

HIGHER EDUCATION POLICY INSTITUTE

England & Wales · Charity number 1099645

Details

Other names	HEPI
Status	Registered
Legal form	Charitable company
Company number	04503712
Registered	2003-09-25
Register	View on the Charity Commission register

Contact

Address	Cumberland Court 80 Mount Street Nottingham NG1 6HH
Phone	01865 284450
Email	admin@hepi.ac.uk
Website	www.hepi.ac.uk

Activities

Objects: TO PROMOTE RESEARCH INTO AND UNDERSTANDING OF ALL ASPECTS OF HIGHER EDUCATION AND TO DISSEMINATE THE USEFUL RESULTS OF SUCH RESEARCH FOR THE EDUCATION AND BENEFIT OF POLICY MAKERS AND THE GENERAL PUBLIC IN THE UNITED KINGDOM PROVIDED THAT THE INCOME AND PROPERTY OF THE INSTITUTE SHALL NOT BE APPLIED DIRECTLY IN THE RELIEF OF RATES, TAXES OR OTHER PUBLIC FUNDS, BUT MAY BE APPLIED IN SUPPLEMENTARY RELIEF OR ASSISTANCE THEREOF.

Activities: Our aim is to ensure as far as possible that higher education policy development in the UK is informed by research and by knowledge of the experience of others.

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** THE UNITED KINGDOM.
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£841,651	£746,499	£1,050,042	7
2024-07-31	£799,493	£731,008	£900,699	6
2023-07-31	£785,968	£636,969	£771,792	5
2022-07-31	£542,665	£470,298	£629,208	5
2021-07-31	£554,323	£428,979	£678,296	5
2020-07-31	£464,882	£572,558	-	-

Trustees

Name	Role	Appointed
Mary Elizabeth Curnock Cook CBE		2020-06-01
Professor Dame Julia Goodfellow		2021-10-01
Professor Nicholas Robin Pearce		2024-09-21
Professor Sally Mapstone		2021-05-21
Professor Sir Christopher Roy Husbands		2024-09-21

Accounts

HIGHER EDUCATION POLICY INSTITUTE

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2025**

**The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney, Oxon
OX28 6FF**

**Company Registration Number: 04503712
Charity Number: 1099645**

HIGHER EDUCATION POLICY INSTITUTE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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HIGHER EDUCATION POLICY INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2025

TRUSTEES AND DIRECTORS

Sir David Bell

End of term reached at 21 September 2024

Professor Dame Helen Wallace

End of term reached at 21 September 2024

Professor Dame Sally Mapstone (Chair)

Mary Curnock Cook CBE

Professor Dame Julia Goodfellow

Professor Sir Christopher Husbands

Appointed 21 September 2024

Professor Nicholas Pearce

Appointed 21 September 2024

COMPANY SECRETARY

The company does not have an appointed secretary

REGISTERED OFFICE

80 Mount Street
Nottingham
NG1 6HH

COMPANY REGISTRATION NUMBER

04503712 England and Wales

CHARITY REGISTRATION NUMBER

1099645

ACCOUNTANTS

The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney
Oxon
OX28 6FF

HIGHER EDUCATION POLICY INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2025

PRINCIPAL PLACE OF BUSINESS

99 Banbury Road
Oxford
Oxon
OX2 6JX

BANKERS

Lloyds Bank
87 London Road
Headington
Oxford
Oxon
OX3 9AB

SOLICITORS

Freeths LLP Nottingham
80 Mount Street
Nottingham
NG1 6HH

INVESTMENT ADVISOR

Wren Sterling Financial Planning Ltd
Hinksey Court
West Way
Botley
Oxon
OX2 9JU

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025**

The Trustees present their Annual Report (which also serves the purpose of both a Trustees' report and Directors' report under company law) for the year ended 31 July 2025 under the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to Charities preparing their accounts, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the independently examined financial statements for the year ended 31 July 2025.

The comparative figures are for the year ended 31 July 2024.

Status

The Higher Education Policy Institute (HEPI) is a charitable company limited by guarantee, incorporated in August 2002 and registered as a charity in September 2003.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

The reference and administrative details are shown on pages 1 to 2.

Objectives and activities

HEPI's charitable objectives are 'to promote research into and understanding of all aspects of higher education and to disseminate the useful results of such research for the education of policy makers and the general public in the United Kingdom'.

If 2022/23 was primarily about fully recovering to a pre-COVID position in terms of HEPI's output and 2023/24 was partly focused on work prompted by the 2024 General Election, then 2024/25 was characterised by a near-record output taking place alongside modernisation – including a major visual rebrand and a new website, both of which went live early in 2025/26.

Looking ahead, HEPI plans to continue working constructively with policymakers across the political spectrum as higher education institutions fight to thrive – and sometimes to survive. We also plan to continue a process of modernisation of our back-office functions. As a non-partisan micro-organisation, HEPI will continue working collaboratively with other individuals and organisations committed to using good public policy, robust evidence and lively debate as a route to deliver the best possible higher education sector – for the benefits of students, staff and society.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025**

Achievements and performance

HEPI had a successful year, whichever way that is measured. Most notably, perhaps, the number of HEPI's corporate Partners reached its highest ever level. As a result and thanks to a highly performing staff team, aside from the previous year (which included the 2024 General Election), the number of HEPI publications and events ran at record levels. The available evidence also suggests HEPI's work had more impact among policymakers, regulators and institutional leaders.

Key pieces of research in 2024/25 include HEPI's regular annual surveys: the HEPI / Advance HE Student Academic Experience Survey; the HEPI / Kortext Student Generative AI Survey, which we believe to be HEPI's most well-read piece of output ever; and the HEPI / Unite Students Applicant Index. We also published the annual HEPI / LSBU English Social Mobility Index and the Soft-Power Index.

Other notable themes covered by HEPI's full-length reports in 2024/25 include: the role of third-space research professionals; the lives of Black early-career researchers (with the Society of Black Academics); awarding gaps by gender at Oxbridge (written by a graduate intern); the educational underachievement of boys and young men (sponsored by Ulster University); the extent to which school and college curricula prepare people for higher education (sponsored by the University of Chester); what devolution has meant for higher education 20 years on (sponsored by the Education Group); the impact of menstruation on learning (sponsored by the University of St Andrews); the continuing decline of language learning (sponsored by Duolingo); and entrepreneurial leadership (with the NCEE).

There were 33 HEPI events in 2024/25, higher than in every previous year except 2023/24. These included 13 roundtable discussions hosted with HEPI Partners, 11 webinars and nine in-person events. The HEPI Annual Conference, which had the title 'Before, During, After: The route through higher education in changing times', included presentations from the Chief Executives of Universities UK, UCAS and the Office for Students.

HEPI's impact was felt in Government, Parliament and the media, with the organisation's work being regularly quoted in official documents, ministerial speeches and parliamentary debates as well as in national, local and specialist media.

In June 2025, HEPI's impact was publicly marked when the Director, Nick Hillman, was awarded an OBE in His Majesty the King's Birthday Honours for 'services to higher education'.

Financial review and plans for future periods

These financial statements confirm that HEPI was in a secure financial position at the end of 2024/25. Nonetheless, in common with other organisations, HEPI faces rising costs, arising from inflation, a growing staff team and regulatory burdens, while the whole higher education sector faces increased uncertainty stemming from the wider political, financial and geopolitical situation.

Future plans include continuing to conduct and disseminate research to further the aims of the charity as described in HEPI's Articles of Association. HEPI also plans to maintain and develop relationships with existing and potential partner companies and higher education institutions.

The principal sources of funding remain sponsorship, grants and donations from academic and corporate organisations with an interest in the health of UK higher education. These resources allow the charity to continue its work, to fund further publications and research and to host in-person and online events.

The funds of the charity as at 31 July 2025 were £1,050,042 (2024 - £900,699) of which £nil (2024 - £20,000) represented restricted funds.

The charity holds reserves covering more than 12 months' expenditure based on the 2025 accounts.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025**

Investment policy

HEPI's current investment strategy was originally set in 2018, when the Trustees opted for a 'moderate' risk profile given HEPI's status as a charity. The objectives have been regularly reconsidered by the Trustees, for example in January 2023 and September 2024. In addition, HEPI Trustees met HEPI's financial advisers in August 2024 to look at possible alternative options for HEPI's investment portfolio but decided to make no changes. Senior HEPI staff additionally meet once a year, most recently in March 2025, with the financial advisers to keep an eye on performance. The Trustees continue to believe the existing arrangements provide an appropriate balance between risks and costs.

HEPI's reserves are currently invested in two different investment funds, one with a greater portion of equities (60%) than the other (40%). Further balancing of risks beyond these investments is achieved by retaining a portion of the total reserves in two easy-access interest-bearing cash savings accounts. The trustees regularly review the charity's reserves to consider the amount of funds that should be held as investments and the amount retained as cash.

The extent to which the charity takes social, environmental and ethical considerations into account in its investment policy has been regularly covered at Trustee meetings and with HEPI's financial advisers. The current position is that HEPI's investments are neither in specific ethical funds nor concentrated in less ethical places but are rather placed in funds that track the stock market.

Principal risks and uncertainties

There are no known catastrophic / likely risks currently facing HEPI. Nonetheless, like every other small organisation HEPI is constantly at risk of unexpected events and the risks currently faced include: a reliance on a small staff team, meaning little spare capacity if things go wrong; dependency on one landlord (Princeton University Press) for reasonably-priced office space in Oxford; reliance on a limited number of corporate Partners for a high proportion of HEPI's income at a time of business uncertainty; squeezed incomes at higher education institutions, which could lead to a reassessment of donations to HEPI's work; continuing political and economic uncertainty, including on the international stage; and cyber attacks.

Such risks are discussed regularly at HEPI's Trustee meetings as well as at meetings of the HEPI Advisory Board. HEPI insures itself against a number of specific risks, including: Professional liability; Management liability; and Entity defence. Other insurance is also in place to covering items like office contents, business interruption, employer's liability, public liability and legal expenses.

Public benefit

When planning the Charity's activities for the year, consideration has been given to the Charity Commission's guidance on public benefit and the Trustees are satisfied they meet the requirements.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025**

Structure, governance and management

As previously noted in last year's accounts, at the start of 2024/25, two HEPI Trustees – Sir David Bell and Professor Dame Helen Wallace – stepped down from the Trustees after serving the usual maximum term of office each (eight years). We remain very grateful for their many years of loyal service, including on the HEPI Advisory Board before becoming Trustees.

Professor Sir Christopher Husbands and Professor Nicholas Pearce, who both had experience serving on the HEPI Advisory Board, kindly agreed to fill the vacant roles with immediate effect.

All those who served as Trustees during the year and up to the date of the signature of the financial statements are:

Professor Dame Sally Mapstone (Chair)
Mary Curnock Cook CBE
Professor Dame Julia Goodfellow
Professor Sir Christopher Husbands (appointed 21 September 2024)
Professor Nicholas Pearce (appointed 21 September 2024)

The following Trustees served during the year but resigned prior to the date of approving the accounts:

Sir David Bell (end of term reached at 21 September 2024)
Professor Dame Helen Wallace (end of term reached at 21 September 2024)

The Trustees determine who will become new Trustees, in line with HEPI's Articles of Association, which limit the number of Trustees to five. Trustees are limited to serving two periods of three years, with a second extension of up to two years.

There is no specific training offered to Trustees as they are all senior executives who have generally run much larger charities than HEPI. However, HEPI has a training budget available for the use of Trustees as well as staff.

The Trustees delegate day-to-day management of the charity to the Director, Nick Hillman.

While HEPI has in the past struggled to find comparable organisations against which to benchmark on remuneration, we are increasingly reliant on SmartThinking's Salary Benchmarking Survey, which brings together data for a range of think tanks. Recent pay settlements for HEPI staff have been made with an eye on this document as well as practice across the higher education sector.

HEPI abides by the Charity Commission's Charity Governance Code for smaller charities.

HIGHER EDUCATION POLICY INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2025

Statement of trustees' responsibilities

The Trustees, who are also the directors of Higher Education Policy Institute for the purpose 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 the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

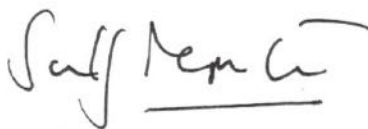
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities, and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

Approved by the trustees on:

Signed on its behalf by



Professor Dame Sally Mapstone
Chair
Trustee

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JULY 2025**

I report to the trustees on my examination of the accounts of Higher Education Policy Institute for the year ended 31 July 2025, which are set out on pages 9 to 24.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Chris Denton ICAEW
Independent Examiner
For and on behalf of
The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney
Oxon, OX28 6FF

13 March 2026

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2025**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
INCOME					
<u>Charitable activities</u>					
Sponsorships and speakers fees		243,283	-	243,283	235,500
Conference fees		8,679	-	8,679	9,414
Partnership scheme		582,766	-	582,766	526,624
Grant income		-	-	-	20,000
		834,728	-	834,728	791,538
<u>Other income</u>					
Interest received		6,923	-	6,923	7,955
Total income	4	841,651	-	841,651	799,493
Expenditure on:					
Raising funds		7,727	-	7,727	5,291
Charitable activities		718,469	20,000	738,469	725,717
Other expenditure		303	-	303	-
Total expenditure	5	726,499	20,000	746,499	731,008
NET INCOME BEFORE TRANSFERS		115,152	(20,000)	95,152	68,485
OTHER RECOGNISED GAINS / LOSSES					
Gain on investment assets	10	54,191	-	54,191	60,422
NET MOVEMENT IN FUNDS		169,343	(20,000)	149,343	128,907
Reconciliation of funds					
Total funds at 1 August 2024	16	880,699	20,000	900,699	771,792
Total funds at 31 July 2025	16	1,050,042	-	1,050,042	900,699

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HIGHER EDUCATION POLICY INSTITUTE

BALANCE SHEET AS AT 31 JULY 2025

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	9	6,100	8,244
Investments	10	881,113	634,563
		<u>887,213</u>	<u>642,807</u>
CURRENT ASSETS			
Debtors	11	185,990	178,001
Cash at bank and in hand	18	419,423	485,204
		<u>605,413</u>	<u>663,205</u>
CREDITORS: Amounts falling due within one year	12	442,584	405,313
		<u>162,829</u>	<u>257,892</u>
NET CURRENT ASSETS		<u>1,050,042</u>	<u>900,699</u>
NET ASSETS		<u>1,050,042</u>	<u>900,699</u>
FUNDS OF THE CHARITY:			
Unrestricted income funds	15	1,050,042	880,699
Restricted income funds	15	-	20,000
		<u>1,050,042</u>	<u>900,699</u>

HIGHER EDUCATION POLICY INSTITUTE

BALANCE SHEET
AS AT 31 JULY 2025

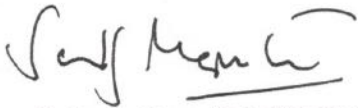
These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102 Section 1A smaller entities.

For the financial year ended 31 July 2025 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

No notice has been deposited under section 476 of the act requesting the company to obtain an audit.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Signed on behalf of the board of trustees



Professor Dame Sally Mapstone
Trustee - Chair

Date approved by the board:

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net income for the reporting period (as per the SOFA)		95,152	68,485
Adjustments for:			
Depreciation charges		3,274	4,318
Increase in debtors		(7,989)	(24,630)
Loss on the sale of other tangible fixed assets		303	-
Increase in creditors		37,271	138,310
Cash generated from operations		128,011	186,483
Interest received		(6,923)	(7,955)
Net cash generated by operating activities		121,088	178,528
Cash flows from investing activities:			
Interest received		6,923	7,955
Investment management costs		7,727	5,291
Purchase of property, plant and equipment		(1,583)	(175)
Proceeds from property, plant and equipment		150	-
Proceeds from sale of investments		-	-
Purchase of investments		(200,086)	-
Net cash used in investing activities		(186,869)	13,071
Net (decrease) / increase in cash and cash equivalents		(65,781)	191,599
Cash and cash equivalents at the beginning of the year		485,204	293,605
Cash and cash equivalents at the end of the year	18	419,423	485,204

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

1 GENERAL INFORMATION

Higher Education Policy Institute is a registered charity and company limited by guarantee incorporated in England and Wales. Its registered office and principal office is:

Registered office

80 Mount Street
Nottingham
NG1 6HH

Principal place of business

99 Banbury Road
Oxford
OX2 6JX

The financial statements are presented in Sterling, which is the functional currency of the charity.

The charity is a public benefit entity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

These financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard 102 Section 1A smaller entities, Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"), the Companies Act 2006 and the Charities Act 2011.

Going concern

The Trustees have further reviewed the Charity's cash flow forecasts for the year to 31 July 2026 and have considered any potential issues that will have an impact on the Charity's different sources of income as well as their ongoing costs.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements and there are no material uncertainties about the charity's ability to continue to operate.

Incoming resources

Incoming resources in the period shown in the Statement of Financial Activities represents funds received from the sponsorship and speakers fees, partnership schemes and conference fees.

Income from sponsorship and speakers fees and partnership schemes are recognised when the charity obtains a right to consideration in exchange for its performance. Any amounts received in advance are deferred to future periods.

Income from conference fees are included in incoming resources in the period in which the relevant event takes place.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Grants

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources and are treated as restricted or unrestricted income in line with the donor's instructions.

The charity received total grant income of £Nil (2024: £20,000). All of this related to income received from Research England to support HEPI's activities where they contribute to the understanding of issues facing research and knowledge exchange in universities.

Expenditure

Expenditure is directly attributable to specific activities and is charged to those cost categories.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation has been provided at the following rates so as to write off the cost less residual value of the assets over their estimated useful lives.

Website costs	Reducing balance basis at 20% per annum
Computer and Office Equipment	Straight line basis at 33.33% per annum

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the statement of financial activities.

Fixed Asset Investments

Listed investments are shown at fair value and revalued annually with any surplus or deficit dealt with through the statement of financial activities.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on a straight line basis over the lease term.

Payments made under operating leases are recognised as expenditure over the lease term on a straight-line basis.

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Being a registered charity, the charity is not liable to taxation on its income.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in the statement of financial activities.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the statement of financial activities.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in the statement of financial activities.

Debtors

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

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and subsequently at amortised cost.

Status of funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside for specific purposes at the discretion of the trustees.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes.

Legal status of the charity

The company does not have share capital and is limited by guarantee. Each member of the company undertakes to contribute to the assets of the company, in the event of it being wound up such amounts as may be required will not exceed £1.

Pensions

The charity operates a defined contribution pension scheme. The amount charged to the income and expenditure account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as other creditors in the balance sheet.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

4 INCOMING RESOURCES

3% (2024 - 3%) of the charity's turnover is attributable to geographical markets outside of the United Kingdom.

The incoming resources included on page 9 consist of the following sources of income:

	2025	2024
	£	£
Unrestricted income:		
Charitable activities		
Sponsorship and speakers fees	243,283	235,500
Conference fees	8,679	9,414
Partnership scheme	582,766	526,624
	834,728	771,538
Other income		
Interest received	6,923	7,955
	841,651	779,493
 Restricted income:		
Charitable activities		
Grant income	-	20,000
 Total income	 841,651	 799,493

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

5 EXPENDITURE

The resources expended included on page 9 consist of the following sources of expenditure:

	2025	2024
	£	£
Raising funds		
Investment management costs	7,727	5,291
Unrestricted expenditure:		
Charitable activities		
Sub-contractors	64,685	108,365
Postage	13,425	13,716
Publication printing	17,070	29,529
Events and conferences	71,712	70,618
Rent (operating leases)	12,461	11,911
Wages	351,357	312,287
Employer's National Insurance	34,590	32,539
Staff pension cost	57,266	52,045
Insurance	1,306	1,256
Books and data	803	792
Telephone and fax	743	616
Computer operating costs	3,923	6,257
Printing, postage and stationery	2,005	3,849
Advertising and marketing	23,607	6,470
Gifts	1,188	597
Entertainment	7,388	5,333
Travel and subsistence	19,622	21,823
Legal fees	6,385	2,881
Accountancy and payroll bureau fees	11,525	9,185
Bookkeeping	1,806	1,769
Bank charges	237	224
Staff training	6,110	4,119
Subscriptions	5,981	5,218
Depreciation	3,274	4,318
	718,469	705,717
Restricted funds expenditure:		
Charitable activities		
Publication printing	12,800	5,559
Postage	-	2,730
Sub-contractors	-	300
Wages	7,200	11,411
	20,000	20,000
Other expenditure		
Loss on sale of tangible fixed assets	303	-
Total expenditure	746,499	731,008

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

6 EMPLOYEES

The average number of persons employed by the charity (including trustees) during the year was:

	2025	2024
Average number of employees	7	6
	<u>7</u>	<u>6</u>

7 STAFF COSTS

	2025	2024
Staff costs during the year amounted to:	£	£
Salaries and wages	358,557	323,698
Social security costs	34,590	32,539
Pension contributions	57,266	52,045
	<u>450,413</u>	<u>408,282</u>

No trustees (2024 - 2) were reimbursed for travel costs and proofreading services.

One employee (2024: one) received emoluments, excluding employer pension contributions, totalling between £110,000 and £119,999. Retirement benefits are accruing to this member of staff under a defined contribution pension scheme; contributions in 2025 totalled £38,944 (2024: £37,809).

	2025	2024
£110,000 - £119,999	1	1
	<u>1</u>	<u>1</u>

8 KEY MANAGEMENT PERSONNEL REMUNERATION

	2025	2024
Key management personnel remuneration for the year amounted to:	£	£
Salary and wages	114,330	118,500
Pension	38,944	37,809
	<u>153,274</u>	<u>156,309</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

9 TANGIBLE ASSETS

	Website costs £	Computer and Office Equipment £	Total £
Cost			
At 1 August 2024	30,776	29,470	60,246
Additions	-	1,583	1,583
Disposals	-	(741)	(741)
At 31 July 2025	<u>30,776</u>	<u>30,312</u>	<u>61,088</u>
Accumulated depreciation			
At 1 August 2024	25,212	26,790	52,002
Charge for year	1,113	2,161	3,274
Disposals	-	(288)	(288)
At 31 July 2025	<u>26,325</u>	<u>28,663</u>	<u>54,988</u>
Net book value			
At 1 August 2024	<u>5,564</u>	<u>2,680</u>	<u>8,244</u>
At 31 July 2025	<u>4,451</u>	<u>1,649</u>	<u>6,100</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

10 FIXED ASSET INVESTMENTS

	Total other investments £
Cost	
At 1 August 2024	634,563
Additions	200,086
Revaluation	54,191
Management charges	(7,727)
At 31 July 2025	<u>881,113</u>
Net book value	
At 1 August 2024	<u>634,563</u>
At 31 July 2025	<u>881,113</u>

The investments are UK listed investments and have been measured at market value.

11 DEBTORS

	2025 £	2024 £
Trade debtors	160,759	172,580
Prepayments and accrued income	25,231	5,421
	<u>185,990</u>	<u>178,001</u>

12 CREDITORS: amounts falling due within one year

	2025 £	2024 £
Trade creditors	18,891	15,073
Taxation and social security	46,146	65,037
Accruals and deferred income	363,097	309,508
Other creditors	14,450	15,695
	<u>442,584</u>	<u>405,313</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

13 DEFERRED INCOME

Included in accruals and deferred income is deferred income of £352,107 in respect of income received in 2025 which relates to 2026. In the accounts for the year ended 31 July 2024 income totalling £301,007 was deferred and has been released in the current year.

14 COMMITMENTS

Amounts falling due under operating leases:

	2025	2024
	£	£
Expiring in less than one year	9,282	2,745
Expiring in more than one but less than five years	12,003	-
	<u>21,285</u>	<u>2,745</u>

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2025 are represented by:

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible assets	6,100	-	6,100
Investments	881,113	-	881,113
Debtors	185,990	-	185,990
Cash at bank and in hand	419,423	-	419,423
Current liabilities	(442,584)	-	(442,584)
	<u>1,050,042</u>	<u>-</u>	<u>1,050,042</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

16 MOVEMENT IN FUNDS

	At 1 August 2024 £	Incoming resources £	Expenditure and gains £	Transfers £	As at 31 July 2025 £
Unrestricted funds:					
Charitable activities	880,699	841,651	(672,308)	-	1,050,042
Total unrestricted funds	880,699	841,651	(672,308)	-	1,050,042
Restricted funds					
Grant income	20,000	-	(20,000)	-	-
Total restricted funds	20,000	-	(20,000)	-	-
Total funds	900,699	841,651	(692,308)	-	1,050,042

Movement in funds (previous year)

	At 1 August 2023 £	Incoming resources £	Expenditure and gains £	Transfers £	As at 31 July 2024 £
Unrestricted funds:					
Charitable activities	751,792	779,493	(650,586)	-	880,699
Total unrestricted funds	751,792	779,493	(650,586)	-	880,699
Restricted funds					
Grant income	20,000	20,000	(20,000)	-	20,000
Total restricted funds	20,000	20,000	(20,000)	-	20,000
Total funds	771,792	799,493	(670,586)	-	900,699

Grant income

Funds of £Nil (2024: £20,000) from Research England to support HEPI's activities where they contribute to the understanding of issues facing research and knowledge exchange in universities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

17 RELATED PARTY TRANSACTIONS

During the year the Charity made the following related party transactions:

T Huxley Cousin of director (Nick Hillman)		2025 £	2024 £
Remuneration	Research services:	520	520

R Hillman Father of director (Nick Hillman)		2025 £	2024 £
Remuneration	Proofreading services:	-	100

Trustees and Directors

Professor Dame Julia Goodfellow Trustee		2025 £	2024 £
Remuneration	Travel expenses:	-	41

Sir Christopher Husbands Trustee		2025 £	2024 £
Remuneration	Travel expenses:	267	700

18 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash in hand	419,423	485,204
Total cash and cash equivalents	419,423	485,204

Accounts

HIGHER EDUCATION POLICY INSTITUTE

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2024**

**The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney, Oxon
OX28 6FF**

**Company Registration Number: 04503712
Charity Number: 1099645**

HIGHER EDUCATION POLICY INSTITUTE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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Reference and administrative details	1 to 2
Trustees' report	3 to 7
Independent Examiner's report	8
Statement of financial activities and income and expenditure account	9
Balance sheet	10 to 11
Statement of cash flows	12
Notes to the financial statements	13 to 23

HIGHER EDUCATION POLICY INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2024

TRUSTEES AND DIRECTORS

Sir David Bell

End of term reached at 21 September 2024

Professor Dame Helen Wallace

End of term reached at 21 September 2024

Professor Dame Sally Mapstone (Chair)

Mary Curnock Cook CBE

Professor Dame Julia Goodfellow

Professor Sir Christopher Husbands

Appointed 21 September 2024

Professor Nicholas Pearce

Appointed 21 September 2024

COMPANY SECRETARY

The company does not have an appointed secretary

REGISTERED OFFICE

80 Mount Street

Nottingham

NG1 6HH

COMPANY REGISTRATION NUMBER

04503712 England and Wales

CHARITY REGISTRATION NUMBER

1099645

ACCOUNTANTS

The MGroup Partnership

Chartered Certified Accountants

4 Witan Way

Witney

Oxon

OX28 6FF

HIGHER EDUCATION POLICY INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2024

PRINCIPAL PLACE OF BUSINESS

99 Banbury Road
Oxford
Oxon
OX2 6JX

BANKERS

Lloyds Bank
87 London Road
Headington
Oxford
Oxon
OX3 9AB

SOLICITORS

Freeths LLP Nottingham
80 Mount Street
Nottingham
NG1 6HH

INVESTMENT ADVISOR

Wren Sterling Financial Planning Ltd
Hinksey Court
West Way
Botley
Oxon
OX2 9JU

HIGHER EDUCATION POLICY INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2024

The Trustees present their Annual Report (which also serves the purpose of both a Trustees' report and Directors' report under company law) for the year ended 31 July 2024 under the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to Charities preparing their accounts, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the independently examined financial statements for the year ended 31 July 2024.

The comparative figures are for the year ended 31 July 2023.

Status

The Higher Education Policy Institute (HEPI) is a charitable company limited by guarantee, incorporated in August 2002 and registered as a charity in September 2003.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

The reference and administrative details are shown on pages 1 to 2.

Objectives and activities

HEPI's charitable objectives are 'to promote research into and understanding of all aspects of higher education and to disseminate the useful results of such research for the education of policy makers and the general public in the United Kingdom'.

While the previous year was mainly about fully recovering to a pre-COVID position in terms of output, 2023/24 was mainly about surpassing pre-COVID highs and moving to the position HEPI would have hoped to occupy earlier had the pandemic not occurred.

Looking ahead, HEPI plans to work constructively with policymakers across the political spectrum as higher education institutions continue to feel under threat, sometimes existential threat, and to assess HEPI's own corporate identity and processes, while maintaining a steady stream of new ideas, a busy publication schedule and a full events calendar.

Above all, HEPI seeks to conduct and publish research into higher education to improve the quality of debate and, ultimately, to help those making policy at Westminster and Whitehall, in the devolved administrations and within higher education institutions. Engagement with policymakers, staff and students, the media and the public is mainly undertaken via reports, events and a substantial online presence, including a daily blog, as well as through HEPI staff playing a role in other organisations' events.

As a non-partisan micro-organisation, HEPI seeks to work collaboratively with others committed to good public policy and a better higher education sector.

HIGHER EDUCATION POLICY INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2024

Achievements and performance

HEPI had its most successful year ever in 2023/24, whichever way it is measured.

The number of institutions supporting HEPI's work (136 University Partners and 20 corporate Partners), the number of HEPI publications (40) and events (35) and the level of engagement with HEPI's output (such as 1.25 million website hits) all ran at record levels.

In part, this reflected the heightened interest in public policy during an academic year which ended with a watershed general election, but it also reflected a larger and more stable staff team and growth in the number of organisations wishing to collaborate.

During the year, alongside our regular output, such as the HEPI / Advance HE Student Academic Experience Survey, we placed a particular emphasis on institutional and student income (including the launch of the HEPI / TechnologyOne Student Minimum Income Standard), the lives of early career researchers (including work with the British Academy, GW4 and the Society of Black Academics) and election-themed research.

More detailed information on HEPI's work in 2023/24 is available in the *Annual Review* document accessible on HEPI's website.

Financial review and plans for future periods

These financial statements confirm that HEPI was in a secure financial position as it entered 2024/25. Nonetheless, in common with other organisations, HEPI faces rising costs – arising partly from inflation as well as a growing staff team – while the whole higher education sector faces increased uncertainty stemming from the wider political, financial and geopolitical situation.

Future plans include continuing to conduct and disseminate research to further the aims of the charity as described in HEPI's Articles of Association. HEPI also plans to maintain and develop relationships with existing and potential partner companies and higher education institutions.

The principal sources of funding remain sponsorship and grants along with financial contributions from academic organisations which have an interest in HEPI's activities and publications. These resources allow the charity to continue its work and fund further publications and research.

The funds of the charity as at 31 July 2024 were £900,699 (2023 - £771,792) of which £20,000 (2023 - £20,000) represented restricted funds.

The charity holds reserves covering more than 12 months' expenditure based on the 2024 accounts.

Investment policy

HEPI's current investment strategy was originally set in 2018, when the Trustees opted for a 'moderate' risk profile given HEPI's status as a charity. The objectives have been regularly reconsidered, for example in January 2023 and, most recently, at the September 2024 Trustees' meeting (following a meeting between the Trustees' and Wren Sterling financial advisers in the previous month). The Trustees continue to believe the existing arrangements provide an appropriate balance between risks and costs.

HEPI's reserves are invested in two different Aviva funds, one with a greater portion of equities (60%) than the other (40%). Further balancing of risks beyond these investments is achieved by retaining a portion of the reserves in easy-access interest-bearing cash savings account(s). The trustees regularly review the charity's reserves to set the amount of funds that should be held as investments and the amount retained as cash.

The investment performance in 2023/24 was positive (over 10%).

The extent to which the charity takes social, environmental and ethical considerations into account in its investment policy has been regularly covered at Trustee meetings, including in the August 2024 meeting with the financial advisers Wren Sterling. The current position is that HEPI's investments are neither in specific ethical funds nor concentrated in less ethical places but rather placed in funds that track the stock market.

Principal risks and uncertainties

There are no known catastrophic risks currently facing HEPI. Nonetheless, like every other small organisation HEPI is constantly at risk of unexpected events and the risks currently faced include: a reliance on a small staff team, meaning there is no spare capacity if things go wrong; dependency on one landlord (Princeton University Press) for reasonably-priced office space in Oxford; reliance on a limited number of corporate Partners for a high proportion of HEPI's income at a time of business uncertainty; squeezed university incomes, which could lead to a reassessment of donations to HEPI; continuing political and economic uncertainty, including on the international stage; and cyber attacks.

Such risks are discussed regularly at HEPI's Trustee meetings as well as at meetings of the HEPI Advisory Board. HEPI insures itself against a number of specific risks, including: Professional liability; Management liability; and Entity defence. We also have office insurance covering items like computers, office contents, business interruption, employer's liability, public liability and legal expenses.

Public benefit

When planning the Charity's activities for the year, consideration has been given to the Charity Commission's guidance on public benefit and the Trustees are satisfied they meet the requirements.

HIGHER EDUCATION POLICY INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2024

Structure, governance and management

The charity is a company limited by guarantee.

The HEPI staff team is guided by an expert Advisory Board whose primary purpose is to review potential HEPI publications in conjunction with the Trustees while also making recommendations for the future.

In early 2023/24, Professor Carl Lygo left the Board after seven years of loyal service for which we express grateful thanks. During the year, we welcomed four new Advisory Board members: Professor Nishan Canagarajah; Anne-Marie Canning MBE; Andy Forbes; and Professor Julie Sanders. At the end of 2023/24, the other Advisory Board members were: Alison Alden OBE; Professor Iyola Solanke; and Professor David Sweeney CBE.

Just after the end of 2023/24, two HEPI Trustees – Sir David Bell and Professor Dame Helen Wallace – stepped down from the Trustees at the end of their maximum term of office. We are very grateful for their 8 years of loyal service. Professor Sir Christopher Husbands and Professor Nicholas Pearce, who both had experience serving on the Advisory Board, kindly agreed to take their place.

All those who served as Trustees during the year and up to the date of the signature of the financial statements are:

Sir David Bell (end of term reached at 21 September 2024)

Professor Dame Helen Wallace (end of term reached at 21 September 2024)

Professor Dame Sally Mapstone (Chair)

Mary Curnock Cook CBE

Professor Dame Julia Goodfellow

Professor Sir Christopher Husbands (appointed 21 September 2024)

Professor Nicholas Pearce (appointed 21 September 2024)

The Trustees determine who will become new Trustees, in line with HEPI's Articles of Association, which limit the number of Trustees to five. Trustees are limited to serving two periods of three years, with a second extension of up to two years.

There is no specific training offered to Trustees as they are all senior executives who have generally run much larger charities than HEPI. However, HEPI has a training budget available for the use of Trustees as well as staff.

The Trustees delegate day-to-day management of the charity to the Director, Nick Hillman.

While HEPI has sometimes struggled to find comparable organisations against which to benchmark on remuneration, we are now able to use the new SmartThinking Salary Benchmarking Survey, which brings together data for a number of think tanks. Recent pay settlements for HEPI staff have been made with an eye on this document as well as practice across the higher education sector.

HEPI abides by the Charity Commission's Charity Governance Code for smaller charities.

Statement of trustees' responsibilities

The Trustees, who are also the directors of Higher Education Policy Institute for the purpose 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 the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

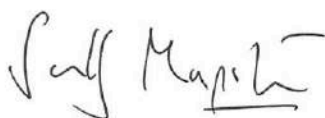
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities, and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

Approved by the trustees on: 26 March 2025

Signed on its behalf by



Professor Dame Sally Mapstone
Chair
Trustee

HIGHER EDUCATION POLICY INSTITUTE

INDEPENDENT EXAMINER'S REPORT

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I report to the trustees on my examination of the accounts of Higher Education Policy Institute for the year ended 31
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24 April 2025

STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME					
<u>Charitable activities</u>					
Sponsorships and speakers fees		235,500	-	235,500	187,767
Conference fees		9,414	-	9,414	8,644
Partnership scheme		526,624	-	526,624	565,975
Grant income		-	20,000	20,000	20,000
		771,538	20,000	791,538	782,386
<u>Other income</u>					
Interest received		7,955	-	7,955	3,582
Total income	4	779,493	20,000	799,493	785,968
Expenditure on:					
Raising funds		5,291	-	5,291	5,406
Charitable activities		705,717	20,000	725,717	631,762
Other expenditure		-	-	-	(199)
Total expenditure	5	711,008	20,000	731,008	636,969
NET INCOME BEFORE TRANSFERS		68,485	-	68,485	148,999
Transfer between funds		-	-	-	-
Net incoming / (outgoing) resources before gains and losses on investments		68,485	-	68,485	148,999
OTHER RECOGNISED GAINS / LOSSES					
Gain on investment assets	10	60,422	-	60,422	(6,415)
NET MOVEMENT IN FUNDS		128,907	-	128,907	142,584
Reconciliation of funds					
Total funds at 1 August 2023	16	751,792	20,000	771,792	629,208
Total funds at 31 July 2024	16	880,699	20,000	900,699	771,792

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HIGHER EDUCATION POLICY INSTITUTE

BALANCE SHEET AS AT 31 JULY 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	9	8,244	12,387
Investments	10	634,563	579,432
		<u>642,807</u>	<u>591,819</u>
CURRENT ASSETS			
Debtors	11	178,001	153,371
Cash at bank and in hand	18	485,204	293,605
		<u>663,205</u>	<u>446,976</u>
CREDITORS: Amounts falling due within one year	12	<u>405,313</u>	<u>267,003</u>
NET CURRENT ASSETS		<u>257,892</u>	<u>179,973</u>
NET ASSETS		<u>900,699</u>	<u>771,792</u>
FUNDS OF THE CHARITY:			
Unrestricted income funds	15	880,699	751,792
Restricted income funds	15	20,000	20,000
		<u>900,699</u>	<u>771,792</u>

HIGHER EDUCATION POLICY INSTITUTE

BALANCE SHEET AS AT 31 JULY 2024

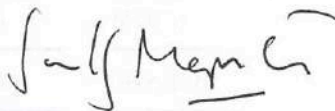
These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102 Section 1A smaller entities.

For the financial year ended 31 July 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

No notice has been deposited under section 476 of the act requesting the company to obtain an audit.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Signed on behalf of the board of trustees



Professor Dame Sally Mapstone
Trustee - Chair

Date approved by the board: 26 March 2025

HIGHER EDUCATION POLICY INSTITUTE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Net income for the reporting period (as per the SOFA)		68,485	148,999
Adjustments for:			
Depreciation charges		4,318	4,150
Increase in debtors		(24,630)	(98,298)
Profit on the sale of other tangible fixed assets		-	(199)
Increase / (decrease) in creditors		138,310	(82,491)
		<u>186,483</u>	<u>(27,839)</u>
Cash generated from operations		(7,955)	(3,582)
Interest received			
		<u>178,528</u>	<u>(31,421)</u>
Cash flows from investing activities:			
Interest received		7,955	3,582
Investment management costs		5,291	-
Purchase of property, plant and equipment		(175)	(3,435)
Proceeds from property, plant and equipment		-	722
Proceeds from sale of investments		-	4,739
Purchase of investments		-	(124,375)
		<u>13,071</u>	<u>(118,767)</u>
Net cash used in investing activities			
		<u>191,599</u>	<u>(150,188)</u>
Net increase / (decrease) in cash and cash equivalents			
		293,605	443,793
Cash and cash equivalents at the beginning of the year			
		<u>485,204</u>	<u>293,605</u>
Cash and cash equivalents at the end of the year	18		

1 GENERAL INFORMATION

Higher Education Policy Institute is a registered charity and company limited by guarantee incorporated in England and Wales. Its registered office and principal office is:

Registered office

80 Mount Street
Nottingham
NG1 6HH

Principal place of business

99 Banbury Road
Oxford
OX2 6JX

The financial statements are presented in Sterling, which is the functional currency of the charity.

The charity is a public benefit entity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

These financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard 102 Section 1A smaller entities, Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"), the Companies Act 2006 and the Charities Act 2011.

Going concern

The Trustees have further reviewed the Charity's cash flow forecasts for the year to 31 July 2025 and have considered any potential issues that will have an impact on the Charity's different sources of income as well as their ongoing costs.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements and there are no material uncertainties about the charity's ability to continue to operate.

Incoming resources

Incoming resources in the period shown in the Statement of Financial Activities represents funds received from the sponsorship and speakers fees, partnership schemes and conference fees.

Income from sponsorship and speakers fees and partnership schemes are recognised when the charity obtains a right to consideration in exchange for its performance. Any amounts received in advance are deferred to future periods.

Income from conference fees are included in incoming resources in the period in which the relevant event takes place.

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Grants

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources and are treated as restricted or unrestricted income in line with the donor's instructions.

The charity received total grant income of £20,000 (2023: £20,000). All of this related to income received from Research England to support HEPI's activities where they contribute to the understanding of issues facing research and knowledge exchange in universities.

Expenditure

Expenditure is directly attributable to specific activities and is charged to those cost categories.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation has been provided at the following rates so as to write off the cost less residual value of the assets over their estimated useful lives.

Website costs	Reducing balance basis at 20% per annum
Computer and Office Equipment	Straight line basis at 33.33% per annum

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the statement of financial activities.

Fixed Asset Investments

Listed investments are shown at fair value and revalued annually with any surplus or deficit dealt with through the statement of financial activities.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on a straight line basis over the lease term.

Payments made under operating leases are recognised as expenditure over the lease term on a straight-line basis.

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Being a registered charity, the charity is not liable to taxation on its income.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in the statement of financial activities.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the statement of financial activities.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in the statement of financial activities.

Debtors

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

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and subsequently at amortised cost.

Funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside for specific purposes at the discretion of the trustees.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes.

Legal status of the charity

The company does not have share capital and is limited by guarantee. Each member of the company undertakes to contribute to the assets of the company, in the event of it being wound up such amounts as may be required will not exceed £1.

Pensions

The charity operates a defined contribution pension scheme. The amount charged to the income and expenditure account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as other creditors in the balance sheet.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**4 INCOMING RESOURCES**

3% (2023 - 4%) of the charity's turnover is attributable to geographical markets outside of the United Kingdom.

The incoming resources included on page 8 consist of the following sources of income:

	2024 £	2023 £
Unrestricted income:		
Charitable activities		
Sponsorship and speakers fees	235,500	187,767
Conference fees	9,414	8,644
Partnership scheme	526,624	565,975
	<u>771,538</u>	<u>762,386</u>
Other income		
Interest received	7,955	3,582
	<u>779,493</u>	<u>765,968</u>
Restricted income:		
Charitable activities		
Grant income	<u>20,000</u>	<u>20,000</u>
Total income	<u>799,493</u>	<u>785,968</u>

HIGHER EDUCATION POLICY INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

5 EXPENDITURE

The resources expended included on page 8 consist of the following sources of expenditure:

	2024 £	2023 £
Raising funds		
Investment management costs	5,291	5,406
Unrestricted expenditure:		
Charitable activities		
Sub-contractors	108,365	70,505
Postage	13,716	9,461
Publication Printing	29,529	28,446
Events and conferences	70,618	126,068
Rent (operating leases)	11,911	10,506
Wages	312,287	244,892
Employer's National Insurance	32,539	30,278
Staff pension cost	52,045	30,883
Insurance	1,256	1,157
Books and data	792	464
Telephone and fax	616	788
Computer operating costs	6,257	4,634
Printing, postage and stationery	3,849	6,294
Advertising and marketing	6,470	2,757
Gifts	597	-
Entertainment	5,333	6,640
Travel and subsistence	21,823	16,610
Legal fees	2,881	1,446
Accountancy and payroll bureau fees	9,185	8,935
Bookkeeping	1,769	1,350
Bank charges	224	185
Staff training	4,119	1,502
Subscriptions	5,218	3,811
Depreciation	4,318	4,150
	705,717	611,762
Restricted funds expenditure:		
Charitable activities		
Publication Printing	5,559	6,614
Postage	2,730	4,526
Sub-contractors	300	3,000
Wages	11,411	5,860
	20,000	20,000
Other expenditure		
Profit on sale of tangible fixed assets	-	(199)
	-	(199)
Total expenditure	731,008	636,969

HIGHER EDUCATION POLICY INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

6 EMPLOYEES

The average number of persons employed by the charity (including trustees) during the year was:

	2024	2023
Average number of employees	6	5

7 STAFF COSTS

Staff costs during the year amounted to:

	2024 £	2023 £
Salaries and wages	323,698	250,752
Social security costs	32,539	30,278
Pension contributions	52,045	30,883
	<u>408,282</u>	<u>311,913</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2024	2023
£110,001 - £120,000	1	1

8 KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel remuneration for the year amounted to:

	2024 £	2023 £
Salary and wages	118,500	119,400
Pension	37,809	21,143
	<u>156,309</u>	<u>140,543</u>

HIGHER EDUCATION POLICY INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

9 TANGIBLE ASSETS

	Website costs £	Computer and Office Equipment £	Total £
Cost			
At 1 August 2023	30,776	29,295	60,071
Additions	-	175	175
At 31 July 2024	30,776	29,470	60,246
Accumulated depreciation			
At 1 August 2023	23,820	23,864	47,684
Charge for year	1,392	2,926	4,318
At 31 July 2024	25,212	26,790	52,002
Net book value			
At 1 August 2023	6,956	5,431	12,387
At 31 July 2024	5,564	2,680	8,244

10 FIXED ASSET INVESTMENTS

	Total other investments £
Cost	
At 1 August 2023	579,432
Revaluation	60,422
Management charges	(5,291)
At 31 July 2024	634,563
Net book value	
At 1 August 2023	579,432
At 31 July 2024	634,563

The investments are UK listed investments and have been measured at market value.

HIGHER EDUCATION POLICY INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

11 DEBTORS

	2024 £	2023 £
Trade debtors	172,580	148,239
Prepayments and accrued income	5,421	5,132
	<u>178,001</u>	<u>153,371</u>

12 CREDITORS: amounts falling due within one year

	2024 £	2023 £
Trade creditors	15,073	6,463
Taxation and social security	65,037	25,461
Accruals and deferred income	309,508	220,940
Other creditors	15,695	14,139
	<u>405,313</u>	<u>267,003</u>

13 DEFERRED INCOME

Included in accruals and deferred income is deferred income of £301,007 in respect of income received in 2024 which relates to 2025. In the accounts for the year ended 31 July 2023 income totalling £210,745 was deferred and has been released in the current year.

14 COMMITMENTS

Amounts falling due under operating leases:	2024 £	2023 £
Expiring in less than one year	2,745	10,980
Expiring in more than one but less than five years	-	2,745
	<u>2,745</u>	<u>13,725</u>

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2024 are represented by:

	Unrestricted funds £	Restricted funds £	Total funds £
Investments	634,563	-	634,563
Tangible assets	8,244	-	8,244
Debtors	178,001	-	178,001
Cash at bank and in hand	465,204	20,000	485,204
Current liabilities	(405,313)	-	(405,313)
	<u>880,699</u>	<u>20,000</u>	<u>900,699</u>

HIGHER EDUCATION POLICY INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

16 MOVEMENT IN FUNDS

	At 1 August 2023 £	Incoming resources £	Expenditure and gains £	Transfers £	As at 31 July 2024 £
Unrestricted funds:					
Charitable activities	751,792	779,493	(650,586)	-	880,699
Total unrestricted funds	751,792	779,493	(650,586)	-	880,699
Restricted funds					
Grant income	20,000	20,000	(20,000)	-	20,000
Total restricted funds	20,000	20,000	(20,000)	-	20,000
Total funds	771,792	799,493	(670,586)	-	900,699

Movement in funds (previous year)

	At 1 August 2022 £	Incoming resources £	Expenditure and gains £	Transfers £	As at 31 July 2023 £
Unrestricted funds:					
Charitable activities	609,208	765,968	(623,384)	-	751,792
Total unrestricted funds	609,208	765,968	(623,384)	-	751,792
Restricted funds					
Grant income	20,000	20,000	(20,000)	-	20,000
Total funds	629,208	785,968	(643,384)	-	771,792

Grant income

Funds of £20,000 (2023: £20,000) from Research England to support HEPI's activities where they contribute to the understanding of issues facing research and knowledge exchange in universities.

HIGHER EDUCATION POLICY INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

17 RELATED PARTY TRANSACTIONS

During the year the Charity made the following related party transactions:

T Huxley Cousin of director (Nick Hillman)		2024 £	2023 £
Remuneration	Research services:	520	-
R Hillman Father of director (Nick Hillman)		2024 £	2023 £
Remuneration	Proofreading services:	100	630
Trustees and Directors			
Professor Dame Julia Goodfellow Trustee		2024 £	2023 £
Remuneration	Travel expenses:	41	-
Sir Christopher Husbands Trustee		2024 £	2023 £
Remuneration	Travel expenses:	700	-
Nick Hillman Director		2024 £	2023 £
Remuneration	Travel expenses:	764	2,090

Nick Hillman also received remuneration of the amounts disclosed in note 8.

18 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand	485,204	293,605
Total cash and cash equivalents	485,204	293,605

Accounts

HIGHER EDUCATION POLICY INSTITUTE

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2023**

**The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney, Oxon
OX28 6FF**

**Company Registration Number: 04503712
Charity Number: 1099645**

HIGHER EDUCATION POLICY INSTITUTE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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Trustees' report	3 to 6
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Statement of financial activities and income and expenditure account	8
Balance sheet	9 to 10
Statement of cash flows	11
Notes to the financial statements	12 to 22
The following pages do not form part of the financial statements	
Detailed income and expenditure account	23 to 24

HIGHER EDUCATION POLICY INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2023

TRUSTEES AND DIRECTORS

Professor Dame Helen Wallace
Sir David Bell
Mary Curnock Cook CBE
Professor Dame Sally Mapstone
Professor Dame Julia Goodfellow

COMPANY SECRETARY

The company does not have an appointed secretary

REGISTERED OFFICE

80 Mount Street
Nottingham
NG1 6HH

COMPANY REGISTRATION NUMBER

04503712 England and Wales

CHARITY REGISTRATION NUMBER

1099645

ACCOUNTANTS

The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney
Oxon
OX28 6FF

HIGHER EDUCATION POLICY INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2023

PRINCIPAL PLACE OF BUSINESS

99 Banbury Road
Oxford
Oxon
OX2 6JX

BANKERS

Lloyds Bank
87 London Road
Headington
Oxford
Oxon
OX3 9AB

SOLICITORS

Freeths LLP Nottingham
80 Mount Street
Nottingham
NG1 6HH

INVESTMENT ADVISOR

Wren Sterling Financial Planning Ltd
Hinksey Court
West Way
Botley
Oxon
OX2 9JU

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2023**

The trustees present their annual report and the financial statements for the year ended 31 July 2023.

Status

The organisation is a charitable company limited by guarantee, incorporated on 5 August 2002 and registered as a charity on 8 June 2000.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

The reference and administrative details are shown on pages 1 to 2.

Objectives and activities

The Higher Education Policy Institute (HEPI) is an Oxford-based charity established in late 2002 'to promote research into and understanding of all aspects of higher education and to disseminate the useful results of such research for the education of policy makers and the general public in the United Kingdom'.

During the 2022/23 academic year, the organisation celebrated its 20th birthday, which was marked in July 2023 with an event where 200 guests heard from speakers including the Rt Hon. the Lord Willetts, a former Minister for Universities and Science, and the Rt Hon. Margaret Hodge MP, who was the Minister for Universities when HEPI was founded. The 20th anniversary was also marked by a substantial collection of essays looking back on the previous two decades of higher education policy, edited by Dr Helen Carasso of the University of Oxford.

HEPI is funded by higher education institutions and other organisations that wish to see a vibrant higher education policy debate shaped by evidence. We are very grateful for this continuing support. During 2022/23, the number of HEPI University Partners grew to the highest ever number (136), as did the number of other organisations (18) supporting HEPI through the corporate Partnership programme. In addition, HEPI secured more sponsorship income to help cover the costs of individual projects, while always ensuring the organisation retained editorial control.

Above all, HEPI seeks to conduct and publish research into higher education to improve the quality of debate and, ultimately, to help those making policy at Westminster and Whitehall, in the devolved administrations and within higher education institutions. Engagement with policymakers, the higher education sector, the media, students and the wider public is primarily undertaken via reports, events and a substantial online presence, including a daily blog. As a non-partisan micro-organisation, HEPI seeks to work collaboratively with other organisations and individuals committed to good public policy and improving the UK higher education sector.

Achievements and performance

In 2022/23, HEPI cemented its post-pandemic recovery and built upon the achievements in the organisation's first two decades by publishing more major pieces of original research (35) than in any previous year, hosting more events than ever before (32) and receiving a record number of website hits (810,000). This record surpasses that of every previous year in all three respects.

Publications

We sought to cover the full range of topical higher education issues. For example, in addition to major reports with SUMS on the terms and conditions of academics and with London Economics, Universities UK and Kaplan International Pathways on the economic contributions of international students, there was a particular focus in our 2022/23 publications on:

- research, including full-length reports on how to talk to policymakers about the value of research, on research leadership and on universities and Foreign Direct Investment (in conjunction with the Midlands Engine, the National Centre for Universities and Business and Universities UK International), plus a collection of essays on the future of the Research Excellence Framework and a Policy Note on Horizon Europe and so-called Plan B;
- admissions and the student experience, including the 2023 Student Academic Experience Survey with Advance HE, a report on what it is like to be an undergraduate student in London and a survey of students' views of careers support – we also worked with Unite Students, a HEPI Partner, on their Applicant Index Report 2023; and
- regulation, leadership and governance, including reports on better governance, lessons from the regulation of higher education in Australia, running small and specialist institutions, the tenure of vice-chancellors at post-92 institutions and quality assurance as well as personal reflections on running a university in the recent political and economic environment.

Financial review and plans for future periods

These financial statements confirm that HEPI was in a secure financial position as it entered its third decade, with substantially higher income than in most past years.

Nonetheless, in common with other organisations, HEPI faces rising costs – arising partly from higher inflation as well as a growing staff team – while the whole higher education sector faces increased uncertainty stemming from the political, financial and geopolitical situation.

Future plans include continuing to conduct and disseminate research to further the aims of the charity as described in HEPI's Articles of Association. HEPI also plans to maintain and develop relationships with existing and potential partner companies and higher education institutions. As part of the process of marking HEPI's twentieth anniversary, the organisation's Trustees, Advisory Board and staff all agreed to undertake some strategic planning during 2023/24 to secure the organisation's long-term future as part of the UK's higher education landscape.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2023**

Structure, governance and management

The charity is a company limited by guarantee.

The HEPI staff team is guided by an Advisory Board, whose primary function is to peer review potential HEPI publications in conjunction with the Trustees. During the year, Professor David Maguire and Professor Mary Stuart left the Advisory Board and we thank them for their considerable contribution to HEPI's work, while Professor David Sweeney CBE (the former Executive Chair of Research England) and Professor Sir Chris Husbands (the outgoing Vice-Chancellor of Sheffield Hallam University), joined the Advisory Board in January 2023 and July 2023 respectively. At the end of 2022/23, the Advisory Board comprised: Alison Alden OBE; Professor Sir Chris Husbands; Professor Carl Lygo; Professor Nick Pearce; Professor Iyiola Solanke; and Professor David Sweeney CBE.

The Trustees, who are also the Members of the HEPI Company for the purposes of company law, and who served during the year and up to the date of the signature of the financial statements were:

Professor Dame Sally Mapstone
Sir David Bell
Mary Curnock Cook CBE
Professor Dame Julia Goodfellow
Professor Dame Helen Wallace

Statement of trustees' responsibilities

The trustees, who are also the directors of Higher Education Policy Institute for the purpose 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 the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HIGHER EDUCATION POLICY INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2023

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities, and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 4 April 2024

Signed on its behalf by

Professor Dame Sally Mapstone
Chair
Trustee

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JULY 2023**

I report to the trustees on my examination of the accounts of Higher Education Policy Institute for the year ended 31 July 2023, which are set out on pages 8 to 22.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



For and on behalf of
The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney
Oxon, OX28 6FF
15 April 2024

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME					
<u>Charitable activities</u>					
Sponsorships and speakers fees		187,767	-	187,767	45,065
Conference fees		8,644	-	8,644	10,554
Partnership scheme		565,975	-	565,975	465,854
Grant income		-	20,000	20,000	20,000
		762,386	20,000	782,386	541,473
<u>Investment income</u>					
Investments		3,582	-	3,582	1,192
Total income	4	765,968	20,000	785,968	542,665
Expenditure on:					
Raising funds		5,406	-	5,406	4,792
Charitable activities		611,762	20,000	631,762	465,347
Other expenditure		(199)	-	(199)	159
Total expenditure	5	616,969	20,000	636,969	470,298
NET INCOME BEFORE TRANSFERS		148,999	-	148,999	72,367
Transfer between funds		-	-	-	-
Net incoming / (outgoing) resources before gains and losses on investments		148,999	-	148,999	72,367
OTHER RECOGNISED LOSSES / GAINS					
Loss on investment assets	10	(6,415)	-	(6,415)	(23,163)
NET MOVEMENT IN FUNDS		142,584	-	142,584	49,204
Reconciliation of funds					
Total funds at 1 August 2022	15	609,208	20,000	629,208	580,004
Total funds at 31 July 2023	15	751,792	20,000	771,792	629,208

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HIGHER EDUCATION POLICY INSTITUTE

BALANCE SHEET AS AT 31 JULY 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	9	12,387	13,625
Investments	10	579,432	466,211
		<u>591,819</u>	<u>479,836</u>
CURRENT ASSETS			
Debtors	11	153,371	55,073
Cash at bank and in hand	18	293,605	443,793
		<u>446,976</u>	<u>498,866</u>
CREDITORS: Amounts falling due within one year	12	267,003	349,494
NET CURRENT ASSETS		<u>179,973</u>	<u>149,372</u>
NET ASSETS		<u>771,792</u>	<u>629,208</u>
FUNDS OF THE CHARITY:			
Unrestricted income funds	15	751,792	609,208
Restricted income funds	15	20,000	20,000
		<u>771,792</u>	<u>629,208</u>

HIGHER EDUCATION POLICY INSTITUTE

BALANCE SHEET AS AT 31 JULY 2023

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102 Section 1A smaller entities.

For the financial year ended 31 July 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

No notice has been deposited under section 476 of the act requesting the company to obtain an audit.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Signed on behalf of the board of trustees

Professor Dame Sally Mapstone
Trustee - Chair

Date approved by the board: 4 April 2024

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net income for the reporting period (as per the SOFA)		148,999	72,367
Adjustments for:			
Depreciation charges		4,150	3,833
(Increase) / Decrease in debtors		(98,298)	(10,233)
(Profit)/ Loss on the sale of other tangible fixed assets		(199)	159
Increase / (decrease) in creditors		(82,491)	113,174
Cash generated from operations		(27,839)	179,300
Interest received		(3,582)	(1,192)
Net cash generated by operating activities		(31,421)	178,108
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,582	1,192
Purchase of property, plant and equipment		(3,435)	(5,538)
Proceeds from property, plant and equipment		722	-
Proceeds from sale of investments		4,739	4,418
Purchase of investments		(124,375)	(74,625)
Net cash used in investing activities		(118,767)	(74,553)
Net increase in cash and cash equivalents		(150,188)	103,555
Cash and cash equivalents at the beginning of the year		443,793	340,238
Cash and cash equivalents at the end of the year	18	293,605	443,793

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

1 GENERAL INFORMATION

Higher Education Policy Institute is a registered charity and company limited by guarantee incorporated in England and Wales. Its registered office and principal office is:

Registered office

80 Mount Street
Nottingham
NG1 6HH

Principal place of business

99 Banbury Road
Oxford
OX2 6JX

The financial statements are presented in Sterling, which is the functional currency of the charity.

The charity is a public benefit entity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

These financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard 102 Section 1A smaller entities, Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"), the Companies Act 2006 and the Charities Act 2011.

Going concern

The Trustees have further reviewed the Charity's cash flow forecasts for the year to 31 July 2024 and have considered any potential issues that will have an impact on the Charity's different sources of income as well as their ongoing costs.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Incoming resources

Incoming resources in the period shown in the Statement of Financial Activities represents funds received from the sponsorship and speakers fees, partnership schemes and conference fees.

Income from sponsorship and speakers fees and partnership schemes are recognised when the company obtains a right to consideration in exchange for its performance. Any amounts received in advance are deferred to future periods.

Income from conference fees are included in incoming resources in the period in which the relevant event takes place.

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Grants

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources and are treated as restricted or unrestricted income in line with the donor's instructions.

The company received total grant income of £20,000 (2022: £20,000). All of this related to income received from Research England to support HEPI's activities where they contribute to the understanding of issues facing research and knowledge exchange in universities.

Expenditure

Expenditure is directly attributable to specific activities and is charged to those cost categories.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation has been provided at the following rates so as to write off the cost less residual value of the assets over their estimated useful lives.

Website costs	Reducing balance basis at 20% per annum
Computer and Office Equipment	Straight line basis at 33.33% per annum

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the statement of financial activities.

Fixed Asset Investments

Listed investments are shown at fair value and revalued annually with any surplus or deficit dealt with through the statement of financial activities.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on a straight line basis over the lease term.

Payments made under operating leases are recognised as expenditure over the lease term on a straight-line basis.

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Being a registered charity, the charity is not liable to taxation on its income.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in the statement of financial activities.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the statement of financial activities.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in the statement of financial activities.

Debtors

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

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and subsequently at amortised cost.

Funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside for specific purposes at the discretion of the trustees.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes.

Legal status of the charity

The company does not have share capital and is limited by guarantee. Each member of the company undertakes to contribute to the assets of the company, in the event of it being wound up such amounts as may be required will not exceed £1.

Pensions

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as other creditors in the balance sheet.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

4 INCOMING RESOURCES

4% (2022 - 3%) of the charity's turnover is attributable to geographical markets outside of the United Kingdom.

The incoming resources included on page 8 consist of the following sources of income:

	2023	2022
	£	£
Unrestricted income:		
Charitable activities		
Sponsorship and speakers fees	187,767	45,065
Conference fees	8,644	10,554
Partnership scheme	565,975	465,854
	762,386	521,473
Investment income		
Investments	3,582	1,192
	765,968	522,665
Restricted income:		
Charitable activities		
Grant income	20,000	20,000
Total income		
	785,968	542,665

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

5 EXPENDITURE

The resources expended included on page 8 consist of the following sources of expenditure:

	2023	2022
	£	£
Raising funds		
Investment management costs	5,406	4,792
Unrestricted expenditure:		
Charitable activities		
Sub-contractors	70,505	28,911
Postage	9,461	15,700
Publication Printing	28,446	30,811
Events and conferences	126,068	43,484
Rent (operating leases)	10,506	8,893
Wages	244,892	241,558
Employer's National Insurance	30,278	22,186
Staff pension cost	30,883	27,878
Insurance	1,157	536
Books and data	464	505
Repairs and maintenance	-	465
Telephone and fax	788	485
Computer operating costs	4,634	2,162
Printing, postage and stationery	6,294	4,250
Advertising and marketing	2,757	3,744
Entertainment	6,640	3,666
Travel and subsistence	16,610	9,053
Legal fees	1,446	791
Accountancy and payroll bureau fees	8,935	7,680
Bookkeeping	1,350	1,780
Bank charges	185	160
Staff training	1,502	2,270
Subscriptions	3,811	4,546
Depreciation	4,150	3,833
	611,762	465,347
Restricted funds expenditure:		
Charitable activities		
Publication Printing	6,614	-
Postage	4,526	-
Sub-contractors	3,000	-
Wages	5,860	-
	20,000	-
Other expenditure		
(Profit)/ Loss on sale of tangible fixed assets	(199)	159
Total expenditure	636,969	465,506

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

6 EMPLOYEES

The average number of persons employed by the charity (including trustees) during the year was:

	2023	2022
Average number of employees	5	5

7 STAFF COSTS

	2023	2022
	£	£
Staff costs during the year amounted to:		
Salaries and wages	250,752	241,558
Social security costs	30,278	22,186
Pension contributions	30,883	27,878
	<u>311,913</u>	<u>291,622</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2023	2022
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

8 KEY MANAGEMENT PERSONNEL REMUNERATION

	2023	2022
	£	£
Key management personnel remuneration for the year amounted to:		
Salary and wages	119,400	104,269
Pension	21,143	19,811
	<u>140,543</u>	<u>124,080</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

9 TANGIBLE ASSETS

	Website costs £	Computer and Office Equipment £	Total £
Cost			
At 1 August 2022	30,776	26,610	57,386
Additions	-	3,435	3,435
Disposals	-	(750)	(750)
At 31 July 2023	<u>30,776</u>	<u>29,295</u>	<u>60,071</u>
Accumulated depreciation			
At 1 August 2022	22,080	21,681	43,761
Charge for year	1,740	2,410	4,150
Disposals	-	(227)	(227)
At 31 July 2023	<u>23,820</u>	<u>23,864</u>	<u>47,684</u>
Net book value			
At 1 August 2022	<u>8,696</u>	<u>4,929</u>	<u>13,625</u>
At 31 July 2023	<u>6,956</u>	<u>5,431</u>	<u>12,387</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

10 FIXED ASSET INVESTMENTS

	Total other investments £
Cost	
At 1 August 2022	466,211
Additions	124,375
Revaluation	(6,415)
Disposals	(4,739)
At 31 July 2023	<u>579,432</u>
Net book value	
At 1 August 2022	<u>466,211</u>
At 31 July 2023	<u>579,432</u>

The investments are UK listed investments and have been measured at market value.

11 DEBTORS

	2023 £	2022 £
Trade debtors	148,239	52,058
Prepayments and accrued income	5,132	3,015
	<u>153,371</u>	<u>55,073</u>

12 CREDITORS: amounts falling due within one year

	2023 £	2022 £
Trade creditors	6,463	14,453
Taxation and social security	25,461	44,195
Accruals and deferred income	220,940	284,443
Other creditors	14,139	6,403
	<u>267,003</u>	<u>349,494</u>

13 DEFERRED INCOME

Included in accruals and deferred income is deferred income of £210,745 in respect of income received in 2023 which relates to 2024. In the accounts for the year ended 31 July 2022 income totalling £266,771 was deferred and has been released in the current year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

14 COMMITMENTS

Amounts falling due under operating leases:

	2023	2022
	£	£
Expiring in less than one year	10,980	10,980
Expiring in more than one but less than five years	2,745	13,725
	<u>13,725</u>	<u>24,705</u>

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2023 are represented by:

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Investments	579,432	-	579,432
Tangible assets	12,387	-	12,387
Debtors	153,371	-	153,371
Cash at bank and in hand	273,605	20,000	293,605
Current liabilities	(267,003)	-	(267,003)
	<u>751,792</u>	<u>20,000</u>	<u>771,792</u>

16 MOVEMENT IN FUNDS

	At 1 August 2022	Incoming resources	Outgoing resources	Transfers	As at 31 July 2023
	£	£	£	£	£
Unrestricted funds:					
Charitable activities	609,208	765,968	(623,384)	-	751,792
Total unrestricted funds	<u>609,208</u>	<u>765,968</u>	<u>(623,384)</u>	<u>-</u>	<u>751,792</u>
Restricted funds					
Grant income	20,000	20,000	(20,000)	-	20,000
Total restricted funds	<u>20,000</u>	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>	<u>20,000</u>
Total funds	<u>629,208</u>	<u>785,967</u>	<u>(643,384)</u>	<u>-</u>	<u>771,792</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**16 MOVEMENT IN FUNDS (continued...)****Movement in funds (previous year)**

	At 1 August 2021 £	Incoming resources £	Outgoing resources £	Transfers £	As at 31 July 2022 £
Unrestricted funds:					
Charitable activities	580,004	522,665	(493,461)	-	609,208
Total unrestricted funds	580,004	522,665	(493,461)	-	609,208
Restricted funds					
Grant income	-	20,000	-	-	20,000
Total funds	580,004	542,665	(493,461)	-	629,208

Grant income

Funds of £20,000 (2022: £20,000) from Research England to support HEPI's activities where they contribute to the understanding of issues facing research and knowledge exchange in universities.

17 RELATED PARTY TRANSACTIONS

During the year the Charity made the following related party transactions:

Trustees and Directors

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity and no expenses were incurred during the year.

The charity reimbursed Nick Hillman (the director) for £2,090 (2022: £901) relating to travel and subsistence. Nick Hillman also received remuneration of the amounts disclosed in note 8.

18 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand	293,605	443,793
Total cash and cash equivalents	293,605	443,793

HIGHER EDUCATION POLICY INSTITUTE

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2023

	2023 £		2022 £	
INCOME				
Sponsorship and speakers fees	187,767		45,065	
Conference fees	8,644		10,554	
Partnership scheme	565,975		465,854	
Grant income	20,000		20,000	
		782,386		541,473
Direct costs				
Sub-contractors	73,505		28,911	
Postage	13,987		15,700	
Publication Printing	35,060		30,811	
Events and conferences	126,068		43,484	
		248,620		118,906
Gross surplus	68.2%	533,766	78.0%	422,567
EXPENDITURE				
Rent (operating leases)	10,506		8,893	
Wages	250,752		241,558	
Employer's National Insurance	30,278		22,186	
Staff pension cost	30,883		27,878	
Insurance	1,157		536	
Books and data	464		505	
Repairs and maintenance	-		465	
Telephone and fax	788		485	
Computer operating costs	4,634		2,162	
Printing, postage and stationery	6,294		4,250	
Advertising and marketing	2,757		3,744	
Entertainment	6,640		3,666	
Travel and subsistence	16,610		9,053	
Legal fees	1,446		791	
Accountancy and payroll bureau fees	8,935		7,680	
Bookkeeping	1,350		1,780	
Bank charges	185		160	
Staff training	1,502		2,270	
Investment management costs	5,406		4,792	
Expenditure carried down	380,587		342,854	

HIGHER EDUCATION POLICY INSTITUTE

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2023

	2023 £	2022 £
Expenditure brought down	380,587	342,854
Subscriptions	3,811	4,546
Depreciation	4,150	3,833
(Profit) / loss on sale of tangible fixed assets	(199)	159
	<u>388,349</u>	<u>351,392</u>
Net income before gains and losses on investments	145,417	71,175
Interest receivable		
Bank interest	3,582	1,192
Loss on investment assets	6,415	23,163
	<u>142,584</u>	<u>49,204</u>
NET INCOME	142,584	49,204
TOTAL FUNDS BROUGHT FORWARD	<u>629,208</u>	<u>580,004</u>
TOTAL FUNDS CARRIED FORWARD	<u>771,792</u>	<u>629,208</u>

Accounts

HIGHER EDUCATION POLICY INSTITUTE

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2022**

**The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney, Oxon
OX28 6FF**

**Company Registration Number: 04503712
Charity Number: 1099645**

HIGHER EDUCATION POLICY INSTITUTE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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HIGHER EDUCATION POLICY INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2022

TRUSTEES AND DIRECTORS

Professor Dame Helen Wallace
Sir David Robert Bell
Mary Curnock Cook CBE
Professor Dame Sally Louise Mapstone
Professor Dame Julia Goodfellow
Appointed 1 October 2021
Professor Sir Ivor Martin Crewe
Resigned 1 October 2021

COMPANY SECRETARY

The company does not have an appointed secretary

REGISTERED OFFICE

80 Mount Street
Nottingham
NG1 6HH

COMPANY REGISTRATION NUMBER

04503712 England and Wales

CHARITY REGISTRATION NUMBER

1099645

ACCOUNTANTS

The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney
Oxon
OX28 6FF

HIGHER EDUCATION POLICY INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2022

PRINCIPAL PLACE OF BUSINESS

99 Banbury Road
Oxford
Oxon
OX2 6JX

BANKERS

Lloyds Bank
87 London Road
Headington
Oxford
Oxon
OX3 9AB

SOLICITORS

Freeths LLP Nottingham
80 Mount Street
Nottingham
NG1 6HH

INVESTMENT ADVISOR

Wren Sterling Financial Planning Ltd
Hinksey Court
West Way
Botley
Oxon
OX2 9JU

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022**

The trustees present their annual report and the financial statements for the year ended 31 July 2022.

Status

The organisation is a charitable company limited by guarantee, incorporated on 5 August 2002 and registered as a charity on 8 June 2000.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

The reference and administrative details are shown on pages 1 to 2.

Objectives and activities

The Higher Education Policy Institute (HEPI) is an Oxford-based charity established in late 2002 'to promote research into and understanding of all aspects of higher education and to disseminate the useful results of such research for the education of policy makers and the general public in the United Kingdom'.

HEPI is funded by higher education institutions and other organisations that wish to see a vibrant higher education policy debate shaped by evidence. We are very grateful for this continuing support. During 2021/22, the number of HEPI University Partners grew to the highest ever number (130), as did the number of other organisations (15) supporting HEPI through the corporate Partnership programme.

Despite the pandemic, which continued to disrupt institutions, and also considerable political upheaval, HEPI was able to maintain its impact and had one of its more successful years in 2021/22. There were more pieces of new HEPI research than in every previous year with the exception of 2019/20. HEPI hosted a busy and complex events programme that mixed in-person, online and hybrid events. There was also record engagement with our work online.

In autumn 2021, HEPI's long-standing Chair, Professor Sir Ivor Crewe, was replaced as Chair by Professor Dame Sally Mapstone, Principal and Vice-Chancellor of the University of St Andrews, and Professor Dame Julia Goodfellow joined the Trustees.

Achievements and performance

As a specialist body, HEPI is smaller than most other think tanks yet the organisation's work was recognised in the Prospect Think Tank of the Year Awards, when HEPI was shortlisted for the Social Policy Award for the second year running.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022**

Publications

In 2021/22, HEPI produced 25 pieces of published research, including three issues of the termly Policy Briefing paper. Our published output included 11 analytical HEPI 'blue books', five HEPI Policy Notes, three red HEPI Debate Papers and a range of other publications, many of which were produced in conjunction with other organisations that support HEPI's work.

- August 2021: a collection of essays on the student voice;
- September 2021: a study (with Universities UK International and London Economics) on the value of international students to the UK, a report on the state of the humanities and a paper by Lord Willetts on reforming higher education finance;
- October 2021: a study (with Kaplan International Pathways) of careers support for international students and another on R&D spending and regional policy;
- November 2021: a report on graduates' perceptions of different student finance regimes and a consideration of who owns the rights to recorded lectures;
- December 2021: a report on the 'One Nation University';
- January 2022: a report on first-in-family students;
- February 2022: a report (with Unite Students) on the experiences of Black students in student accommodation and a detailed study of national security and research;
- March 2022: a paper on illicit drug use among students and how to react to it, an account of how to define quality in higher education (produced with the Quality Assurance Agency to mark their 25th anniversary) and a study of the low take-up of Chinese Studies among UK students;
- April 2022: a collection of pieces on the impact of the Government's Level 3 reforms;
- May 2022: a study of the changing tenure of UK vice-chancellors over time;
- June 2022: the annual HEPI / Advance HE student survey and the results of a poll on what students think about free speech and
- July 2022: a detailed look at the educational experiences of Gypsies, Roma and Travellers, a report on university governors' responsibilities on academic quality and an account of what more universities might do to help tackle homelessness.

In addition, other new research featured on the HEPI website, including: the 2021 HEPI Soft-Power Index; an analysis of recent A-Level results by Mary Curnock Cook CBE; and the 2022 Social Mobility Index.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022**

Events

In 2021/22, HEPI hosted a mix of in-person, online and hybrid events, including:

- five webinars hosted with HEPI Partners and University Partners on topics such as research spending, Gypsy, Roma and Traveller access to higher education, the experiences of Black students, understanding China and the employability of international students in the UK;
- three dinners hosted in conjunction with HEPI Partners, on open access, sustainability and homelessness and higher education;
- three HEPI / Advance HE events, two of which were held online and looked at the future of higher education and inclusivity, and one in the Palace of Westminster on measuring value;
- two HEPI Partner Roundtable Dinners, one with Clare Marchant of UCAS and another with Matt Western MP, the Shadow Minister for Higher Education, and Professor Nick Pearce;
- the HEPI Annual Conference on 'Challenges for the Future', sponsored by UPP, including speeches from the Minister for Higher and Further Education, Michelle Donelan MP, and the political journalist and experienced university governor, Michael Crick;
- a hybrid Policy Briefing Day on recent higher education policy developments;
- an online 'In Conversation' event, with the Executive Chair of Research England, David Sweeney, on the day the Research Excellence Framework results were published;
- a party conference fringe event with the UPP Foundation on reconnecting universities with the public;
- an informal dinner with potential HEPI authors on free speech on campus and
- a briefing for the press on the results of the HEPI / Advance HE 2022 Student Academic Experience Survey.

Online activity

In 2021/22, HEPI achieved record engagement. In 2021/22, we achieved 682,000 hits, which is nearly 10% higher than in the previous (record) year and nearly double the pre-COVID total. There were over 250 separate blog entries, with one new piece each working day. One innovation for 2021/22 was a number of blog series on topics including: employability; the Research Excellence Framework; and access to research.

While website hits provide a rough proxy for trends in engagement with HEPI's work, they only capture a minority of interactions. HEPI also publicises its work through direct communications via an electronic database, by posting out hundreds of hard copies of each major publication, by attending other organisations' events to talk about our work and by working through specialist, local and national media outlets.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022**

Equality, Diversity and Inclusion (EDI)

In 2021/22, we put a greater focus on EDI issues – for example, by ensuring more diverse speaker panels, working to ensure a wider mix of authors and publishing reports on a range of EDI issues.

Our written work in 2021/22 included:

- supporting a project run by the Centre for Transforming Access and Student Outcomes in Higher Education (TASO) on the wellbeing of LGBTQ+ students, which was based on data from the HEPI / Advance HE Student Academic Experience Survey and launched to coincide with Pride month;
- working closely with Unite Students on the Living Black at University project, which provides the first detailed account of the experience of Black students in purpose-built student accommodation;
- publishing a detailed HEPI study of the outcomes of Gypsies, Roma and Travellers, who are the ethnic minorities most excluded from education, and hosting an accompanying online event; and
- producing a detailed HEPI report on what universities could do to tackle homelessness, as well as hosting an event with the UPP Foundation on the same topic.

There were slightly more male (56%) than female (44%) authors of HEPI reports and a similar imbalance among those blogging on the HEPI website (57% male; 43% female). This was a more even balance than in the past but shows there was still some distance to travel before reaching parity. In contrast, there were slightly more female speakers (52%) at HEPI events than male speakers (48%), marking a clear change from the past.

Financial review

In 2021/22, both income and expenditure rose and the key financial indicators show a material surplus of £49,204, confirming the recovery in HEPI's financial position after the COVID pandemic reduced in impact. While the surplus is significantly lower than that achieved in the previous year, this is explained by differences in the investment performance of HEPI's reserves: investment performance was strongly positive in 2020/21 but distinctly negative in 2021/22.

The Charity has the power to make any investment which the Trustees see fit. In 2021/22, the reserves were divided between a Lloyds bank current account, a savings account with Aldermore and a medium-risk equity investment vehicle run by Aviva and overseen for HEPI by a local independent financial advice firm.

Future plans include continuing to conduct and disseminate research to further the aims of the charity as described in HEPI's Articles of Association. HEPI also plans to maintain and develop relationships with existing and potential partner companies and higher education institutions.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022**

Structure, governance and management

The charity is a company limited by guarantee.

During 2021/22, HEPI's Chair, Professor Sir Ivor Crewe, retired after long and dutiful service to the charity. He was replaced as Chair by Professor Dame Sally Mapstone, who had first become a Trustee in late 2020/21.

The Trustees, who are also the Members of the HEPI Company for the purposes of company law, and who served during the year and up to the date of the signature of the financial statements were:

Professor Sir Ivor Martin Crewe	(Retired 1 October 2021)
Professor Dame Sally Louise Mapstone	(Chair from 1 October 2021)
Sir Robert David Bell	
Mary Curnock Cook CBE	
Professor Dame Julia Goodfellow	(Appointed 1 October 2021)
Professor Dame Helen Wallace	

Statement of trustees' responsibilities

The trustees, who are also the directors of Higher Education Policy Institute for the purpose 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 the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022**

Conclusion

In common with other organisations, including higher education institutions and other small charities, HEPI's income took a big hit during the worst of the COVID pandemic, resulting in a substantial deficit in 2019/20. In 2020/21, the situation improved due primarily to stringent cost-cutting, resulting in a surplus. In 2021/22, income and expenditure were both up and (excluding investment returns / losses) the surplus was comparable to that achieved in the previous year, further bolstering HEPI's reserves.

There was a change in the way that donations from University Partners are recorded in HEPI's accounts, with each donation now being spread equally over each of the subsequent 12 months. This resulted in the 2020/21 figures being recalculated and restated in order for the figures for 2021/22 to be directly comparable.

HEPI's financial position is affected by the wider economic picture, including the growth in inflation, as well as the financial strength of the higher education sector, which is less good than it was. So HEPI's recent positive financial performance is not guaranteed to continue into the future.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities, and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 23 March 2023

Signed on its behalf by

Professor Dame Sally Louise Mapstone
Chair
Trustee

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JULY 2022**

I report to the trustees on my examination of the accounts of Higher Education Policy Institute for the year ended 31 July 2022, which are set out on pages 10 to 25.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



D J Green (FCCA)

For and on behalf of
The MGroup Partnership
Chartered Certified Accountants
4 Witan Way
Witney
Oxon, OX28 6FF
25 April 2023

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2022**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021 (As restated - see note 3)
		£	£	£	£
INCOME					
<u>Charitable activities</u>					
Sponsorships and speakers fees		45,065	-	45,065	53,283
Conference fees		10,554	-	10,554	12,592
Partnership scheme		465,854	-	465,854	435,988
Grant income		-	20,000	20,000	-
		521,473	20,000	541,473	501,863
<u>Investment income</u>					
Investments		1,192	-	1,192	908
Total income	5	522,665	20,000	542,665	502,771
Expenditure on:					
Raising funds		4,792	-	4,792	3,971
Charitable activities		465,347	-	465,347	424,958
Other expenditure		159	-	159	50
Total expenditure	6	470,298	-	470,298	428,979
NET INCOME BEFORE TRANSFERS		52,367	20,000	72,367	73,792
Transfer between funds		-	-	-	-
Net incoming / (outgoing) resources before gains and losses on investments		52,367	20,000	72,367	73,792
OTHER RECOGNISED LOSSES / GAINS					
(Loss) / gain on investment assets	11	(23,163)	-	(23,163)	42,260
NET MOVEMENT IN FUNDS		29,204	20,000	49,204	116,052
Reconciliation of funds					
Total funds at 1 August 2021 (as restated)	17	580,004	-	580,004	463,952
Total funds at 31 July 2022	17	609,208	20,000	629,208	580,004

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HIGHER EDUCATION POLICY INSTITUTE

BALANCE SHEET AS AT 31 JULY 2022

	Notes	2022 £	2021 (As restated - see note 3) £
FIXED ASSETS			
Tangible assets	10	13,625	12,079
Investments	11	466,211	419,167
		<u>479,836</u>	<u>431,246</u>
CURRENT ASSETS			
Debtors	12	55,073	44,840
Cash at bank and in hand	19	443,793	340,238
		<u>498,866</u>	<u>385,078</u>
CREDITORS: Amounts falling due within one year	13	<u>349,494</u>	<u>236,320</u>
NET CURRENT ASSETS		<u>149,372</u>	<u>148,758</u>
NET ASSETS		<u>629,208</u>	<u>580,004</u>
FUNDS OF THE CHARITY:			
Unrestricted income funds	17	609,208	580,004
Restricted income funds	17	20,000	-
		<u>629,208</u>	<u>580,004</u>

HIGHER EDUCATION POLICY INSTITUTE

BALANCE SHEET AS AT 31 JULY 2022

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102 Section 1A smaller entities.

For the financial year ended 31 July 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

No notice has been deposited under section 476 of the act requesting the company to obtain an audit.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Signed on behalf of the board of trustees

Professor Dame Sally Louise Mapstone
Trustee - Chair

Date approved by the board: 23 March 2023

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	2021 (As Restated) £
Cash flows from operating activities			
Net income for the reporting period (as per the SOFA)		72,367	73,792
Adjustments for:			
Depreciation charges		3,833	3,453
(Increase) / Decrease in debtors		(10,233)	27,263
Loss on the sale of other tangible fixed assets		159	50
Increase / (decrease) in creditors		113,174	(10,272)
Cash generated from operations		179,300	94,286
Interest received		(1,192)	(908)
Net cash generated by operating activities		178,108	93,378
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,192	908
Proceeds from the sale of other tangible fixed assets		-	400
Purchase of property, plant and equipment		(5,538)	(765)
Proceeds from sale of investments		4,418	3,973
Purchase of investments		(74,625)	-
Net cash used in investing activities		(74,553)	4,516
Net increase in cash and cash equivalents		103,555	97,894
Cash and cash equivalents at the beginning of the year		340,238	242,344
Cash and cash equivalents at the end of the year	19	443,793	340,238

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

1 GENERAL INFORMATION

Higher Education Policy Institute is a registered charity and company limited by guarantee incorporated in England and Wales. Its registered office and principal office is:

Registered office

80 Mount Street
Nottingham
NG1 6HH

Principal place of business

99 Banbury Road
Oxford
OX2 6JX

The financial statements are presented in Sterling, which is the functional currency of the charity.

The charity is a public benefit entity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

These financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard 102 Section 1A smaller entities, Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"), the Companies Act 2006 and the Charities Act 2011.

Going concern

The Trustees have further reviewed the Charity's cash flow forecasts for the year to 31 July 2023 and have considered any potential issues that will have an impact on the Charity's different sources of income as well as their ongoing costs.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Incoming resources

Incoming resources in the period shown in the Statement of Financial Activities represents funds received from the sponsorship and speakers fees, partnership schemes and conference fees.

Income from sponsorship and speakers fees and partnership schemes are recognised when the company obtains a right to consideration in exchange for its performance. Any amounts received in advance are deferred to future periods.

Income from conference fees are included in incoming resources in the period in which the relevant event takes place.

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Grants

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources and are treated as restricted or unrestricted income in line with the donor's instructions.

The company received total grant income of £20,000 (2021: £NIL). All of this related to income received from Research England to support HEPI's activities where they contribute to the understanding of issues facing research and knowledge exchange in universities.

Expenditure

Expenditure is directly attributable to specific activities and is charged to those cost categories.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation has been provided at the following rates so as to write off the cost less residual value of the assets over their estimated useful lives.

Website costs	Reducing balance basis at 20% per annum
Computer and Office Equipment	Straight line basis at 33.33% per annum

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the statement of financial activities.

Fixed Asset Investments

Listed investments are shown at fair value and revalued annually with any surplus or deficit dealt with through the statement of financial activities.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on a straight line basis over the lease term.

Payments made under operating leases are recognised as expenditure over the lease term on a straight-line basis.

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Being a registered charity, the charity is not liable to taxation on its income.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in the statement of financial activities.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the statement of financial activities.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in the statement of financial activities.

Debtors

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

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and subsequently at amortised cost.

Funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside for specific purposes at the discretion of the trustees.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes.

Legal status of the charity

The company does not have share capital and is limited by guarantee. Each member of the company undertakes to contribute to the assets of the company, in the event of it being wound up such amounts as may be required will not exceed £1.

Pensions

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as other creditors in the balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

3 RESTATEMENT OF COMPARATIVES

The charity had understated deferred income with respect of the partnership scheme at 31 July 2020 and 31 July 2021 by £89,000 and £9,292 respectively. This was due to the membership fees not being recognised equally over the period of the membership, with a significant proportion being recognised in full in the year of receipt. As a result the comparative balances for the year ended 31 July 2020 and 31 July 2021 have been restated as follows:

The charity recognised the revaluation gain on investment assets as income from investments in the year to 31 July 2021 valued at £42,260. This was moved out of total income to gain/(loss) on investment assets as it was incorrectly treated as income instead of a revaluation. This had no effect on the fund position. As a result the comparative balances for the year ended 31 July 2021 have been restated as follows:

	Funds of the charity
2020 as previously stated	552,952
Correction relating to deferred income - 2020	(89,000)
2020 restated	463,952

	Gain / (loss) on investment assets	Total income	Accruals and deferred income	Funds of the charity
2021 as previously stated	-	554,323	92,341	678,296
Correction relating to deferred income - 2020	-	-	89,000	(89,000)
Correction relating to deferred income - 2021	-	(9,292)	9,292	(9,292)
Correction in relation to gain on investments	42,260	(42,260)	-	-
2021 restated	42,260	502,771	190,633	580,004

The charity had recognised the investment in current assets at 31 July 2021 valued at £419,167. This has since been recognised in fixed assets. As a result the comparative balances for the year ended 31 July 2021 have been restated as follows:

	Net current assets	Current assets	Fixed assets
2021 as previously stated	666,217	804,245	12,079
Correction relating to reallocating investment	(419,167)	(419,167)	419,167
Correction relating to deferred income as stated above	(98,292)	-	-
2021 restated	148,758	385,078	431,246

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

5 INCOMING RESOURCES

3% (2021 - 5%) of the charity's turnover is attributable to geographical markets outside of the United Kingdom.

The incoming resources included on page 10 consist of the following sources of income:

	2022	2021
	£	£
Unrestricted income:		
Charitable activities		
Sponsorship and speakers fees	45,065	53,283
Conference fees	10,554	12,592
Partnership scheme	465,854	435,988
	<u>521,473</u>	<u>501,863</u>
Investment income		
Investments	1,192	908
	<u>522,665</u>	<u>502,771</u>
Restricted income:		
Charitable activities		
Grant income	20,000	-
	<u>20,000</u>	<u>-</u>
Total income	<u><u>542,665</u></u>	<u><u>502,771</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

6 EXPENDITURE

The resources expended included on page 10 consist of the following sources of expenditure:

	2022	2021
	£	£
Unrestricted expenditure:		
Charitable activities		
Sub-contractors	28,911	67,694
Postage	15,700	11,659
Publication Printing	30,811	20,117
Events and conferences	43,484	3,498
Rent (operating leases)	8,893	7,600
Wages	241,558	233,967
Employer's National Insurance	22,186	20,157
Staff pension cost	27,878	26,182
Insurance	536	1,108
Books and data	505	569
Repairs and maintenance	465	-
Telephone and fax	485	218
Computer operating costs	2,162	2,826
Printing, postage and stationery	4,250	3,711
Advertising and marketing	3,744	2,290
Entertainment	3,666	541
Travel and subsistence	9,053	544
Legal fees	791	7,109
Accountancy fees	7,680	6,113
Bookkeeping	1,780	1,279
Bank charges	160	(199)
Staff training	2,270	2,352
Subscriptions	4,546	2,170
Depreciation	3,833	3,453
	465,347	424,958
Raising funds		
Governance costs - independent exam	4,792	3,971
Other expenditure		
Loss on sale of tangible fixed assets	159	50
Total expenditure	470,298	428,979

7 EMPLOYEES

The average number of persons employed by the charity (including trustees) during the year was:

	2022	2021
Average number of employees	5	5

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

8 STAFF COSTS

	2022	2021
	£	£
Staff costs during the year amounted to:		
Salaries and wages	241,558	233,967
Social security costs	22,186	20,157
Pension contributions	27,878	26,182
	<u>291,622</u>	<u>280,306</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2022	2021
		(As restated)
£100,001-£110,000	1	1
	<u>1</u>	<u>1</u>

9 KEY MANAGEMENT PERSONNEL REMUNERATION

	2022	2021
	£	£
Key management personnel remuneration for the year amounted to:		
Salary and wages	104,269	104,489
Pension	19,811	19,853
	<u>124,080</u>	<u>124,342</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

10 TANGIBLE ASSETS

	Website costs £	Computer and Office Equipment £	Total £
Cost			
At 1 August 2021	30,776	24,752	55,528
Additions	-	5,538	5,538
Disposals	-	(3,680)	(3,680)
At 31 July 2022	<u>30,776</u>	<u>26,610</u>	<u>57,386</u>
Accumulated depreciation			
At 1 August 2021	19,905	23,544	43,449
Charge for year	2,175	1,658	3,833
Disposals	-	(3,521)	(3,521)
At 31 July 2022	<u>22,080</u>	<u>21,681</u>	<u>43,761</u>
Net book value			
At 1 August 2021	<u>10,871</u>	<u>1,208</u>	<u>12,079</u>
At 31 July 2022	<u>8,696</u>	<u>4,929</u>	<u>13,625</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

11 FIXED ASSET INVESTMENTS

	Total other investments £
Cost	
At 1 August 2021 (as restated)	419,167
Additions	74,625
Revaluation	(23,163)
Disposals	(4,418)
At 31 July 2022	<u>466,211</u>
Net book value	
At 1 August 2021 (as restated)	<u>419,167</u>
At 31 July 2022	<u>466,211</u>

The investments are UK listed investments and have been measured at market value.

12 DEBTORS

	2022 £	2021 £
Trade debtors	52,058	43,590
Prepayments and accrued income	3,015	-
Other debtors	-	1,250
	<u>55,073</u>	<u>44,840</u>

13 CREDITORS: amounts falling due within one year

	2022 £	2021 (As restated) £
Trade creditors	14,453	19,285
Taxation and social security	44,195	19,999
Accruals and deferred income	284,443	190,633
Other creditors	6,403	6,403
	<u>349,494</u>	<u>236,320</u>

14 DEFERRED INCOME

Included in accruals and deferred income is deferred income of £266,771 in respect of income received in 2022 which relates to 2023. In the accounts for the year ended 31 July 2021 income totalling £178,825 was deferred and has been released in the current year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

15 COMMITMENTS

Amounts falling due under operating leases:

	2022	2021
	£	£
Expiring in less than one year	10,980	-
Expiring in more than one but less than five years	13,725	-
	<u>24,705</u>	<u>-</u>

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2022 are represented by:

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Investments	466,211	-	466,211
Tangible assets	13,625	-	13,625
Debtors	55,073	-	55,073
Cash at bank and in hand	423,793	20,000	443,793
Current liabilities	(349,494)	-	(349,494)
	<u>609,208</u>	<u>20,000</u>	<u>629,208</u>

17 MOVEMENT IN FUNDS

	August 2021 (As restated)	Incoming resources	Outgoing resources	Transfers	As at 31 July 2022
	£	£	£	£	£
Unrestricted funds:					
Charitable activities	580,004	522,665	(493,461)	-	609,208
Total unrestricted funds	<u>580,004</u>	<u>522,665</u>	<u>(493,461)</u>	<u>-</u>	<u>609,208</u>
Restricted funds					
Grant income	-	20,000			20,000
Total restricted funds	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Total funds	<u>580,004</u>	<u>542,664</u>	<u>(493,461)</u>	<u>-</u>	<u>629,208</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

17 MOVEMENT IN FUNDS (continued...)**Movement in funds (previous year)**

	August 2020 (As restated) £	Incoming resources (As restated) £	Outgoing resources £	Transfers £	As at 31 July 2021 (As restated) £
Unrestricted funds:					
General funds	463,952	545,031	(428,979)	-	580,004
Total unrestricted funds	463,952	545,031	(428,979)	-	580,004
Restricted funds					
Total restricted funds	-	-	-	-	-
Total funds	463,952	545,031	(428,979)	-	580,004

Grant income

Funds of £20,000 from Research England to support HEPI's activities where they contribute to the understanding of issues facing research and knowledge exchange in universities.

18 RELATED PARTY TRANSACTIONS

During the year the Charity made the following related party transactions:

Trustees and Directors

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity and no expenses were incurred during the year.

The charity reimbursed Nick Hillman (the director) for £901 relating to travel and subsistence. Nick Hillman also received remuneration of the amounts disclosed in note 9.

19 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	443,793	340,238
Total cash and cash equivalents	443,793	340,238

Accounts

Charity Registration No. 1099645

Company Registration No. 04503712 (England and Wales)

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Professor Dame Helen Wallace Sir David Robert Bell Ms Mary Cumock Cook Professor Dame Julia Goodfellow Professor Sally Louise Mapstone	(Appointed 1 October 2021) (Appointed 23 June 2021)
Charity number	1099645	
Company number	04503712	
Registered office	80 Mount Street Nottingham NG1 6HH	
Independent examiner	Shaw Gibbs Limited 264 Banbury Road Oxford OX2 7DY	
Bankers	Lloyds Bank (Headington) Lloyds Bank 87 London Road Headington Oxford Oxfordshire OX3 9AB	
Solicitors	Freeths LLP Nottingham 80 Mount Street Nottingham NG1 6HH	

HIGHER EDUCATION POLICY INSTITUTE COMPANY LIMITED BY GUARANTEE CONTENTS

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Statement of financial activities	6
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Statement of cash flows	8
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**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JULY 2021**

The trustees present their report and financial statements for the year ended 31 July 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)."

Objectives and activities

The Higher Education Policy Institute (www.hepi.ac.uk) is a charity that was established in 2002 'to promote research into and understanding of all aspects of higher education and to disseminate the useful results of such research for the education of policy makers and the general public in the United Kingdom'. HEPI is funded by higher education institutions and other organisations that wish to see a vibrant higher education policy debate shaped by evidence. We are grateful for this continuing support.

Our engagement with policymakers, the higher education sector, the media, students and the public is delivered primarily via reports, an online presence and events. HEPI looks to work collaboratively with other organisations committed to good public policy. Despite the COVID-19 pandemic, which severely disrupted institutions, staff and students during 2020/21, HEPI was able to maintain its impact at a similar level to the previous record year. There were more HEPI publications than in most previous years, a full (virtual) events programme and more engagement with our work online than ever before.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

As a specialist body, HEPI is much smaller than most well-known think tanks, but our work was recognised in the *Prospect* Think Tank of the Year Awards during 2020/21. HEPI was the runner up for the Social Policy Award and the Director was shortlisted for the inaugural Think Tanker of the Year Award.

Publications

In 2020/21, HEPI produced 25 pieces of original research:

- six Policy Reports or 'blue books', plus an accompanying online history of student finance;
- six Policy Notes;
- four Debate Papers or 'red books';
- three Policy Briefing Papers;
- two press releases incorporating original research (on free speech and political support among students);
- one Analytical Paper;
- a joint report with the UPP Foundation; and
- the HEPI / Advance HE *Student Academic Experience Survey*.

The annual *Student Academic Experience Survey* took on a new importance as it revealed detailed facts about student perceptions in a crisis. Other highlights of the year included: HEPI's first paper on climate change; a detailed look at how student accommodation has changed over recent years; a study of the graduate gender pay gap; an updated study in the series on likely future demand for higher education, this time with a new regional angle; regular polling of students about the impact of the pandemic; and a new focus on students' personal lives.

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Our published output was lower than in 2019/20, reflecting reduced staffing during the COVID-19 pandemic, but the number of publications was similar to, or higher than, every earlier year: HEPI produced 34 pieces of original research in 2019/20; 25 in 2018/19; 26 in 2017/18; 18 in 2016/17; 16 in 2015/16; 15 in 2014/15; 10 in 2013/14; and under 10 in each previous year.

Events

In 2020/21, HEPI hosted 19 events, either on its own or in conjunction with others, attracting almost 4,000 registered attendees and with many more people catching up with the events online afterwards:

- the HEPI Annual Conference on 'Learning from the Crisis', sponsored by Lloyds Bank and UPP, including speeches from the Secretary of State for Education and the Chief Executive of the Office for Students;
- the HEPI Policy Briefing Day, including sessions on policymaking, gender and higher education in the media;
- a half-day conference with HEPI Partner Elsevier on 'The Research Landscape', with the Minister for Science, Research and Innovation;
- a party conference event, co-hosted with MillionPlus, with the Minister for Universities as one of the speakers;
- five joint webinars on the impact of the crisis and climate change (with Lloyds Bank), flexible learning (with the QAA) and access to higher education in other European countries (with the European Universities Consortium);
- three webinars with Advance HE – a vice-chancellors' question time and sessions on value for money and equality – in place of our regular series of parliamentary events;
- three webinars with HEPI University Partners on higher education in the media, social mobility and supporting local communities in the pandemic;
- two 'In Conversation' events with the Chief Executive of UCAS;
- two other webinars on access and funding, featuring the Director for Fair Access and Participation and a former Minister for Universities and Science and
- a Balloon Debate on the right age to start academic selection, including speeches from a former Secretary of State for Education, the Chief Executive of the Sixth Form Colleges Association and a former Chief Executive of UCAS.

It continued to prove impossible to host some of our regular smaller events, such as in-person policy-focused dinners, because of the pandemic. As a result, the total number of HEPI events remained lower than in the two years immediately preceding the pandemic, but we still managed to host more events than HEPI hosted in any year before this.

Online activity

In 2020/21, HEPI achieved record engagement online. In late July 2021, we welcomed the two millionth visitor to the HEPI website since the start of the 2015 calendar year. Over the 2020/21 year as a whole, we achieved just under 620,000 hits, 22% higher than in the previous record year: there were 510,000 hits in 2019/20, 300,000 hits in 2018/19, 230,000 in 2017/18, 160,000 in 2016/17 and 130,000 in 2015/16.

There were 268 separate blog entries – more than in any previous year. There was a new blog each working day (except between Christmas and new year), plus a small number of weekend entries, and over five times as much new content as in 2015/16: there were 254 entries in 2019/20, 186 in 2018/19, 144 in 2017/18, 60 in 2016/17 and 50 in 2015/16.

Our social media presence continued to grow, especially on Twitter and LinkedIn, as did the number of people on our electronic database for new press releases and blogs. Meanwhile, over 800 people continued to receive our main reports as hard copies.

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Financial review

In 2020/21, the key financial indicators improved relative to 2019/20, which had been easily HEPI's worst financial year in recent times. In 2020/21, income rose by 19% to £554k, though remained lower than in the two years before the pandemic, while expenditure fell by 25% to £429k, to the lowest level since 2015/16, reflecting pandemic-related cost savings. Overall, this produced a surplus of £125k, reversing the previous year's substantial deficit of £107k.

This positive financial picture reflects a partial recovery in income and tough control of costs, particularly staff costs, as well as strong investment performance. It puts the organisation in a good position to weather likely future challenges, such as rising inflation.

The Charity has the power to make any investment which the trustees see fit. In 2020/21, the reserves were divided between two Lloyds bank accounts, a savings account with Aldermore and a medium-risk equity investment vehicle run by Aviva.

HEPI will continue to be buffeted by the COVID-19 pandemic for the foreseeable future but hopes to return to its pre-pandemic position of growth, for example by employing a full complement of staff once more.

Future plans include continuing to conduct and disseminate research to further the aims of the charity as described above. HEPI also plans to maintain and develop relationships with existing and potential partner companies and higher education institutions.

Structure, governance and management

The charity is a company limited by guarantee.

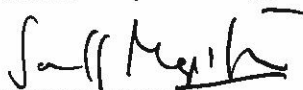
The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Professor Sir Ivor Martin Crewe	(Retired 1 October 2021)
Professor Sir George Peter Scott	(Retired 21 May 2021)
Professor Dame Helen Wallace	
Sir David Robert Bell	
Ms Mary Curnock Cook	
Professor Dame Julia Goodfellow	(Appointed 1 October 2021)
Professor Sally Louise Mapstone	(Appointed 23 June 2021)

The small HEPI team is guided by an Advisory Board and is accountable to a Board of Trustees as well as the Charity Commission and other official agencies. The number of trustees shall not be less than three or more than five. They meet regularly to administer the charity. The Chief Executive is responsible for the day-to-day running of the charity, and is accountable to the Trustees collectively for the use of the charity's resources.

We said goodbye with grateful thanks to one long-serving Trustee, Professor Sir Peter Scott, and welcomed Professor Sally Mapstone in his place during 2020/21. We also welcomed Professor Nick Pearce, Professor Iyiola Solanke and Professor Mary Stuart as new members of the HEPI Advisory Board.

The trustees' report was approved by the Board of Trustees.


.....
Professor Sally Louise Mapstone
trustee
Dated: 19 April 2022

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 JULY 2021**

The trustees, who are also the directors of Higher Education Policy Institute for the purpose 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 the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF HIGHER EDUCATION POLICY INSTITUTE**

I report to the trustees on my examination of the financial statements of Higher Education Policy Institute (the charity) for the year ended 31 July 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Samantha Daniels FCA for and on behalf of
Shaw Gibbs Limited

Chartered Certified Accountants
264 Banbury Road
Oxford
OX2 7DY

Dated: 4/5/2022

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2021**

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
<u>Charitable activities</u>			
Sponsorships & speakers fees	3	53,283	58,193
Conference fees	3	12,592	-
Partnership scheme	3	445,280	396,842
Investments	4	43,168	9,847
Total income		554,323	464,882
<u>Expenditure on:</u>			
Raising funds	5	3,971	3,731
Charitable activities	6	424,958	568,827
Other	9	50	-
Total resources expended		428,979	572,558
Net income/(expenditure) for the year/ Net movement in funds		125,344	(107,676)
Fund balances at 1 August 2020		552,952	660,628
Fund balances at 31 July 2021		678,296	552,952

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HIGHER EDUCATION POLICY INSTITUTE COMPANY LIMITED BY GUARANTEE BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		12,079		15,217
Current assets					
Debtors	11	44,840		72,103	
Investments	12	419,167		380,880	
Cash at bank and in hand		340,238		242,344	
		<u>804,245</u>		<u>695,327</u>	
Creditors: amounts falling due within one year	13	<u>(138,028)</u>		<u>(157,592)</u>	
Net current assets			666,217		537,735
Total assets less current liabilities			<u>678,296</u>		<u>552,952</u>
Income funds					
Unrestricted funds			678,296		552,952
			<u>678,296</u>		<u>552,952</u>

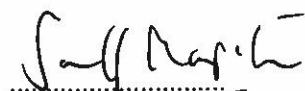
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees on 19 April 2022



Professor Sally Louise Mapstone
Trustee

Company Registration No. 04503712

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	16		93,378		(161,858)
Investing activities					
Purchase of tangible fixed assets		(765)		(1,542)	
Proceeds on disposal of tangible fixed assets		400		-	
Purchase of investments		(38,287)		(4,363)	
Interest received		43,168		9,847	
Net cash generated from investing activities			4,516		3,942
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			97,894		(157,916)
Cash and cash equivalents at beginning of year			242,344		400,260
Cash and cash equivalents at end of year			340,238		242,344

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1 Accounting policies

Charity information

The Higher Education Policy Institute is a private company limited by guarantee incorporated in England and Wales. The registered office is, 80 Mount Street, Nottingham, NG1 6HH.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Incoming resources in the period shown in the Statement of Financial Activities represents funds received from the partnership schemes, consultancy fees and other miscellaneous sources.

Income from grants is recognised in full in the statement of financial activities on a receivable basis according to conditions imposed by the donor.

Income from partnership scheme is recognised when the company obtains a right to consideration in exchange for its performance. Any amounts received in advance are deferred to future periods.

1.5 Resources expended

Expenditure is directly attributable to specific activities and is charged to those cost categories.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website costs	20% reducing balance
Computer Equipment	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	Sponsorships & speakers fees	Conference fees	Partnership scheme	Total	Sponsorships & speakers fees	Partnership scheme	Total
	2021	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£	£
Income within charitable activities	53,283	12,592	445,280	511,155	58,193	396,842	455,035

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Income from investments	42,260	8,093
Interest receivable	908	1,754
	<u>43,168</u>	<u>9,847</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Investment management	3,971	3,731
	<u>3,971</u>	<u>3,731</u>

6 Charitable activities

	2021 £	2020 £
Staff costs	280,308	334,166
Office costs	44,413	77,899
Conferences, seminars, catering, room hire and consultant	73,996	119,734
Other expenditure	26,241	37,028
	<u>424,958</u>	<u>568,827</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Average employee numbers	<u>5</u>	<u>6</u>

Employment costs	2021 £	2020 £
Wages and salaries	233,969	278,469
Social security costs	20,157	26,604
Other pension costs	26,182	29,093
	<u>280,308</u>	<u>334,166</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£90,001-£100,000	<u>1</u>	<u>1</u>

9 Other

	Unrestricted funds	Total £
	2021	2020
Net loss on disposal of tangible fixed assets	<u>50</u>	<u>-</u>
	<u>50</u>	<u>-</u>

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

10 Tangible fixed assets

	Website costs	Computer equipment	Total
	£	£	£
Cost			
At 1 August 2020	30,776	24,986	55,762
Additions	-	765	765
Disposals	-	(999)	(999)
At 31 July 2021	<u>30,776</u>	<u>24,752</u>	<u>55,528</u>
Depreciation and impairment			
At 1 August 2020	17,187	23,359	40,546
Depreciation charged in the year	2,718	735	3,453
Eliminated in respect of disposals	-	(550)	(550)
At 31 July 2021	<u>19,905</u>	<u>23,544</u>	<u>43,449</u>
Carrying amount			
At 31 July 2021	<u>10,871</u>	<u>1,208</u>	<u>12,079</u>
At 31 July 2020	<u>13,589</u>	<u>1,628</u>	<u>15,217</u>

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	43,590	51,266
Other debtors	1,250	20,837
	<u>44,840</u>	<u>72,103</u>

12 Current asset investments

	2021	2020
	£	£
Listed investments	<u>419,167</u>	<u>380,880</u>

**HIGHER EDUCATION POLICY INSTITUTE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	19,999	9,034
Trade creditors	19,285	7,369
Other creditors	6,403	6,958
Accruals and deferred income	92,341	134,231
	<u>138,028</u>	<u>157,592</u>

14 Company limited by guarantee

The company does not have share capital and is limited by guarantee. Each member of the company undertakes to contribute to the assets of the company, in the event of it being wound up such amounts as may be required will not exceed £1.

15 Analysis of changes in net funds

The charity had no debt during the year.

16 Cash generated from operations

	2021	2020
	£	£
Surplus/(deficit) for the year	125,344	(107,676)
Adjustments for:		
Investment income recognised in statement of financial activities	(43,168)	(9,847)
Loss on disposal of tangible fixed assets	50	-
Depreciation and impairment of tangible fixed assets	3,453	4,444
Movements in working capital:		
Decrease/(increase) in debtors	27,263	(59,023)
(Decrease)/increase in creditors	(19,564)	10,244
Cash generated from/(absorbed by) operations	<u><u>93,378</u></u>	<u><u>(161,858)</u></u>

