

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:

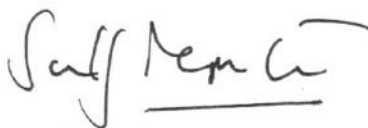
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

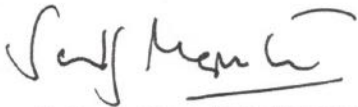
These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102 Section 1A smaller entities.

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
		<hr/>	<hr/>
Cash generated from operations		128,011	186,483
Interest received		(6,923)	(7,955)
		<hr/>	<hr/>
Net cash generated by operating activities		121,088	178,528
		<hr/>	<hr/>
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)	-
		<hr/>	<hr/>
Net cash used in investing activities		(186,869)	13,071
		<hr/>	<hr/>
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
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	18	419,423	485,204
		<hr/>	<hr/>

**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.

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
	<u>834,728</u>	<u>771,538</u>
Other income		
Interest received	6,923	7,955
	<u>841,651</u>	<u>779,493</u>
 Restricted income:		
Charitable activities		
Grant income	-	20,000
	<u>-</u>	<u>20,000</u>
 Total income	<u>841,651</u>	<u>799,493</u>

**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

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

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