions to share good practice and redeveloped our members areas of the website.

## Looking forward – our priorities for 2023-24

At Universities UK, we harness the power of the UK's universities and create the conditions for them to thrive. We are the collective voice of 142 universities, bringing them together to pursue a common cause: thriving universities, serving society. This mission forms the core of our [strategic plan](#) which runs to 2030 and sets out our ambitions for the sector. Our influence, convening power, and insight will enable our universities to:

- transform the lives of more people from the UK and around the world through high-quality education.
- drive greater growth and prosperity through the knowledge and skills they generate, creating places that allow communities to flourish.
- be globally competitive centres of research, at the forefront of making ground-breaking discoveries with the power to change our world.

To help them achieve this we will:

- secure sustainable funding that enables our universities to serve society better.
- build trust and confidence that our universities are a national asset to be proud of and are acting in the best interests of society.

At Universities UK, we know that we need to develop our organisation to be:

- An exceptional membership organisation
- A great place to work
- A socially responsible organisation.

## Financial review

### Review of position at the end of the year

The statement of financial activities for the year is set out on page 25 and the balance sheet on page 27 of the financial statements. Consolidated income and expenditure for the year and position at the end of the year are summarised in the table below.

	Unrestricted activities £'000	Restricted activities £'000	Total 2023 £'000	Total 2022 £'000
Income	9,892	7,190	17,082	17,918
Expenditure	(9,213)	(7,525)	(16,738)	(19,739)
Surplus / (deficit)	679	(335)	344	(1,821)
Transfers	12	(12)	-	-
Net movement in funds	691	(347)	344	(1,821)
Funds brought forward	1,093	3,659	4,752	6,573
Funds carried forward	1,784	3,312	5,096	4,752

A consolidated surplus of £344,000 is reported for the financial year ended 31 July 2023. This comprised an unrestricted surplus of £691,000 and a restricted deficit of £347,000. £346,000 of the unrestricted surplus related to a credit movement on the pension deficit recovery plan provision and £41,000 to a debit movement on the annual leave accrual (FRS 102 adjustments). Excluding these items, the unrestricted surplus for the year ended 31 July 2023 stood at £386,000.

- The Woburn House Conference Centre covenant exceeded budget by £185,000 due to performance returning to pre-Covid levels.
- Universities Scotland and Universities Wales unrestricted surpluses were £65,000 and £62,000 respectively.

Unrestricted income in 2023 increased on last year to £9,892,000 (2022: £9,412,000).

- Woburn House Conference Centre Ltd saw income (net of internal charges) increase to £1,338,000 from £944,000 with a positive year rebuilding business to pre-Covid levels.
- Unrestricted subscription income increased by £151,000.

Restricted income of £7,190,000 was lower than the 2022 level of £8,506,000. This decrease related to WIN (Welsh Innovation Network) and Global Wales activities.

The organisation's net assets were £5,096,000 at 31 July 2023 (2022: £4,752,000). The increase in assets is due to the decrease in the USS pension deficit recovery plan provision. The decreased liability was due to an increase in the discount rate.

### Principal funding sources

Membership subscriptions provides 66% of the unrestricted income, and the balance comes from sales of goods and services (14%), conference receipts (8%), covenant income (7%), and investment and other income (5%). This income is used principally to support charitable activities, but also the cost of charged-for goods and services. Universities UK does not fundraise from the public and is therefore not registered with the Fundraising Regulator.

### Significant events affecting financial performance and position

The sharp increase in inflation has seen our cost base increase, and our income from property operations drop with the impact of increasing utility costs. Continuing rail industrial action has had an impact on the Conference Centre bookings impacting the income received from Woburn House Conference Centre.

### Impact of material pension liability

The deficit recovery plan for the USS pension scheme first agreed in 2017 and updated following the 2020 valuation has, as a result of Financial Reporting Standard (FRS) 102, required a provision for the extra employer pension contributions required over the life of the plan. This in turn has reduced reserves, though without any immediate impact on the cash position or on financial risk. The impact is dealt with in more detail in relation to the effect on performance against the reserves policy.

### Fixed assets

The changes to intangible and tangible fixed assets during the year are shown in notes 12 and 13 to the financial statements.

### Other interests

The long leasehold interest in Woburn House is owned by CVCP Properties plc, a business set up by the membership in 1995 for the purpose of acquiring the building. CVCP Properties plc also owns a central London residential flat which is let out at commercial rates with the revenue contributing to the annual covenant to Universities UK.

### Investment policy

Universities UK plans strategically over a five-year time horizon and budgets annually to expend substantially all anticipated unrestricted income, subject to retaining a prudent amount in reserves. It has no permanent endowment and provides for capital expenditure from unrestricted reserves.

The Board of Trustees does not consider that it is necessary to accumulate and invest income for the longer term. Its investment policy is therefore to retain surplus funds as cash and place them on bank deposit and treasury reserve at the best rate consistent with a prudent treasury management policy. As a result, it is not appropriate for the organisation to adopt an ethical investment policy.

### Principal risks and uncertainties

The UK Board, supported by the Audit and Risk Committee which carries responsibility for risk management, keeps under review the strategic and operational risks facing the organisation and its subsidiaries together with the programmes and activities that help manage those risks effectively.

As a membership organisation, Universities UK's principal risk is failing to respond adequately to developments in higher education policy and funding or to its members' needs, which would risk damage to its reputation and influence and a possible loss of members and subscription revenue. Horizon scanning and member feedback mechanisms are in place to minimise and mitigate this risk and other external financial and operational risks and uncertainties.

Specifically, potential policy divisions within the membership and Universities UK's response to those are monitored via the Board, members' meetings and the Policy Networks. Operational risks include inflationary pressures on our costs, IT systems and the infrastructure of Woburn House, and strategies are in place to identify and mitigate those risks. Our statutory role as the employers' representative in the USS pension scheme brings with it risks to our reputation and resources.

### Reserves policy

The trustees have reviewed the requirements for free reserves (unrestricted reserves less any amounts designated or otherwise committed) in the light of the principal strategic and operating risks to the organisation, as outlined above. The nature and likely timing and financial impact of these risks are not considered to be either sufficiently immediate or material to warrant carrying higher reserves. Accordingly, the current target of four to six months of unrestricted expenditure is deemed appropriate as this would ensure sufficient funds are available to meet current commitments if income streams were erratic or exceptional expenditure was incurred.

Universities UK reports its results under the Charity SORP, based on revised UK Generally Accepted Accounting Practice (GAAP): FRS 102. This has a significant impact on free reserves as Universities UK has to provide for the present value of employer contributions to past service deficits in multi-employer defined benefit pension schemes previously accounted for solely as defined contribution schemes, and the cost of untaken staff leave. The trustees have considered the impact of this and agreed to focus on cash liquidity of assets and risk, so levels of reserves would be stated before and after the provisions required under FRS 102 but using levels before for any provisions for operational and decisions making purposes.

The impact of the reporting regime has been to reduce reported unrestricted reserves by £4.1m (2022: £4.4m) and to cause Universities UK's group free reserves to be less than the target range of months of unrestricted expenditure. The trustees do not believe the impact of FRS 102 to be significant as most of the provision is for extra pension payments that will be made over a number of years up to 2038. These will be budgeted for and accommodated as extra expenditure for management purposes in each individual year. The remaining provision is for the cost of unused leave.

<b>Performance against reserves policy</b>	2023 £'000	2022 £'000
Total unrestricted reserves	1,730	1,068
Less: committed to fixed assets	(912)	(954)
Less: designated funds	(802)	(675)
Free reserves under SORP (A)	16	(561)
Add back: pension and annual leave liabilities	4,112	4,417
Reserves for Universities UK policy purposes (B)	4,128	3,856
Total unrestricted expenditure (non-designated) (C)	7,664	9,782
Exclude: pension and annual leave costs	305	(2,354)
Unrestricted expenditure for Universities UK policy purposes (D)	7,969	7,428
Months of expenditure expressed in reserves:		
Under SORP (12 X A / C)	0	0
Under Universities UK policy (12 X B / D)	6.2	6.2
Months (target)	4.0 – 6.0	4.0 – 6.0

#### **Political and charitable donations**

The company made no political donations in the year (2022: nil). During the year, charitable donations made in lieu of buying and sending hard copy Christmas cards were £510 (2022: £250).

## Statement of Trustees' responsibilities

The trustees (who are also directors of Universities UK for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Audit information

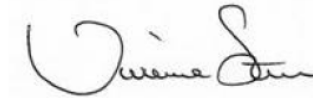
So far as each of the trustees at the time the Trustees' report is approved is aware:

- there is no relevant information of which the auditors are unaware; and
- they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Auditor

A scheduled review of audit provision will take place in the coming year.

The Trustees' report is approved by the trustees of the charity. The Strategic report, which forms part of the Trustees' report, is approved by the trustees in their capacity as directors in company law of the Charity.



**Vivienne Stern MBE**  
Chief Executive



**Professor Nic Beech**  
Treasurer

17 November 2023

# Independent auditor's report to the members of Universities UK

## Opinion

We have audited the financial statements of Universities UK for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Charity statement of financial activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2023 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company'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 the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report (incorporating the Strategic report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the group and parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson, Senior Statutory Auditor  
For and on behalf of Haysmacintyre LLP,  
Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date: 21 November 2023

# Consolidated statement of financial activities – year ended 31 July 2023

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
<b>Income from:</b>					
Donations	2	724	-	724	941
Charitable activities	3	7,494	7,064	14,558	15,810
Other trading activities	4	1,425	61	1,486	1,094
Investments		232	65	297	55
Other income		17	-	17	18
<b>Total</b>		<b>9,892</b>	<b>7,190</b>	<b>17,082</b>	<b>17,918</b>
<b>Expenditure on:</b>					
Raising funds		690	60	750	520
Charitable activities		8,523	7,465	15,988	19,219
<b>Total</b>	7	<b>9,213</b>	<b>7,525</b>	<b>16,738</b>	<b>19,739</b>
<b>Net income</b>		<b>679</b>	<b>(335)</b>	<b>344</b>	<b>(1,821)</b>
Transfers between funds	20	12	(12)	-	-
<b>Net movements in funds</b>		<b>691</b>	<b>(347)</b>	<b>344</b>	<b>(1,821)</b>
<b>Total funds at 1 August 2022</b>		<b>1,093</b>	<b>3,659</b>	<b>4,752</b>	<b>6,573</b>
<b>Total funds at 31 July 2023</b>	20	<b>1,784</b>	<b>3,312</b>	<b>5,096</b>	<b>4,752</b>

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

The notes on pages 29 to 54 form part of these financial statements.

# Charity statement of financial activities for the year ended 31 July 2023

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
<b>Income from:</b>					
Donations	2	1,411	-	1,411	1,453
Charitable activities	3	7,494	4,725	12,219	13,850
Other trading activities	4	106	-	106	121
Investments		224	-	224	49
Other income		17	-	17	17
<b>Total</b>		<b>9,252</b>	<b>4,725</b>	<b>13,977</b>	<b>15,490</b>
<b>Expenditure on:</b>					
Raising funds		67	-	67	74
Charitable activities		8,523	5,216	13,739	17,447
<b>Total</b>	7	<b>8,590</b>	<b>5,216</b>	<b>13,806</b>	<b>17,521</b>
<b>Net income</b>		<b>662</b>	<b>(491)</b>	<b>171</b>	<b>(2,031)</b>
<b>Net movements in funds</b>		<b>662</b>	<b>(491)</b>	<b>171</b>	<b>(2,031)</b>
<b>Total funds at 1 August 2022</b>		<b>1,068</b>	<b>1,038</b>	<b>2,106</b>	<b>4,137</b>
<b>Total funds at 31 July 2023</b>	20	<b>1,730</b>	<b>547</b>	<b>2,277</b>	<b>2,106</b>

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

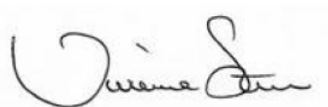
The notes on pages 29 to 54 form part of these financial statements.

# Balance sheets – 31 July 2023

	Notes	Group		Charity	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
<b>Fixed assets</b>					
Intangible fixed assets	12	113	110	105	99
Tangible fixed assets	13	261	283	207	255
Investments	14	600	600	600	600
		<b>974</b>	<b>993</b>	<b>912</b>	<b>954</b>
<b>Current assets</b>					
<b>Debtors</b>					
- due within one year		2,037	2,968	2,476	3,427
- due after more than one year		750	750	750	900
	15	2,787	3,718	3,226	4,327
Investments – short term deposits		5,414	5,594	3,564	3,994
Cash at bank and in hand		2,561	3,519	809	1,397
		<b>10,762</b>	<b>12,831</b>	<b>7,599</b>	<b>9,718</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(2,999)	(5,054)	(2,593)	(4,548)
<i>Net current assets</i>		<b>7,763</b>	<b>7,777</b>	<b>5,006</b>	<b>5,170</b>
<i>Total assets less current liabilities</i>		<b>8,737</b>	<b>8,770</b>	<b>5,918</b>	<b>6,124</b>
Creditors: amounts falling due after one year	18	(3,641)	(4,018)	(3,641)	(4,018)
<b>Total net assets</b>		<b>5,096</b>	<b>4,752</b>	<b>2,277</b>	<b>2,106</b>
<b>Funds and reserves</b>					
Restricted funds		3,312	3,659	547	1,038
Unrestricted funds		1,730	1,068	1,730	1,068
Non-charitable trading funds		54	25	-	-
<b>Total funds</b>	20	<b>5,096</b>	<b>4,752</b>	<b>2,277</b>	<b>2,106</b>

Approved by the Board of Directors and authorised for issue on 17 November 2023.

Signed on their behalf:



**Vivienne Stern MBE**  
Chief Executive



**Professor Nic Beech**  
Treasurer

Company Number: 2517018

The notes on pages 29 to 54 form part of these financial statements.

# Consolidated cash flow statement for the year ended 31 July 2023

	2023 £'000	2022 £'000	
<b>a Reconciliation of net expenditure to net cash flow from operating activities</b>			
Net income for the year	344	(1,821)	
Interest income	(297)	(55)	
Depreciation and amortisation charges	129	141	
Decrease / (increase) in debtors	931	(1,210)	
(Decrease) / increase in creditors	(2,432)	4,298	
<b>Net cash used in operating activities</b>	<b>(1,325)</b>	<b>1,353</b>	
<b>b Statement of cash flows</b>			
Cash flows from operating activities	(1,325)	1,353	
Cash flows for investing activities			
Purchase of fixed assets	(110)	(81)	
Interest income	297	55	
<b>Net cash used in investing activities</b>	<b>187</b>	<b>(26)</b>	
<b>Change in cash and cash equivalents in the year</b>	<b>(1,138)</b>	<b>1,327</b>	
Cash and cash equivalents at 1 August	9,113	7,786	
<b>Cash and cash equivalents at 31 July</b>	<b>7,975</b>	<b>9,113</b>	
Cash and cash equivalents at 31 July is made up of:			
Investments – short term deposits	5,414	5,594	
Cash at bank and in hand	2,561	3,519	
<b>Total cash and cash equivalents</b>	<b>7,975</b>	<b>9,113</b>	
	At 1 August 2022 £'000	Cash flows £'000	At 31 July 2023 £'000
Analysis of changes in net funds:			
Cash	3,519	(958)	2,561
Cash equivalents	5,594	(180)	5,414
<b>Total net funds</b>	<b>9,113</b>	<b>(1,138)</b>	<b>7,975</b>

# Notes to the financial statements – year ended 31 July 2023

## 1. Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Universities UK meets the definition of a public benefit entity under FRS 102. It is a company limited by guarantee and is incorporated in the UK. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The consolidated financial statements incorporate the results of Universities UK and its subsidiaries, Woburn House Conference Centre Limited, Medical Schools Council and MSC Assessment. No separate Universities UK statement of financial activities has been prepared, as permitted by Section 408 of the Companies Act 2006.

### a. Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The liability in respect of the pension deficit recovery plan has been calculated using key assumptions concerning future payroll growth and the discount rate (see note 24).

### b. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees have reviewed financial position, reserves levels and future plans and this has given the trustees confidence that the charity remains a going concern into the future.

### c. Income

Income from donations and grants (including government grants) is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Subscriptions are recognised over the period to which they relate.

Conference fee and other trading income is recognised on an accruals basis.

Investment income is credited in the period in which it is earned.

### d. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributable to a particular heading, they have been allocated to activities on a basis consistent with the use of the resource.

Direct costs, including directly attributable salaries, are allocated on the basis of time to the key strategic areas of activity.

Overheads and other salaries are allocated between activities on the bases of usage, ie the same basis as expenditure incurred directly in undertaking the activity.

Governance costs are those incurred in connection with the management of Universities UK's assets, the organisation's administration and compliance with constitutional and statutory requirements.

Unconditional grants payable are charged to the statement of financial activities in the year in which they are communicated to the recipient as at that time a valid expectation has been created that the grants will be paid. Conditional grants are charged on a similar basis when conditions fall outside the control of the charity. Any unpaid amounts are shown as liabilities at the balance sheet date.

#### e. Intangible and tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Leasehold improvements assets are stated at cost less depreciation. A full year's depreciation is charged in the year the asset is brought into use and none in the year of disposal.

The rates of depreciation are as follows:

Furniture and equipment	- before four and ten years
Computer equipment	- over three years
Website development and IT systems	- over four years
Leasehold improvements	- over the life of the lease

Universities UK capitalisation policy is to capitalise individual assets costing over £2,500.

#### f. Investments

Investments held as fixed assets are stated at cost, as permitted by FRS 102.

#### g. Cash and cash equivalents

Surplus cash funds are held on deposit for up to a year in order to achieve a better rate of interest.

#### h. Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Liabilities are recognised on an accruals basis. Loans receivable are measured initially at fair value and are measured subsequently at amortised cost using the effective interest method.

#### i. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### j. Debtors

Short term debtors are measured at transaction price, less any impairment.

#### k. Operating leases

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the lease.

#### l. Employee benefits

##### *Short term benefits*

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

##### *Employee termination benefits*

Termination benefits are accounted for on an accruals basis and in line with FRS 102.

#### m. Pensions

Universities UK participates in the Universities Superannuation Scheme (USS) and Superannuation Arrangements of the University of London (SAUL).

Both these pension schemes are defined benefit, multi-employer schemes (contracted out of the State Second Pension [S2P] up until 31 March 2016), with the assets held in separate trustee-administered funds. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme.

Because of the mutual nature of the schemes, the schemes' assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. Universities UK is therefore exposed to actuarial risks associated with members employed at other participating employers in the schemes and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the schemes as if they were defined contribution schemes.

As a result, the amount charged to income and expenditure through the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

Given the mutual nature of the schemes, participating employers are not expected to be liable for any other current participating employer's obligations, but in the event of an insolvency of any participating employer within each scheme, an amount of any pension shortfall which cannot otherwise be recovered in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Since Universities UK has entered into an agreement to participate in a deficit recovery plan for USS, it now also recognises a liability under FRS 102 for the future contributions payable that arise from this agreement to the extent that they relate to the deficit and the resulting expense in the statement of financial activities.

Although there was a Technical Provision deficit at 31 March 2020, allowing for the post valuation experience to 30 April 2021, SAUL had a Technical Provisions surplus. Therefore, no deficit contributions were required following the 2020 valuation and there is no defined benefit liability.

#### **n. Universities Scotland and Universities Wales**

The funds of these National Councils are included within the designated unrestricted funds of Universities UK. In line with the group reserves policy, the year end fund balances are expected to be utilised within four to six months.

## **2. Donations**

CVCP Properties plc is a company owned by 100 higher education institutions, whose executive heads are members of Universities UK. The company owns two leasehold properties and the net profits from its activities are covenanted annually to Universities UK. Covenanted income receivable during the year from CVCP Properties plc was £724,363 (2022: £940,940). Other transactions with CVCP Properties plc are included in note 26.

Covenanted income receivable during the year from Woburn House Conference Centre was £687,033 (2022: £512,001).

### 3. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000
<b>Group</b>						
Subscriptions from membership	6,545	2,512	9,057	6,394	4,208	10,602
Grants and contracts	145	4,552	4,697	290	4,251	4,541
Conference income	804	-	804	667	-	667
	7,494	7,064	14,558	7,351	8,459	15,810
<b>Charity</b>						
Subscriptions from membership	6,545	722	7,267	6,394	2,980	9,374
Grants and contracts	145	4,003	4,148	290	3,519	3,809
Conference income	804	-	804	667	-	667
	7,494	4,725	12,219	7,351	6,499	13,850

See notes 5 and 6 for further analysis.

### 4. Other trading activities

Trading activities relate principally to Woburn House Conference Centre Ltd, a subsidiary. They are stated net of intra-group trading.

### 5. Subscriptions from membership

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000
Universities UK	5,393	409	5,802	5,256	411	5,667
Universities Scotland	647	97	744	647	109	756
Universities Wales	505	216	721	491	2,460	2,951
<b>Charity</b>						
Medical Schools Council	-	1,569	1,569	-	799	799
MSC Assessment	-	221	221	-	429	429
<b>Group</b>	6,545	2,512	9,057	6,394	4,208	10,602

## 6. Grants and contracts

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000
Taith	-	2,256	2,256	-	-	-
Research England *	-	1,110	1,110	-	566	566
FCDO *	-	203	203	-	63	63
Scottish Funding Council *	-	115	115	-	69	69
All Party Parliamentary University Group	44	15	59	43	26	69
Scottish Government *	-	50	50	-	86	86
DSIT, formerly BEIS *	-	58	58	-	41	41
London Higher	50	-	50	24	-	24
Conservatoires UK	15	31	46	14	30	44
Higher Education Funding Council for Wales *	-	43	43	-	2,427	2,427
Welsh Government *	-	30	30	-	-	-
The Wellcome Trust	-	25	25	-	50	50
University of Nottingham	25	-	25	-	-	-
UK Research and Innovation *	-	20	20	-	25	25
British Council *	-	15	15	124	85	209
Office for Students *	-	7	7	-	23	23
Royal College of Nursing Scotland	-	-	-	39	-	39
Department for Education *	-	-	-	-	16	16
University of the West of England	-	-	-	14	-	14
HMRC *	-	-	-	9	-	9
Other organisations	11	25	36	23	12	35
<b>Charity</b>	145	4,003	4,148	290	3,519	3,809
Health Education England *	-	484	484	-	588	588
Department of Health & Social Care *	-	11	11	-	65	65
Insight Direct UK Ltd	-	-	-	-	30	30
Other organisations	-	54	54	-	49	49
<b>Group</b>	145	4,552	4,697	290	4,251	4,541

\* Grants from government and government agencies.

## 7. Total resources expended

	Direct costs £'000	Support costs £'000	Total 2023 £'000	Direct costs £'000	Support costs £'000	Total 2022 £'000
<b>Group</b>						
Cost of raising funds	719	31	750	491	29	520
<b>Charitable activities</b>						
<b>Activities for members</b>						
Core (see split below)	10,153	2,923	13,076	13,693	2,726	16,419
Conferences	536	127	663	357	86	443
Medical & health	1,152	122	1,274	1,706	124	1,830
Exam delivery	893	82	975	475	52	527
Total activities for members	12,734	3,254	15,988	16,231	2,988	19,219
<b>Total resources expended</b>	<b>13,453</b>	<b>3,285</b>	<b>16,738</b>	<b>16,722</b>	<b>3,017</b>	<b>19,739</b>
<b>Charity</b>						
Cost of raising funds	54	13	67	58	16	74
<b>Charitable activities</b>						
<b>Activities for members</b>						
Core (see split below)	10,153	2,923	13,076	13,693	2,726	16,419
Conferences	536	127	663	357	86	443
Medical & health	-	-	-	579	6	585
Total activities for members	10,689	3,050	13,739	14,629	2,818	17,447
<b>Total resources expended</b>	<b>10,743</b>	<b>3,063</b>	<b>13,806</b>	<b>14,687</b>	<b>2,834</b>	<b>17,521</b>
<b>Group and charity</b>						
<b>Split of core activities</b>						
England, NI and UK-wide	3,915	2,367	6,282	6,598	2,201	8,799
International	4,601	217	4,818	3,738	155	3,893
Universities Wales	901	150	1,051	2,612	142	2,754
Universities Scotland	736	189	925	745	228	973
<b>Total resources expended</b>	<b>10,153</b>	<b>2,923</b>	<b>13,076</b>	<b>13,693</b>	<b>2,726</b>	<b>16,419</b>

## 8. Support costs allocations

	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2023 £'000
<b>Group</b>						
Trading activities: costs of goods sold and other costs	4	5	15	5	2	31
<b>Charitable activities</b>						
Core	989	166	105	1,119	544	2,923
Conferences	43	7	5	49	23	127
Medical and health	41	10	4	32	35	122
Exam delivery	37	17	-	18	10	82
<b>Total resources</b>	<b>1,114</b>	<b>205</b>	<b>129</b>	<b>1,223</b>	<b>614</b>	<b>3,285</b>

### Charity

Trading activities: costs of goods sold and other costs	4	1	1	5	2	13
<b>Charitable activities</b>						
Core	989	166	105	1,119	544	2,923
Conferences	43	7	5	49	23	127
<b>Total resources</b>	<b>1,036</b>	<b>174</b>	<b>111</b>	<b>1,173</b>	<b>569</b>	<b>3,063</b>

	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2022 £'000
<b>Group</b>						
Trading activities: costs of goods sold and other costs	7	4	11	5	2	29
<b>Charitable activities</b>						
Core	1,050	158	123	962	433	2,726
Conferences	33	5	4	30	14	86
Medical and health	52	16	3	18	35	124
Exam delivery	21	11	-	17	3	52
<b>Total resources</b>	<b>1,163</b>	<b>194</b>	<b>141</b>	<b>1,032</b>	<b>487</b>	<b>3,017</b>
<b>Charity</b>						
Trading activities: costs of goods sold and other costs	7	1	1	5	2	16
<b>Charitable activities</b>						
Core	1,050	158	123	962	433	2,726
Conferences	33	5	4	30	14	86
Medical and health	6	-	-	-	-	6
<b>Total resources</b>	<b>1,096</b>	<b>164</b>	<b>128</b>	<b>997</b>	<b>449</b>	<b>2,834</b>

## 8. Support costs allocations continued

	Total 2023 £'000	Total 2022 £'000
Governance costs are made up of the following:		
Staff costs	151	147
External audit	33	28
Other professional fees	13	14
Meeting costs and expenses	7	5
	<b>204</b>	<b>194</b>
Other direct costs include:		
Auditor's remuneration:		
For audit services	33	28
For other services	9	4
Operating lease rentals:		
Land and buildings	646	657
Office and equipment	3	10

## 9. Analysis of staff costs

	Total 2023 £'000	Total 2022 £'000
Total staff costs including full and part-time employees were:		
Wages and salaries	6,529	6,269
Social security costs	767	696
Other pension costs	1,910	4,022
Termination payments	33	55
	<b>9,239</b>	<b>11,042</b>

'Other pension costs' includes a £447,000 credit relating to the movement on the USS pension deficit funding liability (2022: debit of £2,392,000). The change in liability is due to an increase in the discount rate applied, together with an increase in salary inflation rate assumptions.

	2023 no.	2022 no.
The average number of employees throughout the year was:		
Charitable activities	130	116
Support staff	24	20
Trading activities – Woburn House Conference Centre Limited	5	5
	<b>159</b>	<b>141</b>

The number of employees whose emoluments exceeded £60,000 (excluding employer's pension contributions) was 35 (2022: 32).

	2023 no.	2022 no.
£60,001–£70,000	16	11
£70,001–£80,000	5	12
£80,001–£90,000	8	-
£90,001–£100,000	3	6
£100,001–£110,000	1	1
£130,001–£140,000	-	2
£140,001–£150,000	2	-

The total employer pension contributions for these staff were £552,552 (2022: £511,742).

## 10. Trustees' emoluments and emoluments of other key management personnel

No trustees received any remuneration for their services.

During the year £4,793 in travel and accommodation expenses were reimbursed to the institution of one trustee. (2022: £2,556).

The total employee benefits of the Senior Leadership Team who are considered to be key management personnel (in addition to trustees) was:

	2023 £'000	2022 £'000
Wages and salaries	765	782
Social security costs	90	93
Other pension costs	165	165
	<b>1,020</b>	<b>1,040</b>

The Senior Leadership comprises the Chief Executive and Directors of Policy, Member Services, Universities UK International, Communications and External Affairs, Operations, Universities Scotland and Universities Wales.

## 11. Taxation

The charity is exempt from corporation tax under Sections 466–497 of the Corporation Taxes Act 2010 as all its income is applied to charitable purposes.

## 12. Intangible fixed assets

<b>Website development and software</b>	Group £'000	Charity £'000
<b>Cost</b>		
At 1 August 2022	338	197
Additions	47	47
At 31 July 2023	385	244
<b>Depreciation</b>		
At 1 August 2022	228	98
Charge for year	44	41
At 31 July 2023	272	139
<b>Net book value</b>		
At 31 July 2023	<b>113</b>	<b>105</b>
At 31 July 2022	110	99

### 13. Tangible fixed assets

	Leasehold Improvements £'000	Furniture & Equipment £'000	Office Technology £'000	Total £'000
<b>Group</b>				
<b>Cost</b>				
At 1 August 2022	527	562	72	1,161
Additions	-	44	19	63
Written off	-	(42)	(4)	(46)
At 31 July 2023	527	564	87	1,178
<b>Depreciation</b>				
At 1 August 2022	330	511	37	878
Charge for year	45	14	26	85
Written off	-	(42)	(4)	(46)
At 31 July 2023	375	483	59	917
<b>Net book value</b>				
At 31 July 2023	152	81	28	261
At 31 July 2022	197	51	35	283
<b>Charity</b>				
<b>Cost</b>				
At 1 August 2022	527	376	57	960
Additions	-	13	9	22
Written off	-	(42)	(4)	(46)
At 31 July 2023	527	347	62	936
<b>Depreciation</b>				
At 1 August 2022	330	350	25	705
Charge for year	45	4	21	70
Written off	-	(42)	(4)	(46)
At 31 July 2023	375	312	42	729
<b>Net book value</b>				
At 31 July 2023	152	35	20	207
At 31 July 2022	197	26	32	255

## 14. Investments held as fixed assets

	Total 2023 £'000	Total 2022 £'000
<b>Group and charity</b>		
CVCP Properties plc ordinary shares of £1 each	50	50
CVCP Properties plc preference shares of £1 each	550	550
	<b>600</b>	<b>600</b>

CVCP Properties plc is an unquoted company and the shares are stated at cost.

## 15. Debtors

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	799	1,627	425	1,406
Amounts due from subsidiary undertakings	-	-	892	858
Other debtors	776	968	776	968
Prepayments and accrued income	462	373	383	345
Loan	750	750	750	750
	<b>2,787</b>	<b>3,718</b>	<b>3,226</b>	<b>4,327</b>

The £750,000 loan is due for repayment within five years, and no later than 25 November 2026. The loan is secured by way of a fixed charge over the Woburn House building. Interest is payable on the loan at 3% above National Westminster Bank plc base rate.

## 16. Creditors: amounts falling due within one year

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	616	2,563	461	2,349
Amounts due to subsidiary undertakings	-	-	3	8
Taxation and social security	335	316	335	316
Other creditors	175	154	175	154
Accruals	1,156	948	952	734
Deferred income	717	1,073	667	987
	<b>2,999</b>	<b>5,054</b>	<b>2,593</b>	<b>4,548</b>

At the year end outstanding pension contributions amounted to £174,546 (2022: £153,771).

## 17. Deferred income

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Brought forward	1,073	1,289	987	1,168
Released in the year	(1,073)	(1,289)	(987)	(1,168)
Deferred in the year	717	1,073	667	987
Carried forward	717	1,073	667	987

Deferred income comprises membership subscriptions received in advance, grant income deferred when conditions exist which prevent recognition of the income, and income received for future events and conferences.

## 18. Creditors: amounts falling due after more than one year

	Total 2023 £'000	Total 2022 £'000
Pension deficit funding payments in relation to USS	3,641	4,018

See note 24 for further details regarding these liabilities.

## 19. Operating lease commitments

The group and charity have the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Total 2023 £'000	Total 2022 £'000
<b>Group</b>		
Land and buildings:		
Within one year	702	627
Between one and five years	1,457	2,045
Office equipment:		
Within one year	3	3
Between one and five years	1	4
	<u>2,163</u>	<u>2,679</u>
<b>Charity</b>		
Land and buildings:		
Within one year	657	582
Between one and five years	1,352	1,896
	<u>2,009</u>	<u>2,478</u>

## 20. Movement in funds

	At 1 Aug 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2023 £'000
<b>Unrestricted funds</b>					
<b>Group and charity</b>					
Investment fund (see note 14)	600	-	-	-	600
Universities Scotland / Universities Wales (see note 1(n))	675	1,197	(1,549)	479	802
General funds	(207)	7,335	(6,333)	(467)	328
	1,068	8,532	(7,882)	12	1,730
<b>Restricted funds</b>					
Universities UK International	-	526	(526)	-	-
Ukraine Twinning	-	190	(190)	-	-
Ukraine UKRI/RE	-	552	(513)	-	39
Israel research mobility	-	58	(58)	-	-
Research Security	-	13	(13)	-	-
Global Wales II	83	-	(60)	(23)	-
Global Wales II + 1	235	-	(180)	23	78
Global Wales III	-	2,256	(2,256)	-	-
Vietnam Partnership	79	-	(40)	-	39
World Cup	-	30	(30)	-	-
India Scholarship	10	-	-	-	10
Universities Wales International	115	-	(52)	-	63
Welsh Innovation Network (WIN)	477	216	(454)	-	239
US International	33	120	(128)	-	25
Scotland is Now	-	97	(96)	-	1
Pensions reform	-	396	(396)	-	-
KE Concordat	1	40	(41)	-	-
The Concordats review	-	45	(45)	-	-
Research development Concordat	-	109	(73)	-	36
Other	5	77	(65)	-	17
<b>Charity</b>	1,038	4,725	(5,216)	-	547

**20. Movement in funds** continued

	At 1 Aug 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2023 £'000
Medical Schools Council	1,276	648	(537)	(3)	1,384
Medical Licensing Assessment	-	821	(716)	(3)	102
University Hospital Association	178	123	(110)	-	191
Dental Schools Council	195	115	(84)	-	226
Pharmacy Schools Council	110	86	(73)	(1)	122
Association of Dental Hospitals	27	48	(30)	-	45
Summer School	165	333	(498)	-	-
MSC Assessment	668	291	(259)	(5)	695
Other	2	-	(2)	-	-
<b>Group</b>	3,659	7,190	(7,525)	(12)	3,312
Non-charitable trading funds	25	1,360	(1,331)	-	54
<b>Group – total funds</b>	4,752	17,082	(16,738)	-	5,096

## 20. Movement in funds continued

	At 1 Aug 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2022 £'000
<b>Unrestricted funds</b>					
<b>Group and charity</b>					
Investment fund (see note 14)	600	-	-	-	600
Universities Scotland / Universities Wales (see note 1(n))	584	1,239	(1,613)	465	675
General funds	1,882	7,720	(9,355)	(454)	(207)
	3,066	8,959	(10,968)	11	1,068
<b>Restricted funds</b>					
Council of Deans of Health	565	-	(565)	-	-
Universities UK International	-	526	(526)	-	-
Ukraine Twinning	-	63	(63)	-	-
BEIS ODA	11	41	(52)	-	-
Mitacs	-	16	(16)	-	-
Global Wales II	144	769	(830)	-	83
Global Wales II + 1	-	1,600	(1,334)	(31)	235
Vietnam Partnership	3	45	-	31	79
India Scholarship	-	40	(30)	-	10
Universities Wales International	120	-	(5)	-	115
Welsh Innovation Network (WIN)	130	2,460	(2,113)	-	477
Welsh Governance	-	21	(21)	-	-
US International	87	39	(93)	-	33
Scotland is Now	-	159	(159)	-	-
Pensions reform	-	396	(396)	-	-
KE Concordat	-	69	(68)	-	1
The Concordats review	-	75	(75)	-	-
Research development Concordat	-	79	(79)	-	-
Other	11	101	(107)	-	5
<b>Charity</b>	1,071	6,499	(6,532)	-	1,038

## 20. Movement in funds continued

	At 1 Aug 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2022 £'000
Medical Schools Council	1,257	703	(680)	(4)	1,276
University Hospital Association	206	62	(90)	-	178
Dental Schools Council	159	115	(78)	(1)	195
Pharmacy Schools Council	91	88	(68)	(1)	110
Association of Dental Hospitals	18	48	(39)	-	27
Summer School	82	492	(409)	-	165
MSC Assessment	623	498	(448)	(5)	668
Other	1	1	-	-	2
<b>Group</b>	<b>3,508</b>	<b>8,506</b>	<b>(8,344)</b>	<b>(11)</b>	<b>3,659</b>
Non-charitable trading funds	(1)	453	(427)	-	25
<b>Group – total funds</b>	<b>6,573</b>	<b>17,918</b>	<b>(19,739)</b>	<b>-</b>	<b>4,752</b>

Transfers during the year between funds relate to contributions made from unrestricted monies to restricted funds for specific projects, where there are insufficient restricted funds available to meet expenditure or where the charity is committed to contributing towards projects from its own resources.

Background information on each of the restricted funds is set out below:

- **Universities UK International** is the international arm of Universities UK, representing UK universities and acting in their collective interests globally. It actively promotes universities abroad, provides trusted information for and about them, and creates new opportunities for the sector.
- FCDO are providing up to £190k to support the development of the UK-**Ukraine twinning** scheme set up by the Cormack Consultancy Group.
- UKRI/Research England £5 million grant to deliver “Building a strategic research and innovation response to global crises: Supporting the UK-Ukraine Twinning Initiative”. This includes delivery of the UK-**Ukraine R&I Twinning** Grants Scheme (Strand A) and Cross sector projects on lessons learned (Strand B).
- Funded by the Department of Science, Innovation and Technology (DSIT, formerly BEIS) UUK administers the UUKI UK-**Israel researcher mobility** scheme that enables UK based researchers to upskill their innovation and entrepreneurial skills by undergoing a period of mobility to Israel.
- **Research Security**: Building the resilience of UK and European R&D To strengthen the resilience of both UK and European R&D through an exchange of best practice between British and European universities on how best to mitigate the growing risk from malign actors to the research sector.
- **BEIS ODA** - The Newton and Global Challenges Research Fund aims to use UK research expertise to solve developmental and global challenges through fostering research and institutional partnerships between UK universities and emerging-market countries.
- Funding has been received from the DfE to support the facilitation of the UK’s expanding participation in the **Mitacs** Globalink Research Internship programme. Mitacs is a Canadian research and development funding agency.
- Universities Wales is the lead partner of **Global Wales II** and **Global Wales II +1**. Funding was received from HEFCW to develop existing target markets, expand into new markets and invest in the ‘Study in Wales’ brand domestically and internationally.
- Universities Wales delivers the Global Wales III programme, funded by Welsh Government via Taith. **Global Wales III** works with priority markets to increase international recruitment to Wales, establish new partnerships and increase education export earnings.

## 20. Movement in funds continued

- The **Vietnam partnership** resulted in Global Wales II being matched with five partner universities in Vietnam under the Higher Education Partnerships (HEP) programme and running training programmes in Leadership and Governance and University Industry Links. HEP was rebranded as Going Global Partnerships in 2022, with Global Wales co-ordinating a new consortium project involving four Vietnamese universities and four Welsh universities.
- This funding was to produce a series of videos promoting Wales and Welsh education during the men's football **World Cup**. The videos featured home and international students from across Wales sharing their passion for football, their home country and Wales.
- **India Scholarship** is a partnership commitment between British Council India and Global Wales to jointly fund 16 post graduate scholarships of £5k per scholarship, for students from Telegana in India to attend university in Wales for one year.
- The **Wales Innovation Network (WIN)** supports Welsh Universities in increasing research competitiveness. A team, hosted by Universities Wales will streamline the creation of new collaborations in research and innovation, secure additional investment through the development of collaborative bids, and raise the profile of Wales' research and innovation capabilities. WIN will receive funding over three years from HEFCW and network members (the Welsh Universities).
- The Review of **Governance in Welsh** Universities was funding to support an independent review of governance in Welsh universities, to critically examine the current arrangements, and to assist the development of a charter and revised guidance for governors.
- The **Universities Scotland International Unit** develops and implements policy and research on international issues on behalf of the Scottish higher education sector. This supports the 'Connected Scotland' initiative with Scottish Government, Scottish Funding Council and others for targeted international promotion of Scottish higher education.
- **Scotland is Now** is joint sector funding that supports targeted paid-for social media campaign activities in a set of focus countries to support the recruitment of international students, to increase the sector's positioning and awareness, and to extend its focus on being welcome and open.
- A restricted subscription was raised from members towards the **pensions reform** programme following from our statutory role as the employers' representative in the USS pension scheme.
- The **Knowledge Exchange Concordat** is supporting the development, improvement and promotion of good practice across the UK with a development year in England involving institutional self-assessment, submission of action plans and peer evaluation.
- The **Concordats Review** is a joint project between Universities UK, UK Research and Innovation (UKRI) and the Wellcome Trust. The project will review evidence to help stakeholders improve the ways concordats, agreements and initiatives affect research culture and environment.
- The **Researcher Development Concordat** is an agreement that sets out conditions to create the very best culture for researchers to thrive. It contains principles relating to 'Environment and Culture', 'Employment', and 'Professional and Career Development' and outlines key responsibilities for researchers, managers of researchers, institutions, and funders. Universities UK took on the secretariat role for the Concordat in 2021.
- The **Medical Schools Council** represents the interests and ambitions of UK Medical Schools as they relate to the generation of national health, wealth and knowledge through biomedical research and the profession of medicine.
- Income and expenditure relating to the Medical School Council's role in developing and delivering the **Medical Licensing Assessment (MLA)**.
- The **University Hospital Association** promotes the unique interests of university hospitals across the UK. Its role is to represent the unique tripartite – service, teaching and research – interests of UK University Hospital Trusts in partnership with other national bodies.
- The **Dental Schools Council** represents the interests and ambitions of the UK's Dental Schools as they relate to the generation of national health, wealth and knowledge acquisition through research and the profession of dentistry.

## 20. Movement in funds continued

- The **Pharmacy Schools Council** is building on the work of the Council of UK Head of Pharmacy and has benefited from being able to access increased resources through being hosted by a secretariat which also supports equivalent groups for other healthcare professionals.
- The **Association of Dental Hospitals** represents the voices of dental hospitals across the UK and Ireland.
- The **Summer School** programme is HEE funding (now NHS England) to deliver summer schools for students from a widening participation background.
- **MSC Assessment** is a subsidiary of the Medical Schools Council set up to run medical assessment activities.
- The **Council of Deans of Health** represents the UK's university faculties engaged in education and research for nurses, midwives and allied health professionals.

## 21. Allocation of net assets between funds

The net assets held for various funds are as follows:

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2023 Total £'000
Fixed assets	7	312	55	374
Investments	-	600	-	600
	7	912	55	974
Current assets	4,098	5,812	852	10,762
Current liabilities	(793)	(1,353)	(853)	(2,999)
Net assets	3,312	5,371	54	8,737
Long-term liabilities	-	(3,641)	-	(3,641)
<b>Group total</b>	<b>3,312</b>	<b>1,730</b>	<b>54</b>	<b>5,096</b>

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2022 Total £'000
Fixed assets	10	354	29	393
Investments	-	600	-	600
	10	954	29	993
Current assets	6,751	5,438	642	12,831
Current liabilities	(3,102)	(1,306)	(646)	(5,054)
Net assets	3,659	5,086	25	8,770
Long-term liabilities	-	(4,018)	-	(4,018)
<b>Group total</b>	<b>3,659</b>	<b>1,068</b>	<b>25</b>	<b>4,752</b>

## 22. Subsidiaries

### Woburn House Conference Centre Limited

The charity owns 100% of the share capital of Woburn House Conference Centre Limited, a company limited by shares (company number 03031467). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HQ.

The £2 cost of the investment has been written down to zero in the accounts of the parent company. The trading activity of Woburn House Conference Centre Limited is the management of the conference centre and meeting rooms at Woburn House. The results and financial position of Woburn House Conference Centre Limited are consolidated with those of Universities UK in preparing the consolidated accounts.

A summary of the trading results for the year ended 31 July 2023 and 2022, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown. Audited accounts have been filed with the Registrar of Companies.

	Total 2023 £	Total 2022 £
<b>Profit and loss account</b>		
Turnover	1,473,950	1,023,129
Cost of sales	(497,643)	(291,712)
<b>Gross profit</b>	976,307	731,417
Administration costs	(66,963)	(48,418)
Staff costs	(199,719)	(144,732)
<b>Operating profit</b>	709,625	538,267
Interest receivable	6,577	188
<b>Profit on ordinary activities before taxation</b>	716,202	538,455
Taxation	-	-
<b>Profit on ordinary activities after taxation</b>	716,202	538,455
Gift aid payment to Universities UK	(687,033)	(512,001)
<b>Retained profit carried forward</b>	29,169	26,454
	Total 2023 £	Total 2022 £
<b>Balance sheet</b>		
Fixed assets	55,140	29,087
Current assets	854,910	792,514
Creditors: amounts falling due within one year	(855,573)	(646,293)
Net current (liabilities) / assets	(663)	146,221
Creditors: amounts falling due after one year	-	(150,000)
<b>Total net assets</b>	54,477	25,308
Represented by:		
Share capital	2	2
Profit and loss account	54,475	25,306
	54,477	25,308

## 22. Subsidiaries continued

### Medical Schools Council

Universities UK is also the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular (but without limitation) medical education, research and training.

A summary of income and expenditure for the year to 31 July 2023 and 2022, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown below. Audited accounts have been filed with the Registrar of Companies.

Unrestricted funds and free reserves at 31 July 2023 were £1.4m (2022 free reserves: £1.3m) which is equal to 31 months of unrestricted expenditure (2022: 22 months). This is in line with the organisation's reserves policy.

	Total 2023 £	Total 2022 £
<b>Income and expenditure account</b>		
Income	2,173,550	1,508,480
Expenditure	(2,055,494)	(1,370,426)
<b>Surplus</b>	<b>118,056</b>	<b>138,054</b>
<b>Balance sheet</b>		
Assets	2,540,695	2,459,668
Liabilities	(470,410)	(507,439)
<b>Net assets</b>	<b>2,070,285</b>	<b>1,952,229</b>

### MSC Assessment

The Medical Schools Council is the parent of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of MSC Assessment are to advance medical education for the benefit of the public including, without limitation, by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training.

A summary of the income and expenditure for the year to 31 July 2023 and 2022, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year is shown below. Audited accounts have been filed with the Registrar of Companies.

	Total 2023 £	Total 2022 £
<b>Income and expenditure account</b>		
Income	291,130	498,399
Expenditure	(264,491)	(453,133)
<b>Surplus</b>	<b>26,639</b>	<b>45,266</b>
<b>Balance sheet</b>		
Assets	720,222	742,060
Liabilities	(25,229)	(73,706)
<b>Net assets</b>	<b>694,993</b>	<b>668,354</b>

## 23. Conduit funding

	2023 £	2022 £
Funds received in advance b/fwd	-	-
Amount received	4,533,396	113,957
Amount paid out	(4,513,475)	(113,957)
Funds received in advance c/fwd	19,921	-

Amounts received and dispersed to universities on behalf of the UK-Ukraine R&I Twinning Grants Scheme and MITACS for Globalink Research Internships.

Certain trustees are Vice Chancellors of institutions in receipt of grants.

## 24. Pension

### Universities Superannuation Scheme

The appointment of directors to the Board of USS is determined by USS's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the Board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

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%.

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. In the prior year, the deficit payments were 5% of salaries up to 30 June 2034. The USS liability is based on staff salary inflation of 5% for two years, followed by 3% for fifteen years, and a discount rate of 5.52% (2022: 2%, 3.31%).

At 31 March 2023, USS had 223,229 (2022: 209,638) members.

### Superannuation Scheme of the University of London (SAUL)

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. 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.

The funding principles were agreed by the Trustee and employers in June 2021 and will be reviewed again at SAUL's next formal valuation in 2023.

## 24. Pension continued

At the 31 March 2020 valuation SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience to 30 April 2021. As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and the Employers have agreed that the ongoing Employers' contributions will increase from a rate of 16% of CARE salaries to 19% of CARE salaries from 1 April 2022 and 21% of CARE salaries from 1 January 2023.

At 31 March 2023, SAUL had 81,763 (2022: 74,428) members.

<b>Summary</b>	<b>USS</b>	<b>SAUL</b>
Group contributions for the year to 31 July 2023	£1,459,670	£465,791
Active members at 31 July 2023	86	61
Group contributions for the year to 31 July 2022	£1,296,986	£345,766
Active members at 31 July 2022	82	57

## 25. Financial instruments

	2023	2022
	£'000	£'000
Financial assets measured at amortised cost:		
Trade debtors	799	1,627
Cash	7,975	9,113
	<b>8,774</b>	<b>10,740</b>
Financial liabilities measured at amortised cost		
	<b>791</b>	<b>2,717</b>

Financial assets measured at amortised cost comprise trade debtors and cash.

Financial liabilities measured at amortised cost are creditors.

## 26. Related party transactions

Related party transactions are disclosed for CVCP Properties plc, Advance HE, QAA, Higher Education Statistics Agency, Universities and Colleges Admissions Service, Jisc, OIA and UCEA. In October 2022, the Higher Education Statistics Agency merged with Jisc.

Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is the original subscribing member of the other organisations and members of Universities UK contribute to governance oversight through Board membership and other involvement. Related party transactions are at arm's length where those terms can be substantiated.

	Year ended 31 July 2023		As at 31 July 2023	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	923,180	773,056	1,529,751	303
Advance HE	-	2,892	1,776	-
Quality Assurance Agency	-	925	395	-
HESA	-	175	-	-
UCAS	1,454	9,890	3,600	-
Jisc	-	15,245	-	-
OIA	-	790	-	-
UCEA	595	44,420	8,673	-
	925,229	847,393	1,544,195	303

	Year ended 31 July 2022		As at 31 July 2022	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	888,696	959,910	1,732,666	307
Advance HE	-	33,319	-	-
Quality Assurance Agency	-	470	285	-
HESA	-	755	285	-
UCAS	4,141	-	-	974
Jisc	-	13,495	5,000	-
OIA	-	1,190	570	-
UCEA	450	8,506	285	-
	893,287	1,017,645	1,739,091	1,281

There were no other related party transactions.

## 27. Members

The charity is incorporated as a private company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 July 2023 there were 140 members (2022: 140).

## 28. Income and expenditure by fund

Group	Notes	Unrestricted Funds		Restricted Funds		Total Funds	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	2	724	941	-	-	724	941
Charitable activities	3	7,494	7,351	7,064	8,459	14,558	15,810
Other trading activities	4	1,425	1,054	61	40	1,486	1,094
Investments		232	49	65	6	297	55
Other income		17	17	-	1	17	18
<b>Total</b>		<b>9,892</b>	<b>9,412</b>	<b>7,190</b>	<b>8,506</b>	<b>17,082</b>	<b>17,918</b>
<b>Expenditure on:</b>							
Raising funds		690	481	60	39	750	520
Charitable activities		8,523	10,914	7,465	8,305	15,988	19,219
<b>Total</b>	7	<b>9,213</b>	<b>11,395</b>	<b>7,525</b>	<b>8,344</b>	<b>16,738</b>	<b>19,739</b>
<b>Net income / (expenditure)</b>		<b>679</b>	<b>(1,983)</b>	<b>(335)</b>	<b>162</b>	<b>344</b>	<b>(1,821)</b>
Transfers between funds		12	11	(12)	(11)	-	-
<b>Net movements in funds</b>		<b>691</b>	<b>(1,972)</b>	<b>(347)</b>	<b>151</b>	<b>344</b>	<b>(1,821)</b>
<b>Total funds at 1 August</b>		<b>1,093</b>	<b>3,065</b>	<b>3,659</b>	<b>3,508</b>	<b>4,752</b>	<b>6,573</b>
<b>Total funds at 31 July</b>		<b>1,784</b>	<b>1,093</b>	<b>3,312</b>	<b>3,659</b>	<b>5,096</b>	<b>4,752</b>

## 28. Income and expenditure by fund continued

Charity	Notes	Unrestricted Funds		Restricted Funds		Total Funds	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	2	1,411	1,453	-	-	1,411	1,453
Charitable activities	3	7,494	7,351	4,725	6,499	12,219	13,850
Other trading activities	4	106	121	-	-	106	121
Investments		224	49	-	-	224	49
Other income		17	17	-	-	17	17
<b>Total</b>		<b>9,252</b>	<b>8,991</b>	<b>4,725</b>	<b>6,499</b>	<b>13,977</b>	<b>15,490</b>
<b>Expenditure on:</b>							
Raising funds		67	74	-	-	67	74
Charitable activities		8,523	10,915	5,216	6,532	13,739	17,447
<b>Total</b>	7	<b>8,590</b>	<b>10,989</b>	<b>5,216</b>	<b>6,532</b>	<b>13,806</b>	<b>17,521</b>
<b>Net income / (expenditure)</b>		<b>662</b>	<b>(1,998)</b>	<b>(491)</b>	<b>(33)</b>	<b>171</b>	<b>(2,031)</b>
<b>Net movements in funds</b>		<b>662</b>	<b>(1,998)</b>	<b>(491)</b>	<b>(33)</b>	<b>171</b>	<b>(2,031)</b>
<b>Total funds at 1 August</b>		<b>1,068</b>	<b>3,066</b>	<b>1,038</b>	<b>1,071</b>	<b>2,106</b>	<b>4,137</b>
<b>Total funds at 31 July</b>		<b>1,730</b>	<b>1,068</b>	<b>547</b>	<b>1,038</b>	<b>2,277</b>	<b>2,106</b>

# Legal and administrative information

**Principal and Registered Office**

Woburn House  
20 Tavistock Square  
London  
WC1H 9HQ

**Bankers**

National Westminster Bank plc  
214 High Holborn  
London  
WC1H 9XA

**Solicitors**

Bates Wells & Braithwaite  
10 Queen Street Place  
London  
EC4R 1BE

**Auditors**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

Universities UK also has two regional offices:

**Universities Scotland**

20 Potterrow  
Edinburgh  
EH8 9BL

**Universities Wales**

Units 6&7, Suite B  
One Central Square  
Cardiff  
CF10 1FS

**Registered Charity in England and Wales No. 1001127**

**Registered Charity in Scotland No. SC052497**

**Registered Company No. 2517018**

Universities UK is the collective voice of 142 universities in England, Scotland, Wales and Northern Ireland.

Our mission is to create the conditions for UK universities to be the best in the world; maximising their positive impact locally, nationally and globally.

Universities UK acts on behalf of universities, represented by their heads of institution.



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**UNIVERSITIES UK**

England & Wales - Charity number 1001127

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# Accounts

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Universities  
UK

# Annual report and consolidated financial statements

Year ended 31 July 2022

Charity Number: 1001127  
Company Number: 2517018

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# Trustees' report

The trustees present their report and the financial statements for Universities UK for the year ended 31 July 2022.

## Name and membership

The name of the charity and company is Universities UK. Universities UK is the representative organisation for the UK's universities. Its members are the executive heads of UK university institutions who have met the criteria for membership agreed by the Board of the company. It currently has 140 members. Membership is voluntary and members are represented both at the UK level and through Universities Scotland and Universities Wales.

The objectives of Universities UK as set out in its Articles of Association are:

- To promote and provide facilities for discussion and consultation between representatives of university institutions in the UK, on any matters affecting or relevant to the university sector of higher education in the UK.
- To formulate policies on any matters affecting or relevant to the university sector of higher education in the UK.
- To represent the university sector of higher education in the UK and to conduct dealings and to liaise with the government, any local, national or other institutions, authorities, agencies, bodies or persons, wheresoever in the world situated.
- To provide information, advice and assistance to universities within the UK, or any of their representatives, on any aspect of educational affairs, including administrative and financial matters relating to or connected with education.
- To take any steps (including without prejudice to the generality of the foregoing the issue, maintenance, financing and enforcement of legal proceedings) for the purpose of protecting the interest, reputation or good standing of the universities or the university sector of higher education in the UK or the integrity of any degree, diploma or other awards issued by universities in the UK.

## Mission and main activities

The mission of Universities UK is to create the conditions for UK universities to be the best in the world, maximising their positive impact locally, nationally and globally. Services and activities include research and policy development, lobbying of government and influential stakeholders, dissemination of information to members and the wider public using all forms of media, conferences and events, and national and international networking activity.

## Public benefit

All of Universities UK's activities are ultimately carried out for the wider public benefit of creating and maintaining a world-class higher education sector that benefits students, the UK economy, the UK's educational and research standing in the world and the wider social good. Collectively, the institutions led by the members of Universities UK demonstrate their wide social and economic contribution through the delivery of research, teaching, expertise and training. Higher education is available to all with the ability to benefit, regardless of their economic circumstances. The benefits of this activity to the UK are considerable. UK universities played a significant role in the research, medical and civic response to the Covid-19 pandemic.

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. In delivery of its services and activities, Universities UK has fully supported its members, and assisted them to achieve their public benefit goals.

## Trustees

Following the Governance Review the Board has now reduced to 21 members through retirement of the 7 elected policy network replaced by 4 policy leads. The Board are directors of the company and trustees of the charity, elected or appointed from among its members. Those appointed for the year to 31 July 2022 were as follows:

Professor Steven West CBE	President 2021–2023
Professor Colin Bailey CBE	
Professor Liz Barnes CBE *	
Professor Dame Janet Beer DBE	
Professor Paul Boyle CBE	
Professor Julia Buckingham CBE *	
Professor Chris Day ***	
Professor Jenny Higham	
Professor Debra Humphris	
Professor Sir Chris Husbands	
Professor Paul Layzell CBE ***	Treasurer
Professor Dame Sally Mapstone	
Professor Sir Gerry McCormac ***	Convener, Universities Scotland & Vice-President Scotland
Professor Quintin McKellar CBE	Vice-President England and Northern Ireland
Professor Edward Peck CBE ***	
Professor Malcolm Press CBE **	
Professor Rama Thirunamachandran	
Dr Paul Thompson	
Professor Wendy Thomson CBE	
Professor Adam Tickell	
Professor Elizabeth Treasure	Chair, Universities Wales & Vice-President Wales
Professor Shearer West CBE	

\* *Term of office ended 31 December 2021*

\*\* *Term of office started 1 January 2022*

\*\*\* *Term of office ended 31 July 2022*

The following were also members of the UK Board on the date this report was approved:

Professor Nishan Canagarajah	Appointed 1 August 2022
Professor Karen Cox	Appointed 1 August 2022
Professor Paul Croney OBE	Appointed 1 August 2022
Mr Stephen Marston	Appointed 1 August 2022, Treasurer 2022–2024
Professor Lisa Roberts	Appointed 1 August 2022

No member of the UK Board had a beneficial interest in any contract with the company. Board members are elected by the vice-chancellors of the member universities or nominated by the Governance and Nominations Committee.

## Chief Executive

Vivienne Stern MBE

## Structure, governance and management

### Organisational structure of the company

#### Universities UK

Universities UK is a company limited by guarantee with the registered number 2517018, governed by its Articles of Association adopted in March 2022. It is a charity with the registered number 1001127. Its principal offices are in Bloomsbury, London.

#### Universities Scotland

In Scotland (where it operates from its Edinburgh office under the name Universities Scotland), Universities UK is registered as a charity with the registered number SC029163.

#### Universities Wales

In Wales (where it operates from its Cardiff office under the name Universities Wales), Universities Wales is a national council of the charity Universities UK with the registered number 1001127.

### Structure of subsidiary companies

#### Woburn House Conference Centre Ltd

Universities UK owns 100% of the share capital of Woburn House Conference Centre Limited (company number 3031467) whose business is the operation of the conference facilities at Woburn House. Income generated from the activity of the centre is covenanted to Universities UK.

#### Medical Schools Council

Universities UK is the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular medical education, research and training. Its Board of Directors is elected from its own members.

#### MSC Assessment

The Medical Schools Council is the holding member of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The objects of MSC Assessment are to advance medical education for the benefit of the public including by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training. Its Board of Directors is elected from members of the Medical Schools Council.

The results and financial position of Woburn House Conference Centre Limited, the Medical Schools Council and MSC Assessment are consolidated with those of Universities UK in preparing its consolidated financial statements. Separate results are shown in note 22 to the financial statements.

#### CVCP Properties plc

CVCP Properties plc is not a subsidiary of Universities UK but is considered to be a related party. Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is a major tenant of CVCP Properties plc in Woburn House.

#### Restricted funds

The restricted funds managed by Universities UK include parts of Universities UK International funds (operating units of Universities UK). Medical Schools Council and its various funds (a subsidiary) and MSC Assessment (a sub-subsidiary) are also restricted funds in Universities UK's consolidated financial statements. Further details on the objectives, activities and financial performance of all restricted funds are given in notes 20 and 22 to the financial statements.

### Relationship with higher education sector agencies

Universities UK is the original subscribing member of various UK higher education sector agencies including Advance HE, Higher Education Careers Service Unit, Higher Education Statistics Agency, Office of the Independent Adjudicator, Quality Assurance Agency, UCAS, Universities and Colleges Employers Association and Jisc.

Members of Universities UK contribute to governance oversight of these bodies through Board membership and other involvement, alongside interaction between Universities UK staff and staff of the bodies concerned. Transactions between Universities UK and these sector agencies are disclosed in note 26 to the financial statements.

## Governance and decision-making

### Non-executive directors/trustees

The Board of Trustees comprises up to 21 members and meets five times a year as a minimum. The President, elected by the members, serves a two-year term. The Chairs of Universities Scotland and Universities Wales are members of the Universities UK Board, serving as Vice-Presidents alongside an elected Vice-President for England and Northern Ireland. The membership also elect a Board member to serve as Treasurer.

### Induction and training of trustees

New trustees receive information supporting their induction, which includes relevant Charity Commission documents on the role of a trustee, a copy of the Universities UK Articles of Association and the Strategic Plan. It is the aim of the organisation to update trustees and members on any new legislation that may affect the governance of the charity and to offer on-going support through additional training when required.

### Board sub-committees

Universities UK has six standing committees: Board Advisory, Resources, Audit and Risk, Governance and Nominations, Membership and Remuneration. Four policy lead roles on the Board lead on key policy issues of the UK higher education agenda in line with the organisation's strategic priorities. Membership of committees is made up of a combination of Board members and members. The Resources, Audit and Risk and Remuneration also have an independent member appointed through a competitive recruitment process.

### Arrangements for setting pay and remuneration

Member input and support to the work of Universities UK is on a non-remunerated basis.

The pay and remuneration of executive management is set by a Remuneration Committee, which comprises Universities UK members chaired by the Treasurer and includes an independent member. The pay and remuneration levels for all other staff grades is negotiated with the recognised union, Prospect, as part of the recognition agreement.

### Executive management

The Chief Executive leads a Senior Leadership Team comprising the Directors of Policy, Member Services, Universities UK International, Communications, Operations, Universities Scotland and Universities Wales.

### Charity Governance Code

Universities UK governance has been reviewed against the Charity Governance Code. Universities UK is committed to applying good practice where possible and explaining where it is not aligned, the reasons for this or changes that are being planned. The Code is applied in the context of Universities UK being a relatively small membership organisation of 140 members, with most of the Board elected by and from its membership.

### Principle 1 – organisational purpose

2021–22 was the penultimate year of the strategic plan for 2018–23: World Leading Impact. The review of Governance Effectiveness concluded that Universities UK's objects as set out in its Articles of Association are fit for purpose and are consistent with the mission, vision and strategy. The Board has oversight of the management of resources ensuring that the allocation is linked to operational plans in pursuit of strategic objectives and therefore overall organisational purpose.

### Principle 2 – leadership

The Board is led by the President, supported by a Board Advisory Committee. Across the Board and the Advisory Committee there are robust debates leading to an agreed direction for the officers and staff to follow. 2021–22 was the first year of the current President's two-year term, and elections took place in the year for Treasurer and other vacant Board posts terms come to an end. The President has oversight of CEO performance.

### Principle 3 – integrity

Board and Board Advisory Committee members declare all conflicts of interest at every meeting and will absent themselves from discussions as required. Through its sub-committee structures the Board has oversight of issues such as finances, HR practices, procurement, data security and integrity, safeguarding and remuneration to make sure that the charity operates responsibly in line with its own ethics and values.

### Principle 4 – decision making, risk and control

The Board have oversight of finance, performance and risk through its sub-committee structure and Board meeting agendas. The Audit and Risk Committees considers risk at each meeting. The Board are presented with the strategic risk registers at every meeting and have a full discussion on risk once a year, or more often if significant changes occur. All sub-committees have Terms of Reference established which are approved by the Board.

### Principle 5 – Board effectiveness

15 out of 21 Board members are elected from the membership by the membership. Board posts have set terms, and roles are subject to re-election when those terms expire. It is unusual for total service to exceed nine years, but possible if members are elected to different roles on the Board or they have expertise or responsibilities relevant to the Board's deliberations or strategic priorities.

By 31 July 2022, Professor Dame Janet Beer DBE (President and Chair of the Board from 2017–19) had served 13 years in a number of different elected roles and was elected by the membership for a further term starting 1 August 2020 as Policy Lead for International.

### Principle 6 – equality, diversity, and inclusion

15 board posts are elected from and by the membership, there are challenges with the diversity of potential candidates. The remaining positions are 'nominated members' identified by the Governance and Nominations Committee and approved by the Board. The nominated positions are selected using a matrix of skills, experience, knowledge, background and institution. The Board believes that as far as it can within the constraints of an elected Board, reasonable steps are taken to ensure that diversity in its widest sense is prioritised and implemented.

### Principle 7 – openness and accountability

The Board and Executive team make every effort to engage with the full membership and give all members opportunities to participate in setting the direction of work for the charity through regular member meetings, roundtable events, VC dinners with the senior team and task and finish groups. The Chief Executive hosts group Teams calls each featuring 15-20 members, to which all members are invited, to discuss current issues. Members of the senior team also regularly speak one-to-one with members and visit universities, meeting with members of their senior teams.

## Strategic report

### Strategic aims

2021–22 represented the penultimate year of Universities UK's five-year-strategic plan: [2018–23, World Leading Impact](#). The long-term, strategic objectives are:

- **Opportunity:** Anyone with the will and potential to succeed, no matter their background, has the opportunity to transform their lives through accessing an outstanding academic experience at a UK university.
- **Impact:** UK universities are demonstrably world-leading in the production and application of knowledge and skills through research, teaching and innovation, evidencing significant economic, social, cultural and civic impact and contributing materially to society.
- **Trust:** Through demonstrating positive impact on students' lives, economic growth, public services and civil society, UK universities enjoy widespread public trust and political support.
- **Global universities:** UK universities are global leaders in international education and research, educating a significant proportion of globally mobile students, demonstrating increased levels of high impact international research collaboration; and achieving increases in outwardly mobile students and students registered on UK programmes overseas.
- **Autonomy:** UK universities are free to make autonomous decisions and adopt strategies according to their diverse missions and the needs of their students and communities, while taking collective responsibility for the quality of leadership and governance in higher education and benefiting from stable and sustainable funding that enables them to maximise their positive impact.

- We will continue to **develop our organisational capabilities** to ensure that we are making the most of our members, our people, our external profile, our resources and our work.

These aims are achieved through the delivery of activities to members in England, Northern Ireland, Scotland and Wales to support their domestic and international activities, and institutions providing higher education in medical and health. Our work is organised through annual programme plans, detailing our short-term objectives.

### **Activities for members – England, Northern Ireland, UK wide and International**

Our activities include policy research, analysis and development, relationship building, lobbying, campaigning and advocacy, communications with the media, public and stakeholders and development and delivery of services to our members.

The past 12 months have continued to be challenging and full of uncertainty as we have navigated the ongoing pandemic, significant and frequent policy developments, and the crisis in Ukraine. Across our membership, we have seen positive engagement and continued support for our activities.

Covid-19 dominated the political narrative and impacted university activities particularly in the first half of the year. Universities UK dedicated significant resource to supporting universities to manage these challenges. Approaches across the four nations differed with England emerging from restrictions in advance of Wales, Scotland, and Northern Ireland.

More recently, we have seen the Westminster government finally publish its long-awaited post-18 education and funding response with confirmation of a tuition fees freeze in England until 2024–25 and the launch of significant consultations on HE reforms and the Lifelong Loan Entitlement. In the latter half of the year, we have undertaken substantial member engagement, analysis and evidence gathering to formulate our consultation responses alongside extensive communications and political affairs activity to make our position clear. With the change in the Conservative Party leadership and Ministers, we are waiting for further political developments before this work can progress.

Climate change is an ever-growing global challenge and with COP-26 taking place in late 2021 we published a report outlining how the UK's universities are confronting the climate emergency. We also took steps to increase public understanding of how universities are tackling climate change via a major new strand of our #MadeAtUni campaign.

In the year in which the UK hit its international student recruitment target more than eight years early, we progressed a range of actions to secure the UK's status as a front runner in international education. We mobilised rapidly in response to the humanitarian crises in Afghanistan and Ukraine, identifying and facilitating how universities could support students and staff in both countries. We also continued our efforts to secure the UK's status as an associated country in Horizon Europe (or ensure suitable alternative options) and took steps to maximise the success of the Turing scheme.

We continued to expand our political influencing, adapting to a new Westminster Education Secretary part-way through the year and major Cabinet changes in July 2022 and strengthening our links with Westminster and across the devolved parliaments. The All-Party Parliamentary University Group which we provide the secretariat for continues to go from strength to strength.

Universities UK has secured a significant amount of parliamentary engagement in the year with 174 written and oral questions in parliament on issues of interest to Universities UK members and 81 positive references to our work from parliamentarians and government. Regular meetings with ministers, advisors and peers have happened throughout the year. The [All-Party Parliamentary Universities Group](#), which Universities UK provides the secretariat for, has thrived with a membership of 90 universities, 41 MPs and 12 peers.

Member engagement remains high with regular monthly VC calls, our annual conference at Northumbria University in September which signalled a return to in-person activities and our quarterly members' meetings. We continued our engagement with new and mid-term vice-chancellors through peer-to-peer learning opportunities, and our Specialist Institutions' Forum (SIF) brought focus and profile to the issues of our small/specialist institutions.

Using print, broadcast and social media, we disseminated information to members and the wider public. There were 764,000 unique visitors to the Universities UK website and 25,000 unique visitors to the USS employer's website.

Three significant campaigns ran in the year, 'We Are Together' to promote universities' work to support the national effort, 'Getting Results' to highlight the work of universities in the economic and social recovery from Covid-19 and '2020 Made Us' which aimed to boost the confidence of university students.

The #WeAreTogether international recruitment campaign achieved significant success, reassuring 67% of prospective international students to continue with plans to study in the UK ahead of the 2020–21 academic year, winning the 'Marketing Campaign of the Year' category at the PIONEER Awards 2021 and a PR Week Global Award in May 2022. The trustees were delighted that Vivienne Stern, Universities UK International's Director won the 'Outstanding Contribution to the industry' PIONEER award. Universities UK's International Higher Education Forum (IHEF), which took place in April, has also been shortlisted for 'Best Leadership Event' and 'Best International Event' at the International Corporate Event (ICE) Awards.

Events and conferences remain an important channel for sharing information and good practice across the sector and providing opportunities for higher education staff and partners to network. After continued restrictions on in-person events, our conferences moved online with considerable success attracting a broad range of speakers, paying delegates and sponsorship. There were 46 online events delivered with 8,870 delegates in the year. Topics covered included Political Affairs, Employability and Skills, Enhancing the Student Experience, Global Wales and the successful annual International Higher Education Forum.

Universities UK International worked to secure support for international students post-Brexit and to minimise the negative impacts of Covid-19 on the sector's international activities. Universities UK International continues to source and administer international opportunities for students and researchers via the UKIERI Mobility Programme: Study in India, the Mitacs-UK Globalink Research Internship Programme and the Newton Fund. The post study work route for international graduates from UK degree programmes was launched giving them the opportunity to stay in the UK to develop their future career and skills.

This year saw the departure of Universities UK's Chief Executive Alistair Jarvis CBE after five years in the role and over eight years with the organisation. Alistair steered Universities UK through several seismic developments including the UK leaving the European Union and the lengthy pandemic. Under his leadership, Universities UK has become a stronger organisation with greater impact, higher member engagement and a more focused campaigning approach. We wish Alistair every success in his new role at the University of London.

## Key outcomes in 2021–22

As a result of the activities in the year Universities UK achieved the following:

### Support for Ukraine

We led the sector's response to the crisis in Ukraine including establishing a twinning mechanism to support Ukrainian universities, influencing visa and research policy, and informing the roll-out of the Homes for Ukraine programme. The twinning mechanism has led to over 70 formal partnerships between UK and Ukrainian universities.

### Student wellbeing

Building on our [Stepchange framework](#) and the [Student Minds Charter](#), we published guidance on information sharing to support universities in understanding their options to inform family and friends when students are at risk of suicide or serious self-harm. We have also launched work to tackle the harms associated with student drug use and are engaging closely on the issue of spiking and its impact on students.

### Admissions

We published our [Fair admissions code of practice](#) to demonstrate the sector's commitment to maintaining fair and transparent admissions processes. Over 130 universities have now [publicly signed up](#) to the code.

### Support for concordats

As the secretariat for the Concordat to Support the Career Development of Researchers, we implemented and fostered a new governance structure and strategy. We also launched a new dedicated website to host news, resources and encourage researchers to share their stories.

Universities UK and GuildHE jointly led the development of the Knowledge Exchange Concordat securing considerable commitment from the sector to knowledge exchange.

### Protecting degree standards

We published an explainer of how universities are protecting degree standards and tackling grade inflation, showing how universities are delivering on their promise to take significant steps to address concerns about grade inflation. We also published a commitment in England to reversing pandemic-related grade inflation.

### Security

We progressed further work to help universities manage security-related risks including a joint statement with international counterparts committing to support safe, secure, and sustainable internationalisation and supporting universities to understand their legal obligations under the new National Security and Investment Act.

### Harassment and hate crime

We continued our efforts to tackle all forms of harassment and hate crime within universities including guidance on [tackling staff-to-student sexual misconduct](#), tackling Islamophobia and anti-Muslim hatred and [antisemitism](#), our [#CombatMisconduct Toolkit for Vice-Chancellors](#) and new guidance for universities on sharing the outcomes of harassment complaints.

### Supporting international activities

In January 2022, the UK met the recruitment target of 600,000 international students, more than eight years earlier than planned.

### Ensuring post-Brexit success

We launched a high-profile campaign, 'Stick to Science' urging EU leaders and the UK and Swiss governments to place science collaboration between politics and to agree the UK's and Switzerland's association to Horizon Europe.

### Value of a degree

We published a report [Busting Graduate Jobs Myths](#) showing that employer demand for graduates remains strong and is set to grow further as technology advances and the economy recovers from the pandemic.

### Promoting the impact of universities

We continued a range of public campaigning including our [#GettingResults](#) campaign and two strands of our [#MadeAtUni](#) campaign focusing on Creative Sparks and Climate Action. Our earlier [#WeAreTogether](#) campaign received national recognition when it [won a PR Week Global Award](#). In April, as part of our Climate Action campaign, Universities UK International published a new [report](#) on how the climate crisis affects internationalisation.

We partnered with the Committee of University Chairs to commission Britain Thinks to assess public and political perceptions of UK universities. The interim findings show that while perceptions remain broadly positive, there is a risk that anxiety over the cost of living could convince some applicants – those from disadvantaged backgrounds – that studying at university isn't a priority in difficult economic times. The research also shows that the public and stakeholders primarily see the role of universities as educating students and awarding degrees. Universities UK will be working with the university sector to develop campaigns to increase public and political awareness of the impact of universities and to promote their value to students, graduates, employers, and wider society.

### Quality and standards

Universities UK took on the role of UK Standing Committee for Quality Assessment secretariat appointing new chair and deputy, bringing together academics and students as well as partners from across the sector and providing oversight of higher education quality assessment arrangements.

The Framework for Programme Reviews launched to assess the value of university courses to students and wider society

### Climate emergency

We highlighted how universities are confronting the climate emergency, via a new report, our [#MadeAtUni](#) climate action campaign and through analysis on how the climate crisis affects internationalisation

### Promoting academic freedom and freedom of speech

We worked with UK government on the development of the Higher Education (Freedom of Speech) Bill with a view to reducing burden on the sector. Our work was heavily informed by member engagement to identify where further support could help balance academic freedom and freedom of speech with other duties.

### Skills

To support Universities UK's approach to the Lifelong Loan Entitlement launched an advisory group which has had positive engagement with DfE officials and developed [principles to support the LLE](#).

### Levelling up

We responded strongly to the Levelling up White Paper by urging government to bridge the funding gap while it sets up the UK Shared Prosperity Fund, publishing a new report on the value of graduates to future economic success and developing a positive vision for universities and levelling up (to be published soon).

### Degree awarding caps

Following our 2019 Closing the Gap report, we published [Closing the Gap: three years on](#) to assess the sector's progress in tackling ethnicity degree awarding gaps.

### Political influence

Universities UK has continued to be the go-to organisation for government and opposition teams when it comes to influencing higher education policy and being the leading sector voice. leading 24 meetings with Westminster Cabinet members and ministers, alongside eight meetings with Labour shadow ministers. We continued our coverage in parliament through 24 positive public mentions of Universities UK from parliamentarians and government and secured 61 oral and written questions in parliament.

### All-Party Parliamentary University Group

We secured the renewal of our contract with the All-Party Parliamentary University Group for another three years (until December 2024). University membership of the group reached a record high of 95 in 2021–22. The group published research on perceptions of fees and student finance while our meetings attracted high profile speakers including Research Minister George Freeman MP and OfS Director for Fair Access, John Blake.

## Coronavirus response

As with 2020–21, much of this year has been heavily affected by the Coronavirus pandemic. The early part of the year started with cautious optimism as students returned to in-person teaching and learning. However, the emergence of the Omicron variant resulted in further restrictions and uncertainty stretching across the winter months. We prioritised influencing official guidance, advocating for a proportionate response, and ensuring members remained informed of developments. Key outcomes included:

- a) A more effective admissions process for 2021 avoiding the chaos and uncertainty of the 2020 process, mitigating key risks and providing timely information and reassurance to applicants.
- b) Influenced government plans throughout the 2021–22 academic year including evidence gathering on sector preparedness including enhanced ventilation and institutional approaches to the use of face coverings.
- c) Launch of the #GettingResults campaign showcasing how universities will drive economic and social recovery from Covid-19 across all UK nations and regions.
- d) Significant efforts to encourage high vaccination uptake in university populations including a sector [statement](#) highlighting our collective commitment to get students fully vaccinated as soon as possible. Evidence suggests that vaccination rates within the student population are higher than within the wider public.
- e) Secured a solution to the vaccination recognition issue affecting international students.
- f) Published Insights & Analysis [briefing](#) on approaches to the start of term on Universities UK website, sharing the publication with political stakeholders and the media.
- g) Briefed politicians (including the Westminster Secretary of State for Education), officials and the media on the in-person, online mix on campus this academic year. Provided evidence to the Education Select Committee session on the impact of the pandemic on higher education.
- h) Supported the sector to plan for the autumn by convening two webinars on the Step 4 guidance and circulating a briefing of key themes emerging.
- i) Raised concerns about the ongoing supply of lateral flow tests to universities securing assurance that there was sufficient capacity to meet demand.
- j) Secured an extension to the date by which international students must be in the UK to benefit from the concessionary basis when applying for the Graduate route (date extended from 21 June to 27 September 2021).
- k) Secured an extension to the period that institutions can sponsor students who will start/ resume their studying through distance learning from overseas.
- l) Supported Universities UK members to understand further changes to quarantine requirements including the removal of many countries from the UK government's red list.
- m) Responded to various international issues including visa processing delays in Nigeria and Kuwaiti Embassy advice to students about the public health situation in the UK.
- n) Started dialogue with the Home Office to explore how future visa policy can allow for new pedagogical models that might emerge post-pandemic (including launching a survey to gather evidence on university plans).
- o) Published a new briefing on [Lessons from the pandemic: making the most of technologies in teaching](#) which attracted significant media coverage.
- p) Worked with Council of Deans of Health and the Medical Schools Council to understand and respond to the implications of the mandatory vaccination requirement for healthcare students.

## Publications

In 2021–22 our work included production of evidence-based outputs on the most significant issues facing the higher education sector, to influence policy making, support universities to enhance positive impact, share effective approaches to common challenges and to help our members to achieve their overall missions and objectives.

These outputs included:

- [Changing the culture: sharing personal data in harassment cases](#)
- [Higher Education in Numbers](#)
- [International Facts and Figures 2021](#)
- [Global demand for UK postgraduate research degrees](#) – This brief research explores the current state of international students' demand for UK postgraduate research degrees in the UK and via UK transnational education overseas
- [International student recruitment: Why aren't we second? Part 2](#) – examines the UK's student recruitment performance and how it can become a more attractive study destination
- [Framework for programme reviews: ensuring the value of courses](#) – a framework to support universities in England to identify courses where value or quality might be a problem, and act on it
- [#CombatMisconduct: a toolkit for vice-chancellors](#) – created in partnership with AVA and NUS this toolkit support vice-chancellors and senior leaders to tackle sexual misconduct, harassment and all forms of hate within their universities
- [Lessons from the pandemic: making the most of technologies in teaching](#) – a briefing on how universities are approaching using technology in teaching and learning since the Covid-19 pandemic
- [Busting graduate job myths](#) – reveals strong employer demand for graduates whose future job prospects continue to look bright
- [Fair admissions code of practice](#) – shows the higher education sector's commitment to fair and transparent admissions practices
- [Changing the culture: tackling staff-to-student sexual misconduct](#) – guidance for universities on how to prevent and respond to these cases
- [How the climate crisis affects internationalisation](#) – the extent to which international strategies in higher education institutions are lined to and impacted by their corresponding sustainability strategies
- [The scale of UK higher education transnational education 2019–20](#)
- [The scale of UK higher education transnational education 2019–20: Welsh providers](#)
- [The scale of UK higher education transnational education 2019–20: Scottish providers](#)
- [Transnational Graduate Outcomes: A case study of the United Arab Emirates](#)
- [The costs and benefits of international higher education students to the UK economy](#) – published in partnership with HEPI with research from London Economics outlines the costs and benefits of international students to the UK economy
- [Lessons from the pandemic](#) published identifying lessons learned and good practice in harnessing the benefits of digital technology.

## Activities for members – Universities Scotland

Universities Scotland represents the Principals and Directors of Scotland's 19 higher education institutions, developing higher education policy and campaigning on issues where members have a shared interest. 2021–22 was a year of a high level of activity in a very challenging policy and funding environment. Our work to influence the policy and legislative environment included:

- 32 meetings with Cabinet Secretaries, Ministers and MPs;
- Extensive written evidence to Parliament and 5 in-person appearances at Scottish Parliament committees;
- 11 presentations of evidence to major government consultations;
- Over 40 meetings with Scottish Government on Covid management;
- Extensive day-to-day engagement with SG, SFC and key stakeholders at official level.

Some key achievements over the course of the year included:

- Presentation of what was recognised by Ministers as a well-founded case for investment in higher education in the multi-year Resource Spending Review – though the flat-cash outcome decided on by Scottish Government for most sectors apart from health and social security was a disappointing outcome.
- Re-framing of the Scottish Government's perspective on Covid management so that the need to sustain in-person learning and student welfare became more highly prioritised.
- Changes to Covid emergency legislation to ensure that Ministers do not have inappropriate continuing powers to direct institutions.
- Publication with the Mental Health Foundation of 'Thriving learners', the most extensive report on student mental wellbeing in Scotland, and deployment of the findings of that to make the case for Scottish Government Covid management that prioritises students' mental wellbeing, and for Scottish Government to build a more joined-up interaction between universities and NHS mental health services.

- Securing wide Parliamentary and governmental recognition of the sector's widening access achievements.
- Securing increased Scottish Government recognition of universities' contribution to economic growth, reflected in Scottish Government's national Strategy for Economic Transformation.
- Influencing Scottish Government's review of 'tertiary education purpose' so that it recognises, at its inception, the broad contribution of universities e.g. to the nation's international profile and the development of people with the skills and attributes to drive economic growth.
- Influencing SNG and Green Ministers to recognise universities' major contributions to green skills and a just transition to net zero.
- Influencing implementation of the SFC review of coherent provision, e.g. to mitigate the risk of it undermining the higher education quality regime.
- At an operational level, a successful move to modern and economical accommodation.

Looking ahead, some key priorities for 2022–23 are expected to be:

- Continued campaigning for as good resourcing as possible in a very constrained public funding environment, with a focus on the Scottish Budget for 2023–24.
- Securing recognition of universities as a key partner in implementing the National Strategy for Economic Transformation.
- Campaign to secure wide governmental and political recognition of universities' development of the people with the skills and attributes for success in the future economy.
- Influence on the further development of SG's 'tertiary education purpose' exercise so that it supports universities' success.
- Campaign for stretching but realistic widening access targets that include a wider range of disadvantaged learners.
- Influence Scottish Government review of school-level qualifications so that it supports fair admissions.

- Influence the development of the Scottish Government Student mental health Action Plan including resourcing for institutions' mental health services; better integration of these with those of the NHS; and a further 'Thriving Learners' survey.
- Influence the proponents of different options for Scotland's constitutional future, so that they support the success of Scottish higher education.
- Contribute to Covid public inquiry, to represent the university sector's collective responsible action during the pandemic.

## Activities for members – Universities Wales

Universities Wales also delivered across a range of priorities including securing key commitments in the Welsh Government's regulation and funding reforms and securing further support for programmes including Global Wales and the Wales Innovation Network.

- **Tertiary Education and Research (Wales) Bill:** Wales is currently undergoing wide-ranging regulatory and funding reform through the Tertiary Education and Research (Wales) Bill. Through close engagement with the Welsh Government, Senedd and stakeholders, Universities Wales secured key amendments for members including a new strategic duty for research and innovation and strengthening academic freedom and institutional autonomy within the Bill. Universities Wales also secured new safeguards for Higher Education Corporations.
- **Economic Impact of universities in Wales:** Universities Wales commissioned and launched a new analysis of the economic impact of universities in Wales which found universities generate more than £5billion of output for the Welsh economy including £661m in export earning; equivalent to 11.8% of all Welsh service sector export earnings. The report was launched in an event that included the Minister for Economy, Vaughan Gething MS
- **Higher Education funding:** Over the course of the academic year, Universities Wales secured an additional £55m for higher education. This funding was in addition to the Welsh Government's budget baseline funding for 2021–22 of £203m revenue and £10m capital.
- **Global Wales:** Universities Wales secured support for a third flagship programme – 'Global Wales III' – from Welsh Government. This funding commitment is £10.27m over the next four years.
- This year also saw the delivery and scaling up of activity through the Global Wales II+I project. This included significant engagement with India including an inward delegation of senior government officials and university academics from Telangana and Karnataka, development of the Europe strategy, the commencement of engagement in Canada, continuation of recruitment activity in the US and a successful bid to deliver Going Global Partnerships in Vietnam.
- Global Wales includes the development and promotion of the 'Study in Wales' brand. As always, market development activity has been supported by targeted Study in Wales marketing campaigns and the delivery of a range of Global Wales funded scholarships.
- **Wales Innovation Network (WIN):** through funding secured for member institutions through the Higher Education Funding Council for Wales, Universities Wales formally established the Wales Innovation Network and began delivery of WIN's programme commitments. Universities Wales also secured an additional £2m investment to support the aims of the Wales Innovation Network in building or sustaining collaborative research and innovation. This has supported 45 projects across Wales.

- **Mental health and well-being:** Universities Wales convened a working group consisting of member representatives, Colleges Wales, the National Union of Students Wales and other key partners to explore what action is needed to better support student mental health and well-being across the post-16 sector. This work led to the publication of key recommendations for Welsh Government including a focus on transitions and data-sharing. This work has led to further engagement with Welsh Government and the Senedd which will continue into the next academic year.

## Activities for members – Health

### Medical Schools Council (MSC)

The academic year 2021–22 was marked by the continued societal upheaval caused by the Covid-19 pandemic and the war in Ukraine from 24 February 2022. MSC has been widely praised for the leadership it provided to the sector and the extremely effective guidance it provided to protect patients, students and staff. Last year's annual report documented the range and effectiveness of the activities undertaken by the MSC team at the height of the crisis. Such work continued into this academic year through repeated lockdowns and issues created by the disruption to the admissions' system.

The year was also marked by extensive work with the GMC around the Medical Licensing Assessment. The proposal submitted by the MSC on behalf of all the UK medical schools was accepted by the GMC Council in June 2021. The medical schools will collectively set and administer a common test of applied knowledge to be regulated by the GMC. Plans are in hand to pilot the process over the next three years with a commitment to go live for those graduating in the academic year 2024–25.

### USS pensions reform

Our responsibilities for representing employers in the USS pensions scheme continue to be a significant workstream. The year saw the completion of the 2020 valuation and work priorities on USS include developing plans for reforms to secure the sustainability for the scheme in the longer term. Universities UK will work with the USS Trustee and UCU to (1) consider low-cost and flexible member options for members for consultation with employers and members, (2) explore alternative scheme designs including the development of a model for Conditional Indexation and to hear the views of employers and members on these options, and (3) to undertake a substantive governance review of USS. Work will also start on the next valuation due for 31 March 2023. The work to review Universities UK's role as employer representative in USS has progressed this year with positive discussions between Universities UK and UCEA and it is possible this work can be concluded by the end of 2022–23 period.

### Developing organisation capabilities

The Universities UK website was relaunched at the beginning of the year with extensive training for staff on search engine optimisation and tone of voice writing. The website performance has improved as a result of this work, from a score of 62.6 in August 2021 to 82.7 and SEO improved from 79.4 in August 2021 to 86.1. Website visits have increased since launch and external usability testing found that users understood us better after visiting the site and were motivated to return to find out more about us.

As an employer of 150 staff, we moved from home working to re-opening the offices in line with local restrictions. Staff were given the choice to work from home or the office appropriate to the work they were doing. This has meant lower take up of office space than pre-lockdown and so we have looked at alternative uses for our leased space, including a sub-let to another HE organisation who moved into Woburn House on February 2022. We have continued to be responsive and flexible in our approach to hybrid working particularly when Covid infections increased with new variants, prioritising the safety, health and wellbeing of our people.

Turnover and recruitment increased significantly in the second half of the year. Increased turnover was expected among our early career colleagues once restrictions were lifted. There has been a focus on how we can help our new colleagues develop professional relationships and get established in their new roles with the new hybrid working model. This year we ran three ‘community days’, to bring all London colleagues together in the same physical space with opportunities to work, network and socialise and these have been well received by attendees.

There was an ongoing project to upgrade the IT infrastructure. On premise servers have been migrated to the Azure cloud environment, back up processes refreshed, improvements made to monitoring and helpdesk functions and software implemented for mobile device management. We successfully retained Cyber Essentials Certification.

Financially, challenges continue with rebuilding the events and conference programme and Woburn House Conference Centre priorities to rebuild commercial income streams. Recovery was going well at the start of the year and slowed again with further restrictions introduced in December / January. As we came to the end of the year, the industrial action on the train and underground networks further impacted Woburn House Conference Centre. The financial situation was helped by the final settlement of a business interruption claim for the conference centre closure as a result of the March 2020 lockdown.

At the AGM the members approved some changes to the Articles, to better reflect the relationship with Universities Scotland as a national council of Universities UK. The final stage of this work is to update the registration with OSCR to reflect this which should be completed by the end of 2022.

## Looking forward – our priorities for 2022–23

2022–23 will be the final year of Universities UK’s Strategic Plan 2018–23: World Leading Impact. With a new CEO coming into post in September, a priority for the year ahead will be understanding member and stakeholders needs in preparation for the development of a new Strategic Plan. Operational priorities for the year ahead are:

### Promote what universities do to address economic and social disparities

- Understanding of value of universities to society and individuals
- Promote universities’ role in levelling up and the skills agenda.

### Student focus

- Student experience
- Innovation in teaching and learning
- Mental health and wellbeing
- Graduate opportunities
- Support the development of international experiences for students

### The strategic role of universities in sustainability and climate change

#### International strategy

- Security in international education
- Support for international student and staff recruitment
- Supporting the development of transnational education

#### Quality of universities

- Champion high quality and tackle low quality.
- Focus on achieving good outcomes.
- Role of MERs
- Improve public and political confidence in quality of degrees and quality assurance.
- Promote free speech and academic freedom.

#### Financial sustainability

- Protect unit of resource.
- Support for universities to drive economic growth – skills, exports, jobs.
- Develop Universities UK ‘asks’ which align universities with government’s strategic priorities.
- Post-18 reform

Creating the conditions to be a **research and innovation** superpower.

## Financial review

### Review of position at the end of the year

The statement of financial activities for the year is set out on page 25 and the balance sheet on page 26 of the financial statements.

Consolidated income and expenditure for the year and position at the end of the year are summarised in the table below.

	Unrestricted activities £'000	Restricted activities £'000	Total 2022 £'000	Total 2021 £'000
Income	9,412	8,506	17,918	13,700
Expenditure	(11,395)	(8,344)	(19,739)	(13,306)
Surplus	(1,983)	162	(1,821)	394
Transfers	11	(11)	-	-
Net movement in funds	(1,972)	151	(1,821)	394
Funds brought forward	3,065	3,508	6,573	6,179
Funds carried forward	1,093	3,659	4,752	6,573

A consolidated deficit of £1,821,000 is reported for the financial year ended 31 July 2022 of which £1,972,000 is unrestricted. £2,408,000 of this unrestricted deficit related to a debit movement on the pension deficit recovery plan provision and £54,000 to credit movements on the annual leave accrual (FRS 102 adjustments). Excluding these items, the unrestricted surplus for the year ended 31 July 2022 stood at £382,000.

- After a recruitment freeze and pay freeze for the previous year, recruitment started again and a 2% pay award from 1 August 2021.
- With further Covid restrictions in late 2021, further savings on travel and office costs were realised.
- The Woburn House Conference Centre insurance claim for business interruption in 2020 with was successful in the year, and this payment filtered through to the covenant for Universities UK.

Unrestricted income in 2022 increased on last year to £9,412,000 (2021: £8,337,000).

- Woburn House Conference Centre Ltd saw income (net of internal charges) increase from £91,000 to £944,000 with a positive year rebuilding after the Covid restrictions.
- Unrestricted subscription income increased by £194,000.
- The conference and events programmes saw improvement with the lifting of Covid restrictions and the income increased by £91,000 to £667,000 compared to £576,000 in 2021.

Restricted income of £8,506,000 was higher than the 2021 level of £5,363,000. This increase related to WIN (Welsh Innovation Network) and Global Wales activities.

The organisation's net assets were £4,752,000 at 31 July 2022 (2021: £6,573,000). The decrease in net assets is due to the increase in the USS pension deficit recovery plan provision. The increased liability was due to the extension of the term of the USS deficit recovery repayment plan from 2028 to 2038, along with an increase in the discount rate and salary inflation rates used in the calculation.

### Principal funding sources

Membership subscriptions provides 68% of the unrestricted income, and the balance comes from covenant income (10%), conference receipts (7%), grants and contracts (3%) and investment and other income (12%). This income is used principally to support charitable activities, but also the cost of charged-for goods and services. Universities UK does not fundraise from the public and is therefore not registered with the Fundraising Regulator.

### Significant events affecting financial performance and position

Covid-19 continued to have an impact on commercial income streams in the year, the operation of Woburn House Conference Centre and the events and conference program in the year with the emergence of the Omicron variant and further restrictions impacting income generation activities in December 2021 and January 2022. The industrial action on the rail networks in June and July 2022 also impacted the income of the conference centre.

### Impact of material pension liability

The deficit recovery plan for the USS pension scheme first agreed in 2017 and updated following the 2020 valuation has, as a result of Financial Reporting Standard (FRS) 102, required a provision for the extra employer pension contributions required over the life of the plan. This in turn has reduced reserves, though without any immediate impact on the cash position or on financial risk. The impact is dealt with in more detail in relation to the effect on performance against the reserves policy.

### Fixed assets

The changes to intangible and tangible fixed assets during the year are shown in notes 12 and 13 to the financial statements.

### Other interests

The long leasehold interest in Woburn House is owned by CVCP Properties plc, a business set up by the membership in 1995 for the purpose of acquiring the building. CVCP Properties plc also owns a central London residential flat which is let out at commercial rates with the revenue contributing to the annual covenant to Universities UK.

### Investment policy

Universities UK plans strategically over a five-year time horizon and budgets annually to expend substantially all anticipated unrestricted income, subject to retaining a prudent amount in reserves. It has no permanent endowment and provides for capital expenditure from unrestricted reserves.

The Board of Trustees does not consider that it is necessary to accumulate and invest income for the longer term. Its investment policy is therefore to retain surplus funds as cash and place them on bank deposit and treasury reserve at the best rate consistent with a prudent treasury management policy. As a result, the organisation does not have an ethical investment policy.

### Principal risks and uncertainties

The UK Board, supported by the Audit and Risk Committee which carries responsibility for risk management, keeps under review the strategic and operational risks facing the organisation and its subsidiaries together with the programmes and activities that help manage those risks effectively.

As a membership organisation, Universities UK's principal risk is failing to respond adequately to developments in higher education policy and funding or to its members' needs, which would risk damage to its reputation and influence and a possible loss of members and subscription revenue. Horizon scanning and member feedback mechanisms are in place to minimise and mitigate this risk and other external financial and operational risks and uncertainties.

Specifically, potential policy divisions within the membership and Universities UK's response to those are monitored via the Board, members' meetings and the Policy Networks. Operational risks include IT systems and the infrastructure of Woburn House, and strategies are in place to identify and mitigate those risks. Our statutory role as the employers' representative in the USS pension scheme brings with it risks to our reputation and resources.

### Reserves policy

The trustees have reviewed the requirements for free reserves (unrestricted reserves less any amounts designated or otherwise committed) in the light of the principal strategic and operating risks to the organisation, as outlined above. The nature and likely timing and financial impact of these risks are not considered to be either sufficiently immediate or material to warrant carrying higher reserves. Accordingly, the current target of four to six months of unrestricted expenditure is deemed appropriate as this would ensure sufficient funds are available to meet current commitments if income streams were erratic or exceptional expenditure was incurred.

Universities UK reports its results under the Charity SORP, based on revised UK Generally Accepted Accounting Practice (GAAP): FRS 102. This has a significant impact on free reserves as Universities UK has to provide for the present value of employer contributions to past service deficits in multi-employer defined benefit pension

schemes previously accounted for solely as defined contribution schemes, and the cost of untaken staff leave. The trustees have considered the impact of this and agreed to focus on cash liquidity of assets and risk, so levels of reserves would be stated before and after the provisions required under FRS 102 but using levels before for any provisions for operational and decisions making purposes.

The impact of the reporting regime has been to reduce reported unrestricted reserves by £4.4m (2021: £2.1m) and to cause Universities UK's group free reserves to be negative and therefore less than the target range of months of unrestricted expenditure. The trustees do not believe the impact of FRS 102 to be significant as most of the provision is for extra pension payments that will be made over a number of years up to 2038. These will be budgeted for and accommodated as extra expenditure for management purposes in each individual year. The remaining provision is for the cost of unused leave, lower this year as staff have used leave accumulated during the Covid-19 pandemic.

<b>Performance against reserves policy</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Total unrestricted reserves	1,068	3,066
Less: committed to fixed assets	(954)	(1,000)
Less: designated funds	(675)	(584)
Free reserves under SORP (A)	(561)	1,482
Add back: pension and annual leave liabilities	4,417	2,063
Reserves for Universities UK policy purposes (B)	3,856	3,545
Total unrestricted expenditure (non-designated) (C)	9,782	6,454
Exclude: pension and annual leave costs	(2,354)	140
Unrestricted expenditure for Universities UK policy purposes (D)	7,428	6,594
Months of expenditure expressed in reserves:		
Under SORP (12 X A / C)	0	2.8
Under Universities UK policy (12 X B / D)	6.2	6.5
Months (target)	4.0 – 6.0	4.0 – 6.0

### Political and charitable donations

The company made no political donations in the year (2021: nil). During the year, charitable donations made in lieu of buying and sending hard copy Christmas cards were £250 (2021: £261)

## Statement of Trustees' responsibilities

The trustees (who are also directors of Universities UK for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Audit information

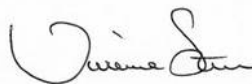
So far as each of the trustees at the time the Trustees' report is approved is aware:

- there is no relevant information of which the auditors are unaware; and
- they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Auditor

Haysmacintyre LLP has indicated its willingness to continue as auditor, subject to re-appointment at the next annual general meeting.

The Trustees' report is approved by the trustees of the charity. The Strategic report, which forms part of the Trustees' report, is approved by the trustees in their capacity as directors in company law of the Charity.



**Vivienne Stern MBE**  
Chief Executive



**Stephen Marston**  
Treasurer

11 November 2022

# Independent auditor's report to the members of Universities UK

## Opinion

We have audited the financial statements of Universities UK for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report (incorporating the Strategic report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the group and charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company'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 the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as include the Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

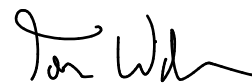
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including the calculation for the liability in respect of the pension deficit recovery plan.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson, Senior Statutory Auditor  
For and on behalf of Haysmacintyre LLP,  
Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date: 24 November 2022

# Consolidated statement of financial activities – year ended 31 July 2022

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
<b>Income from:</b>					
Donations	2	941	-	941	973
Charitable activities	3	7,351	8,459	15,810	12,443
Other trading activities	4	1,054	40	1,094	236
Investments		49	6	55	31
Other income		17	1	18	17
<b>Total</b>		<b>9,412</b>	<b>8,506</b>	<b>17,918</b>	<b>13,700</b>
<b>Expenditure on:</b>					
Raising funds		481	39	520	403
Charitable activities		10,914	8,305	19,219	12,903
<b>Total</b>	7	<b>11,395</b>	<b>8,344</b>	<b>19,739</b>	<b>13,306</b>
<b>Net income</b>		<b>(1,983)</b>	<b>162</b>	<b>(1,821)</b>	<b>394</b>
Transfers between funds	20	11	(11)	-	-
<b>Net movements in funds</b>		<b>(1,972)</b>	<b>151</b>	<b>(1,821)</b>	<b>394</b>
<b>Total funds at 1 August 2021</b>		<b>3,065</b>	<b>3,508</b>	<b>6,573</b>	<b>6,179</b>
<b>Total funds at 31 July 2022</b>	20	<b>1,093</b>	<b>3,659</b>	<b>4,752</b>	<b>6,573</b>

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

The notes on pages 28 to 51 form part of these financial statements.

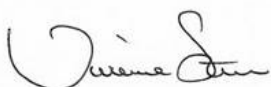
## Balance sheets – 31 July 2022

	Notes	The Group		Universities UK	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Fixed assets</b>					
Intangible fixed assets	12	110	130	99	115
Tangible fixed assets	13	283	323	255	285
Investments	14	600	600	600	600
		993	1,053	954	1,000
<b>Current assets</b>					
<b>Debtors</b>					
- due within one year		2,968	1,758	3,427	1,661
- due after more than one year		750	750	900	900
	15	3,718	2,508	4,327	2,561
Investments – short term deposits		5,594	5,587	3,994	3,987
Cash at bank and in hand		3,519	2,199	1,397	943
		12,831	10,294	9,718	7,491
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(5,054)	(3,136)	(4,548)	(2,716)
<i>Net current assets</i>		7,777	7,158	5,170	4,775
<i>Total assets less current liabilities</i>		8,770	8,211	6,124	5,775
Creditors: amounts falling due after one year	18	(4,018)	(1,638)	(4,018)	(1,638)
<b>Total net assets</b>		4,752	6,573	2,106	4,137
<b>Funds and reserves</b>					
Restricted funds		3,659	3,508	1,038	1,071
Unrestricted funds		1,068	3,066	1,068	3,066
Non-charitable trading funds		25	(1)	-	-
<b>Total funds</b>	20	4,752	6,573	2,106	4,137


Gross income for the parent charity was £15,478,000 and gross expenditure was £17,509,000, resulting in a deficit of £2,031,000 (2021: surplus of £474,000).

Approved by the Board of Directors and authorised for issue on 11 November 2022.

Signed on their behalf:



Vivienne Stern MBE  
Chief Executive



Stephen Marston  
Treasurer

Company Number: 2517018

The notes on pages 28 to 51 form part of these financial statements.

## Consolidated cash flow statement – year ended 31 July 2022

	2022 £'000	2021 £'000	
<b>a Reconciliation of net expenditure to net cash flow from operating activities</b>			
Net income for the year	(1,821)	394	
Interest income	(55)	(31)	
Depreciation and amortisation charges	141	145	
(Increase) / decrease in debtors	(1,210)	110	
Increase / (decrease) in creditors	4,298	(169)	
<b>Net cash used in operating activities</b>	<b>1,353</b>	<b>449</b>	
<b>b Statement of cash flows</b>			
Cash flows from operating activities	1,353	449	
Cash flows for investing activities			
Purchase of fixed assets	(81)	(178)	
Interest income	55	31	
<b>Net cash used in investing activities</b>	<b>(26)</b>	<b>(147)</b>	
<b>Change in cash and cash equivalents in the year</b>	<b>1,327</b>	<b>302</b>	
Cash and cash equivalents at 1 August	7,786	7,484	
Cash and cash equivalents at 31 July	9,113	7,786	
Cash and cash equivalents at 31 July is made up of:			
Investments – short term deposits	5,594	5,587	
Cash at bank and in hand	3,519	2,199	
<b>Total cash and cash equivalents</b>	<b>9,113</b>	<b>7,786</b>	
	At 1 August 2021 £'000	Cash flows £'000	At 31 July 2022 £'000
Analysis of changes in net funds:			
Cash	2,199	1,320	3,519
Cash equivalents	5,587	7	5,594
Total net funds	7,786	1,327	9,113

# Notes to the financial statements – year ended 31 July 2022

## 1. Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Universities UK meets the definition of a public benefit entity under FRS 102. It is a company limited by guarantee and is incorporated in the UK. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The consolidated financial statements incorporate the results of Universities UK and its subsidiaries, Woburn House Conference Centre Limited, Medical Schools Council and MSC Assessment. No separate Universities UK statement of financial activities has been prepared, as permitted by Section 408 of the Companies Act 2006.

### a. Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The liability in respect of the pension deficit recovery plan has been calculated using key assumptions concerning future payroll growth and the discount rate (see note 24).

### b. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees reviewed financial position, reserves levels and future plans and this has given the trustees confidence that the charity remains a going concern into the future.

### c. Income

Income from donations and grants (including government grants) is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Subscriptions are recognised over the period to which they relate.

Conference fee and other trading income is recognised on an accruals basis.

Investment income is credited in the period in which it is earned.

#### d. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributable to a particular heading, they have been allocated to activities on a basis consistent with the use of the resource.

Direct costs, including directly attributable salaries, are allocated on the basis of time to the key strategic areas of activity.

Overheads and other salaries are allocated between activities on the bases of usage, ie the same basis as expenditure incurred directly in undertaking the activity.

Governance costs are those incurred in connection with the management of Universities UK's assets, the organisation's administration and compliance with constitutional and statutory requirements.

Unconditional grants payable are charged to the statement of financial activities in the year in which they are communicated to the recipient as at that time a valid expectation has been created that the grants will be paid. Conditional grants are charged on a similar basis when conditions fall outside the control of the charity. Any unpaid amounts are shown as liabilities at the balance sheet date.

#### e. Intangible and tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Leasehold improvements assets are stated at cost less depreciation. A full year's depreciation is charged in the year the asset is brought into use and none in the year of disposal.

The rates of depreciation used per asset class were reviewed in the year, based on the company's experience of the useful life of its assets. This resulted in a change in useful lives, as shown below.

##### *Before:*

Furniture and equipment	- over four years
Office technology (including website development)	- over three years
Leasehold improvements	- over the life of the lease

##### *After:*

Furniture and equipment	- before four and ten years
Computer equipment	- over three years
Website development and IT systems	- over four years
Leasehold improvements	- over the life of the lease

Universities UK capitalisation policy is to capitalise individual assets costing over £2,500.

#### f. Investments

Investments held as fixed assets are stated at cost, as permitted by FRS 102.

#### g. Cash and cash equivalents

Surplus cash funds are held on deposit for up to a year in order to achieve a better rate of interest.

#### h. Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Liabilities are recognised on an accruals basis. Loans receivable are measured initially at fair value and are measured subsequently at amortised cost using the effective interest method.

**i. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**j. Debtors**

Short term debtors are measured at transaction price, less any impairment.

**k. Operating leases**

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the lease.

**l. Employee benefits***Short term benefits*

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

*Employee termination benefits*

Termination benefits are accounted for on an accruals basis and in line with FRS 102.

**m. Pensions**

Universities UK participates in the Universities Superannuation Scheme (USS) and Superannuation Arrangements of the University of London (SAUL).

Both these pension schemes are defined benefit, multi-employer schemes (contracted out of the State Second Pension [S2P] up until 31 March 2016), with the assets held in separate trustee-administered funds. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme.

Because of the mutual nature of the schemes, the schemes' assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. Universities UK is therefore exposed to actuarial risks associated with members employed at other participating employers in the schemes and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the schemes as if they were defined contribution schemes.

As a result, the amount charged to income and expenditure through the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

Given the mutual nature of the schemes, participating employers are not expected to be liable for any other current participating employer's obligations, but in the event of an insolvency of any participating employer within each scheme, an amount of any pension shortfall which cannot otherwise be recovered in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Since Universities UK has entered into an agreement to participate in a deficit recovery plan for USS, it now also recognises a liability under FRS 102 for the future contributions payable that arise from this agreement to the extent that they relate to the deficit and the resulting expense in the statement of financial activities.

As SAUL had a Technical Provisions surplus at 30 April 2021 there is no defined benefit liability to be recognised by Universities UK.

**n. Universities Scotland and Universities Wales**

The funds of these National Councils are included within the designated unrestricted funds of Universities UK. In line with the group reserves policy, the year end fund balances are expected to be utilised within four to six months.

## 2. Donations

CVCP Properties plc is a company owned by 100 higher education institutions, whose executive heads are members of Universities UK. The company owns two leasehold properties and the net profits from its activities are covenanted annually to Universities UK.

Covenanted income receivable during the year from CVCP Properties plc was £940,940 (2021: £973,399). Other transactions with CVCP Properties plc are included in note 26.

## 3. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000
Subscriptions from membership	6,394	4,208	10,602	6,200	2,514	8,714
Grants and contracts	290	4,251	4,541	343	2,761	3,104
Conference income	667	-	667	576	49	625
	7,351	8,459	15,810	7,119	5,324	12,443

See notes 5 and 6 for further analysis.

## 4. Other trading activities

Trading activities relate principally to Woburn House Conference Centre Ltd, a subsidiary. They are stated net of intra-group trading.

## 5. Subscriptions from membership

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000
Universities UK	5,256	411	5,667	5,115	411	5,526
Universities Scotland	647	109	756	631	60	691
Universities Wales	491	2,460	2,951	454	153	607
Medical Schools Council	-	799	799	-	720	720
MSC Assessment	-	429	429	-	433	433
Council of Deans of Health	-	-	-	-	737	737
	6,394	4,208	10,602	6,200	2,514	8,714

## 6. Grants and contracts

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000
Higher Education Funding Council for Wales *	-	2,427	2,427	-	1,174	1,174
Health Education England *	-	588	588	-	508	508
Research England *	-	566	566	-	440	440
British Council *	124	85	209	180	8	188
Scottish Government *	-	86	86	-	41	41
Scottish Funding Council *	-	69	69	-	107	107
All Party Parliamentary University Group	43	26	69	42	4	46
Department of Health & Social Care *	-	65	65	-	70	70
FCDO *	-	63	63	-	-	-
The Wellcome Trust	-	50	50	-	4	4
Conservatoires UK	14	30	44	14	29	43
Department for Business, Energy & Industrial Strategy *	-	41	41	-	94	94
Royal College of Nursing Scotland	39	-	39	-	-	-
Insight Direct UK Ltd	-	30	30	-	-	-
UK Research and Innovation *	-	25	25	-	30	30
London Higher	24	-	24	-	-	-
Office for Students *	-	23	23	-	75	75
Department for Education *	-	16	16	-	-	-
University of the West of England	14	-	14	-	-	-
HMRC *	9	-	9	86	-	86
Burdett	-	-	-	-	62	62
NCUK	-	-	-	-	15	15
European Commission	-	4	4	-	16	16
Other organisations	23	57	80	21	84	105
	290	4,251	4,541	343	2,761	3,104

\* Grants from government and government agencies.

## 7. Total resources expended

	Direct costs £'000	Support costs £'000	Total 2022 £'000	Direct costs £'000	Support costs £'000	Total 2021 £'000
Cost of raising funds	491	29	520	360	43	403
Charitable activities						
Activities for members						
Core (see split below)	13,693	2,726	16,419	7,548	2,397	9,945
Conferences	357	86	443	272	95	367
Medical & health	1,706	124	1,830	1,843	263	2,106
Exam delivery	475	52	527	417	68	485
Total activities for members	16,231	2,988	19,219	10,080	2,823	12,903
<b>Total resources expended</b>	16,722	3,017	19,739	10,440	2,866	13,306
Split of core activities						
England, NI and UK-wide	6,598	2,201	8,799	3,713	1,860	5,573
International	3,738	155	3,893	2,604	139	2,743
Universities Wales	2,612	142	2,754	526	88	614
Universities Scotland	745	228	973	705	310	1,015
<b>Total resources expended</b>	13,693	2,726	16,419	7,548	2,397	9,945

## 8. Support costs allocations

	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2022 £'000
Trading activities: costs of goods sold and other costs	7	4	11	5	2	29
<b>Charitable activities</b>						
Core	1,050	158	123	962	433	2,726
Conferences	33	5	4	30	14	86
Medical and health	52	16	3	18	35	124
Exam delivery	21	11	-	17	3	52
<b>Total resources</b>	<b>1,163</b>	<b>194</b>	<b>141</b>	<b>1,032</b>	<b>487</b>	<b>3,017</b>

	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2021 £'000
Trading activities: costs of goods sold and other costs	20	3	2	13	5	43
<b>Charitable activities</b>						
Core	1,015	148	101	767	366	2,397
Conferences	40	6	4	31	14	95
Medical and health	100	32	16	106	9	263
Exam delivery	25	5	-	21	17	68
<b>Total resources</b>	<b>1,200</b>	<b>194</b>	<b>123</b>	<b>938</b>	<b>411</b>	<b>2,866</b>

	Total 2022 £'000	Total 2021 £'000
Governance costs are made up of the following:		
Staff costs	147	151
External audit	28	24
Other professional fees	14	19
Meeting costs and expenses	5	-
	<b>194</b>	<b>194</b>

Other direct costs include:

Auditor's remuneration:

For audit services	28	27
For other services	4	8

Operating lease rentals:

Land and buildings	943	977
Office and equipment	10	8

## 9. Analysis of staff costs

	Total 2022 £'000	Total 2021 £'000
Total staff costs including full and part-time employees were:		
Wages and salaries	6,269	6,256
Social security costs	696	672
Other pension costs	4,022	1,501
Termination payments	55	8
	<b>11,042</b>	<b>8,437</b>

'Other pension costs' includes a £2,392,000 debit relating to the movement on the USS pension deficit funding liability (2021: credit of £126,000). The increase in liability is due to the extension of the term of the deficit recovery repayment plan from 2028 to 2038, along with an increase in the discount rate and salary inflation rates.

	2022 no.	2021 no.
The average number of employees throughout the year was:		
Charitable activities	116	122
Support staff	20	22
Trading activities – Woburn House Conference Centre Limited	5	4
	<b>141</b>	<b>148</b>

The number of employees whose emoluments exceeded £60,000 (excluding employer's pension contributions) was 32 (2021: 28).

	2022 no.	2021 no.
£60,001–£70,000	11	6
£70,001–£80,000	12	12
£80,001–£90,000	-	1
£90,001–£100,000	6	7
£100,001–£110,000	1	-
£120,001–£130,000	-	1
£130,001–£140,000	2	-
£150,001–£160,000	-	1

The total employer pension contributions for these staff were £511,742 (2021: £462,288).

## 10. Trustees' emoluments and emoluments of other key management personnel

No trustees received any remuneration for their services.

During the year £2,556 in travel and accommodation expenses were reimbursed to the institution of one trustee. (2021: nil).

The total employee benefits of the Senior Leadership Team who are considered to be key management personnel (in addition to trustees) was:

	2022 £'000	2021 £'000
Wages and salaries	782	764
Social security costs	93	87
Other pension costs	165	161
	<b>1,040</b>	<b>1,012</b>

The Senior Leadership comprises the Chief Executive and Directors of Policy, Member Services, Universities UK International, Communications and External Affairs, Operations, Universities Scotland and Universities Wales.

## 11. Taxation

The charity is exempt from corporation tax under Sections 466-497 of the Corporation Taxes Act 2010 as all its income is applied to charitable purposes.

## 12. Intangible fixed assets

Website development and software	Group £'000	Universities UK £'000
<b>Cost</b>		
At 1 August 2021	530	389
Additions	23	23
Assets written off	(215)	(215)
At 31 July 2022	338	197
<b>Depreciation</b>		
At 1 August 2021	400	274
Charge for year	43	39
Assets written off	(215)	(215)
At 31 July 2022	228	98
<b>Net book value</b>		
At 31 July 2022	110	99
At 31 July 2021	130	115

### 13. Tangible fixed assets

<b>Group</b>	Leasehold Improvements £'000	Furniture & Equipment £'000	Office Technology £'000	<b>Total</b> £'000
<b>Cost</b>				
At 1 August 2021	687	602	108	1,397
Additions	-	18	40	58
Written off	(160)	(58)	(76)	(294)
At 31 July 2022	527	562	72	1,161
<b>Depreciation</b>				
At 1 August 2021	426	560	88	1,074
Charge for year	64	9	25	98
Written off	(160)	(58)	(76)	(294)
At 31 July 2022	330	511	37	878
<b>Net book value</b>				
At 31 July 2022	197	51	35	283
At 31 July 2021	261	42	20	323
<b>Universities UK</b>				
<b>Cost</b>				
At 1 August 2021	687	401	79	1,167
Additions	-	18	41	59
Written off	(160)	(43)	(63)	(266)
At 31 July 2022	527	376	57	960
<b>Depreciation</b>				
At 1 August 2021	426	389	67	882
Charge for year	64	4	21	89
Written off	(160)	(43)	(63)	(266)
At 31 July 2022	330	350	25	705
<b>Net book value</b>				
At 31 July 2022	197	26	32	255
At 31 July 2021	261	12	12	285

#### 14. Investments held as fixed assets

	Total 2022 £'000	Total 2021 £'000
<b>Group and Universities UK</b>		
CVCP Properties plc ordinary shares of £1 each	50	50
CVCP Properties plc preference shares of £1 each	550	550
<b>Total</b>	<b>600</b>	<b>600</b>

CVCP Properties plc is an unquoted company and the shares are stated at cost.

#### 15. Debtors

	Group		Universities UK	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	1,627	378	1,406	160
Amounts due from subsidiary undertakings	-	-	858	305
Other debtors	968	994	968	994
Prepayments and accrued income	373	386	345	352
Loan	750	750	750	750
	<b>3,718</b>	<b>2,508</b>	<b>4,327</b>	<b>2,561</b>

The £750,000 loan is due for repayment within five years, and no later than 25 November 2026.

The loan is secured by way of a fixed charge over the Woburn House building. Interest is payable on the loan at 3% above National Westminster Bank plc base rate.

#### 16. Creditors: amounts falling due within one year

	Group		Universities UK	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	2,563	480	2,349	281
Amounts due to subsidiary undertakings	-	-	8	3
Taxation and social security	316	265	316	265
Other creditors	154	148	154	148
Accruals	948	954	734	851
Deferred income	1,073	1,289	987	1,168
	<b>5,054</b>	<b>3,136</b>	<b>4,548</b>	<b>2,716</b>

At the year end outstanding pension contributions amounted to £153,771 (2021: £147,956).

## 17. Deferred income

	Group		Universities UK	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Brought forward	1,289	1,174	1,168	1,160
Released in the year	(1,289)	(1,109)	(1,168)	(1,095)
Deferred in the year	1,073	1,224	987	1,103
Carried forward	1,073	1,289	987	1,168

Deferred income comprises membership subscriptions received in advance, grant income deferred when conditions exist which prevent recognition of the income, and income received for future events and conferences.

## 18. Creditors: amounts falling due after more than one year

	Total 2022 £'000	Total 2021 £'000
<b>Group and Universities UK</b>		
Pension deficit funding payments in relation to USS	4,018	1,638

See note 24 for further details regarding these liabilities.

## 19. Operating lease commitments

The group and company have the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Total 2022 £'000	Total 2021 £'000
<b>Group and Universities UK</b>		
Land and buildings:		
Within one year	627	413
Between one and five years	2,045	78
After five years	-	6
Office equipment:		
Within one year	3	6
Between one and five years	4	8
	2,679	511

**20. Movement in funds**

	At 1 Aug 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2022 £'000
<b>Unrestricted funds</b>					
Investment fund (see note 14)	600	-	-	-	600
Universities Scotland / Universities Wales (see note 1(n))	584	1,239	(1,613)	465	675
General funds	1,882	7,720	(9,355)	(454)	(207)
	3,066	8,959	(10,968)	11	1,068
<b>Restricted funds</b>					
Medical Schools Council	1,257	703	(680)	(4)	1,276
University Hospital Association	206	62	(90)	-	178
Dental Schools Council	159	115	(78)	(1)	195
Pharmacy Schools Council	91	88	(68)	(1)	110
Association of Dental Hospitals	18	48	(39)	-	27
Summer School	82	492	(409)	-	165
MSC Assessment	623	498	(448)	(5)	668
Council of Deans of Health	565	-	(565)	-	-
Universities UK International	-	526	(526)	-	-
Ukraine Twinning	-	63	(63)	-	-
SIEM	-	4	(4)	-	-
BEIS ODA	11	41	(52)	-	-
Mitacs	-	16	(16)	-	-
Global Wales II	144	769	(830)	-	83
Global Wales II + 1	-	1,600	(1,334)	(31)	235
Vietnam Partnership	3	45	-	31	79
India Scholarship	-	40	(30)	-	10
Universities Wales International	120	-	(5)	-	115
Welsh Innovation Network (WIN)	130	2,460	(2,113)	-	477
Welsh Governance	-	21	(21)	-	-
Civic Mission	-	12	(12)	-	-
US International	87	39	(93)	-	33
Scotland is Now	-	159	(159)	-	-
Pensions reform	-	396	(396)	-	-
KE Concordat	-	69	(68)	-	1
The Concordats review	-	75	(75)	-	-
Research development Concordat	-	79	(79)	-	-
Student MH partnerships	-	18	(18)	-	-
OFS – Analytics	-	3	(3)	-	-
Other	12	65	(70)	-	7
	3,508	8,506	(8,344)	(11)	3,659
Non-charitable trading funds	(1)	453	(427)	-	25
<b>Group – total funds</b>	<b>6,573</b>	<b>17,918</b>	<b>(19,739)</b>	<b>-</b>	<b>4,752</b>

**20. Movement in funds** continued

	At 1 Aug 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2021 £'000
<b>Unrestricted funds</b>					
Investment fund (see note 14)	600	-	-	-	600
Universities Scotland / Universities Wales (see note 1(n))	579	1,182	(1,608)	431	584
General funds	1,563	6,995	(6,247)	(429)	1,882
	2,742	8,177	(7,855)	2	3,066
<b>Restricted funds</b>					
Medical Schools Council	1,227	641	(606)	(5)	1,257
University Hospital Association	267	63	(123)	(1)	206
Dental Schools Council	123	88	(52)	-	159
Pharmacy Schools Council	84	76	(69)	-	91
Association of Dental Hospitals	22	21	(25)	-	18
Summer School	164	407	(489)	-	82
MSC Assessment	581	513	(466)	(5)	623
Council of Deans of Health	427	915	(771)	(6)	565
Universities UK International	-	515	(515)	-	-
SIEM	-	15	(15)	-	-
Short-term mobility	53	7	(60)	-	-
BEIS ODA	7	94	(90)	-	11
Global Wales II	156	1,123	(1,135)	-	144
Universities Wales International	85	20	-	15	120
WIN	-	153	(23)	-	130
Civic Mission	22	14	(36)	-	-
US International	105	89	(107)	-	87
Scotland is Now	-	60	(60)	-	-
Pensions reform	-	396	(396)	-	-
KE Concordat	41	29	(70)	-	-
The Concordats review	-	30	(30)	-	-
Student MH partnerships	-	32	(32)	-	-
OFS – Analytics	-	7	(7)	-	-
Algorithms	13	-	(13)	-	-
Other	14	55	(54)	-	15
	3,391	5,363	(5,244)	(2)	3,508
Non-charitable trading funds	46	160	(207)	-	(1)
<b>Group – total funds</b>	<b>6,179</b>	<b>13,700</b>	<b>(13,306)</b>	<b>-</b>	<b>6,573</b>

Transfers during the year between funds relate to contributions made from unrestricted monies to restricted funds for specific projects, where there are insufficient restricted funds available to meet expenditure or where the charity is committed to contributing towards projects from its own resources.

Background information on each of the restricted funds is set out below:

- The **Medical Schools Council** represents the interests and ambitions of UK Medical Schools as they relate to the generation of national health, wealth and knowledge through biomedical research and the profession of medicine
- The **University Hospital Association** promotes the unique interests of university hospitals across the UK. Its role is to represent the unique tripartite – service, teaching and research – interests of UK University Hospital Trusts in partnership with other national bodies.
- The **Dental Schools Council** represents the interests and ambitions of the UK's Dental Schools as they relate to the generation of national health, wealth and knowledge acquisition through research and the profession of dentistry.
- The **Pharmacy Schools Council** is building on the work of the Council of UK Head of Pharmacy and has benefited from being able to access increased resources through being hosted by a secretariat which also supports equivalent groups for other healthcare professionals.
- The **Association of Dental Hospitals** represents the voices of dental hospitals across the UK and Ireland.
- The **Summer School** programme is HEE funding to deliver summer schools for students from a widening participation background.
- **MSC Assessment** is a subsidiary of the Medical Schools Council set up to run medical assessment activities.
- The **Council of Deans of Health** represents the UK's university faculties engaged in education and research for nurses, midwives and allied health professionals. On the 1 August 2021, the assets, liabilities and activities of the Council of Deans of Health restricted fund were transferred from Universities UK to the Council of Deans of Health, an independent organisation (company number 12341200 and charity numbers 1186780 and SC049982).
- **Universities UK International** is the international arm of Universities UK, representing UK universities and acting in their collective interests globally. It actively promotes universities abroad, provides trusted information for and about them, and creates new opportunities for the sector.
- FCDO are providing up to £190k to support the development of the UK-**Ukraine twinning** scheme set up by the Cormack Consultancy Group.
- **SIEM** – Social Inclusion and Engagement in Mobility project relates to research into the barriers and enablers of mobility for the next Erasmus programme. This project is aimed at identifying and sharing good practice in short-term mobility programmes and will produce research to understand the impact and benefits, and identify models of good practice that will inform a digital toolkit to support universities.
- **BEIS ODA** - The Newton and Global Challenges Research Fund aims to use UK research expertise to solve developmental and global challenges through fostering research and institutional partnerships between UK universities and emerging-market countries.
- Funding has been received from the DfE to support the facilitation of the UK's expanding participation in the **Mitacs** Globalink Research Internship programme. Mitacs is a Canadian research and development funding agency.
- **Universities Wales** is the lead partner of Global Wales II and Global Wales II +1. Funding is received from HEFCW to develop existing target markets, expand into new markets and invest in the 'Study in Wales' brand domestically and internationally.

- The **Vietnam partnership** resulted in Global Wales II being matched with five partner universities in Vietnam under the Higher Education Partnerships (HEP) programme and running training programmes in Leadership and Governance and University Industry Links. HEP was rebranded as Going Global Partnerships in 2022, with Global Wales co-ordinating a new consortium project involving four Vietnamese universities and four Welsh universities.
- **India Scholarship** is a partnership commitment between British Council India and Global Wales to jointly fund 16 post graduate scholarships of £5k per scholarship, for students from Telegana in India to attend university in Wales for one year.
- The **Wales Innovation Network (WIN)** supports Welsh Universities in increasing research competitiveness. A team, hosted by Universities Wales will streamline the creation of new collaborations in research and innovation, secure additional investment through the development of collaborative bids, and raise the profile of Wales' research and innovation capabilities. WIN will receive funding over three years from HEFCW and network members (the Welsh Universities).
- The Review of **Governance in Welsh** Universities was funding to support an independent review of governance in Welsh universities, to critically examine the current arrangements, and to assist the development of a charter and revised guidance for governors.
- **Civic Mission & Community Engagement in Wales** is a programme funded by HEFCW, to identify and develop key success factors in civic mission and community engagement work in Universities in Wales and support promotion of this work to stakeholders.
- The **Universities Scotland International Unit** develops and implements policy and research on international issues on behalf of the Scottish higher education sector. This supports the 'Connected Scotland' initiative with Scottish Government, Scottish Funding Council and others for targeted international promotion of Scottish higher education.
- **Scotland is Now** is joint sector funding that supports targeted paid-for social media campaign activities in a set of focus countries to support the recruitment of international students, to increase the sector's positioning and awareness, and to extend its focus on being welcome and open.
- A restricted subscription was raised from members towards the **pensions reform** programme following from our statutory role as the employers' representative in the USS pension scheme.
- The **Knowledge Exchange Concordat** is supporting the development, improvement and promotion of good practice across the UK with a development year in England involving institutional self-assessment, submission of action plans and peer evaluation.
- The **Concordats Review** is a joint project between Universities UK, UK Research and Innovation (UKRI) and the Wellcome Trust. The project will review evidence to help stakeholders improve the ways concordats, agreements and initiatives affect research culture and environment.
- The **Researcher Development Concordat** is an agreement that sets out conditions to create the very best culture for researchers to thrive. It contains principles relating to 'Environment and Culture', 'Employment', and 'Professional and Career Development' and outlines key responsibilities for researchers, managers of researchers, institutions, and funders. Universities UK took on the secretariat role for the Concordat in 2021
- **Student MH partnerships** - exploring models of partnership between universities and NHS mental health services via five local hubs - Bristol, N London, Sheffield, Liverpool, Manchester - and a national learning collaborative. OfS funded project led by UWE [Bristol].
- **OfS - analytics** - project involving universities, sector bodies and digital business to apply digital analytics to improve student mental health & wellbeing.
- **Algorithms** covers match-funding agreed through the UK Standing Committee for Quality Assessment from the UK funders and regulators (OfS, SFC, HEFCW and DfE-NI) to undertake work on effective practice in algorithm design and a progress review of sector action on degree algorithms and wider grade inflation activity.

## 21. Allocation of net assets between funds

The net assets held for various funds are as follows:

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2022 Total £'000
Fixed assets	10	354	29	393
Investments	-	600	-	600
	10	954	29	993
Current assets	6,751	5,438	642	12,831
Current liabilities	(3,102)	(1,306)	(646)	(5,054)
Net assets	3,659	5,086	25	8,770
Long-term liabilities	-	(4,018)	-	(4,018)
<b>Group total</b>	<b>3,659</b>	<b>1,068</b>	<b>25</b>	<b>4,752</b>

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2021 Total £'000
Fixed assets	14	400	39	453
Investments	-	600	-	600
	14	1,000	39	1,053
Current assets	3,594	6,678	22	10,294
Current liabilities	(100)	(2,974)	(62)	(3,136)
Net assets	3,508	4,704	(1)	8,211
Long-term liabilities	-	(1,638)	-	(1,638)
<b>Group total</b>	<b>3,508</b>	<b>3,066</b>	<b>(1)</b>	<b>6,573</b>

## 22. Subsidiaries

### Woburn House Conference Centre Limited

The charity owns 100% of the share capital of Woburn House Conference Centre Limited, a company limited by shares (company number 03031467). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HQ.

The £2 cost of the investment has been written down to zero in the accounts of the parent company. The trading activity of Woburn House Conference Centre Limited is the management of the conference centre and meeting rooms at Woburn House. The results and financial position of Woburn House Conference Centre Limited are consolidated with those of Universities UK in preparing the consolidated accounts.

A summary of the trading results for the year ended 31 July 2022 and 2021, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown. Audited accounts have been filed with the Registrar of Companies.

	Total 2022 £	Total 2021 £
<b>Profit and loss account:</b>		
Turnover	1,023,129	91,315
Cost of sales	(291,712)	(85,515)
<b>Gross profit</b>	<b>731,417</b>	<b>5,800</b>
Administration costs	(48,418)	(49,772)
Staff costs	(144,732)	(91,975)
<b>Operating profit / (loss)</b>	<b>538,267</b>	<b>(135,947)</b>
Interest receivable	188	22
<b>Profit / (loss) on ordinary activities before taxation</b>	<b>538,455</b>	<b>(135,925)</b>
Taxation	-	-
<b>Profit / (loss) on ordinary activities after taxation</b>	<b>538,455</b>	<b>(135,925)</b>
Gift aid payment to Universities UK	(512,001)	88,556
<b>Retained profit / (losses) carried forward</b>	<b>26,454</b>	<b>(47,369)</b>
	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Balance sheet:</b>		
Fixed assets	29,087	38,926
Current assets	792,514	171,922
Creditors: amounts falling due within one year	(646,293)	(61,994)
Net current assets	146,221	109,928
Creditors: amounts falling due after one year	(150,000)	(150,000)
<b>Total net assets / (liabilities)</b>	<b>25,308</b>	<b>(1,146)</b>
Represented by:		
Share capital	2	2
Profit and loss account	25,306	(1,148)
	<b>25,308</b>	<b>(1,146)</b>

### Medical Schools Council

Universities UK is also the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular (but without limitation) medical education, research and training.

A summary of income and expenditure for the year to 31 July 2022 and 2021, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown below. Audited accounts have been filed with the Registrar of Companies.

Unrestricted funds and free reserves at 31 July 2022 were £1.3m (2021 free reserves: £1.3m) which is equal to 22 months of unrestricted expenditure (2021: 25 months). This is in line with the organisation's reserves policy.

	Total 2022 £	Total 2021 £
<b>Income and expenditure account:</b>		
Income	1,508,480	1,296,282
Expenditure	(1,370,426)	(1,369,999)
<b>Surplus / (deficit)</b>	<b>138,054</b>	<b>(73,717)</b>
<b>Balance sheet:</b>		
Assets	2,459,668	2,216,667
Liabilities	(507,439)	(402,492)
<b>Net assets</b>	<b>1,952,229</b>	<b>1,814,175</b>

### MSC Assessment

The Medical Schools Council is the parent of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of MSC Assessment are to advance medical education for the benefit of the public including, without limitation, by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training.

A summary of the income and expenditure for the year to 31 July 2022 and 2021, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year is shown below. Audited accounts have been filed with the Registrar of Companies.

	Total 2022 £	Total 2021 £
<b>Income and expenditure account:</b>		
Income	498,399	512,921
Expenditure	(453,133)	(471,404)
<b>Surplus</b>	<b>45,266</b>	<b>41,517</b>
	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Balance sheet:</b>		
Assets	742,060	737,423
Liabilities	(73,706)	(114,335)
<b>Net assets</b>	<b>668,354</b>	<b>623,088</b>

### 23. Conduit funding

	2022 £	2021 £
Funds received in advance b/fwd	-	3,269
Amount received	113,957	50,534
Amount paid out	(113,957)	(53,803)
Funds received in advance c/fwd	-	-

Amounts received and dispersed to universities on behalf of MITACS for Globalink Research Internships.

Certain trustees are Vice Chancellors of institutions in receipt of grants.

## 24. Pension

### Universities Superannuation Scheme

The appointment of directors to the Board of USS is determined by USS's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the Board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

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 adopt a statutory funding objective, which is 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%.

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. In the prior year, the deficit payments were 5% of salaries up to 30 June 2034. The USS liability is based on staff salary inflation of 2%, and a discount rate of 3.31% (2021: 2%, 0.87%).

At 31 March 2022, USS had 212,306 (2021: 203,995) members.

### Superannuation Scheme of the University of London (SAUL)

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. 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.

The funding principles were agreed by the Trustee and employers in June 2021 and will be reviewed again at SAUL's next formal valuation in 2023.

At the 31 March 2020 valuation SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience to 30 April 2021. As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and the Employers have agreed that the ongoing Employers' contributions will increase from a rate of 16%.

At 31 March 2022, SAUL had 74,428 (2021: 68,714) members.

Summary	USS	SAUL
Group contributions for the year to 31 July 2022	£1,296,986	£345,766
Active members at 31 July 2022	82	57
Group contributions for the year to 31 July 2021	£1,321,947	£318,105
Active members at 31 July 2021	82	55

## 25. Financial instruments

	2022 £	2021 £
Financial assets measured at amortised cost:		
Trade debtors	1,627	378
Cash	9,113	7,786
	<b>10,740</b>	<b>8,164</b>
Financial liabilities measured at amortised cost	<b>2,717</b>	628

Financial assets measured at amortised cost comprise trade debtors and cash.

Financial liabilities measured at amortised cost are creditors.

## 26. Related party transactions

Related party transactions are disclosed for CVCP Properties plc, Advance HE, QAA, Higher Education Statistics Agency, Universities and Colleges Admissions Service, Jisc, OIA and UCEA.

Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is the original subscribing member of the other organisations and members of Universities UK contribute to governance oversight through Board membership and other involvement. Related party transactions are at arm's length where those terms can be substantiated.

	Year ended 31 July 2022		As at 31 July 2022	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	888,696	959,910	1,732,666	307
Advance HE	-	33,319	-	-
Quality Assurance Agency	-	470	285	-
HESA	-	755	285	-
UCAS	4,141	-	-	974
JISC	-	13,495	5,000	-
OIA	-	1,190	570	-
UCEA	450	8,506	285	-
	893,287	1,017,645	1,739,091	1,281

	Year ended 31 July 2021		As at 31 July 2021	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	911,644	996,489	1,772,591	-
Advance HE	-	42,584	-	-
Quality Assurance Agency	-	6,000	-	-
	911,644	1,045,073	1,772,591	694

There were no other related party transactions.

## 27. Members

The charity is incorporated as a private company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 July 2022 there were 140 members (2021: 140).

**28. Income and expenditure by fund**

	Notes	Unre- stricted Funds 2022 £'000	Unre- stricted Funds 2021 £'000	Restricted Funds 2022 £'000	Restricted Funds 2021 £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	2	941	973	-	-	941	973
Charitable activities	3	7,351	7,119	8,459	5,324	15,810	12,443
Other trading activities	4	1,054	197	40	39	1,094	236
Investments		49	31	6	-	55	31
Other income		17	17	1	-	18	17
<b>Total</b>		<b>9,412</b>	<b>8,337</b>	<b>8,506</b>	<b>5,363</b>	<b>17,918</b>	<b>13,700</b>
<b>Expenditure on:</b>							
Raising funds		481	366	39	37	520	403
Charitable activities		10,914	7,696	8,305	5,207	19,219	12,903
<b>Total</b>	7	<b>11,395</b>	<b>8,062</b>	<b>8,344</b>	<b>5,244</b>	<b>19,739</b>	<b>13,306</b>
<b>Net (expenditure) / income</b>		<b>(1,983)</b>	<b>275</b>	<b>162</b>	<b>119</b>	<b>(1,821)</b>	<b>394</b>
Transfers between funds		11	2	(11)	(2)	-	-
<b>Net movements in funds</b>		<b>(1,972)</b>	<b>277</b>	<b>151</b>	<b>117</b>	<b>(1,821)</b>	<b>394</b>
<b>Total funds at 1 August</b>		<b>3,065</b>	<b>2,788</b>	<b>3,508</b>	<b>3,391</b>	<b>6,573</b>	<b>6,179</b>
<b>Total funds at 31 July</b>		<b>1,093</b>	<b>3,065</b>	<b>3,659</b>	<b>3,508</b>	<b>4,752</b>	<b>6,573</b>

# Legal and administrative information

**Principal and Registered Office**

Woburn House  
20 Tavistock Square  
London  
WC1H 9HQ

**Bankers**

National Westminster Bank plc  
PO Box 83  
Tavistock House  
Tavistock Square  
London  
WC1H 9XA

Universities UK also has two regional offices:

**Universities Scotland**

20 Potterrow  
Edinburgh  
EH8 9BL

**Solicitors**

Bates Wells & Braithwaite  
10 Queen Street Place  
London  
EC4R 1AG

**Auditors**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Universities Wales**

Regus House  
Falcon Drive  
Cardiff  
CF10 4RU

**Registered Charity in England No.** 1001127

**Registered Company No.** 2517018

Universities UK is the collective voice of 140 universities in England, Scotland, Wales and Northern Ireland.

Our mission is to create the conditions for UK universities to be the best in the world; maximising their positive impact locally, nationally and globally.

Universities UK acts on behalf of universities, represented by their heads of institution.



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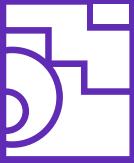
**UNIVERSITIES UK**

England & Wales - Charity number 1001127

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# Accounts

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Universities  
UK

# Annual report and consolidated financial statements

Year ended 31 July 2021

Charity Number: 1001127  
Company Number: 2517018

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# Trustees' report

The trustees present their report and the financial statements for Universities UK for the year ended 31 July 2021.

## Name and membership

The name of the charity and company is Universities UK. Universities UK is the representative organisation for the UK's universities. Its members are the executive heads of UK university institutions who have met the criteria for membership agreed by the Board of the company. It currently has 140 members. Membership is voluntary and members are represented both at the UK level and through Universities Scotland and Universities Wales.

The objectives of Universities UK as set out in its Articles of Association are:

- To promote and provide facilities for discussion and consultation between representatives of university institutions in the UK, on any matters affecting or relevant to the university sector of higher education in the UK.
- To formulate policies on any matters affecting or relevant to the university sector of higher education in the UK.
- To represent the university sector of higher education in the UK and to conduct dealings and to liaise with the government, any local, national or other institutions, authorities, agencies, bodies or persons, wheresoever in the world situated.
- To provide information, advice and assistance to universities within the UK, or any of their representatives, on any aspect of educational affairs, including administrative and financial matters relating to or connected with education.
- To take any steps (including without prejudice to the generality of the foregoing the issue, maintenance, financing and enforcement of legal proceedings) for the purpose of protecting the interest, reputation or good standing of the universities or the university sector of higher education in the UK or the integrity of any degree, diploma or other awards issued by universities in the UK.

## Mission and main activities

The mission of Universities UK is to create the conditions for UK universities to be the best in the world, maximising their positive impact locally, nationally and globally. Services and activities include research and policy development, lobbying of government and influential stakeholders, dissemination of information to members and the wider public using all forms of media, conferences and events, and national and international networking activity.

## Public benefit

All of Universities UK's activities are ultimately carried out for the wider public benefit of creating and maintaining a world-class higher education sector that benefits students, the UK economy, the UK's educational and research standing in the world and the wider social good. Collectively, the institutions led by the members of Universities UK demonstrate their wide social and economic contribution through the delivery of research, teaching, expertise and training. Higher education is available to all with the ability to benefit, regardless of their economic circumstances. The benefits of this activity to the UK are considerable. UK Universities played a significant role in the research, medical and civic response to the Covid-19 pandemic.

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. In delivery of its services and activities, Universities UK has fully supported its members, and assisted them to achieve their public benefit goals.

## Trustees

Following the Governance Review the Board is reducing to 21 members through retirement of the 7 elected policy network replaced by 4 policy leads. For the year 2020–21 the Board comprised 22 Directors and for the next year the reduction will be complete with a Board of 21 Directors. The Board are directors of the company and trustees of the charity, elected or appointed from among its members. Those appointed for the year to 31 July 2021 were as follows:

Professor Julia Buckingham CBE	President 2019–2021, further term 2021–2022 as appointed member
Professor Colin Bailey CBE	
Professor Liz Barnes CBE	
Professor Dame Janet Beer DBE	
Professor Paul Boyle CBE	
Professor Chris Day	
Professor Graham Galbraith *	
Professor Jenny Higham	
Professor Debra Humphris	
Professor Sir Chris Husbands	
Professor Paul Layzell DL	Treasurer
Professor Julie Lydon OBE *	Chair, Universities Wales & Vice-President Wales
Professor Sally Mapstone	
Professor Sir Gerry McCormac	Convener, Universities Scotland & Vice-President Scotland
Professor Quintin McKellar CBE	Vice-President England and Northern Ireland
Professor Edward Peck CBE	
Professor David Phoenix OBE *	
Professor Rama Thirunamachandran	
Dr Paul Thompson	
Professor Wendy Thomson CBE	
Professor Adam Tickell	
Professor Shearer West CBE	

\* *Term of office ended 31 July 2021*

The following were also members of the UK Board on the date this report was approved:

Professor Steven West CBE	Appointed 1 August 2021 President 2021-2023
Professor Elizabeth Treasure	Appointed 1 August 2021 Chair, Universities Wales & Vice-President Wales

No member of the UK Board had a beneficial interest in any contract with the company. Board members are elected by the vice-chancellors of the member universities or nominated by the Governance and Nominations Committee.

## Chief Executive

Alistair Jarvis

## Structure, governance and management

### Organisational structure of the company

#### Universities UK

Universities UK is a company limited by guarantee with the registered number 2517018, governed by its Articles of Association adopted in December 2020. It is a charity with the registered number 1001127. Its principal offices are in Bloomsbury, London.

#### Universities Scotland

In Scotland (where it operates from its Edinburgh office under the name Universities Scotland), Universities UK is registered as a charity with the registered number SC029163.

#### Universities Wales

In Wales (where it operates from its Cardiff office under the name Universities Wales), Universities UK is part of the charity with the registered number 1001127.

### Structure of subsidiary companies

#### Woburn House Conference Centre Ltd

Universities UK owns 100% of the share capital of Woburn House Conference Centre Limited (company number 3031467) whose business is the operation of the conference facilities at Woburn House. Income generated from the activity of the centre is covenanted to Universities UK.

#### Medical Schools Council

Universities UK is the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular medical education, research and training. Its Board of Directors is elected from its own members.

#### MSC Assessment

The Medical Schools Council is the holding member of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The objects of MSC Assessment are to advance medical education for the benefit of the public including by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training. Its Board of Directors is elected from members of the Medical Schools Council.

The results and financial position of Woburn House Conference Centre Limited, the Medical Schools Council and MSC Assessment are consolidated with those of Universities UK in preparing its consolidated financial statements. Separate results are shown in note 22 to the financial statements.

#### CVCP Properties plc

CVCP Properties plc is not a subsidiary of Universities UK but is considered to be a related party. Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is a major tenant of CVCP Properties plc in Woburn House.

#### Restricted funds

The restricted funds managed by Universities UK include the Council of Deans of Health (to 1 August 2021) and parts of Universities UK International funds (operating units of Universities UK). Medical Schools Council and its various funds (a subsidiary) and MSC Assessment (a sub-subsidiary) are also restricted funds in Universities UK's consolidated financial statements. Further details on the objectives, activities and financial performance of all restricted funds are given in notes 20 and 22 to the financial statements.

#### Relationship with higher education sector agencies

Universities UK is the original subscribing member of various UK higher education sector agencies including Advance HE, Higher Education Careers Service Unit, Higher Education Statistics Agency, Office of the Independent Adjudicator, Quality Assurance Agency, UCAS, Universities and Colleges Employers Association and Jisc.

## Governance and decision-making

### Non-executive directors/trustees

The Board of Trustees comprises up to 21 members and meets five times a year as a minimum. The President, elected by the members, serves a two-year term. The Chairs of Universities Scotland and Universities Wales are members of the Universities UK Board, serving as Vice-Presidents alongside an elected Vice-President for England and Northern Ireland.

### Induction and training of trustees

New trustees receive information supporting their induction, which includes relevant Charity Commission documents on the role of a trustee, a copy of the Universities UK Articles of Association and the Strategic Plan. It is the aim of the organisation to update trustees and members on any new legislation that may affect the governance of the charity and to offer on-going support through additional training when required.

### Board sub-committees

Universities UK has six standing committees: Board Advisory, Resources, Audit and Risk, Governance and Nominations, Membership and Remuneration. Four policy lead roles on the Board lead on key policy issues of the UK higher education agenda in line with the organisation's strategic priorities. Membership of committees is made up of a combination of Universities UK Board members and Universities UK members. The Resources, Audit and Risk and Remuneration also have an independent member appointed through a competitive recruitment process.

### Arrangements for setting pay and remuneration

Member input and support to the work of Universities UK is on a non-remunerated basis.

The pay and remuneration of executive management is set by a Remuneration Committee, which comprises Universities UK members chaired by the Treasurer and includes an independent member. The pay and remuneration levels for all other staff grades is negotiated with the recognised union, Prospect, as part of the recognition agreement.

### Executive management

The Chief Executive leads a Senior Leadership Team comprising the Directors of Policy, Member Services, Universities UK International, Communications and External Affairs, Operations, Universities Scotland and Universities Wales.

Members of Universities UK contribute to governance oversight of these bodies through Board membership and other involvement, alongside interaction between Universities UK staff and staff of the bodies concerned. Transactions between Universities UK and these sector agencies are disclosed in note 26 to the financial statements.

## Charity Governance Code

Universities UK governance has been reviewed against the Charity Governance Code. Universities UK is committed to applying good practice where possible and explaining where it is not aligned, and the reasons for this or changes that are being planned. The Code is applied in the context of Universities UK being a relatively small membership organisation of 140 members, with most of the Board elected by and from its membership. This prompts challenges in achieving the full recommendations of principle 6 (diversity) and the composition recommendations in principle 5 (Board effectiveness).

### Principle 1 – organisational purpose

2020–21 was the third year of the strategic plan for 2018–23: World Leading Impact. The review of Governance Effectiveness concluded that Universities UK's objects as set out in its Articles of Association are fit for purpose and are consistent with the mission, vision and strategy. Board has oversight of the management of resources ensuring that the allocation is linked to operational plans in pursuit of strategic objectives and therefore overall organisational purpose.

### **Principle 2 – leadership**

The Board is led by the President, supported by a Board Advisory Committee. Across the Board and Committee there are robust debates leading to an agreed direction for the officers and staff to follow. 2020–21 was the second year of the President’s two-year term, and elections took place in the year for President and other vacant Board posts as members come to the end of their terms. The President has oversight of CEO performance.

### **Principle 3 - integrity**

Board and Board Advisory Committee members declare all conflicts of interest at every meeting and will absent themselves from discussions as required. Through its sub-committee structures the Board has oversight of issues such as finances, HR practices, procurement, data security and integrity, safeguarding and remuneration to make sure that the charity operates responsibly in line with its own ethics and values.

### **Principle 4 – decision making, risk and control**

The Board have oversight of finance, performance and risk through its sub-committee structure and Board meeting agendas. The Audit and Risk Committees considers risk at each meeting. The Board are presented with the strategic risk registers at every meeting and have a full discussion on risk once a year, or more often if significant changes occur. All sub-committees have Terms of Reference established which are approved by the Board. As a result of the Covid-19 crisis, the Board has met more frequently through the year as required and established several subgroups to work on specific issues.

### **Principle 5 – Board effectiveness**

15 out of 21 Board members are elected from the membership by the membership. There are agreed lengths of time for Board members to serve, and they are subject to re-election when those terms expire. It is unusual for terms to exceed nine years, but possible if members are elected to different roles on the Board or they have specific expertise or responsibilities relevant to the Board’s deliberations and the organisation’s strategic priorities.

By 31 July 2021, Professor Dame Janet Beer DBE (President and chair of the Board from 2017-19) had served 12 years in a number of different elected roles and is now elected by the membership for a further 3-year term starting 1 August 2020 as Policy Lead for International. The average length of service among Board members is 3.5 years.

### **Principle 6 – equality, diversity and inclusion**

Much of the Board (15 members) are elected from and by the membership, therefore there is a limit to the number and diversity of potential candidates. The remaining positions are ‘nominated members’ identified by the Governance and Nominations Committee and approved by the Board. The nominated positions are selected using a matrix of skills, experience, knowledge, background and institution. The Governance Effectiveness review found that “... as far as it can within the constraints of an elected Board, Universities UK takes reasonable steps to ensure that diversity in its widest sense is prioritised and implemented”.

### **Principle 7 – openness and accountability**

The Board and Executive team make every effort to engage with the full membership and give all members opportunities to participate in the setting the direction of work for the charity through regular member meetings, roundtable events, VC dinners with the senior team and task and finish groups. The Chief Executive host monthly Teams calls for groups of 15-20 members, to which all members are invited, to discuss current issues. Members of the senior team also regularly speak one-to-one with members and visit universities, meeting with members of their senior teams.

## Strategic report

### Strategic aims

2020–21 represented the third year of Universities UK's five-year-strategic plan: **2018–23, World Leading Impact**. The long-term, strategic objectives are:

- **Opportunity:** Anyone with the will and potential to succeed, no matter their background, has the opportunity to transform their lives through accessing an outstanding academic experience at a UK university.
- **Impact:** UK universities are demonstrably world-leading in the production and application of knowledge and skills through research, teaching and innovation, evidencing significant economic, social, cultural and civic impact and contributing materially to society.
- **Trust:** Through demonstrating positive impact on students' lives, economic growth, public services and civil society, UK universities enjoy widespread public trust and political support.
- **Global universities:** UK universities are global leaders in international education and research, educating a significant proportion of globally mobile students, demonstrating increased levels of high impact international research collaboration; and achieving increases in outwardly mobile students and students registered on UK programmes overseas.
- **Autonomy:** UK universities are free to make autonomous decisions and adopt strategies according to their diverse missions and the needs of their students and communities, while taking collective responsibility for the quality of leadership and governance in higher education and benefiting from stable and sustainable funding that enables them to maximise their positive impact.
- We will continue to **develop our organisational capabilities** to ensure that we are making the most of our members, our people, our external profile, our resources and our work.

These aims are achieved through the delivery of activities to members in England, Northern Ireland, Scotland and Wales to support their domestic and international activities, and institutions providing higher education in medical and health. Our work is organised through annual programme plans, detailing our short-term objectives.

**During 2020–21** the Covid-19 crisis has been a dominant theme with the unpredictable trajectory or the pandemic continuing to cause significant challenges for Universities UK members, their students, and staff. Over the year, Universities UK has progressed multiple Covid-19 related workstreams.

Despite Covid-19, Universities UK has made significant progress across a wide range of other policy areas including issues relating to admissions reform, quality, research, regulation, funding, tackling harassment and international students. We have supported the sector through a seismic change – the UK's exit from the European Union – helping universities plan for a range of scenarios and securing continued participation in Horizon Europe as an associated country.

We have continued to engage more regularly than ever with members via multiple channels and our latest member survey found high levels of satisfaction and positive sentiment on Universities UK's value for money (with 100% of members expressing positive sentiment about the organisation's value for money). The survey will be critical in informing our priorities, activities and actions for 2021–22 as the sector looks to maximise its role in the nation's post-pandemic recovery.

### Activities for members – England, Northern Ireland, UK wide and International

Our activities include policy research, analysis and development, relationship building, lobbying and advocacy, communications with the media, public and stakeholders and development and delivery of services to our members.

Members are at the heart of our work and keeping members informed, connected with their peers and stakeholders and campaigning and lobbying on their behalf are priorities. Engagement with members stepped up significantly as we supported them with the implications of Covid-19. This included briefing emails from the CEO to members, emails to senior institutional teams with a roundup of developments, over 60 group calls (via Microsoft Teams) led by the CEO with Vice-Chancellors (typically in groups of c20) to update and seek feedback on developing issues and more than 100 electronic updates. On an individual basis we matched Vice-Chancellors in mentoring relationships and supported mid-term and new Vice-Chancellors coming into role during the year through peer-to-peer learning and support.

Following a comprehensive Governance Review in 2018, we have now completed the implementation of all its recommendations. The changes to the Articles were agreed at the December 2020 AGM, a new subcommittee structure (including a new governance and nominations committee) and other governance effectiveness enhancements are in place and the Board has now been reduced from 24 to 21 members. Throughout the Covid-19 crisis the Board and Board Advisory Committee has met more frequently to respond effectively to the volatile situation.

Universities UK has secured a significant amount of parliamentary engagement in the year with 174 written and oral questions in parliament on issues of interest to our members and 81 positive references to Universities UK's work from parliamentarians and government. There have been very regular meetings with ministers, advisors and peers throughout the year, across a number of relevant departments. The **All-Party Parliamentary Universities Group**, which Universities UK provides the secretariat for, has thrived with a membership of 90 universities, 41 MPs and 12 peers.

Using print, broadcast and social media, we disseminated information to members and the wider public. There were 764,000 unique visitors to the

Universities UK website and 25,000 unique visitors to the USS employer's website. Three significant campaigns ran in the year, 'We Are Together' to promote universities' work to support the national effort, 'Getting Results' to highlight the work of universities in the economic and social recovery from Covid-19 and '2020 Made Us' which aimed to boost the confidence of university students.

The #WeAreTogether international recruitment campaign achieved significant success, reassuring 67% of prospective international students to continue with plans to study in the UK ahead of the 2020-21 academic year, winning the 'Marketing Campaign of the Year' category at the PIEoneer Awards 2021. The trustees were delighted that Vivienne Stern, Universities UK International's Director won the 'Outstanding Contribution to the Industry' PIEoneer Award. Universities UK's International Higher Education Forum (IHEF), which took place in April, has also been shortlisted for 'Best Leadership Event' and 'Best International Event' at the International Corporate Event (ICE) Awards.

Events and conferences remain an important channel for sharing information and good practice across the sector and providing opportunities for higher education staff and partners to network. After continued restrictions on in-person events our conferences moved online with considerable success attracting a broad range of speakers, paying delegates and sponsorship. There were 46 online events delivered with 8,870 delegates in the year. Topics covered included Political Affairs, Employability and Skills, Enhancing the Student Experience, Global Wales and the successful annual International Higher Education Conference.

Universities UK International worked to secure support for international students post-Brexit and to minimise the negative impacts of Covid-19 on the sector's international activities. Universities UK International continues to source and administer international opportunities for students and researchers via the UKIERI Mobility Programme: Study in India, the Mitacs-UK Globalink Research Internship Programme and the Newton Fund. The post study work route for international graduates from UK degree programmes was launched giving them the opportunity to stay in the UK to develop their future career and skills.

A full report on our international activities can be found in the **Universities UK International Annual Report 2020/21**.

## Key outcomes in 2020–21

As a result of the activities in the year Universities UK achieved the following:

### Post-18 reforms

Developed a comprehensive political, evidence-gathering, impact modelling and influencing strategy in advance of government consultations on funding reforms (expected in autumn 2021). Secured positive commitments on the introduction of a lifelong loan entitlement in the Skills and Post-16 Education Bill.

### Brexit priorities

Supported universities to plan for various Brexit scenarios including a potential no deal. Secured association to Horizon Europe as part of the EU UK Trade and Cooperation Agreement and additional funding to support this participation.

### Internationalism post-Brexit

Shaped the UK Government's revised International Education Strategy and influenced the details of the newly established Turing Scheme. The Department for Education announced that over 120 universities, as well as over 200 schools and colleges, have been successful in their bids for funding under the new Turing scheme. This will allow more than 40,000 students to study across the globe, and 48% of places will go to those from disadvantaged backgrounds.

### Strengthened member engagement

Enhanced our member engagement across a range of channels and activities securing high levels of member satisfaction in the Universities UK members' survey. Through Members Meetings, secured access to influential speakers and contributors including Professor Chris Whitty, Sir Patrick Valance, Michelle Donelan MP, Gavin Williamson MP

### Tackling the climate emergency

Established a task and finish group to maximise sector action in responding to the climate emergency in advance of COP26. Over two-thirds of members have participated in roundtables leading to the production of Universities UK wide policy positions to strengthen the collective voice of our members on how the higher education sector is responding to the climate emergency and what further action will be taken beyond COP26.

### Addressing wider societal issues

Continued our high-profile work to tackle all forms of harassment and hate crime including sharing good practice and publishing new recommendations on tackling racial harassment and a **briefing to tackle antisemitism** heavily informed by the Union of Jewish Students and the Community Security Trust. The guidance forms part of our ongoing programme of work to support the sector in addressing harassment in all forms, building upon the **'Changing the culture'** framework.

### Admissions

Supported universities through a challenging A-level results period in summer 2020. Spent the year working on the challenges for the 2021 results, influencing UCAS' decision on 2021 exams and timetabling of results in England so they were informed by universities' views.

Published recommendations from the Universities UK Fair Admissions Review and set out the sector's views in response to the Government's consultation on Post-Qualification Admissions. In England, UCAS has agreed a long-term commitment with the DfE to access individual-level free school meals data for English 18- and 19-year-old applicants this summer (2021 applicants) and for future admissions cycles. This is a positive step for widening access and contextual admissions that we called for in our Fair Admissions Review.

### Managing the risks associated with international partnerships

Published new guidance intended to support universities, enabling them to protect themselves, their staff and students, and manage risks associated with internationalisation, amidst intensified international strategic competition and political polarisation and backlash against globalisation.

### Political influence

Expanded our political influence with regular ministerial meetings, the highest levels of membership of the All-Party Parliamentary University Group, regular parliamentary mentions and a 91% increase in the number of parliamentary questions secured on key issues for our members.

### Free speech and academic freedom

Free speech and academic freedom continue to feature on the political agenda. Universities UK has convened an Advisory Group to help shape our response to the Free Speech (Higher Education) Bill.

### Placing universities at the heart of recovery, skills, knowledge and opportunity

Universities have played a key role in helping the nations, economy and communities respond to the immediate challenges of Covid-19, building upon and deepening local partnerships. The publication of an ambitious and compelling vision for UK higher education places universities at the heart of efforts to create a more equal, healthier, and sustainable future. In September 2020 Universities UK published a report commissioned by the Industrial Strategy Council illustrating the contribution of further and higher education to the UK's prosperity.

### Value

Publication of a progress review on behalf of the UK Standing Committee for Quality Assessment on universities' efforts to protect the value of their qualifications. Formation of a Universities UK advisory group to develop a charter to demonstrate the sector's commitment to consistency and transparency in processes to tackle low value courses.

### Supporting creative arts

The work supporting the small and specialist institutions continues with the Specialist Institutions Forum (SIF) and Conservatoires UK continuing to meet and tailoring policy responses and the Covid-19 response to their specific needs.

- Through a successful joint lobbying effort, the specialist institution forum and Conservatoires UK were able to ensure Creative art students were part of the first tranche to return to in person tuition in April.
- SIF members have been able to work collectively across all disciplines (art, science and business) on a variety of programmes including the Universities UK's quality and standards charter and Universities UK's Harassment Guidance.
- This past year Conservatoires UK have been involved in Universities UK's Mission Group sharing good practice and raising issues in relation to DfE guidance on Covid.

### Research and innovation

Secured extensive sector support for the Knowledge Exchange Concordat. Shaped the development of the government's Innovation Strategy and championed the role of universities in driving innovation. Taken on the secretariat role for the Researcher Development Concordat and supported the Research Integrity Concordat annual forum.

### Governance and membership

In the year Universities UK welcomed three new member institutions. Following the 2018 Governance Review, revised Articles of Associations were adopted at the AGM and the changes to the Board completed finalising the recommendations from the review. Extra Board meetings convened to discuss the significant issues for the sector in the year, the pandemic and USS.

## Responding to Covid-19

Throughout the pandemic, we have organised and prioritised work focusing on gathering evidence and arguments from members and stakeholders, liaising with UK government departments, and coordinating efforts to secure support for institutions and students. Key outcomes include:

- Positively influenced decisions on a range of policy interventions including the start of the academic year and the return of students to campus following the winter lockdown.
- Secured critical visa concessions including an extension to the date by which international students must be in the UK to apply for the Graduate route.
- Progressed high-impact campaigns to promote universities' work and initiatives to support the national Coronavirus effort (#WeAreTogether) and to place universities at the heart of economic and social recovery post-pandemic (#GettingResults).
- Implemented an award-winning international confidence campaign (#WeAreTogether) to reassure prospective international students to continue with their plans to study at a UK university.
- Developed resources to help universities support students affected by Covid-19 including a webinar series on student mental health, an updated self-isolation checklist, guidance on international student hardship and a briefing on student behaviours.
- Secured extensive national media coverage across a range of Covid-related issues including student returns, testing, hardship, and financial sustainability.
- Secured and shaped the detail of a range of government interventions on financial stability including access to a £2.4bn package of support for research and innovation, steps to reduce home admissions volatility and measures to relieve cash-flow challenges.
- Secured £85 million additional funding (England) to support students experiencing hardship.
- Secured £13million funding within the NHS England/Improvement Mental Health Winter Plan to improve statutory mental health services for students.
- Provided frequent updates to inform members of key developments [via fortnightly CEO Newsletters, a Covid Bulletin for planning and communications leads, 90+ email updates and 60 VC group calls] and regular opportunities for members to flag emerging issues requiring action.
- Influenced government decisions on asymptomatic testing including the roll-out of asymptomatic testing sites and home testing initiatives in higher education providers.
- Improved national and local outbreak response, tracing and support for those needing to self-isolate with particular focus on the relationship between universities and local public health via a series of webinars.
- Gathered substantive and compelling evidence (including via regular engagement with the ONS) to influence government policy on key COVID-19 issues from student hardship to student returns.
- Obtained access to key influencers including Chief Medical Officer Professor Chris Whitty, Executive Chair of NHS Test and Trace Dido Harding and Chief Scientific Adviser, Sir Patrick Vallance.
- Established a task and finish group to maximise the role of universities in the nation's economic and social recovery from Covid-19.
- Worked with NHS England/Improvement to shape the roll-out of the mass vaccination programme to student populations in England including cross border issues.
- Secured widespread political support and frequent parliamentary interventions (including PQs and Urgent Questions) on Covid-issues affecting universities.
- Progressed work to support Year 13 students transitioning into higher education in autumn 2021 including promoting available support to school and college leaders, sharing sector practice, and linking to the work led by the former Education Recovery Commissioner, Sir Kevan Collins.

- Influenced the regulatory landscape being applied to universities during the pandemic.
- Identified and addressed Covid challenges for international students including the organisation of charter flights and responding to concerns around international student hardship.

## Publications

In 2020–21 our work included production of evidence-based outputs on the most significant issues facing the higher education sector, to influence policy making, support universities to enhance positive impact, share effective approaches to common challenges and to help our members to achieve their overall missions and objectives. These outputs included:

- **Managing risks in Internationalisation: Security related issues** - guidance to support institutional leaders to better protect themselves, their staff, and students from security-related risks. The guidance assists them to protect the values of UK higher education while better understanding and managing risks associated with international partnerships.
- **Fair Admissions Review recommendations** - following an 18-month independent review and comprehensive analysis of the evidence involving extensive polling and consultation with students, schools, colleges, recent graduates, employers and education sector groups.
- **#2020MadeUs** - Universities UK launches campaign to boost confidence among university students.
- A commitment to students' wellbeing - **Checklist** to guide universities that are supporting students who are self-isolating, building on **previous guidance** published to reaffirm and clarify the action universities should consider to best support students' physical, mental and emotional wellbeing.
- **Tackling racial harassment in higher education** – a new set of recommendations designed to decisively tackle racial harassment in UK higher education.
- **Tackling antisemitism: a practical guide for universities** - a briefing to raise awareness of antisemitism and suggest practical actions that universities can take to tackle the issue.
- **Universities and the UK's economic recovery: an analysis of future impact** – a new report predicting that thousands of jobs, new businesses, and prosperity will be created across the UK through university collaborations with employers, local government, and other partners.
- **Universities boosting academic skills and wellbeing of Year 13s** – case studies of work universities are doing to support the education and wellbeing of Year 13s transitioning to higher education in the autumn.
- **International student recruitment: Why aren't we second?** – identifying how the UK can enhance its international student performance.
- **Five ways to stabilise EU/EEA demand following the introduction of the new points-based system** – a briefing document considering the biggest changes to EU/EEA student recruitment in a generation.
- **International Facts and Figures 2020** – annual snapshot of the international dimensions of UK higher education.
- **Future international partnerships: putting the UK at the heart of global research and innovation collaboration** – wide-ranging set of policy recommendations to enable UK universities to grow and diversify their international research and innovation collaborations.
- **The scale of UK higher education transnational education 2018-19** – the fourth edition of the series using data from the Higher Education Statistics Agency to analyse the complex story of UK TNE delivery, including regional breakdowns.
- **Higher education and UK trade policy** – report asking what treatment of UK higher education will be most appropriate and beneficial to the sector in the UK's forthcoming discussions on free trade agreements.

- **Transnational routes to on-shore UK higher education** – helping the UK education sector better understand the progression of overseas students from programmes delivered overseas onto first degree programmes delivered in the UK.
- **Building the global reputation and delivery of UK transnational online higher education** – summary of recommendations from a transnational education task and finish group.
- **Post-Brexit immigration rules in Europe** – a report commissioned to help universities' international offices in their work of sending students abroad, as well as researchers who have to visit these countries for their research.
- **Supporting international student financial hardship: guidance for universities** – points to consider when dealing with international student hardship and examples of best practice already undertaken within higher education institutions.
- **Internationalisation at home: developing global citizens without travel** – showcasing impactful programmes, benefits and good practice.
- **Two years on: ongoing impact of the 2018/19 Rutherford Fund Strategic Partner Grants**
- **Short-term mobility, long-term impact: inclusive international opportunities of less than four weeks** – supported by case studies and focus groups drawn from universities across the UK, this report reviews impact and benefits of short-term mobility programmes and identifies models of good practice.

## Activities for members - Universities Scotland

Universities Scotland represents the Principals and Directors of Scotland's 19 higher education institutions, developing higher education policy and campaigning on issues where members have a shared interest. 2020–21 was another extraordinary year for Universities Scotland, dominated by continued management of the Covid emergency and positioning universities as a force that will drive post-pandemic recovery.

Key achievements over the year include:

- Ensuring that universities could operate as far as was consistent with the Scottish Government's very cautious approach to management of Covid risks: this required continued intensive engagement to inform successive iterations of Scottish Government guidance to institutions.
- Intensive media relations work to represent the sector's interests during controversy about the impact of the pandemic on student welfare.
- A Scottish Budget outcome representing a £123.2m (11.4%) increase in Scottish Government funding for higher education.
- Influence on manifestos before the Scottish parliament elections, leading to election of a Scottish Government with a specific manifesto commitment to sustainable funding for higher education.
- Post-election building of relationships with new Ministers and opposition higher education spokespeople.
- Further progress in widening access to higher education, through publication of a joint report with Colleges Scotland on action to develop learners' pathways from college to university, and creation of a joint university/ college group to drive this forward.
- A new campaign, 'Skills+', to promote the ways in which universities develop graduates with a wide range of skills and attributes for success in the future economy.
- A strong Scottish front in the Universities UK 'Getting Results' campaign, positioning Scotland's universities as key drivers of post-pandemic recovery.

- Profound influence on the Scottish Funding Council's review of higher education, leading to publication of a report that strongly affirms universities' contribution to the recovery and challenges government to support that.

## Activities for members - Universities Wales

As well as supporting Welsh universities throughout the pandemic and working collaboratively with Welsh Government in tackling the challenges posed by Covid-19, Universities Wales also delivered across a range of priorities including the 2021 election, international activity, research collaboration and civic mission.

- **Welsh Parliament election 2021:** Ahead of the Welsh Parliament election in May 2021, Universities Wales delivered the **Building Wales' Future** campaign which set out universities' ambitions for Wales and the ways in which universities could support the Senedd and Welsh Government in tackling the challenges Wales faces.
- As part of this campaign, roundtables were hosted for VCs with key figures from political parties in Wales. Engagement activity saw commitments secured across manifestos including on research investment and the expansion of degree apprenticeships.
- **International Learning Exchange (ILE) and Global Wales:** In March 2021, the Welsh Government announced a £65m international mobility scheme to support the inward and outward mobility of students, staff and researchers across universities, FE, schools, adult education and youth work settings. The programme will run from 2022-2026. The ILE announcement also included support for significant growth of the 'Global Wales' programme over the same period.
- Despite the pandemic, this year has seen Global Wales go from strength to strength. In November 2020, a Memorandum of Understanding was signed between the governments of Wales and Telangana State, India. This was followed by the launch of new Wales-Telangana scholarships and a successful bid led by Bangor and Aberystwyth universities to deliver a curriculum development project for the state. We are also seeing an increase in university-to-university partnerships in Vietnam as well as some very significant gains in applications from the US. Global Wales recently adopted the European Union as its fourth priority market.
- **Wales Innovation Network:** In October 2020, Universities Wales published 'Strength in Diversity' by Professor Graeme Reid which recommended that the university sector in Wales establish a new initiative to deliver a step change in the depth and breadth of Wales' collaborative research and innovation activity.
- Since then, universities in Wales committed to establishing the Wales Innovation Network (WIN) and Universities Wales secured funding from the Higher Education Funding Council for Wales to do so. Universities Wales is now working to establish and support WIN.
- **Student mental health and well-being:** Student mental health and well-being has been a key priority for Universities Wales and was the focus of two meetings of the Welsh Parliament's cross party group for universities. Following these meetings, Universities Wales has undertaken collaborative work with the post-16 sector in Wales to identify principles that could underpin a post-16 education mental health strategy.
- Universities Wales was also successful in securing additional funding to support student well-being during the pandemic through an additional allocation of £40 million from Welsh Government.
- **Civic Mission:** In January 2021, Universities Wales launched the Civic Mission Framework: a new tool to support universities in delivering significant economic and social benefits by connecting more closely with communities across Wales. The first of its kind in the UK, and the first in the world to have all universities in a nation signed up to it, the Framework was developed by Wales' Civic Mission Network.
- Launched at a Civic Mission Showcase event that including a keynote by the then Minister for Education, Kirsty Williams MS, the Framework marked a key point in the delivery of Universities Wales' Civic Mission Project. Universities Wales continues to support the Civic Mission Network in implementing and building upon this work.

## Activities for members - Health

### The Council of Deans of Health

As in 2019–20, the sector's response to Covid heavily influenced the Council's policy work, with key achievements in the following areas:

- **Securing significant new public capital investment for simulation to support education:** following sustained lobbying by the Council, in March the Department of Health and Social Care (DHSC) announced up to £15m of new funding to support simulation in education. In the same month and following a successful proposal by our members in Scotland, Scottish Government allocated £3.8m to develop and support simulated healthcare placements, with additional funding earmarked to support student supervision in practice.
- **Creating a simple and inclusive method of allocation for new simulation funding:** in an unprecedented step, the Council partnered with Health Education England (HEE) to allocate public funding to our members. We were also able to ensure all healthcare faculties received a meaningful amount of funding whilst allocating more to larger providers and ensuring allied health student numbers were taken into consideration in a scheme originally designed for nursing. This approach has been popular with members and HEE, who commended us for our involvement in this work.
- **Negotiating the redeployment of students in England to support Covid:** in January, the Council was able to draw on lessons learnt during Spring and Summer 2020 to co-design a system that provided local and regional flexibility as well as student choice within a university-led model. Our negotiations were based on a clear position statement approved by our members following internal consultation. Members and students have reported fewer problems with this round of deployment. January's policy and engagement activities were dominated by these important operational developments.

- **Achieving regulatory flexibility for our members:** working with the Nursing and Midwifery Council (NMC), we secured renewed flexibility in the student support and supervision regulations, which has helped to ease pressure on practice during the second wave of the pandemic. We successfully lobbied for an increased use of simulation in practice education. An additional recovery standard, which allows for 300 extra hours of simulation, was introduced.

On the 1 August 2021, Council of Deans of Health successfully completed the transition to be an independent organisation. The trustees of Universities UK wish the Council every success as an independent organisation.

### Medical Schools Council (MSC)

The academic year 2020–21 was marked by the continued societal upheaval caused by the Covid-19 pandemic. MSC has been widely praised for the leadership it provided to the sector and the extremely effective guidance it provided to protect patients, students and staff. Last year's annual report documented the range and effectiveness of the activities undertaken by the MSC team at the height of the crisis. Such work continued into this academic year through repeated lockdowns and issues created by the disruption to the admissions' system.

The year was also marked by extensive work with the GMC around the Medical Licensing Assessment. The proposal submitted by the MSC on behalf of all the UK medical schools was accepted by the GMC Council in June 2021. The medical schools will collectively set and administer a common test of applied knowledge to be regulated by the GMC. Plans are in hand to pilot the process over the next three years with a commitment to go live for those graduating in the academic year 2024–25.

## USS pensions reform

Universities UK has a legal responsibility to represent employers within the USS pensions scheme. This year saw work to progress the 2020 valuation process. This included sector-wide formal consultation with USS Employers on a range of issues and reform options.

## Universities UK as an employer

As an employer of c145 staff, we prioritised the support for staff to work at home in the year and wellbeing, making offices available to access when possible in line with local restrictions. Financially this has been a challenging year with the loss of the covenant from Woburn House Conference Centre, so there were vacancy freezes in place and cuts to non-pay budget lines. The staff group have proved themselves resilient and flexible despite the challenges and the rapidly changing work priorities and the trustees and wider membership are grateful for their hard work and commitment. In July 2021 there was a staff survey, among the highlights include a 98% positive response to the question 'this organisation cares about its employees' and 92% of respondents recommending Universities UK as a good place to work.

## Looking forward - our priorities for 2021-22

2021-22 will be the penultimate year of Universities UK's Strategic Plan 2018-23: World Leading Impact. The long term, strategic objectives for the next five years are as outlined on in the strategic report. Support for the sector around Covid-19 recovery will continue, other priorities for the year ahead are:

**Promote** what universities do for the economy and recovery:

- Understanding of value of universities to society and individuals
- Address the perception of universities being elitist of little benefit to some people, local communities, and jobs prospects.

## Student focus

- Student voice
- Student experience
- Learning
- Mental health and wellbeing
- Graduate opportunities

## The strategic role of universities in sustainability and climate change

International strategy

- Position of UK post Brexit
- International student recruitment during the pandemic recovery period

## Quality of universities

- Champion high quality and tackle low quality.
- Focus on achieving good outcomes.
- Role of MERs
- Improve public and political confidence in quality of degrees and quality assurance.

## Spending review outcomes

- Protect unit of resource.
- Support for universities to drive economic growth – skills, exports, jobs.
- Develop Universities UK 'asks' which align universities with government's strategic priorities.
- Post-18 reforms, including development of the Lifelong Loan Entitlement
- Creating the conditions to be a research and innovation superpower.

Creating the conditions to be a **research and innovation** superpower.

## Financial review

### Review of position at the end of the year

The statement of financial activities for the year is set out on page 25 and the balance sheet on page 26 of the financial statements.

Consolidated income and expenditure for the year and position at the end of the year are summarised in the table below.

	Unrestricted activities £'000	Restricted activities £'000	Total 2021 £'000	Total 2020 £'000
Income	8,337	5,363	13,700	14,063
Expenditure	(8,062)	(5,244)	(13,306)	(13,707)
Surplus	275	119	394	356
Transfers	2	(2)	-	-
Net movement in funds	277	117	394	356
Funds brought forward	2,788	3,391	6,179	5,823
Funds carried forward	3,065	3,508	6,573	6,179

A consolidated surplus of £394,000 is reported for the financial year ended 31 July 2021 of which £277,000 is unrestricted. £112,000 of this unrestricted surplus related to a credit movement on the pension deficit recovery plan provision and £28,000 to credit movements on the annual leave accrual (FRS 102 adjustments). Excluding these items, **the unrestricted surplus for the year ended 31 July 2021 stood at £137,000.**

- There was a recruitment freeze during the year and no annual pay award in order to manage anticipated reductions in Woburn House Conference Centre revenue.
- Savings in excess of budget were made in travel and meetings costs due to Covid-19.
- Savings in excess of budget were made in establishment costs as staff worked from home for the majority of the year.

Unrestricted income in 2021 was down £712,000 year-on-year at £8,337,000 (2020: £9,049,000).

- Woburn House Conference Centre Ltd saw income (net of internal charges) decrease by £760,000, from £851,000 to £91,000.
- Unrestricted subscription income increased by £52,000 and included the addition of three new members.
- The conference and events programmes saw income broadly maintained raising £576,000 compared to £550,000 in 2020.

Restricted income of £5,363,000 was higher than the 2020 level of £5,014,000.

The organisation's net assets were £6,573,000 at 31 July 2021 (2020: £6,179,000). A high proportion of these are represented by cash.

**Principal funding sources**

Membership subscriptions provides 74% of the unrestricted income, and the balance comes from covenant income (12%), conference receipts (7%), grants and contracts (4%) and investment and other income (3%). This income is used principally to support charitable activities, but also the cost of charged-for goods and services. Universities UK does not fundraise from the public and is therefore not registered with the Fundraising Regulator.

**Significant events affecting financial performance and position**

Covid-19 had a significant impact on income in the year. Continued restrictions on trading with the Health Protection (Coronavirus, Business Closure) (England) Regulations 2020 meant that Woburn House Conference Centre did not trade for most of the year, with limited activity after restrictions on indoor gatherings were relaxed in May 2021. There was considerable focus on costs in the year, with vacancy and pay freeze, cuts to non-pay lines and the benefit of savings from continued closure of offices, no business travel and using the Coronavirus Job Retention Scheme.

**Impact of material pension liability**

The deficit recovery plan for the USS pension scheme first agreed in 2017 and updated following the 2018 valuation has, as a result of Financial Reporting Standard (FRS) 102, required a provision for the extra employer pension contributions required over the life of the plan. This in turn has reduced reserves, though without any immediate impact on the cash position or on financial risk. The impact is dealt with in more detail in relation to the effect on performance against the reserves policy.

**Fixed assets**

The changes to intangible and tangible fixed assets during the year are shown in notes 12 and 13 to the financial statements.

**Other interests**

The long leasehold interest in Woburn House is owned by CVCP Properties plc, a business set up by the membership in 1995 for the purpose of acquiring the building. CVCP Properties plc also owns a central London residential flat which is let out at commercial rates with the revenue contributing to the annual covenant to Universities UK.

**Investment policy**

Universities UK plans strategically over a five-year time horizon and budgets annually to expend substantially all anticipated unrestricted income, subject to retaining a prudent amount in reserves. It has no permanent endowment and provides for capital expenditure from unrestricted reserves.

The Board of Trustees does not consider that it is necessary to accumulate and invest income for the longer term. Its investment policy is therefore to retain surplus funds as cash and place them on bank deposit and treasury reserve at the best rate consistent with a prudent treasury management policy. As a result, it is not appropriate for the organisation to adopt an ethical investment policy.

**Principal risks and uncertainties**

The UK Board, supported by the Audit and Risk Committee which carries responsibility for risk management, keeps under review the strategic and operational risks facing the organisation and its subsidiaries together with the programmes and activities that help manage those risks effectively.

As a membership organisation, Universities UK's principal risk is failing to respond adequately to developments in higher education policy and funding or to its members' needs, which would risk damage to its reputation and influence and a possible loss of members and subscription revenue. Horizon scanning and member feedback mechanisms are in place to minimise and mitigate this risk and other external financial and operational risks and uncertainties.

Specifically, potential policy divisions within the membership and Universities UK's response to those are monitored via the Board, members' meetings and the Policy Networks. Operational risks include IT systems and the infrastructure of Woburn House, and strategies are in place to identify and mitigate those risks. Our statutory role as the employers' representative in the USS pension scheme brings with it risks to our reputation and resources. In the coming year there will be financial risk as we rebuild our commercial income streams following closures due to Coronavirus restrictions on trading.

### Reserves policy

The trustees have reviewed the requirements for free reserves (unrestricted reserves less any amounts designated or otherwise committed) in the light of the principal strategic and operating risks to the organisation, as outlined above. Despite uncertainty as a result of Covid-19, the nature and likely timing and financial impact of these risks are not considered to be either sufficiently immediate or material to warrant carrying higher reserves. Accordingly, the current target of four to six months of unrestricted expenditure is deemed appropriate as this would ensure sufficient funds are available to meet current commitments if income streams were erratic or exceptional expenditure was incurred.

Universities UK reports its results under the Charity SORP, based on revised UK Generally Accepted Accounting Practice (GAAP): FRS 102. This has a significant impact on free reserves as Universities UK has to provide for the present value of employer contributions to past service deficits in multi-employer defined benefit pension schemes previously accounted for solely as defined contribution schemes, and the cost of untaken staff leave. The trustees have considered the impact of

this and agreed to focus on cash liquidity of assets and risk, so levels of reserves would be stated before and after the provisions required under FRS 102 but using levels before for any provisions for operational and decisions making purposes.

The impact of the reporting regime has been to reduce reported unrestricted reserves by £2m (2020: £2.2m) and to cause Universities UK's group free reserves to be less than the target range of months of unrestricted expenditure. The trustees do not believe the impact of FRS 102 to be significant as most of the provision is for extra pension payments that will be made over a number of years up to 2028. These will be budgeted for and accommodated as extra expenditure in each individual year. The remaining provision is for the cost of unused leave, higher this year due to delays in taking annual leave as a result of lockdown but we are confident that these balances will be used in the next six months.

The trustees have identified 2021–22 income as a risk and approved a budget based on assumptions which will end the year within the reserves policy. The trustees will monitor performance through the year and take appropriate measures to avoid a significant drop in reserves.

Performance against reserves policy	2021 £'000	2020 £'000
Total unrestricted reserves	3,066	2,742
Less: committed to fixed assets	(1,000)	(955)
Free reserves under SORP (A)	2,066	1,787
Add back: pension and annual leave liabilities	2,063	2,203
Reserves for Universities UK policy purposes (B)	4,129	3,990
Total unrestricted expenditure (C)	8,062	8,138
Exclude: pension and annual leave costs	140	1,096
Unrestricted expenditure for Universities UK policy purposes (D)	8,202	9,234
Months of expenditure expressed in reserves:		
Under SORP (12 X A / C)	3.0	2.6
Under Universities UK policy (12 X B / D)	6.0	5.2
Months (target)	4.0 – 6.0	4.0 – 6.0

### Political and charitable donations

The company made no political donations in the year (2020: nil). During the year, charitable donations made in lieu of buying and sending hard copy Christmas cards were £261 (2020: £320).

## Statement of Trustees' responsibilities

The trustees (who are also directors of Universities UK for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Audit information

So far as each of the trustees at the time the Trustees' report is approved is aware:

- there is no relevant information of which the auditors are unaware; and
- they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Auditor

Haysmacintyre LLP has indicated its willingness to continue as auditor, subject to re-appointment at the next annual general meeting.

The Trustees' report is approved by the trustees of the charity. The Strategic report, which forms part of the Trustees' report, is approved by the trustees in their capacity as directors in company law of the Charity.



**Alistair Jarvis**  
Chief Executive



**Professor Paul Layzell**  
Treasurer

5 November 2021

# Independent auditor's report to the members of Universities UK

## Opinion

We have audited the financial statements of Universities UK for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2021 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report (incorporating the Strategic report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the group and charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company'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 the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as include the Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.


A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson, Senior Statutory Auditor  
For and on behalf of Haysmacintyre LLP,  
Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date: 18 November 2021

# Consolidated statement of financial activities for the year ended 31 July 2021

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
<b>Income from:</b>					
Donations	2	973	-	973	982
Charitable activities	3	7,119	5,324	12,443	12,055
Other trading activities	4	197	39	236	945
Investments		31	-	31	65
Other income		17	-	17	16
<b>Total</b>		8,337	5,363	13,700	14,063
<b>Expenditure on:</b>					
Raising funds		366	37	403	591
Charitable activities		7,696	5,207	12,903	13,116
<b>Total</b>	7	8,062	5,244	13,306	13,707
<b>Net income</b>		275	119	394	356
Transfers between funds	20	2	(2)	-	-
<b>Net movements in funds</b>		277	117	394	356
<b>Total funds at 1 August 2020</b>		2,788	3,391	6,179	5,823
<b>Total funds at 31 July 2021</b>	20	3,065	3,508	6,573	6,179

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

The notes on pages 28 to 52 form part of these financial statements.

## Balance sheets – 31 July 2021

	Notes	The Group		Universities UK	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Fixed assets</b>					
Intangible fixed assets	12	126	26	111	9
Tangible fixed assets	13	327	394	289	346
Investments	14	600	600	600	600
		<b>1,053</b>	<b>1,020</b>	<b>1,000</b>	<b>955</b>
<b>Current assets</b>					
<b>Debtors</b>					
- due within one year		1,758	1,868	1,661	2,086
- due after more than one year		750	750	900	750
	15	<b>2,508</b>	<b>2,618</b>	<b>2,561</b>	<b>2,836</b>
Investments – short term deposits		5,587	5,152	3,987	3,552
Cash at bank and in hand		2,199	2,332	943	897
		<b>10,294</b>	<b>10,102</b>	<b>7,491</b>	<b>7,285</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(3,136)	(3,038)	(2,716)	(2,672)
<i>Net current assets</i>		<b>7,158</b>	<b>7,064</b>	<b>4,775</b>	<b>4,613</b>
<i>Total assets less current liabilities</i>		<b>8,211</b>	<b>8,084</b>	<b>5,775</b>	<b>5,568</b>
Creditors: amounts falling due after one year	18	(1,638)	(1,905)	(1,638)	(1,905)
<b>Total net assets</b>		<b>6,573</b>	<b>6,179</b>	<b>4,137</b>	<b>3,663</b>
<b>Funds and reserves</b>					
Restricted funds		3,508	3,391	1,071	921
Unrestricted funds		3,066	2,742	3,066	2,742
Non-charitable trading funds		(1)	46	-	-
<b>Total funds</b>	20	<b>6,573</b>	<b>6,179</b>	<b>4,137</b>	<b>3,663</b>

Gross income for the parent charity was £11,742,000 and gross expenditure was £11,268,000, resulting in a surplus of £474,000 (2020: surplus of £795,000).

Approved by the Board of Directors and authorised for issue on 5 November 2021.

Signed on their behalf:



**Alistair Jarvis**  
Chief Executive



**Paul Layzell**  
Treasurer

Company Number: 2517018

The notes on pages 28 to 52 form part of these financial statements.

# Consolidated cash flow statement – year ended 31 July 2021

	2021 £'000	2020 £'000	
<b>a Reconciliation of net expenditure to net cash flow from operating activities</b>			
Net income for the year	394	356	
Interest income	(31)	(65)	
Depreciation and amortisation charges	145	135	
Decrease in debtors	110	796	
Decrease in creditors	(169)	(1,394)	
<b>Net cash used in operating activities</b>	<b>449</b>	<b>(172)</b>	
<b>b Statement of cash flows</b>			
<b>Cash flows from operating activities</b>	<b>449</b>	<b>(172)</b>	
<b>Cash flows for investing activities</b>			
Purchase of fixed assets	(178)	(94)	
Interest income	31	65	
<b>Net cash used in investing activities</b>	<b>(147)</b>	<b>(29)</b>	
<b>Change in cash and cash equivalents in the year</b>	<b>302</b>	<b>(201)</b>	
<b>Cash and cash equivalents at 1 August</b>	<b>7,484</b>	<b>7,685</b>	
<b>Cash and cash equivalents at 31 July</b>	<b>7,786</b>	<b>7,484</b>	
Cash and cash equivalents at 31 July is made up of:			
Investments – short term deposits	5,587	5,152	
Cash at bank and in hand	2,199	2,332	
<b>Total cash and cash equivalents</b>	<b>7,786</b>	<b>7,484</b>	
	At 1 August 2020 £'000	Cash flows £'000	At 31 July 2021 £'000
Analysis of changes in net funds:			
Cash	2,332	(133)	2,199
Cash equivalents	5,152	435	5,587
Total net funds	7,484	302	7,786

# Notes to the financial statements – year ended 31 July 2021

## 1. Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Universities UK meets the definition of a public benefit entity under FRS 102. It is a company limited by guarantee and is incorporated in the UK. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The consolidated financial statements incorporate the results of Universities UK and its subsidiaries, Woburn House Conference Centre Limited, Medical Schools Council and MSC Assessment. No separate Universities UK statement of financial activities has been prepared, as permitted by Section 408 of the Companies Act 2006.

### a. Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The liability in respect of the pension deficit recovery plan has been calculated using key assumptions concerning future payroll growth and the discount rate (see note 24).

### b. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees have considered the impact of the Covid-19 pandemic, reviewed financial position, reserves levels and future plans and this has given the trustees confidence that the charity remains a going concern into the future.

### c. Income

Income from donations and grants (including government grants) is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Subscriptions are recognised over the period to which they relate.

Conference fee and other trading income is recognised on an accruals basis.

Investment income is credited in the period in which it is earned.

**d. Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributable to a particular heading, they have been allocated to activities on a basis consistent with the use of the resource.

Direct costs, including directly attributable salaries, are allocated on the basis of time to the key strategic areas of activity.

Overheads and other salaries are allocated between activities on the bases of usage, ie the same basis as expenditure incurred directly in undertaking the activity.

Governance costs are those incurred in connection with the management of Universities UK's assets, the organisation's administration and compliance with constitutional and statutory requirements.

Unconditional grants payable are charged to the statement of financial activities in the year in which they are communicated to the recipient as at that time a valid expectation has been created that the grants will be paid. Conditional grants are charged on a similar basis when conditions fall outside the control of the charity. Any unpaid amounts are shown as liabilities at the balance sheet date.

**e. Intangible and tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Leasehold improvements assets are stated at cost less depreciation. A full year's depreciation is charged in the year the asset is brought into use and none in the year of disposal.

Depreciation has been calculated at the following annual rates, in order to write off each asset over its estimated useful life.

Furniture and equipment	- over four years
Office technology (including website development)	- over three years
Leasehold improvements	- over the life of the lease

Universities UK capitalisation policy is to capitalise individual assets costing over £2,500.

**f. Investments**

Investments held as fixed assets are stated at cost, as permitted by FRS 102.

**g. Cash and cash equivalents**

Surplus cash funds are held on deposit for up to a year in order to achieve a better rate of interest.

**h. Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Liabilities are recognised on an accruals basis. Loans receivable are measured initially at fair value and are measured subsequently at amortised cost using the effective interest method.

**i. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**j. Debtors**

Short term debtors are measured at transaction price, less any impairment.

**k. Operating leases**

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the lease.

**l. Employee benefits**

*Short term benefits*

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

*Employee termination benefits*

Termination benefits are accounted for on an accruals basis and in line with FRS 102.

**m. Pensions**

Universities UK participates in the Universities Superannuation Scheme (USS) and Superannuation Arrangements of the University of London (SAUL).

Both these pension schemes are defined benefit, multi-employer schemes (contracted out of the State Second Pension [S2P] up until 31 March 2016), with the assets held in separate trustee-administered funds. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme.

Because of the mutual nature of the schemes, the schemes' assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. Universities UK is therefore exposed to actuarial risks associated with members employed at other participating employers in the schemes and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the schemes as if they were defined contribution schemes.

As a result, the amount charged to income and expenditure through the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

Given the mutual nature of the schemes, participating employers are not expected to be liable for any other current participating employer's obligations, but in the event of an insolvency of any participating employer within each scheme, an amount of any pension shortfall which cannot otherwise be recovered in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Since Universities UK has entered into an agreement to participate in a deficit recovery plan for USS, it now also recognises a liability under FRS 102 for the future contributions payable that arise from this agreement to the extent that they relate to the deficit and the resulting expense in the statement of financial activities.

As SAUL had a Technical Provisions surplus at 30 April 2021 there is no defined benefit liability to be recognised by Universities UK.

**n. Universities Scotland and Universities Wales**

The funds of these National Councils are included within the designated unrestricted funds of Universities UK. Universities Scotland is a recognised body in Scotland and separate accounts for it are prepared and filed with the Office of the Scottish Charity Regulator.

## 2. Donations

CVCP Properties plc is a company owned by 100 higher education institutions, whose executive heads are members of Universities UK. The company owns two leasehold properties and the net profits from its activities are covenanted annually to Universities UK.

Covenanted income receivable during the year from CVCP Properties plc was £973,399 (2020: £981,888). Other transactions with CVCP Properties plc are included in note 26.

## 3. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000
Subscriptions from membership	6,200	2,514	<b>8,714</b>	6,148	2,250	8,398
Grants and contracts	343	2,761	<b>3,104</b>	382	2,584	2,966
Conference income	576	49	<b>625</b>	550	141	691
	<b>7,119</b>	<b>5,324</b>	<b>12,443</b>	<b>7,080</b>	<b>4,975</b>	<b>12,055</b>

See notes 5 and 6 for further analysis.

## 4. Other trading activities

Trading activities relate principally to Woburn House Conference Centre Ltd, a subsidiary. They are stated net of intra-group trading.

## 5. Subscriptions from membership

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000
Universities UK	5,115	411	<b>5,526</b>	5,063	402	5,465
Universities Scotland	631	60	<b>691</b>	631	-	631
Universities Wales	454	153	<b>607</b>	454	-	454
Medical Schools Council	-	720	<b>720</b>	-	762	762
MSC Assessment	-	433	<b>433</b>	-	393	393
Council of Deans of Health	-	737	<b>737</b>	-	693	693
	<b>6,200</b>	<b>2,514</b>	<b>8,714</b>	<b>6,148</b>	<b>2,250</b>	<b>8,398</b>

## 6. Grants and contracts

	Unrestricted Funds £'000	Restricted Funds £'000	<b>Total 2021 £'000</b>	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000
Higher Education Funding Council for Wales *	-	1,174	<b>1,174</b>	-	1,046	1,046
Health Education England *	-	508	<b>508</b>	-	441	441
Research England *	-	440	<b>440</b>	-	370	370
British Council *	180	8	<b>188</b>	198	100	298
Scottish Funding Council *	-	107	<b>107</b>	-	123	123
Department for Business, Energy & Industrial Strategy *	-	94	<b>94</b>	63	166	229
HMRC *	86	-	<b>86</b>	38	-	38
Office for Students *	-	75	<b>75</b>	-	71	71
Department of Health & Social Care *	-	70	<b>70</b>	-	49	49
Burdett	-	62	<b>62</b>	-	62	62
All Party Parliamentary University Group	42	4	<b>46</b>	42	6	48
Conservatoires UK	14	29	<b>43</b>	12	23	35
Scottish Government *	-	41	<b>41</b>	-	42	42
UK Research and Innovation *	-	30	<b>30</b>	-	-	-
NCUK	-	15	<b>15</b>	-	25	25
European Commission	-	16	<b>16</b>	-	21	21
UPP Foundation	-	-	<b>-</b>	-	24	24
Other organisations	21	88	<b>109</b>	29	15	44
	<b>343</b>	<b>2,761</b>	<b>3,104</b>	<b>382</b>	<b>2,584</b>	<b>2,966</b>

\* Grants from government and government agencies.

## 7. Total resources expended

	Direct costs £'000	Support costs £'000	Total 2021 £'000	Direct costs £'000	Support costs £'000	Total 2020 £'000
<b>Cost of raising funds</b>	360	43	<b>403</b>	567	24	591
<b>Charitable activities</b>						
<b>Activities for members</b>						
Core (see split below)	7,548	2,397	<b>9,945</b>	7,209	2,437	9,646
Conferences	272	95	<b>367</b>	466	93	559
Medical & health	1,843	263	<b>2,106</b>	1,567	250	1,817
Exam delivery	417	68	<b>485</b>	958	136	1,094
<b>Total activities for members</b>	<b>10,080</b>	<b>2,823</b>	<b>12,903</b>	<b>10,200</b>	<b>2,916</b>	<b>13,116</b>
<b>Total resources expended</b>	<b>10,440</b>	<b>2,866</b>	<b>13,306</b>	<b>10,767</b>	<b>2,940</b>	<b>13,707</b>
<b>Split of core activities</b>						
England, NI and UK-wide	3,713	1,860	<b>5,573</b>	3,402	1,954	5,356
International	2,604	139	<b>2,743</b>	2,595	124	2,719
Universities Wales	526	88	<b>614</b>	527	100	627
Universities Scotland	705	310	<b>1,015</b>	685	259	944
<b>Total resources expended</b>	<b>7,548</b>	<b>2,397</b>	<b>9,945</b>	<b>7,209</b>	<b>2,437</b>	<b>9,646</b>

## 8. Support costs allocations

	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2021 £'000
Trading activities: costs of goods sold and other costs	20	3	2	13	5	43
<b>Charitable activities</b>						
Core	1,015	148	101	767	366	2,397
Conferences	40	6	4	31	14	95
Medical and health	100	32	16	106	9	263
Exam delivery	25	5	-	21	17	68
<b>Total resources</b>	<b>1,200</b>	<b>194</b>	<b>123</b>	<b>938</b>	<b>411</b>	<b>2,866</b>

	Premises £'000	Govern- ance £'000	Deprecia- tion £'000	Finance, HR, IT £'000	Other £'000	Total 2020 £'000
Trading activities: costs of goods sold and other costs	11	2	1	7	3	24
<b>Charitable activities</b>						
Core	1,021	159	80	748	429	2,437
Conferences	39	6	3	29	16	93
Medical and health	80	31	16	85	38	250
Exam delivery	33	5	-	30	68	136
<b>Total resources</b>	<b>1,184</b>	<b>203</b>	<b>100</b>	<b>899</b>	<b>554</b>	<b>2,940</b>

	Total 2021 £'000	Total 2020 £'000
Governance costs are made up of the following:		
Staff costs	151	149
External audit	24	23
Other professional fees	19	29
Meeting costs and expenses	-	2
	<b>194</b>	<b>203</b>

	<b>Total 2021 £'000</b>	<b>Total 2020 £'000</b>
Other direct costs include:		
Auditor's remuneration:		
For audit services	27	26
For other services	8	6
Prior year fees: other services	-	-
Operating lease rentals:		
Land and buildings	977	1,033
Office and equipment	8	10

## 9. Analysis of staff costs

	<b>Total 2021 £'000</b>	Total 2020 £'000
Total staff costs including full and part-time employees were:		
Wages and salaries	6,138	6,246
Social security costs	672	669
Other pension costs	1,627	332
	<b>8,437</b>	<b>7,247</b>

'Other pension costs' includes a £126,000 credit relating to the movement on the USS pension deficit funding liability (2020: credit of £1,264,000).

	<b>Total 2021 £'000</b>	Total 2020 £'000
The average number of employees throughout the year was:		
Charitable activities	122	121
Support staff	22	20
Trading activities – Woburn House Conference Centre Limited	4	4
	<b>148</b>	<b>145</b>

The number of employees whose emoluments exceeded £60,000 (excluding employer's pension contributions) was 28 (2020: 28).

	<b>2021 no.</b>	2020 no.
£60,001 - £70,000	6	9
£70,001 - £80,000	12	10
£80,001 - £90,000	1	3
£90,001 - £100,000	7	4
£120,001 - £130,000	1	1
£150,001 - £160,000	1	-
£160,001 - £170,000	-	1

The total employer pension contributions for these staff were £462,288 (2020: £453,998).

## 10. Trustees' emoluments and emoluments of other key management personnel

No trustees received any remuneration for their services.

During the year no travel and accommodation expenses were reimbursed to trustees (2020: one trustee - £120).

The total employee benefits of the Senior Leadership Team who are considered to be key management personnel (in addition to trustees) was:

	2021 £'000	2020 £'000
Wages and salaries	764	750
Social security costs	87	85
Other pension costs	161	155
	<b>1,012</b>	<b>990</b>

The Senior Leadership comprises the Chief Executive and Directors of Policy, Member Services, Universities UK International, Communications and External Affairs, Operations, Universities Scotland and Universities Wales.

## 11. Taxation

The charity is exempt from corporation tax under Sections 466-497 of the Corporation Taxes Act 2010 as all its income is applied to charitable purposes.

## 12. Intangible fixed assets

Website development and software	Group £'000	Universities UK £'000
<b>Cost</b>		
At 1 August 2020	376	249
Additions	147	133
At 31 July 2021	523	382
<b>Depreciation</b>		
At 1 August 2020	350	240
Charge for year	47	31
At 31 July 2021	397	271
<b>Net book value</b>		
At 31 July 2021	<b>126</b>	<b>111</b>
At 31 July 2020	26	9

### 13. Tangible fixed assets

<b>Group</b>	Leasehold Improvements £'000	Furniture & Equipment £'000	Office Technology £'000	Total £'000
<b>Cost</b>				
At 1 August 2020	687	598	105	1,390
Additions	-	7	24	31
Written off	-	-	(24)	(24)
At 31 July 2021	687	605	105	1,397
<b>Depreciation</b>				
At 1 August 2020	362	540	94	996
Charge for year	64	5	29	98
Written off	-	-	(24)	(24)
At 31 July 2021	426	545	99	1,070
<b>Net book value</b>				
At 31 July 2021	261	60	6	327
At 31 July 2020	325	58	11	394
<b>Universities UK</b>				
<b>Cost</b>				
At 1 August 2020	687	394	87	1,168
Additions	-	7	12	19
Written off	-	-	(20)	(20)
At 31 July 2021	687	401	79	1,167
<b>Depreciation</b>				
At 1 August 2020	362	384	76	822
Charge for year	64	5	7	76
Written off	-	-	(20)	(20)
At 31 July 2021	426	389	63	878
<b>Net book value</b>				
At 31 July 2021	261	12	16	289
At 31 July 2020	325	10	11	346

#### 14. Investments held as fixed assets

	Total 2021 £'000	Total 2020 £'000
<b>Group and Universities UK</b>		
CVCP Properties plc ordinary shares of £1 each	50	50
CVCP Properties plc preference shares of £1 each	550	550
<b>Total</b>	<b>600</b>	<b>600</b>

CVCP Properties plc is an unquoted company and the shares are stated at cost.

#### 15. Debtors

	Group		Universities UK	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors	378	380	160	213
Amounts due from subsidiary undertakings	-	-	305	441
Other debtors	994	1,002	994	1,002
Prepayments and accrued income	386	486	352	430
Loan	750	750	750	750
	<b>2,508</b>	<b>2,618</b>	<b>2,561</b>	<b>2,836</b>

The £750,000 loan is due for repayment after more than five years, but no later than 25 November 2026. The loan is secured by way of a fixed charge over the Woburn House building. Interest is payable on the loan at 3% above National Westminster Bank plc base rate.

#### 16. Creditors: amounts falling due within one year

	Group		Universities UK	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors	480	583	281	468
Amounts due to subsidiary undertakings	-	-	3	-
Taxation and social security	265	235	265	235
Other creditors	148	153	148	153
Accruals	954	893	851	656
Deferred income	1,289	1,174	1,168	1,160
	<b>3,136</b>	<b>3,038</b>	<b>2,716</b>	<b>2,672</b>

At the year end outstanding pension contributions amounted to £147,956 (2020: £149,948).

## 17. Deferred income

	Group		Universities UK	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Brought forward	1,174	1,510	1,160	1,449
Released in the year	(1,109)	(1,503)	(1,095)	(1,442)
Deferred in the year	1,224	1,167	1,103	1,153
Carried forward	1,289	1,174	1,168	1,160

## 18. Creditors: amounts falling due after more than one year

	Total 2021 £'000	Total 2020 £'000
<b>Group and Universities UK</b>		
Pension deficit funding payments in relation to USS	1,638	1,905

See note 24 for further details regarding these liabilities.

## 19. Operating lease commitments

The group and company have the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Total 2021 £'000	Total 2020 £'000
<b>Group and Universities UK</b>		
Land and buildings:		
Within one year	413	1,056
Between one and five years	78	475
After five years	6	27
Office equipment:		
Within one year	6	7
Between one and five years	8	13
	511	1,578

## 20. Movement in funds

	At 1 Aug 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2021 £'000
<b>Unrestricted funds</b>					
Investment fund	600	-	-	-	600
Universities Scotland / Universities Wales	579	1,182	(1,608)	431	584
General funds	1,563	6,995	(6,247)	(429)	1,882
	2,742	8,177	(7,855)	2	3,066
<b>Restricted funds</b>					
Medical Schools Council	1,227	641	(606)	(5)	1,257
University Hospital Association	267	63	(123)	(1)	206
Dental Schools Council	123	88	(52)	-	159
Pharmacy Schools Council	84	76	(69)	-	91
Association of Dental Hospitals	22	21	(25)	-	18
Summer School	164	407	(489)	-	82
MSC Assessment	581	513	(466)	(5)	623
Council of Deans of Health	427	915	(771)	(6)	565
Universities UK International	-	515	(515)	-	-
SIEM	-	15	(15)	-	-
Short-term mobility	53	7	(60)	-	-
BEIS ODA	7	94	(90)	-	11
Global Wales II	156	1,123	(1,135)	-	144
Universities Wales International	85	20	-	15	120
WIN	-	153	(23)	-	130
US International	105	89	(107)	-	87
Scotland is Now	-	60	(60)	-	-
Pensions reform	-	396	(396)	-	-
Civic Mission	22	14	(36)	-	-
Algorithms	13	-	(13)	-	-
KE Concordat	41	29	(70)	-	-
Research development Concordat	-	30	(30)	-	-
Student MH partnerships	-	32	(32)	-	-
OFS – Analytics	-	7	(7)	-	-
Other	14	55	(54)	-	15
	3,391	5,363	(5,244)	(2)	3,508
Non-charitable trading funds	46	160	(207)	-	(1)
<b>Group – total funds</b>	<b>6,179</b>	<b>13,700</b>	<b>(13,306)</b>	<b>-</b>	<b>6,573</b>

	At 1 Aug 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2020 £'000
<b>Unrestricted funds</b>					
Investment fund	600	-	-	-	600
Universities Scotland / Universities Wales	543	1,178	(1,580)	438	579
General funds	716	7,385	(6,107)	(431)	1,563
	1,859	8,563	(7,687)	7	2,742
<b>Restricted funds</b>					
Medical Schools Council	1,192	549	(510)	(4)	1,227
University Hospital Association	268	123	(123)	(1)	267
Dental Schools Council	125	80	(82)	-	123
Pharmacy Schools Council	65	102	(83)	-	84
Association of Dental Hospitals	19	21	(18)	-	22
Summer School	11	360	(207)	-	164
MSC Assessment	1,264	433	(1,105)	(11)	581
Council of Deans of Health	412	912	(891)	(6)	427
Universities UK International	-	395	(395)	-	-
Outward mobility	56	24	(80)	-	-
SIEM	-	21	(21)	-	-
Short-term mobility	-	65	(12)	-	53
BEIS ODA	18	85	(96)	-	7
Global Wales II	267	909	(1,020)	-	156
Universities Wales International	70	-	-	15	85
Vietnam Partnership	5	60	(62)	-	3
South Africa	56	(32)	(24)	-	-
US International	109	116	(120)	-	105
Pensions reform	-	385	(385)	-	-
Business Readiness Fund	-	110	(110)	-	-
Welsh Governance	-	59	(59)	-	-
Civic Mission	-	43	(21)	-	22
Algorithms	-	33	(20)	-	13
KE Concordat	-	70	(29)	-	41
Student MH partnerships	-	28	(28)	-	-
OFS-Analytics	-	16	(16)	-	-
Other	16	47	(52)	-	11
	3,953	5,014	(5,569)	(7)	3,391
Non-charitable trading funds	11	486	(451)	-	46
<b>Group – total funds</b>	<b>5,823</b>	<b>14,063</b>	<b>(13,707)</b>	<b>-</b>	<b>6,179</b>

Transfers during the year between funds relate to contributions made from unrestricted monies to restricted funds for specific projects, where there are insufficient restricted funds available to meet expenditure or where the charity is committed to contributing towards projects from its own resources.

Background information on each of the restricted funds is set out below:

- The **Medical Schools Council** represents the interests and ambitions of UK Medical Schools as they relate to the generation of national health, wealth and knowledge through biomedical research and the profession of medicine.
- The **University Hospital Association** promotes the unique interests of university hospitals across the UK. Its role is to represent the unique tripartite – service, teaching and research – interests of UK University Hospital Trusts in partnership with other national bodies.
- The **Dental Schools Council** represents the interests and ambitions of the UK's Dental Schools as they relate to the generation of national health, wealth and knowledge acquisition through research and the profession of dentistry.
- The **Pharmacy Schools Council** is building on the work of the Council of UK Head of Pharmacy and has benefited from being able to access increased resources through being hosted by a secretariat which also supports equivalent groups for other healthcare professionals.
- The **Association of Dental Hospitals** represents the voices of dental hospitals across the UK and Ireland.
- The **Summer School** programme is HEE funding to deliver summer schools for students from a widening participation background.
- **MSC Assessment** is a subsidiary of the Medical Schools Council set up to run medical assessment activities.
- The **Council of Deans of Health** represents the UK's university faculties engaged in education and research for nurses, midwives and allied health professionals. The Council is the voice of nursing, midwifery and AHP higher education and research.
- **Universities UK International** is the international arm of Universities UK, representing UK universities and acting in their collective interests globally. It actively promotes universities abroad, provides trusted information for and about them, and creates new opportunities for the sector.
- The **Outward mobility** programme works with UK universities to increase the number of UK-domiciled students who enjoy an international experience as part of their education.
- **SIEM** – Social Inclusion and Engagement in Mobility project relates to research into the barriers and enablers of mobility for the next Erasmus programme.
- This project is aimed at identifying and sharing good practice in **short-term mobility** programmes and will produce research to understand the impact and benefits, and identify models of good practice that will inform a digital toolkit to support universities.
- The **Newton and Global Challenges Research Fund** aims to use UK research expertise to solve developmental and global challenges through fostering research and institutional partnerships between UK universities and emerging-market countries.
- Universities Wales is the lead partner of **Global Wales II**. Funding is received from HEFCW to develop existing target markets, expand into new markets and invest in the 'Study in Wales' brand domestically and internationally.
- The **Vietnam partnership** resulted in Global Wales II being matched with five partner universities in Vietnam and running training programmes in Leadership and Governance and University Industry Links.
- **South Africa** is funding from BEIS towards the establishment of UK-South Africa postdoctoral fellowship scheme.

- The **Wales Innovation Network (WIN)** will support Welsh Universities in increasing research competitiveness. A new team, hosted by Universities Wales will streamline the creation of new collaborations in research and innovation, secure additional investment through the development of collaborative bids, and raise the profile of Wales' research and innovation capabilities. WIN will receive funding over three years from HEFCW and network members (the Welsh Universities).
- The **Universities Scotland International Unit** develops and implements policy and research on international issues on behalf of the Scottish higher education sector. This supports the 'Connected Scotland' initiative with Scottish Government, Scottish Funding Council and others for targeted international promotion of Scottish higher education.
- **Scotland is Now** is joint sector funding that supports targeted paid-for social media campaign activities in a set of focus countries to support the recruitment of international students, to increase the sector's positioning and awareness, and to extend its focus on being welcome and open.
- A restricted subscription was raised from members towards the **pensions reform** programme following from our statutory role as the employers' representative in the USS pension scheme.
- The **Brexit Readiness Fund** provided a grant to assist Universities UK in helping universities understand the implications of, and prepare for, a potential no-deal Brexit in October 2019.
- The Review of **Governance in Welsh** Universities was funded to support an independent review of governance in Welsh universities, to critically examine the current arrangements, and to assist the development of a charter and revised guidance for governors.
- **Civic Mission** & Community Engagement in Wales is a one year programme (running between January 2020 and December 2020) funded by HEFCW, to identify and develop key success factors in civic mission and community engagement work in Universities in Wales and support promotion of this work to stakeholders.
- **Algorithms** covers match-funding agreed through the UK Standing Committee for Quality Assessment from the UK funders and regulators (OfS, SFC, HEFCW and DfE-NI) to undertake work on effective practice in algorithm design and a progress review of sector action on degree algorithms and wider grade inflation activity.
- The **Knowledge Exchange Concordat** is supporting the development, improvement and promotion of good practice across the UK with a development year in England involving institutional self-assessment, submission of action plans and peer evaluation.
- The **Researcher Development Concordat** is an agreement that sets out conditions to create the very best culture for researchers to thrive. It contains principles relating to 'Environment and Culture', 'Employment', and 'Professional and Career Development' and outlines key responsibilities for researchers, managers of researchers, institutions, and funders. Universities UK took on the secretariat role for the Concordat in 2021
- **Student MH partnerships** - exploring models of partnership between universities and NHS mental health services via five local hubs - Bristol, N London, Sheffield, Liverpool, Manchester - and a national learning collaborative. OfS funded project led by UWE [Bristol].
- **OfS - analytics** - project involving universities, sector bodies and digital business to apply digital analytics to improve student mental health & wellbeing.

## 21. Allocation of net assets between funds

The net assets held for various funds are as follows:

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2021 Total £'000
Fixed assets	14	400	39	453
Investments	-	600	-	600
	14	1,000	39	1,053
Current assets	3,594	6,528	172	10,294
Current liabilities	(100)	(2,974)	(62)	(3,136)
Net assets	3,508	4,554	(149)	8,211
Long-term liabilities	-	(1,488)	(150)	(1,638)
<b>Group total</b>	<b>3,508</b>	<b>3,066</b>	<b>(1)</b>	<b>6,573</b>

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2020 Total £'000
Fixed assets	16	355	49	420
Investments	-	600	-	600
	16	955	49	1,020
Current assets	3,774	5,977	351	10,102
Current liabilities	(399)	(2,285)	(354)	(3,038)
Net assets	3,391	4,647	46	8,084
Long-term liabilities	-	(1,905)	-	(1,905)
<b>Group total</b>	<b>3,391</b>	<b>2,742</b>	<b>46</b>	<b>6,179</b>

## 22. Subsidiaries

### Woburn House Conference Centre Limited

The charity owns 100% of the share capital of Woburn House Conference Centre Limited, a company limited by shares (company number 03031467). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HQ.

The £2 cost of the investment has been written down to zero in the accounts of the parent company. The trading activity of Woburn House Conference Centre Limited is the management of the conference centre and meeting rooms at Woburn House. The results and financial position of Woburn House Conference Centre Limited are consolidated with those of Universities UK in preparing the consolidated accounts.

A summary of the trading results for the year ended 31 July 2021 and 2020, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown. Audited accounts have been filed with the Registrar of Companies.

	Total 2021 £	Total 2020 £
<b>Profit and loss account:</b>		
Turnover	91,315	995,894
Cost of sales	(85,515)	(422,103)
<b>Gross profit</b>	<b>5,800</b>	<b>573,791</b>
Administration costs	(49,772)	(53,804)
Staff costs	(91,975)	(186,588)
<b>Operating (loss) / profit</b>	<b>(135,947)</b>	<b>333,399</b>
Interest receivable	22	1,331
<b>(Loss) / profit on ordinary activities before taxation</b>	<b>(135,925)</b>	<b>334,730</b>
Taxation	-	-
<b>(Loss) / profit on ordinary activities after taxation</b>	<b>(135,925)</b>	<b>334,730</b>
Gift aid payment to Universities UK	88,556	(299,419)
<b>Retained losses carried forward</b>	<b>(47,369)</b>	<b>(35,311)</b>
	Total 2021 £	Total 2020 £
<b>Balance sheet:</b>		
Fixed assets	38,926	48,896
Current assets	171,922	350,970
Creditors: amounts falling due within one year	(61,992)	(353,643)
Net current assets / (liabilities)	109,930	(2,673)
Creditors: amounts falling due after one year	(150,000)	-
Total net (liabilities) / assets	(1,144)	46,223
Represented by:		
Share capital	2	2
Profit and loss account	(1,148)	46,221
	<b>(1,146)</b>	<b>46,223</b>

### Medical Schools Council

Universities UK is also the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular (but without limitation) medical education, research and training.

A summary of income and expenditure for the year to 31 July 2021 and 2020, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown below. Audited accounts have been filed with the Registrar of Companies.

Unrestricted funds and free reserves at 31 July 2021 were £1.3m (2020 free reserves: £1.2m) which is equal to 25 months of unrestricted expenditure (2020: 29 months). This is in line with the organisation's reserves policy.

	Total 2021 £	Total 2020 £
<b>Income and expenditure account:</b>		
Income	1,296,282	1,235,290
Expenditure	(1,369,999)	(1,434,529)
<b>Deficit</b>	<b>(73,717)</b>	<b>(199,239)</b>
<b>Balance sheet:</b>		
Assets	2,216,667	2,183,121
Liabilities	(402,492)	(295,229)
<b>Net assets</b>	<b>1,814,175</b>	<b>1,887,892</b>

### MSC Assessment

The Medical Schools Council is the parent of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of MSC Assessment are to advance medical education for the benefit of the public including, without limitation, by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training.

A summary of the income and expenditure for the year to 31 July 2021 and 2020, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year is shown below. Audited accounts have been filed with the Registrar of Companies.

	Total 2021 £	Total 2020 £
<b>Income and expenditure account:</b>		
Income	512,921	840,290
Expenditure	(471,404)	(1,115,300)
<b>Surplus / (deficit)</b>	<b>41,517</b>	<b>(275,010)</b>
	Total 2021 £	Total 2020 £
<b>Balance sheet:</b>		
Assets	737,423	758,849
Liabilities	(114,335)	(177,278)
<b>Net assets</b>	<b>623,088</b>	<b>581,571</b>

### 23. Conduit funding

	2021 £	2020 £
Funds received in advance b/fwd	3,269	3,269
Amount received	50,534	-
Amount paid out	(53,803)	-
Funds received in advance c/fwd	-	3,269

Amounts received and dispersed to universities on behalf of the Argentinian Ministry of Education for the scholarship programme BEC.AR, and on behalf of MITACS for Globalink Research Internships.

Certain trustees are Vice Chancellors of institutions in receipt of grants.

## 24. Pension

### Universities Superannuation Scheme

The appointment of directors to the Board of USS is determined by USS's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the Board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%, until 31 March 2028. The 2021 deficit recovery liability reflects this plan. In the prior year, the deficit payments were 5% of salaries up to 30 June 2034. The USS liability is based on staff salary inflation of 2%, and a discount rate of 0.87% (2020: 2%, 0.73%).

A further full valuation as at 31 March 2020 is currently underway. There is still work to be done agreeing the technical provisions assumptions, the extent of future investment risk, the duration of the deficit period and the level of deficit contributions. Rule changes in respect of strengthening the employer covenant are also in progress including restrictions on employer exits, debt monitoring and pari passu arrangements. The valuation has not met its statutory deadline of 30 June 2021. It is anticipated that there will be an increase in the deficit provision and impact on cashflow as a consequence of the new schedule of contributions.

At 31 March 2021, USS had 203,995 (2020: 204,753) members.

### Superannuation Scheme of the University of London (SAUL)

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. 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.

The funding principles were agreed by the Trustee and employers in June 2021 and will be reviewed again at SAUL's next formal valuation in 2023.

At the 31 March 2020 valuation SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience to 30 April 2021. As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and the Employers have agreed that the ongoing Employers' contributions will increase from a rate of 16%.

At 31 March 2021, SAUL had 68,714 (2020: 65,202) members.

	USS	SAUL
Group contributions for the year to 31 July 2021	£1,321,947	£318,105
Active members at 31 July 2021	82	55
Group contributions for the year to 31 July 2020	£1,277,942	£325,581
Active members at 31 July 2020	81	52

## 25. Financial instruments

	2021 £	2020 £
Financial assets measured at amortised cost:		
Trade debtors	378	380
Cash	7,786	7,484
	<b>8,164</b>	<b>7,864</b>
Financial liabilities measured at amortised cost	<b>3,120</b>	<b>3,534</b>

Financial assets measured at amortised cost comprise trade debtors and cash.

Financial liabilities measured at amortised cost are creditors.

## 26. Related party transactions

Related party transactions are disclosed for CVCP Properties plc, Advance HE, Higher Education Statistics Agency, Universities and Colleges Admissions Service and Quality Assurance Agency.

Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is the original subscribing member of the other organisations and members of Universities UK contribute to governance oversight through Board membership and other involvement.

	Year ended 31 July 2021		As at 31 July 2021	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	911,644	996,489	1,772,591	-
Advance HE	-	42,584	-	-
Quality Assurance Agency	-	6,000	-	-
	911,644	1,045,073	1,772,591	-

	Year ended 31 July 2020		As at 31 July 2020	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	913,248	1,008,376	1,773,391	694
Advance HE	12,075	55,529	-	-
Universities and Colleges Admissions Service	-	336	-	-
Quality Assurance Agency	5,177	3,549	-	-
	930,500	1,067,790	1,773,391	694

## 27. Members

The charity is incorporated as a private company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 July 2021 there were 140 members (2020: 137).

## 28. Post balance sheet event

On the 1 August 2021, the assets, liabilities and activities of the Council of Deans of Health restricted fund were transferred from Universities UK to the Council of Deans of Health, an independent organisation (company number 12341200 and charity numbers 1186780 and SC049982). The fund balance at 31 July 2021 was £565,000.

## 29. Income and expenditure by fund

	Notes	Unre- stricted Funds 2021 £'000	Unre- stricted Funds 2020 £'000	Restricted Funds 2021 £'000	Restricted Funds 2020 £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	2	973	982	-	-	973	982
Charitable activities	3	7,119	7,080	5,324	4,975	12,443	12,055
Other trading activities	4	197	915	39	30	236	945
Investments		31	56	-	9	31	65
Other income		17	16	-	-	17	16
<b>Total</b>		<b>8,337</b>	<b>9,049</b>	<b>5,363</b>	<b>5,014</b>	<b>13,700</b>	<b>14,063</b>
<b>Expenditure on:</b>							
Raising funds		366	564	37	27	403	591
Charitable activities		7,696	7,574	5,207	5,542	12,903	13,116
<b>Total</b>	7	<b>8,062</b>	<b>8,138</b>	<b>5,244</b>	<b>5,569</b>	<b>13,306</b>	<b>13,707</b>
<b>Net income/(expenditure)</b>		<b>275</b>	<b>911</b>	<b>119</b>	<b>(555)</b>	<b>394</b>	<b>356</b>
Transfers between funds		2	7	(2)	(7)	-	-
<b>Net movements in funds</b>		<b>277</b>	<b>918</b>	<b>117</b>	<b>(562)</b>	<b>394</b>	<b>356</b>
<b>Total funds at 1 August</b>		<b>2,788</b>	<b>1,870</b>	<b>3,391</b>	<b>3,953</b>	<b>6,179</b>	<b>5,823</b>
<b>Total funds at 31 July</b>		<b>3,065</b>	<b>2,788</b>	<b>3,508</b>	<b>3,391</b>	<b>6,573</b>	<b>6,179</b>

# Legal and administrative information

## **Principal and Registered Office**

Woburn House  
20 Tavistock Square  
London  
WC1H 9HQ

## **Bankers**

National Westminster Bank plc  
PO Box 83  
Tavistock House  
Tavistock Square  
London  
WC1H 9XA

## **Solicitors**

Bates Wells & Braithwaite  
10 Queen Street Place  
London  
EC4R 1AG

## **Auditors**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

Universities UK also has two regional offices:

## **Universities Scotland**

Holyrood Park  
106 Holyrood Road  
Edinburgh  
EH8 8AS

## **Universities Wales**

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Universities UK is the collective voice of 140 universities in England, Scotland, Wales and Northern Ireland. Our mission is to create the conditions for UK universities to be the best in the world; maximising their positive impact locally, nationally and globally. Universities UK acts on behalf of universities, represented by their heads of institution.



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**UNIVERSITIES UK**

England & Wales - Charity number 1001127

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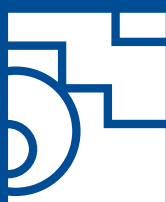
# Accounts

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# Annual report and consolidated financial statements

Year ended 31 July 2020

Charity Number: 1001127  
Company Number: 2517018



Universities UK



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# Trustees' report

The trustees present their report and the financial statements for Universities UK for the year ended 31 July 2020.

## **Name and membership**

The name of the charity and company is Universities UK. Universities UK is the representative organisation for the UK's universities. Its members are the executive heads of UK university institutions who have met the criteria for membership agreed by the Board of the company. It currently has 140 members. Membership is voluntary and members are represented both at the UK level and through Universities Scotland and Universities Wales.

The objectives of Universities UK as set out in its Articles of Association are:

- To promote and provide facilities for discussion and consultation between representatives of university institutions in the UK, on any matters affecting or relevant to the university sector of higher education in the UK.
- To formulate policies on any matters affecting or relevant to the university sector of higher education in the UK.
- To represent the university sector of higher education in the UK and to conduct dealings and to liaise with the government, any local, national or other institutions, authorities, agencies, bodies or persons, wheresoever in the world situated.
- To provide information, advice and assistance to universities within the UK, or any of their representatives, on any aspect of educational affairs, including administrative and financial matters relating to or connected with education.
- To take any steps (including without prejudice to the generality of the foregoing the issue, maintenance, financing and enforcement of legal proceedings) for the purpose of protecting the interest, reputation or good standing of the universities or the university sector of higher education in the UK or the integrity of any degree, diploma or other awards issued by universities in the UK.

## **Mission and main activities**

The mission of Universities UK is to create the conditions for UK universities to be the best in the world, maximising their positive impact locally, nationally and globally. Services and activities include research and policy development, lobbying of government and influential stakeholders, dissemination of information to members and the wider public using all forms of media, conferences and events, and national and international networking activity.

## **Public benefit**

All of Universities UK's activities are ultimately carried out for the wider public benefit of creating and maintaining a world-class higher education sector that benefits students, the UK economy, the UK's educational and research standing in the world and the wider social good. Collectively, the institutions led by the members of Universities UK demonstrate their wide social and economic contribution through the delivery of research, teaching, expertise and training. Higher education is available to all with the ability to benefit, regardless of their economic circumstances. The benefits of this activity to the UK are considerable. UK Universities played a significant role in the research, medical and civic response to the Covid-19 pandemic.

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. In delivery of its services and activities, Universities UK has fully supported its members, and assisted them to achieve their public benefit goals.

## Trustees' report (continued)

### Trustees

The Board comprises up to 24 (reduced to 22 in the year) directors of the company and trustees of the charity, elected or appointed from among its members. Those appointed for the year to 31 July 2020 were as follows:

Professor Julia Buckingham CBE	President
Baroness Valerie Amos CH*	
Professor Colin Bailey **	
Professor Dame Janet Beer DBE	
Professor Paul Boyle CBE	
Mr Nigel Carrington*	
Professor Chris Day	
Professor Alistair Fitt *	
Professor Graham Galbraith	
Professor Jenny Higham	
Professor Debra Humphris	
Professor Sir Chris Husbands	
Professor Paul Layzell	Treasurer
Professor Julie Lydon OBE	Chair, Universities Wales & Vice-President Wales
Professor Sally Mapstone	
Professor Quintin McKellar CBE	Vice-President England and Northern Ireland from 1 March 2020
Professor Patrick Nixon ****	Vice-President England and Northern Ireland until 29 February 2020
Professor Andrea Nolan OBE *	Convener, Universities Scotland & Vice-President Scotland
Professor Edward Peck	
Professor David Phoenix OBE	
Mr Bill Rammell ***	
Professor Sir Steve Smith *	
Professor Rama Thirunamachandran	
Professor Adam Tickell	
Professor Shearer West	
* Term of office ended 31 July 2020	
** Appointed 1 April 2020	
*** Resigned 31 December 2019	
**** Resigned 29 February 2020	
The following were also members of the UK Board on the date this report was approved:	
Professor Liz Barnes CBE	Appointed 1 August 2020
Professor Gerry McCormac	Appointed 1 August 2020
Dr Paul Thompson	Appointed 1 August 2020
Professor Wendy Thomson CBE	Appointed 1 August 2020

No member of the UK Board had a beneficial interest in any contract with the company. Board members are elected by the vice-chancellors of the member universities or nominated by the Governance and Nominations Committee.

### Chief Executive

Alistair Jarvis

## **Structure, governance and management**

### ***Organisational structure of the company***

#### Universities UK

Universities UK is a company limited by guarantee with the registered number 2517018, governed by its Articles of Association adopted in May 2013. It is a charity with the registered number 1001127. Its principal offices are in Bloomsbury, London.

#### Universities Scotland

In Scotland (where it operates from its Edinburgh office under the name Universities Scotland), Universities UK is registered as a charity with the registered number SC029163.

#### Universities Wales

In Wales (where it operates from its Cardiff office under the name Universities Wales), Universities UK is part of the charity with the registered number 1001127.

### ***Structure of subsidiary companies***

#### Woburn House Conference Centre Ltd

Universities UK owns 100% of the share capital of Woburn House Conference Centre Limited (company number 3031467) whose business is the operation of the conference facilities at Woburn House. Income generated from the activity of the centre is covenanted to Universities UK.

#### Medical Schools Council

Universities UK is the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular medical education, research and training. Its Board of Directors is elected from its own members.

#### MSC Assessment

The Medical Schools Council is the holding member of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The objects of MSC Assessment are to advance medical education for the benefit of the public including by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training. Its Board of Directors is elected from members of the Medical Schools Council.

The results and financial position of Woburn House Conference Centre Limited, the Medical Schools Council and MSC Assessment are consolidated with those of Universities UK in preparing its consolidated financial statements. Separate results are shown in note 22 to the financial statements.

#### CVCP Properties plc

CVCP Properties plc is not a subsidiary of Universities UK but is considered to be a related party. Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is a major tenant of CVCP Properties plc in Woburn House.

# Trustees' report (continued)

## Governance and decision-making

### ***Non-executive directors/trustees***

The Board of Trustees comprises up to 24 (reduced to 22 in the year following a governance review) members and meets five times a year as a minimum. The President, elected by the members, serves a term of two years. The Chairs of Universities Scotland and Universities Wales are members of the Universities UK Board, serving as Vice-Presidents alongside an elected Vice-President for England and Northern Ireland.

Universities UK has six standing committees: Board Advisory, Resources, Audit and Risk, Governance and Nominations, Membership and Remuneration. Seven (reduced to five in the year) Policy Networks cover the key policy issues of the UK higher education agenda in line with the organisation's strategic priorities. Following a governance review, the seven Policy Networks are going to be retired as Board terms come to an end, replaced with four Policy Leads resulting in a reduction to Board size.

### ***Induction and training of trustees***

New trustees receive information supporting their induction, which includes relevant Charity Commission documents on the role of a trustee, a copy of the Universities UK Articles of Association and the Strategic Plan. It is the aim of the organisation to update trustees and members on any new legislation that may affect the governance of the charity and to offer on-going support through additional training when required.

### ***Charity Governance Code***

Our governance has been reviewed against the Charity Governance Code. Universities UK is committed to applying good practice where possible and explaining where it is not aligned, and the reasons for this or changes that are being planned. The Code is applied in the context of Universities UK being a relatively small membership organisation of 140 members, with most of the Board elected by and from its membership. This prompts challenges in achieving the full recommendations of principle 6 (diversity) and the composition recommendations in principle 5 (Board effectiveness).

Our recent review of our Governance Effectiveness found that "... Universities UK is considered to be operating effectively in challenging circumstances given the headwinds facing higher education". Through the 2019–20 period several recommendations from the review have been implemented including:

- Re-formatting of the Executive Committee to the Board Advisory Committee
- Retiring the Treasurer's Committee and creating a Resources Committee and Audit and Risk Committee, including the appointment of independent members to these
- Creation of a Governance and Nominations Committee
- Review and amendments as appropriate to the Articles
- Start of the plan to reduce Board size from 24 to 21 with the retirement of the Policy Lead roles as they come to the end of their term

### **Principle 1 – organisational purpose**

2019–20 was the second year of the strategic plan for 2018-23: World Leading Impact. The review of Governance Effectiveness concluded that Universities UK's objects as set out in its Articles of Association are fit for purpose and are consistent with the mission, vision and strategy. Board has oversight of the management of resources ensuring that the allocation is linked to operational plans in pursuit of strategic objectives and therefore overall organisational purpose.

### **Principle 2 – leadership**

The Board is led by the President, supported by a Board Advisory Committee. Across the Board and Committee there are robust debates leading to an agreed direction for the officers and staff to follow. 2019–20 was the first year of the President's two-year term, and elections took place in the year for vacant Board posts as members come to the end of their terms. The President has oversight of CEO performance.

### **Principle 3 - integrity**

Board and Board Advisory Committee members declare all conflicts of interest at every meeting and will absent themselves from discussions as required. Through its sub-committee structures the Board has oversight of issues such as finances, HR practices, procurement, data security and integrity, safeguarding and remuneration to make sure that the charity operates responsibly in line with its own ethics and values.

### **Principle 4 – decision making, risk and control**

The Board have oversight of finance, performance and risk through its sub-committee structure and Board meeting agendas. The Resources and Audit and Risk Committees consider risk at each meeting. The Board are presented with the strategic risk registers at every meeting and have a full discussion on risk once a year, or more often if significant changes occur. All sub-committees have Terms of Reference established which are approved by the Board. The Audit and Risk Committee is presented with an annual safeguarding report in line with the Universities UK Safeguarding Policy. As a result of the Covid-19 crisis, the Board has met more frequently through the year as required and established several subgroups to work on specific issues.

### **Principle 5 – Board effectiveness**

Most Board members are elected from the membership by the membership. There are agreed lengths of time for Board members to serve, and they are subject to re-election when those terms expire. It is unusual for terms to exceed nine years, but possible if members are elected to different roles on the Board or they have specific expertise or responsibilities relevant to the Board's deliberations and the organisation's strategic priorities.

At 31 July 2020, Professor Dame Janet Beer (President and chair of the Board from 2017-19) had served 11 years in a number of different elected roles and has been selected by the Governance and Nominations Committee to serve a further term as a nominated member and during the year the membership elected Professor Beer for a further 3-year term starting 1 August 2020 as Policy Lead for International.

In the year the Board has reduced from 24 to 22 members as part of a plan to reduce the size of the Board through retiring the elected Policy Lead Board member role as they come to the end of the term. The Innovation Policy and Health lead roles were removed in this year. The Board is considered large under the Code, however the Governance Effectiveness review found that "... in general they consider the Board to work well and would be concerned if a reduction in size led to less diversity or a less representative Board".

### **Principle 6 – diversity**

Much of the Board (16 members) are elected from and by the membership, therefore there is a limit to the number and diversity of potential candidates. The Governance Effectiveness review found that "... as far as it can within the constraints of an elected Board, Universities UK takes reasonable steps to ensure that diversity in its widest sense is prioritised and implemented".

### ***Arrangements for setting pay and remuneration***

Member input and support to the work of Universities UK is on a non-remunerated basis.

The pay and remuneration of executive management is set by a Remuneration Committee, which comprises Universities UK members chaired by the Treasurer. The pay and remuneration levels for all other grades is negotiated with the recognised union, Prospect, as part of the recognition agreement.

Benchmarking reports are used as a measure for the Directors' pay, comparing ourselves to similar size organisations in terms of headcount or income in not-for-profit and membership organisations.

### ***Executive management***

The Chief Executive leads a Senior Leadership Team comprising the Directors of Policy, Member Services, Universities UK International, Communications and External Affairs, Operations, Universities Scotland and Universities Wales.

# Trustees' report (continued)

## Strategic report

### Strategic aims

2019–20 represented the second year of Universities UK's five-year-strategic plan for the period 2018–23, World Leading Impact. The long-term, strategic objectives are:

- **Opportunity:** Anyone with the will and potential to succeed, no matter their background, has the opportunity to transform their lives through accessing an outstanding academic experience at a UK university.
- **Impact:** UK universities are demonstrably world-leading in the production and application of knowledge and skills through research, teaching and innovation, evidencing significant economic, social, cultural and civic impact and contributing materially to society.
- **Trust:** Through demonstrating positive impact on students' lives, economic growth, public services and civil society, UK universities enjoy widespread public trust and political support.
- **Global universities:** UK universities are global leaders in international education and research, educating a significant proportion of globally mobile students, demonstrating increased levels of high impact international research collaboration; and achieving increases in outwardly mobile students and students registered on UK programmes overseas.
- **Autonomy:** UK universities are free to make autonomous decisions and adopt strategies according to their diverse missions and the needs of their students and communities, while taking collective responsibility for the quality of leadership and governance in higher education and benefiting from stable and sustainable funding that enables them to maximise their positive impact.
- We will continue to **develop our organisation capabilities** to ensure that we are making the most of our members, our people, our external profile, our resources and our work.

These aims are achieved through the delivery of activities to members in the UK, International, Scotland and Wales, medical and health and exam delivery. Our work is organised through annual programme plans, detailing our short-term objectives.

2019–20 has been a year of two distinctly different halves. From August until late February, Universities UK's focus was on securing and maximising the opportunities from visa reforms, developing policy priorities through the post-Augar review workstreams focused on post-18 educational reforms and funding, progressing our major review of fair admissions, beginning to shape the future international relationships in the post-Brexit context and establishing a new relationship with the Westminster government following the December 2019 general election.

As we entered the second half of the operational year, we had to adapt rapidly and substantially to re-focus and re-prioritise our activities to support members to respond to the Covid-19 crisis. New priorities included seeking to mitigate the impact on international student recruitment, home admissions, securing government financial support, progressing work to clarify regulatory requirements, ensuring testing capacity for university populations and providing guidance on operating a university under socially-distanced health restrictions.

### Activities for members – England, Northern Ireland, UK wide and International

Our work includes policy research, analysis and development, relationship building, lobbying and advocacy, communications with the media, public and stakeholders and development and delivery of services to our members.

Members are at the heart of our work and keeping members informed, connected with their peers and stakeholders and to campaign and lobby on behalf of the sector are priorities. This year there were 320 attendees at the September annual conference, and 245 attendees across three members meetings in the year. In addition to the opportunities for all our members to come together, regional Vice-Chancellor dinner discussions were held across the UK until lockdown along with institutional visits by the CEO and other members of staff.

Engagement with members stepped up significantly to support them with the implications of Covid-19. This included daily emails from the CEO to members, emails to senior institutional teams with a roundup of developments and over 60 group calls (via Microsoft Teams) led by the CEO with Vice-Chancellors (typically in groups of c20) to update and seek feedback on developing issues. On an individual basis we matched Vice-Chancellors in mentoring relationships and supported mid-term and new Vice-Chancellors coming into role during the year through peer-to-peer learning and support.

Following the Governance Review in 2018–19, the recommendations from the review have been implemented. Change to the Articles will be considered at the December AGM, otherwise the new subcommittee structure and other governance effectiveness enhancements are in place. Throughout the Covid-19 crisis the Board and Board Advisory Committee has met more frequently to respond effectively to the volatile situation. The senior Executive team has also met more frequently to consider rapidly developing issues.

The work supporting the small and specialist institutions continues with the Specialist Institutions Forum and Conservatoires UK continuing to meet and tailoring policy responses and the Covid-19 response to their specific needs.

It has been an unusual year in terms of engagement and parliamentarians as there were 45 fewer sitting days in parliament due to the general election, prorogation of parliament and an overwhelming political focus on coping with the challenges of Covid-19. Despite that Universities UK secured 45 oral questions in parliament, 74 parliamentary questions, 42 meetings and events with UK government and shadow ministers and 62 positive references to Universities UK from parliamentarians and government. This has been achieved despite the challenge of three changes of (Westminster) Universities Minister in the year and Higher Education and Research/Innovation responsibility now split across two (Westminster) government departments.

Following the General Election, Universities UK was re-engaged to run the All-Party Parliamentary University Group with a new chair and increased and more representative membership of the sector. This puts the group in a good place to be a high impact forum for VCs and parliamentarians to discuss and influence key higher education priorities and become a valuable channel for higher education policy making in parliament.

The outcome of the Augar Review on post-18 funding was significant for the sector in the early part of the year. We established four member-led working groups to shape the sector's response to the report and to prepare for the Spending Review 2020 focussing on efficiency, value, flexible learning, and level 4 and 5 provision.

Using print, broadcast and social media, we disseminated information to members and the wider public, the reach of the Universities UK social media channels was 46 million, there were 750,000 unique visitors to the Universities UK website and 25,000 unique visitors to the USS employers website.

Until March, we developed and ran in person conferences and events on topical issues including university access and retention, tackling racial harassment, student success and experience, marketing and communications, graduate employability, research and innovation, transnational education, degree apprenticeships, staff to student misconduct and tackling violence, harassment and hate crime. The lockdown in March meant a very quick transition to move the International Higher Education Forum to a series of online events. We continued to offer online events for the rest of the year covering safety, health and wellbeing and mental health, responding to Covid-19, developing virtual career and student support services, racism and racial equality and student retention.

Universities UK International (UUKi) continue to source and administer international opportunities for students and researchers via the UKIERI Mobility Programme: Study in India, the Mitacs-UK Globalink Research Internship Programme and the Newton Fund.

There were outbound delegations to India, Indonesia, Brussels, Ireland, China, Israel and OTPs, and Cuba organised by UUKi and a wide variety of member institutions participating.

## Trustees' report (continued)

A full report on our international activities can be found in the [Universities UK International Annual Report 2019/20](#).

In 2019–20 our work included production of evidence-based outputs on the most significant issues facing the higher education sector, to influence policy making, support universities to enhance positive impact and improve their practices, share effective approaches to common challenges and to support our members to achieve their overall missions and objectives. These outputs included:

- [Achieving stability in the UK higher education sector following COVID-19](#) – an initial proposal to government for a balanced package of measures to maximise universities' contribution to the economy and communities following COVID-19
- [Beginning the conversation: responding to domestic violence and abuse in higher education communities during the COVID-19 pandemic](#) – a briefing to support universities in their response to the heightened risk of domestic violence and technology mediated abuse resulting from lockdown measures during the COVID-19 pandemic
- [Principles and considerations: emerging from lockdown](#) – nine principles and areas for universities to consider as they begin to emerge from lockdown
- [Universities UK response to Office for Students consultation on the integrity and stability of the higher education sector in England](#) – highlighting the significant pressures for universities as a result of the COVID-19 pandemic across all aspects of their operations and provision, including in admissions, and continue to respond effectively to the challenging environment faced by students and staff
- [Supporting graduates in a COVID-19 economy](#) – set of proposals for the UK government, recommending ways to support the employment prospects of graduates from the class of 2020, and to help businesses get back on their feet following the COVID-19 lockdown
- [Principles and guidance for collaborative teaching partnerships during the pandemic](#) – supporting the continuation of effective collaborative teaching partnerships as the sector responds to the impact of COVID-19 on academic provision
- [Tackling online harassment and promoting online welfare](#) – new guidance to help universities prevent and respond to all forms of online harassment
- [Initiations at UK universities](#) – Universities UK in collaboration with Newcastle University, has launched Initiations at UK universities to raise awareness of the dangers of initiation and excessive alcohol consumption among students
- [Changing the culture: two years on](#) – the results of a sector-wide survey to review progress on tackling sexual misconduct and gender-based violence, harassment and hate crime
- [University links with the armed forces](#) – Universities UK is encouraging all members to sign the Armed Forces Covenant
- [Widening opportunity in higher education – The third phase: beyond graduation](#) – the discussion paper, written by Professor Simon Gaskell and Professor Rebecca Lingwood, concerns the influence of socio-economic background on graduate success
- [Skills, job and opportunity: a vision for higher education](#) – Universities UK calls on the government to work with universities to support us in the key role we have to play in skills productivity, social justice and research, from local communities to the global stage and support is required to deliver future benefits
- [Supporting international graduate employability: making good on the promise](#) – how UK universities support the employability of their international students and recommends where further improvement
- [Level 4 and 5 education: Universities UK briefing](#) – information on level 4 and 5 education and what the government can do to support it
- [Stepchange: mentally healthy universities](#) – a refreshed framework for a whole university approach to mental health and wellbeing
- [Towards a national languages strategy](#) – proposals from the British Academy, the Arts and Humanities Research Council, the Association of School and College Leaders, the British Council and Universities UK
- [Principles for effective degree algorithm design](#) – a new set of principles for effective degree algorithm design to protect the value of qualifications
- [A student finance national education programme](#) – in partnership with the National Education Opportunities Network (NEON), Universities UK is calling for a Student finance national education programme

- [\*A guide to presenting institutional financial information to students\*](#) – a guide to help and support universities in explaining to students where their money comes from, how they spend it and how this adds value to the student experience
- [\*Changing the culture in higher education: UUK's response to EHRC inquiry on racial harassment in higher education\*](#)
- [\*Immigration in the EU post-Brexit\*](#) – information about how business travel to the EU will be impacted by Brexit, in both a deal and no deal scenario
- [\*Briefing: Securing an effective post-Brexit settlement for UK universities\*](#) – setting out what the government must do to secure an effective post-Brexit settlement where universities can maximise their contribution to a globally-successful UK
- [\*Brexit readiness checklist\*](#) – help for higher education providers to prepare for a no-deal Brexit
- [\*The concordat for research integrity\*](#) – a revised concordat to support research integrity to further assure government, business, international partners and the public that they can continue to have confidence in UK research and its world-leading researchers
- [\*Concordat for the advancement of knowledge exchange in higher education\*](#)
- [\*Knowledge exchange concordat: summary of consultation responses\*](#) – summary of the findings from a consultation on the draft Knowledge exchange concordat
- [\*Open access and monographs evidence review\*](#) – Over the past few years, the UK has seen a shift in its policy approach towards open access and academic monographs
- [\*Oversight of security-sensitive research material in UK universities: guidance\*](#) – this guidance concerns the storage and circulation of security sensitive research material, and offers recommendations for protecting researchers from inappropriate investigation by police authorities
- [\*Submission to the MAC consultation\*](#) – a briefing summarising Universities UK's submission to the MAC consultation on the current salary threshold level of the skilled-worker route
- [\*Immigration bill\*](#) – briefing outlines Universities UK key asks for the new immigration system scheduled to be introduced by the government in January 2021
- [\*Guidance on transnational education regulation in the EU post-Brexit\*](#) – UUK International has worked with Farrer & Co to produce guidance on transnational education regulation in the EU
- [\*The scale of UK higher education transnational education 2017-18\*](#) – now in its third edition, this report uses HESA data to inform analysis on UK higher education transnational education
- [\*The scale of UK higher education transnational education 2017-18: Welsh providers\*](#)
- [\*The scale of UK higher education transnational education 2017-18: Scottish providers\*](#)
- [\*Higher education in Jordan: opportunities for collaboration\*](#)
- [\*Higher education in Tunisia: opportunities for collaboration\*](#)
- [\*Opportunities for UK-Indonesia collaboration\*](#)
- [\*The state of the relationship: mapping UK higher education with Colombia\*](#)
- [\*The state of the relationship: mapping UK higher education engagement with Brazil\*](#)
- [\*USS 2018 valuations\*](#) – briefing and background and context of the dispute and the efforts made by effected universities to resolve it
- [\*USS negotiations\*](#) – background and context on the USS dispute and sets out the efforts made by the affected universities to resolve the dispute satisfactorily

### **Key outcomes in 2019–20**

In September 2019 the UK Government announced the introduction of the Graduate Route, a post study work visa for international students attending higher education institutions in the UK. This adopts many of the features of Universities UK's global graduate talent proposal and follows concerted effort from across the sector calling for this change, including considerable work by Universities UK over the last nine years to improve immigration policies for university staff and students.

We have taken the initiative and a leadership role on behalf of the sector to tackle a range of difficult issues where improvement is needed. This includes ensuring the value of degrees, addressing grade inflation, ensuring fair admissions, tackling staff to student sexual misconduct and enhancing universities approaches to preventing and addressing racial harassment.

In October 2019 the EHRC published its reporting examining racial harassment in higher education. The outcomes of the inquiry demonstrate the seriousness and prevalence of the issue within and outside the universities' campuses. We worked closely with the EHRC throughout the inquiry to help

## Trustees' report (continued)

shape the recommendations and ensure that they aligned with existing sector frameworks. The report welcomed our advisory group to tackle racial harassment which will progress many of the recommendations. The report's recommendations will also inform other activities including work in the #StepChange programme.

Universities UK also led on developing and launched guidance to help institutions deal with staff to student sexual misconduct, all forms of online harassment and student initiations to raise awareness of the dangers of such activities and excessive alcohol consumption among students.

Universities UK informed the debate of the wider value of a university degree via new student-centred opinion polling and a framework to consider measures of value beyond salary outcomes. To support the perceptions of value, new guidance was published to explain to students more clearly how their fee income is spent.

In our work to support the sector on grade inflation, we launched a survey on degree algorithms and through UKSCQA we published new guidance for providers in England along with a statement of intent. This means that despite the sector being diverse and autonomous so that innovation, specialism, and creativity can flourish, the system as a whole can benefit from common principles and arrangements to protect the value of degrees providers offer and award. Therefore, students are able to understand how their achievement compares to others, feel confident that their classification is an accurate and fair reflection of their performance.

Progress was made with a sector-led Fair Admissions Review to tackle emerging challenges and issues with the undergraduate admissions system including a call for evidence from students, parents and schools and new national polling of students on the current admissions system. Our work in this area was quickly pivoted to support universities and students to find a solution for admissions following the A-level results. The Fair Admissions Review will report in late 2020.

In the year Universities UK developed and launched two concordats on Research Integrity and Supporting the Career Development of Researchers which are being widely used and recognised across the sector.

With the UK leaving the EU at the end of January 2020, negotiations on a future partnership arrangement continued throughout the year. UUK International created no deal guidance for members, along with influencing stakeholders and decision makers for the best possible outcome for the sector through direct engagement with governments and use of partner organisations across Europe. Funding was successfully secured through the Brexit Readiness Fund enabling UUK International to deliver a Brexit Readiness Roadshow and a series of webinars supporting institutions to prepare for Brexit, deal and no-deal. There were 420 registrations for the Brexit Roadshow across 5 locations, and the Brexit Webinar series was viewed 1485 times.

### **Responding to Covid-19**

With the lockdown and instruction to work from home in March 2020, all Universities UK employed staff left our offices and moved to working at home. Staff were supported to make sure they had all the equipment they needed to work safely; internal communications activities were stepped up and staff were given flexibility to meet the demands of home schooling, caring responsibilities and the challenges of home working. Despite the challenges the pandemic and forced changes to working practices, Universities UK staff have adapted well and continued to produce significant output to support the higher education sector through the crisis.

The Coronavirus Job Retention Scheme was used to furlough five members of staff. Three of those have roles directly linked to office and building services and could not work from home, and two staff who had personal circumstances that restricted their ability to work from home.

Many workstreams were paused, streamlined or re-purposed to respond to the issues from the Covid-19 pandemic. In Spring and Summer 2020 our work on Covid-19 included:

- Adapted our member engagement strategy with the organisation of regular vice-chancellor calls, a virtual member meeting and increased regularity in member communications.

- Established a VC sounding board to provide leadership and strategic insight on the sector's recovery from Covid-19 including high-level principles to support the sector to emerge from lockdown.
- Developed a package of financial stability proposals for the sector to support universities through the financial storm created by Covid-19. This has led to a range of government interventions including access to government-backed finance, a £2.4bn package of support for research and innovation, steps to reduce home admissions volatility and measures to relieve cash-flow challenges.
- Developed principles and guidance on areas for universities to consider as they began to emerge from the Spring 2020 lockdown and plan for the 2020-21 academic year
- Redefined our #MadeAtUni campaign to focus on promoting the significant contribution universities were making to the national effort, with the #WeAreTogether campaign reaching more than 50million Twitter users.
- Launched an international strand of the #WeAreTogether campaign aimed to reassure prospective students based on the positive experiences of current students.
- Developed and promoted high-level 'get well asks' for government to support the rapid recovery of the UK's international higher education activities, securing a number of positive immigration changes for international students.
- Launched sector-wide campaigns to communicate the message that it remains a good time to go to university for both domestic and international students.
- Shaped official guidance for the sector collaboration with Ofqual, OfS, QAA and other sector agencies.
- Secured short term adjustments to the UK visa system for students and staff already in the UK.
- Established an advisory group that has made recommendations to government and universities to support the graduating class of 2020 to navigate a difficult employment market.
- Developed advice for members on tackling domestic abuse, racial harassment and technology mediated abuse in the context of the pandemic.
- Played a coordination role for the sector to identify, discuss and disseminate national requests to support the Covid-19 response.
- Developed and published a sector-led Fair Admissions Agreement for 2020–21 to ensure admissions remain fair in a challenging environment and following the A-level results responded quickly to support students and admissions teams.
- Represented universities' rapidly evolving challenges and priorities across Westminster departments and government agencies.

### **Activities for members - Universities Scotland**

Universities Scotland represents the Principals and Directors of Scotland's 19 higher education institutions, developing higher education policy and campaigning on issues where members have a shared interest. Universities Scotland activities and achievements included:

- A Scottish Government Spending Review outcome ahead of member expectations.
- Significant investment of time in Audit Scotland's second review of higher education funding, as published in September 2019, and media work and political engagement to ensure high awareness.
- Policy-making and evidence-building support for the development of the National Articulation Forum's report.
- Launch of the [care experience guarantee](#) in regard to admissions with the First Minister.
- Securing a positive decision on the fees status of EU students for 2020–21 entry.
- Progress, with government and key stakeholders, in developing a coherent response to the mental health and wellbeing challenges faced by students.
- Launch of a [shared statement of common cause with SCDI](#) to signal higher education-business partnerships to accelerate economic growth.
- Substantive agreement of a statement of commitment to addressing the climate emergency.
- A governance effectiveness review that was, in general, highly supportive of Universities Scotland.
- Presenting to Scottish Government an evidenced case for the sector's contribution to the recovery and the need for support for Scottish HEIs in the light of the Covid-19 emergency and publication of a hard-hitting report by SFC with agreed quantification of the challenge.
- At the end of May, submission of evidence and argument to the Advisory Group on Economic Recovery which made a significant impact on its recommendations for an 'education-led recovery'.

## Trustees' report (continued)

- Substantial and detailed work to influence Scottish Government guidance on the safe resumption of activities on campus.

### Activities for members - Universities Wales

Universities Wales represents the interest of universities in Wales, supporting a university system which transforms lives through the work Welsh universities do with the people and places of Wales and the wider world. To achieve this ambition, in the year Universities Wales activities and achievements included:

- Lobbying and influencing key stakeholders in Wales and the Welsh Government.
- Developed the election asks for the UK Parliament elections representing the key issues for the universities in Wales.
- Celebrating the contribution made to the Welsh economy by graduate start-ups, highlighting the innovative and valuable contribution these businesses make to Wales and the ways in which universities support those students and graduates on their start-up journeys.
- The Chairs and Vice-Chancellors in Wales commissioned an independent review of governance in Wales, which set out to enable governors to operate at the leading edge of good corporate governance both in terms of compliance and crucially boardroom culture and in response published a Governance Charter for Universities in Wales and a Commitment to Action.
- Global Wales, a partnership between Universities Wales, Welsh Government, British Council and the Higher Education Funding Council for Wales focussed efforts on Vietnam, US and India to promote Wales as a study destination.
- Responded to the Covid-19 crisis to assist members as needed.

### Activities for members – Health

The **Council of Deans of Health** saw significant challenges but also notable achievements during the year. The Council has seen membership grow, welcoming Aberystwyth University, BPP University and Nottingham Trent University. Politically the Council successfully influenced the introduction of the student maintenance grant for healthcare students in England, as well as engaging with the Prime Minister's Implementation Unit to influence the future of nursing education. In response to the Covid-19 crisis, the Council played a vital role by working closely with regulators, chief professional officers and NHS organisations across the UK to create emergency arrangements to allow students to contribute to the Covid-19 response where appropriate while ensuring the sector can continue to educate the future healthcare workforce. The [Council of Deans of Health Annual Report 2019-20](#) gives more detail on the achievements in the year.

The second half of the academic year 2019–20 for the **Medical Schools Council** was marked by the societal upheaval caused by the Covid-19 pandemic. The Medical Schools Council has been widely praised for the leadership it provided to the sector and the extremely effective guidance it provided to protect patients, students and staff. This included setting up a series of working groups, supporting medical schools to graduate students early allowing the NHS to access a new workforce early in the pandemic. The full detail of the Medical Schools Council response can be seen in the Medical Schools Council Annual Report and Financial Statements.

### USS pensions reform

Universities UK has a legal responsibility to represent employers within the USS pensions scheme. This year saw the conclusion of the 2018 valuation and start of the 2020 valuation process. Following the establishment of the Joint Expert Panel on USS reform, the panel presented their second report and we have acted on a range of recommendations, including the establishment of a tri-partite group made up of employers, union and USS representatives and this group has been meeting regularly through the year.

### Restricted funds

The restricted funds managed by Universities UK include the Council of Deans of Health and parts of Universities UK International funds (operating units of Universities UK). Medical Schools Council and its various funds (a subsidiary) and MSC Assessment (a sub-subsidiary) are also restricted funds in Universities UK's consolidated financial statements. Further details on the objectives, activities and financial performance of all restricted funds are given in notes 20 and 22 to the financial statements.

## Relationship with higher education sector agencies

Universities UK is the original subscribing member of various UK higher education sector agencies including Advance HE, Higher Education Careers Service Unit, Higher Education Statistics Agency, Office of the Independent Adjudicator, Quality Assurance Agency, UCAS, Universities and Colleges Employers Association and Jisc.

Members of Universities UK contribute to governance oversight of these bodies through Board membership and other involvement, alongside interaction between Universities UK staff and staff of the bodies concerned. Transactions between Universities UK and these sector agencies are disclosed in note 26 to the financial statements.

## Financial review

### Review of position at the end of the year

The statement of financial activities for the year is set out on page 21 and the balance sheet on page 22 of the financial statements.

Consolidated income and expenditure for the year and position at the end of the year are summarised in the table below.

	Unrestricted Activities £'000	Restricted Activities £'000	Total 2020 £'000	Total 2019 £'000
Income	9,049	5,014	14,063	14,849
Expenditure	(8,138)	(5,569)	(13,707)	(17,043)
Deficit	911	(555)	356	(2,194)
Transfers	7	(7)	—	—
Net movement in funds	918	(562)	356	(2,194)
Funds brought forward	1,870	3,953	5,823	8,017
Funds carried forward	2,788	3,391	6,179	5,823

A consolidated surplus of £356,000 is reported for the financial year ended 31 July 2020. £1,213,000 of this related to a credit movement on the pension deficit recovery plan provision and £117,000 related to debit movements on the annual leave accrual (FRS 102 adjustments). Excluding these items, **the deficit for the year ended 31 July 2020 stood at £740,000.**

Unrestricted income in 2020 was down £638,000 year-on-year at £9,049,000 (2019: £9,687,000).

- The conference and events programmes saw income decrease by £487,000 year-on-year.
- Woburn House Conference Centre Ltd saw income (net of internal charges) decrease by £335,000, from £1,186,000 to £851,000.
- Unrestricted subscription income increased by £124,000 and included the addition of two new members.

The unrestricted surplus in 2020 was £918,000 of which £1,096,000 related to the movements on the pension deficit recovery plan provision and the annual leave accrual. Excluding this movement, **a deficit of £178,000 is reported on unrestricted activities.**

- The Woburn House Conference Centre covenant and contribution from Universities UK events have been significantly adversely affected by the closure of Woburn House.
- Lost revenue was partially off-set by savings in travel, meetings and establishment costs following the office closures.
- Joining fees were received from two new members.

Restricted income of £5,014,000 was broadly in line with the 2019 level of £5,162,000.

## Trustees' report (continued)

The organisation's net assets were £6,179,000 at 31 July 2020 (2019: £5,823,000). A high proportion of these are represented by cash.

### **Principal funding sources**

Membership subscriptions provides 68% of the unrestricted income, and the balance comes from covenant income (11%), sales of goods and services (10%), conference receipts (6%) and investment and other income (5%). This income is used principally to support charitable activities, but also the cost of charged-for goods and services. Universities UK does not fundraise from the public and is therefore not registered with the Fundraising Regulator.

### **Significant events affecting financial performance and position**

Covid-19 had a significant impact on income in the year. Lockdown in March 2020 and The Health Protection (Coronavirus, Business Closure) (England) Regulations 2020 meant that Woburn House Conference Centre ceased trading from 23 March 2020 and the paid for conferences and events were cancelled. The impact on income for the year was £320,000 less than last year for the covenant from Woburn House Conference Centre to Universities UK and a £205,000 reduction in the contribution from Universities UK events compared to budget. While some operating costs were saved with the closure of offices, no business travel and using the Coronavirus Job Retention Scheme for posts directly associated with building operations between April and October, it has left a significant deficit for the year.

### **Impact of material pension liability**

The deficit recovery plan for the USS pension scheme first agreed in 2017 has, as a result of Financial Reporting Standard (FRS) 102, required a provision for the extra employer pension contributions required over the life of the plan. This in turn has reduced reserves, though without any immediate impact on the cash position or on financial risk. The impact is dealt with in more detail in relation to the effect on performance against the reserves policy.

### **Fixed assets**

The changes to intangible and tangible fixed assets during the year are shown in notes 12 and 13 to the financial statements.

### **Other interests**

The long leasehold interest in Woburn House is owned by CVCP Properties plc, a business set up by the membership in 1995 for the purpose of acquiring the building. CVCP Properties plc also owns a central London residential flat which is let out at commercial rates with the revenue contributing to the annual covenant to Universities UK.

### **Investment policy**

Universities UK plans strategically over a five-year time horizon and budgets annually to expend substantially all anticipated unrestricted income, subject to retaining a prudent amount in reserves. It has no permanent endowment and provides for capital expenditure from unrestricted reserves.

The Board of Trustees does not consider that it is necessary to accumulate and invest income for the longer term. Its investment policy is therefore to retain surplus funds as cash and place them on bank deposit and treasury reserve at the best rate consistent with a prudent treasury management policy. As a result, it is not appropriate for the organisation to adopt an ethical investment policy.

### **Principal risks and uncertainties**

The UK Board, supported by the Audit and Risk Committee which carries responsibility for risk management, keeps under review the strategic and operational risks facing the organisation and its subsidiaries together with the programmes and activities that help manage those risks effectively.

As a membership organisation, Universities UK's principal risk is failing to respond adequately to developments in higher education policy and funding or to its members' needs, which would risk damage to its reputation and influence and a possible loss of members and subscription revenue. Horizon scanning and member feedback mechanisms are in place to minimise and mitigate this risk and other external financial and operational risks and uncertainties.

Specifically, potential policy divisions within the membership and Universities UK's response to those are monitored via the Board, members' meetings and the Policy Networks. Operational risks include IT systems and the infrastructure of Woburn House, and strategies are in place to identify and mitigate those risks. Our statutory role as the employers' representative in the USS pension scheme brings with it risks to our reputation and resources. In the coming year there will be significant financial risk if there are delays rebuilding the commercial income generating activities.

### **Reserves policy**

The trustees have reviewed the requirements for free reserves (unrestricted reserves less any amounts designated or otherwise committed) in the light of the principal strategic and operating risks to the organisation, as outlined above. Despite uncertainty as a result of Covid-19, the nature and likely timing and financial impact of these risks are not considered to be either sufficiently immediate or material to warrant carrying higher reserves. Accordingly, the current target of four to six months of unrestricted expenditure is deemed appropriate as this would ensure sufficient funds are available to meet current commitments if income streams were erratic or exceptional expenditure was incurred.

Universities UK reports its results under the Charity SORP, based on revised UK Generally Accepted Accounting Practice (GAAP): FRS 102. This has a significant impact on free reserves as Universities UK has to provide for the present value of employer contributions to past service deficits in multi-employer defined benefit pension schemes previously accounted for solely as defined contribution schemes, and the cost of untaken staff leave. The trustees have considered the impact of this and agreed to focus on cash liquidity of assets and risk, so levels of reserves would be stated before and after the provisions required under FRS 102 but using levels before for any provisions for operational and decisions making purposes.

The impact of the reporting regime has been to reduce reported unrestricted reserves by £2.2m (2019: £3.3m) and to cause Universities UK's group free reserves to be less than the target range of months of unrestricted expenditure. The trustees do not believe the impact of FRS 102 to be significant as most of the provision is for extra pension payments that will be made over a number of years up to 2028. These will be budgeted for and accommodated as extra expenditure in each individual year. The remaining provision is for the cost of unused leave, higher this year due to delays in taking annual leave as a result of lockdown but we are confident that these balances will be used in the next six months.

The trustees have identified 2020–21 income as a risk and approved a budget based on assumptions which will end the year within the reserves policy. The trustees will monitor performance through the year and take appropriate measures to avoid a significant drop in reserves.

### **Performance against reserves policy**

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Total unrestricted reserves	2,742	1,859
Less: committed to fixed assets	(955)	(1,005)
Free reserves under SORP (A)	<u>1,787</u>	854
Add back: pension and annual leave liabilities	2,203	3,298
Reserves for Universities UK policy purposes (B)	<u>3,990</u>	<u>4,152</u>
Total unrestricted expenditure (C)	8,138	11,853
Exclude: pension and annual leave costs	1,096	(2,086)
Unrestricted expenditure for Universities UK policy purposes (D)	<u>9,234</u>	<u>9,767</u>

Months of expenditure expressed in reserves:

Under SORP (12 X A / C)	2.6	0.9
Under Universities UK policy (12 X B / D)	5.2	5.1
Months (target)	4.0 – 6.0	4.0 – 6.0

## Trustees' report (continued)

### ***Political and charitable donations***

The company made no political donations in the year (2019: nil). During the year, charitable donations made in lieu of buying and sending hard copy Christmas cards were £320 (2019: £100)

### ***Looking forward – our aspirations for 2020–21***

2020–21 will be the third year of Universities UK's Strategic Plan 2018-23: World Leading Impact. The long term, strategic objectives for the next five years are as outlined on in the strategic report. These focus on six thematic areas:

- **Opportunity**
- **Impact**
- **Trust**
- **Global universities**
- **Autonomy**
- **Organisation capabilities**

With the uncertainty around the Covid-19 crisis, operational programmes have been refocussed to respond to the crisis or paused. At an appropriate time, Universities UK members will be surveyed to understand priorities for a post-Covid, post-Brexit world.

The following workstreams were in place in July 2020 but are very likely to evolve, be added to and refocus as new priorities and challenges emerge through 2020–21.

- **International workstream** - focussing on international student recruitment and student and staff immigration issues.
- **Regulations and standards workstream** - looking at the impact of coronavirus on quality and standards to ensure appropriate guidance for the sector on assessment and examinations and issues such as compensation and compliance.
- **UK admissions workstream** - addressing the challenges of the cancellation of summer exams and the impact on students and universities.
- **Financial sustainability workstream** – considering the financial impact of coronavirus on the sector and mitigations.
- **Student welfare workstream** - focusing on the needs and availability of appropriate support for students.
- **Government relations and communications workstream**
- **Workforce workstream** - led by UCEA but linked with Universities UK's programme of activities to ensure coordination where there are cross-cutting issues.
- **Research workstream** - seeking to minimise the impact of coronavirus on the UK's research activities, looking at how research and innovation can be supported during this period and how the situation will affect research staff and PhD students.
- **Universities supporting the national effort against Covid-19 workstream** - matching universities with the national effort to fight coronavirus.
- **Recovery workstream** - focusing on universities role in the social and economic recovery.

In addition to these workstreams, Universities UK has supported members to ensure access to testing capacity and to consider the challenges of operating a university under Covid-19 restrictions.

## Statement of Trustees' responsibilities

The trustees (who are also directors of Universities UK for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Audit information

So far as each of the trustees at the time the Trustees' report is approved is aware:

- there is no relevant information of which the auditors are unaware; and
- they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Auditor

Haysmacintyre LLP has indicated its willingness to continue as auditor, subject to re-appointment at the next annual general meeting.

The Trustees' report is approved by the trustees of the charity. The Strategic report, which forms part of the Trustees' report, is approved by the trustees in their capacity as directors in company law of the Charity.



**Alistair Jarvis**  
Chief Executive  
6 November 2020



**Professor Paul Layzell**  
Treasurer

# Independent auditor's report to the members of Universities UK

## Opinion

We have audited the financial statements of Universities UK for the year ended 31 July 2020 which comprise the Group Statement of Financial Activities, the Group Balance Sheet, Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 July 2020 and of the group and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company'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 the trustees either intend to liquidate the group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' report (incorporating the Strategic report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (which incorporates the Strategic report and the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (which incorporates the Strategic report and the Directors' report) has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board (which incorporates the Strategic report and the Directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the group and parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

# Independent auditor's report to the members of Universities UK

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson, Senior Statutory Auditor  
For and on behalf of Haysmacintyre LLP, Statutory Auditor

06 November 2020

10 Queen Street Place  
London  
EC4R 1AG

## Consolidated statement of financial activities – year ended 31 July 2020

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	<b>Total Funds 2020 £'000</b>	Total Funds 2019 £'000
<b>Income from:</b>					
. Donations	2	982	—	<b>982</b>	886
. Charitable activities	3	7,080	4,975	<b>12,055</b>	12,507
. Other trading activities	4	915	30	<b>945</b>	1,343
. Investments		56	9	<b>65</b>	79
. Other income		16	—	<b>16</b>	34
<b>Total</b>		<u>9,049</u>	<u>5,014</u>	<u><b>14,063</b></u>	<u>14,849</u>
<b>Expenditure on:</b>					
. Raising funds		564	27	<b>591</b>	687
. Charitable activities		7,574	5,542	<b>13,116</b>	16,356
<b>Total</b>	7	<u>8,138</u>	<u>5,569</u>	<u><b>13,707</b></u>	<u>17,043</u>
<b>Net expenditure</b>		911	(555)	<b>356</b>	(2,194)
Transfers between funds	20	7	(7)	—	—
<b>Net movements in funds</b>		<u>918</u>	<u>(562)</u>	<u><b>356</b></u>	<u>(2,194)</u>
<b>Total funds at 1 August 2019</b>		1,870	3,953	<b>5,823</b>	8,017
<b>Total funds at 31 July 2020</b>	20	<u>2,788</u>	<u>3,391</u>	<u><b>6,179</b></u>	<u>5,823</u>

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

The notes on pages 24 to 46 form part of these financial statements.

## Balance sheets – 31 July 2020

	Notes	The Group		Universities UK	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Fixed assets</b>					
Intangible fixed assets	12	26	48	9	8
Tangible fixed assets	13	394	413	346	397
Investments	14	600	600	600	600
		<b>1,020</b>	1,061	<b>955</b>	1,005
<b>Current assets</b>					
Debtors					
- due within one year		<b>1,868</b>	2,664	<b>2,086</b>	2,497
- due after more than one year		<b>750</b>	750	<b>750</b>	750
	15	<b>2,618</b>	3,414	<b>2,836</b>	3,247
Investments – short term deposits		<b>5,152</b>	5,885	<b>3,552</b>	3,785
Cash at bank and in hand		<b>2,332</b>	1,800	<b>897</b>	911
		<b>10,102</b>	11,099	<b>7,285</b>	7,943
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	<b>(3,038)</b>	(3,201)	<b>(2,672)</b>	(2,944)
<i>Net current assets</i>		<b>7,064</b>	7,898	<b>4,613</b>	4,999
<i>Total assets less current liabilities</i>		<b>8,084</b>	8,959	<b>5,568</b>	6,004
Creditors: amounts falling due after one year	18	<b>(1,905)</b>	(3,136)	<b>(1,905)</b>	(3,136)
<b>Total net assets</b>		<b>6,179</b>	5,823	<b>3,663</b>	2,868
<b>Funds and reserves</b>					
Restricted funds		<b>3,391</b>	3,953	<b>921</b>	1,009
Unrestricted funds		<b>2,742</b>	1,859	<b>2,742</b>	1,859
Non-charitable trading funds		<b>46</b>	11	<b>—</b>	—
Total funds	20	<b>6,179</b>	5,823	<b>3,663</b>	2,868

Gross income for the parent charity was £11,925,000 and gross expenditure was £11,130,000, resulting in a surplus of £795,000 (2019: deficit of £2,070,000).

Approved by the Board of Directors and authorised for issue on 6 November 2020

Signed on their behalf:



**Alistair Jarvis**  
Chief Executive



**Paul Layzell**  
Treasurer

Company Number: 2517018

The notes on pages 24 to 46 form part of these financial statements.

## Consolidated cash flow statement – year ended 31 July 2020

	2020 £'000	2019 £'000
<b>(a) Reconciliation of net expenditure to net cash flow from operating activities</b>		
<b>Net income/(expenditure) for the year</b>	<b>356</b>	<b>(2,194)</b>
Interest income	<b>(65)</b>	(79)
Depreciation and amortisation charges	<b>135</b>	149
Decrease/(increase) in debtors	<b>796</b>	(91)
(Decrease)/increase in creditors	<b>(1,394)</b>	1,680
<b>Net cash used in operating activities</b>	<b>(172)</b>	<b>(535)</b>
<b>(b) Statement of cash flows</b>		
<b>Cash flows from operating activities</b>	<b>(172)</b>	<b>(535)</b>
<b>Cash flows for investing activities</b>		
Purchase of fixed assets	<b>(94)</b>	(69)
Interest income	<b>65</b>	79
<b>Net cash used in investing activities</b>	<b>(29)</b>	<b>10</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(201)</b>	<b>(525)</b>
<b>Cash and cash equivalents at 1 August</b>	<b>7,685</b>	<b>8,210</b>
<b>Cash and cash equivalents at 31 July</b>	<b>7,484</b>	<b>7,685</b>
Cash and cash equivalents at 31 July is made up of:		
Investments – short term deposits	<b>5,152</b>	5,885
Cash at bank and in hand	<b>2,332</b>	1,800
<b>Total cash and cash equivalents</b>	<b>7,484</b>	<b>7,685</b>

# Notes to the financial statements – year ended 31 July 2020

## 1. Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Universities UK meets the definition of a public benefit entity under FRS 102. It is a company limited by guarantee and is incorporated in the UK. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The consolidated financial statements incorporate the results of Universities UK and its subsidiaries, Woburn House Conference Centre Limited, Medical Schools Council and MSC Assessment. No separate Universities UK statement of financial activities has been prepared, as permitted by Section 408 of the Companies Act 2006.

### a. Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The liability in respect of the pension deficit recovery plan has been calculated using key assumptions concerning future payroll growth and the discount rate (see note 24).

### b. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees have considered the impact of the Covid-19 pandemic, reviewed financial position, reserves levels and future plans and this has given the trustees confidence that the charity remains a going concern into the future.

### c. Income

Income from donations and grants (including government grants) is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Subscriptions are recognised over the period to which they relate.

Conference fee and other trading income is recognised on an accruals basis.

Investment income is credited in the period in which it is earned.

### d. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributable to a particular heading, they have been allocated to activities on a basis consistent with the use of the resource.

Direct costs, including directly attributable salaries, are allocated on the basis of time to the key strategic areas of activity.

Overheads and other salaries are allocated between activities on the bases of usage, ie the same basis as expenditure incurred directly in undertaking the activity.

**d. Expenditure (continued)**

Governance costs are those incurred in connection with the management of Universities UK's assets, the organisation's administration and compliance with constitutional and statutory requirements.

Unconditional grants payable are charged to the statement of financial activities in the year in which they are communicated to the recipient as at that time a valid expectation has been created that the grants will be paid. Conditional grants are charged on a similar basis when conditions fall outside the control of the charity. Any unpaid amounts are shown as liabilities at the balance sheet date.

**e. Intangible and tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Leasehold improvements assets are stated at cost less depreciation. A full year's depreciation is charged in the year the asset is brought into use and none in the year of disposal.

Depreciation has been calculated at the following annual rates, in order to write off each asset over its estimated useful life.

Furniture and equipment	- over four years
Office technology (including website development)	- over three years
Leasehold improvements	- over the life of the lease

Universities UK capitalisation policy is to capitalise individual assets costing over £2,500.

**f. Investments**

Investments held as fixed assets are stated at cost, as permitted by FRS 102. In the opinion of the trustees the estimated fair value of the investment is not materially different from the cost as there is no active market for these shares.

**g. Cash and cash equivalents**

Surplus cash funds are held on deposit for up to a year in order to achieve a better rate of interest.

**h. Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Liabilities are recognised on an accruals basis. Loans receivable are measured initially at fair value and are measured subsequently at amortised cost using the effective interest method.

**i. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**j. Debtors**

Short term debtors are measured at transaction price, less any impairment.

**k. Operating leases**

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the lease.

## Notes to the financial statements (continued)

### **i. Employee benefits**

#### *Short term benefits*

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

#### *Employee termination benefits*

Termination benefits are accounted for on an accruals basis and in line with FRS 102.

### **m. Pensions**

Universities UK participates in the Universities Superannuation Scheme (USS) and Superannuation Arrangements of the University of London (SAUL).

Both these pension schemes are defined benefit, multi-employer schemes (contracted out of the State Second Pension [S2P] up until 31 March 2016), with the assets held in separate trustee-administered funds. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme.

Because of the mutual nature of the schemes, the schemes' assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. Universities UK is therefore exposed to actuarial risks associated with members employed at other participating employers in the schemes and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the schemes as if they were defined contribution schemes.

As a result, the amount charged to income and expenditure through the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

Given the mutual nature of the schemes, participating employers are not expected to be liable for any other current participating employer's obligations, but in the event of an insolvency of any participating employer within each scheme, an amount of any pension shortfall which cannot otherwise be recovered in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Since Universities UK has entered into an agreement to participate in a deficit recovery plan for USS, it now also recognises a liability under FRS 102 for the future contributions payable that arise from this agreement to the extent that they relate to the deficit and the resulting expense in the statement of financial activities.

As SAUL had a Technical Provisions surplus at 31 March 2017 there is no defined benefit liability to be recognised by Universities UK.

### **n. Universities Scotland and Universities Wales**

The funds of these National Councils are included within the designated unrestricted funds of Universities UK. Universities Scotland is a recognised body in Scotland and separate accounts for it are prepared and filed with the Office of the Scottish Charity Regulator.

## 2. Donations

CVCP Properties plc is a company owned by 100 higher education institutions, whose executive heads are members of Universities UK. The company owns two leasehold properties and the net profits from its activities are covenanted annually to Universities UK.

Covenanted income receivable during the year from CVCP Properties plc was £981,888 (2019: £885,837). Other transactions with CVCP Properties plc are included in note 26.

## 3. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	<b>Total 2020 £'000</b>	Unrestricted Funds £'000	Restricted Funds £'000	<b>Total 2019 £'000</b>
Subscriptions from membership	6,148	2,250	<b>8,398</b>	6,024	2,047	8,071
Grants and contracts	382	2,584	<b>2,966</b>	340	2,886	3,226
Conference income	550	141	<b>691</b>	1,037	173	1,210
	<u>7,080</u>	<u>4,975</u>	<u><b>12,055</b></u>	<u>7,401</u>	<u>5,106</u>	<u>12,507</u>

See notes 5 and 6 for further analysis.

## 4. Other trading activities

Trading activities relate principally to Woburn House Conference Centre Ltd, a subsidiary. They are stated net of intra-group trading.

## 5. Subscriptions from membership

	Unrestricted Funds £'000	Restricted Funds £'000	<b>Total 2020 £'000</b>	Unrestricted Funds £'000	Restricted Funds £'000	<b>Total 2019 £'000</b>
Universities UK	5,063	402	<b>5,465</b>	4,938	315	5,253
Universities Scotland	631	—	<b>631</b>	625	—	625
Universities Wales	454	—	<b>454</b>	461	—	461
Medical Schools Council	—	854	<b>854</b>	—	1,070	1,070
MSC Assessment	—	301	<b>301</b>	—	—	—
Council of Deans of Health	—	693	<b>693</b>	—	662	662
	<u>6,148</u>	<u>2,250</u>	<u><b>8,398</b></u>	<u>6,024</u>	<u>2,047</u>	<u>8,071</u>

## Notes to the financial statements (continued)

### 6. Grants and contracts

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2019 £'000
Higher Education Funding Council for Wales *	—	1,046	<b>1,046</b>	—	766	766
Health Education England *	—	441	<b>441</b>	—	1,130	1,130
Research England *	—	370	<b>370</b>	—	300	300
British Council *	198	100	<b>298</b>	128	131	259
Department for Business, Energy & Industrial Strategy *	63	166	<b>229</b>	122	59	181
Scottish Funding Council *	—	123	<b>123</b>	—	121	121
Office for Students *	—	71	<b>71</b>	—	—	—
Burdett	—	62	<b>62</b>	—	62	62
Department of Health & Social Care *	—	49	<b>49</b>	—	28	28
All Party Parliamentary University Group	42	6	<b>48</b>	43	16	59
Scottish Government *	—	42	<b>42</b>	—	53	53
HMRC *	38	—	<b>38</b>	—	—	—
Conservatoires UK	12	23	<b>35</b>	14	28	42
NCUK	—	25	<b>25</b>	—	—	—
UPP Foundation	—	24	<b>24</b>	—	24	24
European Commission	—	21	<b>21</b>	—	—	—
Department for Education *	—	—	—	—	47	47
HEFCE *	—	—	—	—	43	43
Health Foundation	—	—	—	—	33	33
NIHR CLAHRC	—	—	—	—	29	29
UK Research and Innovation *	—	—	—	20	—	20
Other organisations	29	15	<b>44</b>	13	16	29
	<b>382</b>	<b>2,584</b>	<b>2,966</b>	<b>340</b>	<b>2,886</b>	<b>3,226</b>

\* Grants from government and government agencies.

### 7. Total resources expended

	Direct costs £'000	Support costs £'000	Total 2020 £'000	Direct costs £'000	Support costs £'000	Total 2019 £'000
<b>Cost of raising funds</b>	567	24	<b>591</b>	668	19	687
<b>Charitable activities</b>						
<b>Activities for members</b>						
Core (see split below)	7,209	2,437	<b>9,646</b>	9,800	2,320	12,120
Conferences	466	93	<b>559</b>	791	82	873
Medical & health	1,567	250	<b>1,817</b>	1,792	340	2,132
Exam delivery	958	136	<b>1,094</b>	1,117	114	1,231
Total activities for members	10,200	2,916	<b>13,116</b>	13,500	2,856	16,356
<b>Total resources expended</b>	<b>10,767</b>	<b>2,940</b>	<b>13,707</b>	<b>14,168</b>	<b>2,875</b>	<b>17,043</b>

## 7. Total resources expended (continued)

	Direct costs £'000	Support costs £'000	Total 2020 £'000	Direct costs £'000	Support costs £'000	Total 2019 £'000
<b>Split of core activities</b>						
England, NI and UK-wide	3,402	1,954	<b>5,356</b>	6,762	1,876	8,638
International	2,595	124	<b>2,719</b>	1,861	138	1,999
Universities Wales	527	100	<b>627</b>	496	56	552
Universities Scotland	685	259	<b>944</b>	681	250	931
<b>Total resources expended</b>	<b>7,209</b>	<b>2,437</b>	<b>9,646</b>	<b>9,800</b>	<b>2,320</b>	<b>12,120</b>

## 8. Support costs allocations

	Premises £'000	Governance £'000	Depreciation £'000	Finance, HR IT £'000	Other £'000	Total 2020 £'000
Trading activities: costs of goods sold and other costs	11	2	1	7	3	<b>24</b>
<b>Charitable activities</b>						
Core	1,021	159	80	748	429	<b>2,437</b>
Conferences	39	6	3	29	16	<b>93</b>
Medical and health	80	31	16	85	38	<b>250</b>
Exam delivery	33	5	—	30	68	<b>136</b>
<b>Total resources</b>	<b>1,184</b>	<b>203</b>	<b>100</b>	<b>899</b>	<b>554</b>	<b>2,940</b>

	Premises £'000	Governance £'000	Depreciation £'000	Finance, HR IT £'000	Other £'000	Total 2019 £'000
Trading activities: costs of goods sold and other costs	9	1	1	5	3	19
<b>Charitable activities</b>						
Core	1,034	156	90	669	371	2,320
Conferences	37	6	3	24	12	82
Medical and health	98	70	36	74	62	340
Exam delivery	15	13	—	56	30	114
<b>Total resources</b>	<b>1,193</b>	<b>246</b>	<b>130</b>	<b>828</b>	<b>478</b>	<b>2,875</b>

## Notes to the financial statements (continued)

### 8. Support costs allocations (continued)

	<b>Total 2020 £'000</b>	Total 2019 £'000
Governance costs are made up of the following:		
Staff costs	149	141
External audit	23	21
Other professional fees	29	78
Meeting costs and expenses	2	6
	<b>203</b>	<b>246</b>

	<b>Total 2020 £'000</b>	Total 2019 £'000
Other direct costs include:		
Auditor's remuneration:		
. For audit services	26	24
. For other services	6	15
. Prior year fees: other services	—	1
Operating lease rentals:		
. Land and buildings	1,033	1,011
. Office and equipment	10	12

### 9. Analysis of staff costs

	<b>Total 2020 £'000</b>	Total 2019 £'000
Total staff costs including full and part-time employees were:		
Wages and salaries	6,246	6,030
Social security costs	669	641
Other pension costs	332	3,406
	<b>7,247</b>	<b>10,077</b>

'Other pension costs' includes a £1,264,000 credit relating to the movement on the USS pension deficit funding liability (2019: debit of £2,026,000).

	<b>2020 No.</b>	2019 No.
The average number of employees throughout the year was:		
Charitable activities	121	115
Support staff	20	22
Trading activities – Woburn House Conference Centre Limited	4	4
	<b>145</b>	<b>141</b>

## 9. Analysis of staff costs (continued)

The number of employees whose emoluments exceeded £60,000 (excluding employer's pension contributions) was 28 (2019: 25).

	<b>2020</b>	2019
	<b>No.</b>	No.
£60,001 - £70,000	<b>9</b>	12
£70,001 - £80,000	<b>10</b>	5
£80,001 - £90,000	<b>3</b>	4
£90,001 - £100,000	<b>4</b>	2
£120,001 - £130,000	<b>1</b>	1
£150,001 - £160,000	<b>—</b>	1
£160,001 - £170,000	<b>1</b>	—

The total employer pension contributions for these staff were £453,998 (2019: £353,571).

## 10. Trustees' emoluments and emoluments of other key management personnel

No trustees received any remuneration for their services.

During the year, travel and accommodation expenses were reimbursed to one trustee amounting to £120 (2019: one trustee - £4,171).

The total employee benefits of the Senior Leadership Team who are considered to be key management personnel (in addition to trustees) was:

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Wages and salaries	<b>750</b>	715
Social security costs	<b>85</b>	82
Other pension costs	<b>155</b>	132
	<b>990</b>	929

The Senior Leadership comprises the Chief Executive and Directors of Policy, Member Services, Universities UK International, Communications and External Affairs, Operations, Universities Scotland and Universities Wales.

## 11. Taxation

The charity is exempt from corporation tax under Sections 466-497 of the Corporation Taxes Act 2010 as all its income is applied to charitable purposes.

## Notes to the financial statements (continued)

### 12. Intangible fixed assets

	<b>Group</b>	<b>Universities</b>
	<b>£'000</b>	<b>UK</b>
		<b>UK</b>
		<b>£'000</b>
<b>Website development and software</b>		
<b>Cost</b>		
At 1 August 2019	534	337
Additions	12	12
Written off	(170)	(100)
At 31 July 2020	<u>376</u>	<u>249</u>
<b>Depreciation</b>		
At 1 August 2019	486	329
Charge for year	34	11
Written off	(170)	(100)
At 31 July 2020	<u>350</u>	<u>240</u>
<b>Net book value</b>		
<b>At 31 July 2020</b>	<u><b>26</b></u>	<u><b>9</b></u>
At 31 July 2019	<u>48</u>	<u>8</u>

### 13. Tangible fixed assets

	Leasehold	Furniture	Office	<b>Total</b>
	Improvements	&	Technology	<b>£'000</b>
	£'000	Equipment	£'000	
		£'000		
<b>Group</b>				
<b>Cost</b>				
At 1 August 2019	687	539	157	<b>1,383</b>
Additions	—	72	10	<b>82</b>
Written off	—	(13)	(62)	<b>(75)</b>
At 31 July 2020	<u>687</u>	<u>598</u>	<u>105</u>	<u><b>1,390</b></u>
<b>Depreciation</b>				
At 1 August 2019	298	520	152	<b>970</b>
Charge for year	64	33	4	<b>101</b>
Written off	—	(13)	(62)	<b>(75)</b>
At 31 July 2020	<u>362</u>	<u>540</u>	<u>94</u>	<u><b>996</b></u>
<b>Net book value</b>				
<b>At 31 July 2020</b>	<u><b>325</b></u>	<u><b>58</b></u>	<u><b>11</b></u>	<u><b>394</b></u>
At 31 July 2019	<u>389</u>	<u>19</u>	<u>5</u>	<u><b>413</b></u>

### 13. Tangible fixed assets (continued)

	Leasehold Improvements £'000	Furniture & Equipment £'000	Office Technology £'000	Total £'000
<b>Universities UK</b>				
<b>Cost</b>				
At 1 August 2019	687	395	135	<b>1,217</b>
Additions	—	12	10	<b>22</b>
Written off	—	(13)	(58)	<b>(71)</b>
At 31 July 2020	<u>687</u>	<u>394</u>	<u>87</u>	<u><b>1,168</b></u>
<b>Depreciation</b>				
At 1 August 2019	298	392	130	<b>820</b>
Charge for year	64	5	4	<b>73</b>
Written off	—	(13)	(58)	<b>(71)</b>
At 31 July 2020	<u>362</u>	<u>384</u>	<u>76</u>	<u><b>822</b></u>
<b>Net book value</b>				
At 31 July 2020	<u>325</u>	<u>10</u>	<u>11</u>	<u><b>346</b></u>
At 31 July 2019	<u>389</u>	<u>3</u>	<u>5</u>	<u><b>397</b></u>

### 14. Investments held as fixed assets

	Total 2020 £'000	Total 2019 £'000
<b>Group and Universities UK</b>		
CVCP Properties plc ordinary shares of £1 each	<b>50</b>	50
CVCP Properties plc preference shares of £1 each	<b>550</b>	550
	<u><b>600</b></u>	<u>600</u>

CVCP Properties plc is an unquoted company and the shares are stated at cost. In the trustees' opinion, the fair value of the investment is not materially different from the cost at the balance sheet date as there is no active market for these shares.

### 15. Debtors

	Group		Universities UK	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	<b>380</b>	1,300	<b>213</b>	305
Amounts due from subsidiary undertakings	—	—	<b>441</b>	880
Other debtors	<b>1,002</b>	923	<b>1,002</b>	923
Prepayments and accrued income	<b>486</b>	441	<b>430</b>	389
Loan	<b>750</b>	750	<b>750</b>	750
	<u><b>2,618</b></u>	<u>3,414</u>	<u><b>2,836</b></u>	<u>3,247</u>

The £750,000 loan is repayable after more than one year (2019: £750,000).

## Notes to the financial statements (continued)

### 16. Creditors: amounts falling due within one year

	Group		Universities UK	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors	583	586	468	386
Amounts due to subsidiary undertakings	—	—	—	13
Taxation and social security	235	273	235	273
Other creditors	153	133	153	133
Accruals	893	699	656	640
Deferred income	1,174	1,510	1,160	1,499
	<b>3,038</b>	<b>3,201</b>	<b>2,672</b>	<b>2,944</b>

At the year end outstanding pension contributions amounted to £149,948 (2019: £134,695).

### 17. Deferred income

	Group		Universities UK	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Brought forward	1,510	2,012	1,449	1,992
Released in the year	(1,503)	(2,008)	(1,442)	(1,988)
Deferred in the year	1,167	1,506	1,153	1,445
Carried forward	1,174	1,510	1,160	1,449

### 18. Creditors: amounts falling due after more than one year

	Total 2020 £'000	Total 2019 £'000
<b>Group and Universities UK</b>		
Pension deficit funding payments in relation to USS	<b>1,905</b>	<b>3,136</b>

See note 24 for further details regarding these liabilities.

### 19. Operating lease commitments

The group and company have the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Total 2020 £'000	Total 2019 £'000
<b>Group and Universities UK</b>		
Land and buildings:		
. Within one year	1,056	1,053
. Between one and five years	475	1,508
. After five years	27	47
Office equipment:		
. Within one year	7	6
. Between one and five years	13	1
	<b>1,578</b>	<b>2,615</b>

## 20. Movement in funds

	At 1 August 2019 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2020 £
<b>Unrestricted funds</b>					
Investment fund	600	—	—	—	<b>600</b>
Universities Scotland / Universities Wales	543	1,178	(1,580)	438	<b>579</b>
General funds	716	7,385	(6,107)	(431)	<b>1,563</b>
	<u>1,859</u>	<u>8,563</u>	<u>(7,687)</u>	<u>7</u>	<u>2,742</u>
<b>Restricted funds</b>					
Medical Schools Council	1,192	549	(510)	(4)	<b>1,227</b>
MSC Assessment	857	36	(699)	(4)	<b>190</b>
MSC Assessment Alliance	407	397	(406)	(7)	<b>391</b>
University Hospital Association	268	123	(123)	(1)	<b>267</b>
Dental Schools Council	125	80	(82)	—	<b>123</b>
Pharmacy Schools Council	65	102	(83)	—	<b>84</b>
Association of Dental Hospitals	19	21	(18)	—	<b>22</b>
Summer School	11	360	(207)	—	<b>164</b>
Council of Deans of Health	412	912	(891)	(6)	<b>427</b>
Universities UK International (UUKi)	—	395	(395)	—	<b>—</b>
Outward mobility	56	24	(80)	—	<b>—</b>
SIEM	—	21	(21)	—	<b>—</b>
Short-term mobility	—	65	(12)	—	<b>53</b>
BEIS ODA	18	85	(96)	—	<b>7</b>
Global Wales II	267	909	(1,020)	—	<b>156</b>
Vietnam Partnership	5	60	(62)	—	<b>3</b>
South Africa	56	(32)	(24)	—	<b>—</b>
Universities Wales International	70	—	—	15	<b>85</b>
US International	109	116	(120)	—	<b>105</b>
Pensions reform	—	385	(385)	—	<b>—</b>
Business Readiness Fund	—	110	(110)	—	<b>—</b>
Welsh Governance	—	59	(59)	—	<b>—</b>
Civic Mission	—	43	(21)	—	<b>22</b>
Algorithms	—	33	(20)	—	<b>13</b>
KE Concordat	—	70	(29)	—	<b>41</b>
Student MH partnerships	—	28	(28)	—	<b>—</b>
OFS – Analytics	—	16	(16)	—	<b>—</b>
Other	16	47	(52)	—	<b>11</b>
	<u>3,953</u>	<u>5,014</u>	<u>(5,569)</u>	<u>(7)</u>	<u>3,391</u>
Non-charitable trading funds	11	486	(451)	—	<b>46</b>
<b>Group – total funds</b>	<u>5,823</u>	<u>14,063</u>	<u>(13,707)</u>	<u>—</u>	<u>6,179</u>

## Notes to the financial statements (continued)

### 20. Movement in funds (continued)

	At 1 August 2018 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2019 £
<b>Unrestricted funds</b>					
Investment fund	600	—	—	—	600
Universities Scotland / Universities Wales	437	1,169	(1,503)	440	543
General funds	2,974	7,968	(9,791)	(435)	716
	<u>4,011</u>	<u>9,137</u>	<u>(11,294)</u>	<u>5</u>	<u>1,859</u>
<b>Restricted funds</b>					
Medical Schools Council	1,294	444	(545)	(1)	1,192
MSC Assessment	835	851	(808)	(21)	857
MSC Assessment Alliance	451	369	(423)	10	407
University Hospital Association	246	134	(111)	(1)	268
Dental Schools Council	112	80	(67)	—	125
Pharmacy Schools Council	65	75	(75)	—	65
Council of H'care Science in HE	39	(37)	—	(2)	—
Association of Dental Hospitals	19	21	(21)	—	19
Summer School	(4)	260	(245)	—	11
Council of Deans of Health	435	911	(929)	(5)	412
Health Services Research N'work	—	76	(76)	—	—
CLAHRC	22	29	(51)	—	—
Mental Health in Higher Education	29	42	(71)	—	—
Universities UK International (UUKi)	—	398	(398)	—	—
Outward mobility	139	24	(107)	—	56
UUKi programmes	44	—	(44)	—	—
Newton	19	82	(83)	—	18
Global Wales II	—	736	(469)	—	267
Vietnam Partnership	—	55	(50)	—	5
BEC.AR	—	16	(16)	—	—
South Africa	—	58	(2)	—	56
Universities Wales International	45	15	(5)	15	70
US International	85	126	(102)	—	109
Pensions reform	—	282	(282)	—	—
Open Access	23	—	(15)	—	8
Degree Algorithms	10	5	(15)	—	—
Other	78	110	(180)	—	8
	<u>3,986</u>	<u>5,162</u>	<u>(5,190)</u>	<u>(5)</u>	<u>3,953</u>
Non-charitable trading funds	20	550	(559)	—	11
<b>Group – total funds</b>	<u>8,017</u>	<u>14,849</u>	<u>(17,043)</u>	<u>—</u>	<u>5,823</u>

Transfers during the year between funds relate to contributions made from unrestricted monies to restricted funds for specific projects, where there are insufficient restricted funds available to meet expenditure or where the charity is committed to contributing towards projects from its own resources.

Background information on each of the restricted funds is set out below:

The **Medical Schools Council** represents the interests and ambitions of UK Medical Schools as they relate to the generation of national health, wealth and knowledge through biomedical research and the profession of medicine

**MSC Assessment** is a subsidiary of the Medical Schools Council set up to run medical assessment activities.

## 20. Movement in funds (continued)

The **MSC Assessment Alliance** helps ensure the confidence of the public, employers and the regulator in the quality of UK medical school graduates by developing the highest quality assessments for undergraduate medical students and by seeking to demonstrate the equivalency of passing standards.

The **University Hospital Association** promotes the unique interests of university hospitals across the UK. Its role is to represent the unique tripartite – service, teaching and research – interests of UK University Hospital Trusts in partnership with other national bodies.

The **Dental Schools Council** represents the interests and ambitions of the UK's Dental Schools as they relate to the generation of national health, wealth and knowledge acquisition through research and the profession of dentistry.

The **Pharmacy Schools Council** is building on the work of the Council of UK Head of Pharmacy and has benefited from being able to access increased resources through being hosted by a secretariat which also supports equivalent groups for other healthcare professionals.

The **Council of Healthcare Science in Higher Education** brings together the collective interests of the sector to increase awareness of healthcare science.

The **Association of Dental Hospitals** represents the voices of dental hospitals across the UK and Ireland.

The **Summer School** programme is HEE funding to deliver summer schools for students from a widening participation background.

The **Council of Deans of Health** represents the UK's university faculties engaged in education and research for nurses, midwives and allied health professionals. The Council is the voice of nursing, midwifery and AHP higher education and research.

The **Health Services Research UK** is a membership network that convenes and represents the producers and users of health services research.

The **CLAHRC Partnership Programme** is the national network of the 13 NIHR Collaborations for Leadership in Applied Health and Research Care (CLAHRC), supporting them in their mission to deliver world class applied research and to translate health research into practice for the benefit of patients and populations.

**Mental health in Higher Education** aims to improve mental health in higher education, developing and implementing a framework for university leaders to adopt a whole university approach to mental health alongside a mental health audit and knowledge exchange

**UUKi** is the international arm of Universities UK, representing UK universities and acting in their collective interests globally. It actively promotes universities abroad, provides trusted information for and about them, and creates new opportunities for the sector.

The **Outward mobility** programme works with UK universities to increase the number of UK-domiciled students who enjoy an international experience as part of their education.

**SIEM** – Social Inclusion and Engagement in Mobility project relates to research into the barriers and enablers of mobility for the next Erasmus programme.

## Notes to the financial statements (continued)

### 20. Movement in funds (continued)

This project is aimed at identifying and sharing good practice in **short-term mobility** programmes and will produce research to understand the impact and benefits, and identify models of good practice that will inform a digital toolkit to support universities.

The **Newton and Global Challenges Research Fund** aims to use UK research expertise to solve developmental and global challenges through fostering research and institutional partnerships between UK universities and emerging-market countries.

Universities Wales is the lead partner of **Global Wales II**. Funding will be received over a three-year period from HEFCW to develop existing target markets, expand into new markets and invest in the 'Study in Wales' brand domestically and internationally.

The **Vietnam partnership** resulted in Global Wales II being matched with five partner universities in Vietnam and running training programmes in Leadership and Governance and University Industry Links.

UUKi is working with the Argentinian Ministry of Education to support the **BEC.AR** scholarship programme, which provides training and development opportunities to Argentine professionals in science and technology fields and will further develop UK-Argentina bilateral relations and scientific collaboration.

**South Africa** is funding from BEIS towards the establishment of UK-South Africa postdoctoral fellowship scheme.

**Universities Wales International** covers funding for Universities Wales' international and European activities and includes funding from Visit Britain, the British Council and the Welsh Government.

The **Universities Scotland International Unit** develops and implements policy and research on international issues on behalf of the Scottish higher education sector. This supports the 'Connected Scotland' initiative with Scottish Government, Scottish Funding Council and others for targeted international promotion of Scottish higher education.

A restricted subscription was raised from members towards the **pensions reform** programme following from our statutory role as the employers' representative in the USS pension scheme.

The **Brexit Readiness Fund** provided a grant to assist UUK in helping universities understand the implications of, and prepare for, a potential no-deal Brexit in October 2019.

The Review of **Governance in Welsh** Universities was funding to support an independent review of governance in Welsh universities, to critically examine the current arrangements, and to assist the development of a charter and revised guidance for governors.

**Civic Mission & Community Engagement in Wales** is a one year programme (running between January 2020 and December 2020) funded by HEFCW, to identify and develop key success factors in civic mission and community engagement work in Universities in Wales and support promotion of this work to stakeholders.

**Algorithms** covers match-funding agreed through the UK Standing Committee for Quality Assessment from the UK funders and regulators (OfS, SFC, HEFCW and DfE-NI) to undertake work on effective practice in algorithm design and a progress review of sector action on degree algorithms and wider grade inflation activity.

The **Knowledge Exchange Concordat** is supporting the development, improvement and promotion of good practice across the UK with a development year in England involving institutional self-assessment, submission of action plans and peer evaluation.

## 20. Movement in funds (continued)

**Student MH partnerships** - exploring models of partnership between universities and NHS mental health services via five local hubs - Bristol, N London, Sheffield, Liverpool, Manchester - and a national learning collaborative. OfS funded project led by UWE [Bristol].

**OFS - analytics** - project involving universities, sector bodies and digital business to apply digital analytics to improve student mental health & wellbeing.

## 21. Allocation of net assets between funds

The net assets held for various funds are as follows:

	Restricted funds £'000	Unrestricted funds £'000	Non- charitable trading funds £'000	2020 Total £'000
Fixed assets	16	355	49	420
Investments	—	600	—	600
	16	955	49	1,020
Current assets	3,774	5,977	351	10,102
Current liabilities	(399)	(2,285)	(354)	(3,038)
Net assets	3,391	4,647	46	8,084
Long-term liabilities	—	(1,905)	—	(1,905)
<b>Group total</b>	<b>3,391</b>	<b>2,742</b>	<b>46</b>	<b>6,179</b>

	Restricted funds £'000	Unrestricted funds £'000	Non- charitable trading funds £'000	2019 Total £'000
Fixed assets	37	405	19	461
Investments	—	600	—	600
	37	1,005	19	1,061
Current assets	4,259	5,981	859	11,099
Current liabilities	(343)	(1,991)	(867)	(3,201)
Net assets	3,953	4,995	11	8,959
Long-term liabilities	—	(3,136)	—	(3,136)
<b>Group total</b>	<b>3,953</b>	<b>1,859</b>	<b>11</b>	<b>5,823</b>

## Notes to the financial statements (continued)

### 22. Subsidiaries

#### Woburn House Conference Centre Limited

The charity owns 100% of the share capital of Woburn House Conference Centre Limited, a company limited by shares (company number 03031467). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HQ.

The £2 cost of the investment has been written down to zero in the accounts of the parent company. The trading activity of Woburn House Conference Centre Limited is the management of the conference centre and meeting rooms at Woburn House. The results and financial position of Woburn House Conference Centre Limited are consolidated with those of Universities UK in preparing the consolidated accounts.

A summary of the trading results for the year ended 31 July 2020 and 2019, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown. Audited accounts have been filed with the Registrar of Companies.

	<b>Total 2020</b>	Total 2019
	£	£
<i>Profit and loss account:</i>		
Turnover	<b>995,894</b>	1,432,499
Cost of sales	<b>(422,103)</b>	(576,938)
<b>Gross profit</b>	<b>573,791</b>	855,561
Administration costs	<b>(53,804)</b>	(43,466)
Staff costs	<b>(186,588)</b>	(202,131)
<b>Operating profit</b>	<b>333,399</b>	609,964
Interest receivable	<b>1,331</b>	1,093
<b>Profit on ordinary activities before taxation</b>	<b>334,730</b>	611,057
Taxation	—	—
<b>Profit on ordinary activities after taxation</b>	<b>334,730</b>	611,057
Gift aid payment to Universities UK	<b>(299,419)</b>	(619,798)
<b>Retained earnings carried forward</b>	<b>(35,311)</b>	(8,741)

	<b>Total 2020</b>	Total 2019
	£	£
<i>Balance sheet:</i>		
Fixed assets	<b>48,896</b>	19,014
Current assets	<b>350,970</b>	858,757
Creditors: amounts falling due within one year	<b>(353,643)</b>	(866,859)
Net current liabilities	<b>(2,673)</b>	(8,102)
Total net assets	<b>46,233</b>	10,912
Represented by:		
Share capital	<b>2</b>	2
Profit and loss account	<b>46,221</b>	10,910
	<b>46,223</b>	10,912

## 22. Subsidiaries (continued)

### Medical Schools Council

Universities UK is also the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public benefit, in particular (but without limitation) medical education, research and training.

A summary of income and expenditure for the year to 31 July 2020 and 2019, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown below. Audited accounts have been filed with the Registrar of Companies.

Unrestricted funds and free reserves at 31 July 2020 were £1.2m (2019 free reserves: £1.2m) which is equal to 29 months of unrestricted expenditure (2019: 26 months). This is deemed appropriate given the significant change required as a result of the pandemic.

	<b>Total 2020</b>	Total 2019
	£	£
<i>Income and expenditure account:</i>		
Income	<b>1,235,290</b>	1,381,641
Expenditure	<b>(1,434,529)</b>	(1,518,746)
<b>Deficit</b>	<b>(199,239)</b>	(137,105)
	<b>Total 2020</b>	Total 2019
	£	£
<i>Balance sheet:</i>		
Assets	<b>2,183,121</b>	2,264,761
Liabilities	<b>(295,229)</b>	(177,630)
Net assets	<b>1,887,892</b>	2,087,131

## Notes to the financial statements (continued)

### 22. Subsidiaries (continued)

#### MSC Assessment

The Medical Schools Council is the parent of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of MSC Assessment are to advance medical education for the benefit of the public including, without limitation, by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training.

A summary of the income and expenditure for the year to 31 July 2020 and 2019, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year is shown below. Audited accounts have been filed with the Registrar of Companies.

	<b>Total 2020</b>	Total 2019
	£	£
<i>Income and expenditure account:</i>		
Income	<b>840,290</b>	876,047
Expenditure	<b>(1,115,300)</b>	(854,394)
<b>(Deficit) / Surplus</b>	<b>(275,010)</b>	21,653

	<b>Total 2020</b>	Total 2019
	£	£
<i>Balance sheet:</i>		
Assets	<b>758,849</b>	968,028
Liabilities	<b>(177,278)</b>	(111,447)
Net assets	<b>581,571</b>	856,581

### 23. Conduit funding

	<b>2020</b>	2019
	£	£
Funds received in advance b/fwd	<b>3,269</b>	1,121,282
Amount received	—	1,225,063
Amount paid out	—	(2,343,076)
Funds received in advance c/fwd	<b>3,269</b>	3,269

Amounts received and dispersed to universities on behalf of the Argentinian Ministry of Education for the scholarship programme BEC.AR, and on behalf of the Department for Business, Energy & Industrial Strategy for the Rutherford Fund scholarship programme.

Certain trustees are Vice Chancellors of institutions in receipt of grants.

## 24. Pension

### Universities Superannuation Scheme

The appointment of directors to the Board of USS is determined by USS's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five (or between 1 September 2019 and 1 February 2021, six) are independent directors appointed by the Board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

At 31 March 2020, USS had 204,753 (2019: 202,165) members.

### Superannuation Scheme of the University of London (SAUL)

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2017. 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.

The funding principles were agreed by the Trustee and employers in June 2018 and are due to be reviewed at SAUL's next formal valuation in 2020.

At the 31 March 2017 valuation SAUL was fully funded on its Technical Provisions basis so no deficit contributions were required. As a whole, the market value of SAUL's assets was £3,205 million representing 102% of the liabilities for benefits accrued up to 31 March 2017. The Trustee and the Employers have agreed that the ongoing Employers' contributions will continue at a rate of 16% of CARE Salaries.

At 31 March 2020, SAUL had 65,202 (2019: 58,822) members.

## Notes to the financial statements (continued)

### 24. Pension (continued)

Summary	USS	SAUL
<b>Group contributions for the year to 31 July 2020</b>	£1,277,942	£325,581
<b>Active members at 31 July 2020</b>	<b>81</b>	<b>52</b>
Group contributions for the year to 31 July 2019	£1,067,104	£298,156
Active members at 31 July 2019	80	54

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. In accordance with FRS 102, Universities UK has made a provision for this contractual commitment to fund the past deficit. In the prior year, the deficit payments were 5% of salaries up to 30 June 2034. The USS liability is based on staff salary inflation of 2%, and a discount rate of 0.73% (2019: 2%, 1.6%).

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

### 25. Financial instruments

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Financial assets measured at amortised cost:		
Trade debtors	<b>380</b>	1,300
Cash	<b>7,484</b>	7,685
	<b><u>7,864</u></b>	<u>8,985</u>
Financial liabilities measured at amortised cost	<b><u>3,534</u></b>	<u>4,554</u>

Financial assets measured at amortised cost comprise trade debtors and cash.

Financial liabilities measured at amortised cost are creditors.

## 26. Related party transactions

Related party transactions are disclosed for CVCP Properties plc, Advance HE, Higher Education Statistics Agency, Universities and Colleges Admissions Service and Quality Assurance Agency.

Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is the original subscribing member of the other organisations and members of Universities UK contribute to governance oversight through Board membership and other involvement.

	Year ended 31 July 2020		As at 31 July 2020	
	Purchases from / payments to related parties	Income from related parties	Amounts due from related parties	Amounts due to related parties
	£	£	£	£
CVCP Properties plc	913,248	1,008,376	1,773,391	694
Advance HE	12,075	55,529	—	—
HESA	—	336	—	—
Quality Assurance Agency	5,177	3,549	—	—
	<u>930,500</u>	<u>1,067,790</u>	<u>1,773,391</u>	<u>694</u>

	Year ended 31 July 2019		As at 31 July 2019	
	Purchases from / payments to related parties	Income from related parties	Amounts due from related parties	Amounts due to related parties
	£	£	£	£
CVCP Properties plc	853,308	913,945	1,679,522	367
Advance HE	12,340	42,002	35	—
Universities and Colleges Admissions Service	—	59	—	—
Quality Assurance Agency	—	11,279	—	—
	<u>865,648</u>	<u>967,285</u>	<u>1,679,557</u>	<u>367</u>

## 27. Members

The charity is incorporated as a private company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 July 2020 there were 137 members (2019: 136).

## Notes to the financial statements 31 July 2020

### 28. Income and expenditure by fund

	Notes	Unrestricted Funds 2020 £'000	Unrestricted Funds 2019 £'000	Restricted Funds 2020 £'000	Restricted Funds 2019 £'000	Total Funds 2020 £'000	Total Funds 2019 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
. Donations	2	982	886	—	—	982	886
. Charitable activities	3	7,080	7,401	4,975	5,106	12,055	12,507
. Other trading activities	4	915	1,309	30	34	945	1,343
. Investments		56	63	9	16	65	79
. Other income		16	28	—	6	16	34
<b>Total</b>		<b>9,049</b>	9,687	<b>5,014</b>	5,162	<b>14,063</b>	14,849
<b>Expenditure on:</b>							
. Raising funds		564	660	27	27	591	687
. Charitable activities		7,574	11,193	5,542	5,163	13,116	16,356
<b>Total</b>	7	<b>8,138</b>	11,853	<b>5,569</b>	5,190	<b>13,707</b>	17,043
<b>Net income/(expenditure)</b>		<b>911</b>	(2,166)	<b>(555)</b>	(28)	<b>356</b>	(2,194)
Transfers between funds		7	5	(7)	(5)	—	—
<b>Net movements in funds</b>		<b>918</b>	(2,161)	<b>(562)</b>	(33)	<b>356</b>	(2,194)
<b>Total funds at 1 August</b>		<b>1,870</b>	4,031	<b>3,953</b>	3,986	<b>5,823</b>	8,017
<b>Total funds at 31 July</b>		<b>2,788</b>	1,870	<b>3,391</b>	3,953	<b>6,179</b>	5,823

## Reference and administrative details

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Universities UK is the collective voice of 140 universities in England, Scotland, Wales and Northern Ireland. Our mission is to create the conditions for UK universities to be the best in the world; maximising their positive impact locally, nationally and globally. Universities UK acts on behalf of universities, represented by their heads of institution.



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