

LONDON HIGHER

England & Wales · Charity number 1114873

Details

Status	Registered
Legal form	Charitable company
Company number	05731255
Registered	2006-06-26
Register	View on the Charity Commission register

Contact

Address	Woburn House 20 Tavistock Square London WC1H 9HQ
Phone	0207 419 5650
Email	enquiry@londonhigher.ac.uk
Website	www.londonhigher.ac.uk

Activities

Objects: 1. TO PROMOTE EDUCATION, PARTICULARLY HIGHER AND FURTHER EDUCATION IN THE LONDON REGION; AND2. TO UNDERTAKE ANY OTHER CHARITABLE PURPOSE AS THE TRUSTEES DEEM APPROPRIATE FROM TIME TO TIME

Activities: London Higher is the place where universities and higher education colleges come together to identify the opportunities and address the challenges of working in London. We are a not-for-profit charity and company limited by guarantee established in 1999 by over forty higher education providers. We run four core collaborative programmes, each with its own stream of research and advocacy activities.

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Other Charitable Purposes
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** GREATER LONDON
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£1,231,903	£1,221,587	£826,056	17
2024-07-31	£1,351,945	£1,293,049	£815,740	17
2023-07-31	£1,085,367	£1,062,078	£756,844	15
2022-07-31	£1,022,637	£1,028,640	£733,555	16
2021-07-31	£1,333,028	£1,339,540	£739,558	19

Trustees

Name	Role	Appointed
Doctor Peter William Bonfield		2019-08-01
PROFESSOR ANTHONY BOWNE		
Professor Andrew Jones		2023-08-01
Professor Jean-Noel Ezingard		2023-08-01
Professor Julie Lorraine Hall		2025-08-01
Professor Randall Shanley Whittaker		2025-08-01
Professor Shitij Kapur		2025-08-01

LONDON HIGHER

England & Wales - Charity number 1114873

Accounts

London Higher
Trustees Annual Report and Financial Statements
For the year ended 31 July 2025



Supporting Higher Education in London

London Higher

Trustees Annual Report and Financial Statements

For the year ended 31 July 2025

Charity number: 1114873

Company Number: 5731255

**London Higher
Trustees Annual Report and Financial Statements
For the year ended 31 July 2025**

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Reference and Administrative details

London Higher

Charity number: 1114873

Company Number: 5731255

Registered Office

Woburn House

20-24 Tavistock Square

London WC1H 9HQ

Board of Trustees

Elected Trustees

Professor Amanda Broderick, Vice Chancellor, University of East London (Elected Chair to 31 July 2025)

Professor Shitij Kapur, Vice Chancellor, King's College London (Elected Chair from 1 August 2025)

Professor Peter Bonfield, Vice Chancellor, University of Westminster (Elected Vice Chair)

Andy Cook, Vice Chancellor, Ravensbourne University London (Trustee to 26 June 2025)

Professor Frances Corner OBE, Warden, Goldsmiths, University of London

Professor Dave Phoenix OBE, Vice Chancellor, London South Bank University (to 26 June 2025)

Professor Jean-Noël Ezingard, Vice Chancellor, University of Roehampton

Professor Andrew Jones, Vice Chancellor, Brunel University London

Professor Randall Whittaker, Principal and CEO, Rose Bruford College (from 1 August 2025)

Professor Julie Hall, Vice Chancellor, London Metropolitan University (from 1 August 2025)

Co-opted Trustees

Professor Anthony Bowne, Principal, Trinity Laban Conservatoire of Music and Dance

Professor Wendy Thomson CBE, Vice Chancellor, University of London (to 29 May 2025)

Observers

Mark Hilton, Policy Delivery Director, BusinessLDN

Professor David Latchman, Acting Vice Chancellor, University of London (from 29 May 2025)

London Higher Senior Management Team

Liz Hutchinson	Chief Executive Officer (appointed May 2025)
Diana Beech	Chief Executive Officer (resigned March 2025)
Gemma Adlington	Head of Operations
Richard Boffey	Head of AccessHE
Mark Corbett	Head of Policy
Jolanta Edwards	Director of Strategy
Anna-Paulina Norbury	Head of Communications (appointed January 2025)
Anna Zvagule	Head of Communications (resigned January 2025)

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Auditors: PEM Audit Limited
Registered Auditors
Salisbury House
Station Road
Cambridge CB1 2LA

Bankers: Royal Bank of Scotland Group (Education Sector)
Commercial Banking
3rd Floor, Cavell House
21 Charing Cross Road
London WC2H 0NN

Company Secretary Gemma Adlington

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2025

Objectives and Activities

Our vision: At London Higher, we seek to represent the full diversity of higher education in London. We support our members by advocating for and on behalf of London's universities and higher education colleges. It is our aim to become a well-respected 'go to' representative body for higher education in London to ensure the success of all our members.

Our mission: We help our members to address the opportunities and challenges that arise from our shared location in London. We assist and support our members to achieve their goals, whilst being a collective voice for their interests, locally and nationally. We influence and work with a wide range of stakeholders and networks as a trusted, non-partisan and professional partner.

At London Higher, we support our members by advocating for and on behalf of London's higher education sector, acting as:

- a convenor, hosting collaborative networks to identify new initiatives to solve common challenges;
- a communicator, being a collective voice for our members and promoting London as a world-class study and research destination;
- a campaigner, responding to policy concerns and raising awareness of policy implications across our diverse membership.

Annual reports and plans: Every year we provide an annual review which reflects on the goals outlined in the Strategy and an Operational plan detailing how we aim to achieve them that year. These documents are voted on at our AGM and uploaded to our website.

Our principles: Through the work on our strategy for 2023-26 we have identified four key principles that will determine our priorities over this period. These are based on the London HE sector being:

- **A local asset**
 - Maintain and enhance the social mobility successes of London's HEIs.
 - Promote and facilitate the civic contributions of London's HEIs.
- **A global magnet**
 - Strengthen and promote 'brand London' to increase the region's global appeal to potential students, staff, researchers and investors.
 - Build an attractive, diverse, inclusive and welcoming community in which to live, study, research and work.
- **An engine for innovation and enterprise**
 - Champion London's R&D successes, support innovation and promote the sector's partnership potential with business, local authorities and the third sector.
 - Promote and facilitate positive outcomes for both London's graduates and London plc., including via employability and knowledge exchange.
- **A source of skills and jobs**
 - Strengthen understanding of the potential of the London HE sector to promote growth and opportunities, particularly through partnership with schools, colleges and employers.
 - Promote London's specialist knowledge and skills, including in the health and creative sectors.

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Public benefit: Our work is informed by the need to act for the benefit of the public. In doing this we reference the Charities Commission guidance on public benefit. We engage with almost 70 higher education institutions. We benefit them in various ways as will be shown below, but in all cases our test is whether an action of ours will result in universities providing a richer experience for their staff and/or students in London. A 'secondary public' comprises a wider group of stakeholders with whom HE students and staff interact throughout their lives, from employers, parents and children to policy makers and sectoral stakeholders in both higher education and place, all of whom gain benefit from an effective and full higher education experience.

Achievements and Performance

For over 20 years London Higher has been working with universities and higher education colleges in London. Our mission is to support universities in meeting the challenges and opportunities of providing diverse higher education in London. We do this by:

1. identifying challenges and opportunities through our wide network offering and other channels;
2. assessing the impact, extent or volume of such challenges or opportunities on our members and the wider public, through our surveys and analysis of HE data;
3. designing appropriate measures to address the challenges or opportunities through our projects, collaborations, advocacy work; and
4. sharing this (and other) information with our members and the wider policy environment to promote our work, including through our events. This cycle of engagement-action-promotion is how we ensure that our outputs meet our goals, and our goals are appropriate and have impact.

Our impact

We measure our success using a variety of metrics, including number of members and individuals from within our membership that are interacting with our programmes; external mentions in the news, social media, and by third parties; and the number and reach of our campaigns.

- 400+ member representatives joined 29 policy network meetings
- 91,000 people were reached by our Study London campaign
- 500 Key Stage 2 pupils in schools were reached by HE for the first time
- 120 careers were developed via London Higher's Global Majority Mentoring Programme
- A one-grade improvement was predicted at GCSE level for free school meals-eligible pupils in London schools
- We advocated for London Higher members via our work with 10 ministerial departments
- We had 107 mentions in the media.

Our programmes and activities

The London Higher team prioritises activity that will help to position London's higher education institutions as:

- A local asset
- A global magnet
- An engine for innovation and enterprise
- A source of skills and jobs.

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A local asset

- London Higher secured recognition for higher education in the London Growth Plan through strategic engagement and consultation workshops with Greater London Authority (GLA) officials, establishing the sector as a key contributor to London's economic strategy.
- London Higher coordinated the delivery of intensive outreach programmes targeting schools and communities in London that had never previously received higher education-led support, expanding access and opportunity across the capital.
- The organisation built strong working relationships across London government through regular participation of GLA officials in International, Policy, Research and Enterprise Networks, creating ongoing dialogue channels.

A global magnet

- London Higher successfully influenced immigration policy through a year-long lobbying campaign including joint letters and civil servant engagement, with reports suggesting final outcomes were significantly more favourable than initially proposed thresholds and restrictions.
- The organisation elevated its profile through UK Soft Power Group membership, contributing to strategic recommendations that informed government strategy development across the Department for Education (DfE), Foreign, Commonwealth and Development Office, Department for Business and Trade and Cabinet Office.
- The re-launched Study London campaign generated nearly 100K online impressions in its first year, with 80% of core members contributing content to the website, demonstrating strong sector engagement and digital reach.
- The campaign achieved significant industry and sector recognition through features in major media outlets, multiple presentations at a major international education conference, and inclusion in an International Higher Education Commission report as an exemplar of regional destination marketing.
- Study London secured a Study UK partnership that will fund co-branded content, demonstrating the campaign's growing credibility and potential for scaled impact.

An engine for innovation and enterprise

- London Higher advocated for the capital's role as an engine of growth for the entire UK and produced the Capital Gains map which demonstrates how its universities generate benefits that extend far beyond the capital.
- London Higher established a new Enterprise Network jointly chaired by University of East London and King's College London, which officially launched with the Deputy Mayor for Business and Growth in attendance.
- The organisation submitted evidence to the Science, Innovation and Technology Select Committee inquiry into innovation, growth and the regions, positioning London's higher education sector as key to the national innovation agenda.
- London Higher instigated and scheduled employability events focusing on high-growth sectors and addressing the challenges and opportunities faced by the global talent pipeline.

A source of skills and jobs

- London Higher secured a voice for members in shaping the Inclusive Talent Strategy, one of the key pillars of the Growth Plan, and is co-designing the data methodology, ensuring London's higher education sector contribution to inclusive economic growth is properly measured and valued.

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- London Higher expanded the Study Nursing London campaign beyond nursing to include midwifery and operating department practice, creating a comprehensive healthcare recruitment toolkit that aligns with NHS recruitment goals and addresses sector-wide staffing challenges.
- The organisation distributed £35,000 through the London Healthcare Education Group funding initiative across collaborative projects addressing clinical reasoning skills, social impact work for nursing students, and support for internationally educated nurses teaching students.
- London Higher delivered significant impact as the British Film Institute's higher education partner for Metro London Skills Cluster through three bootcamps (including on-set industry experience), workshops, panel discussions and masterclasses specifically targeting soft skills gaps identified by the British Film Institute.
- The organisation provided professional development for academic staff through CPD sessions on intimacy coordination and sustainability in film production, plus facilitated strategic visits to successful industry partnerships like Shinfield Studios to share best practices.

Plans for 2025-6

The higher education world is undergoing change, particularly following the election of the new government in 2024. It has asked higher education to think in the context of access; economic growth; civic engagement; high-quality teaching; and sustained efficiency.

With the arrival of a new CEO, we have an opportunity to look at our work and approach afresh and are currently developing a new strategy, created in collaboration with members and wider stakeholders. This will be launched in early 2026.

In the year ahead we will work at national and local level to see a thriving higher education sector which is recognised by all as an integral part of the growth agenda. We want to see student choice maintained, a welcoming environment for international students and investment in our London HE, including supporting R&D and new initiatives.

This means:

- We will continue to be influential and be the voice championing higher education in the capital. This is particularly needed as central government rolls out plans around access and participation, economic growth, civic engagement, teaching and learning and financial sustainability. We will ensure we continue to have regular engagement with government departments and the Office for Students and Skills England and sharpen our narrative to ensure the complexities of London are better understood.
- We will work closely with the GLA to create opportunities for higher education institutions including with the business community, and to ensure the GLA is actively championing the sector. London Higher can represent members as part of the growth agenda and we will work with the GLA to maximise opportunities and ensure understanding. The GLA's London Growth Plan actively recognises the value of higher education in the capital. We will engage with them on their Inclusive Talent Strategy, and similarly ensure higher education plays a role in a refreshed LSIP.
- Through our networks, we will become the go to knowledge partner to support business growth, working closely with London and Partners.
- We recognise that health has grown as an area of interest and that policy is being developed at pace. This area is experiencing change, but many of the issues it faces are familiar, with a need to recruit and retain in the sector. We represent the sector at key meetings and engage with the Department of Health and Social Care on issues. Our institutions offer medical, nursing and allied healthcare courses and are the

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educators of the future. We will work to ensure their voices are heard, campaign to demonstrate the value of healthcare careers to students and support projects which increase collaboration across the capital. We will work to support greater engagement with the digital agenda in this space, as technology moves forwards at pace, and AI becomes a government priority.

- Widening participation remains a priority, and there is an increasing appreciation of the importance of working across boroughs and institutions to bring about change. Our AccessHE group will be looking to ensure a genuine young person narrative is incorporated into thinking and is developing a Student Voice Panel.
- We will be building out our campaign activity and strategic communications to showcase our members and London as the premier student city. This will include building on the Study London campaign and identifying other ways to promote our institutions and their local, national and international contributions. We will be taking steps to increase our own financial sustainability. We will take steps to look at additional income generation routes and our cost base. As part of this we will commit to:
 - An awards ceremony, to take place in the summer of 2026
 - At least two conferences or events which support our members and are linked to divisional priorities
 - Exploring grants where these align with our work and values.

Our key principles have been used to determine our priorities over the coming year:

A local asset

London Higher will continue to champion the civic contributions of our diverse member institutions. Through our Civic Network, we will coordinate efforts, share best practice, and expand our Civic Map to highlight the sector's collective impact across London. As an active member of the London Anchor Institutions Network, we will support our members in strengthening partnerships that help Londoners into good jobs, empower young people to succeed, and contribute to the capital's net-zero ambitions. These priorities align with the London Growth Plan's focus on skills, innovation, and inclusive economic growth, reinforcing the role of higher education in shaping a thriving city.

In light of Bridget Phillipson's emphasis on universities' civic responsibilities, we will work closely with the DfE to ensure our members are supported in delivering meaningful civic engagement. By fostering collaboration with policymakers, local authorities, and employers, we will help London's universities continue to drive social and economic progress for the communities they serve.

A global magnet

Through strategic media engagement and thought leadership, we are positioning London as a global magnet for international education, and positioning London Higher as the expert voice in this space.

We will deliver a conference on international student employability. The event will spotlight the vital role of international students in London's frontier innovation ecosystem, reinforcing the city's position as a global hub for talent and cutting edge research. London offers unparalleled opportunities for international students to be at the forefront of frontier industries, contributing to advancements in artificial intelligence, life sciences, and digital technologies. This event aims to highlight those opportunities and celebrate London's role in nurturing talent that shapes the future and drives growth.

An engine for innovation and enterprise

London Higher's strategic direction as an engine for innovation and enterprise will focus on leveraging and communicating the capital's research and enterprise capabilities as a means of driving economic growth. The London Growth Plan provides opportunities for the capital's higher education to engage with the GLA more closely

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on areas across enterprise, innovation and research. London Higher will work to harness the collective research capacity of its member institutions to support the GLA's areas of research interest and engage closely with the London Research and Policy Partnership.

The Enterprise Network will be key, fostering deeper collaboration with London & Partners and BusinessLDN. It will also include working with national stakeholders such as the National Centre for Universities and Business (NCUB), the ScaleUp Institute, and Knowledge Exchange UK. Finally, London Higher will support higher education engagement with London's sub-regional partnerships to ensure innovation and enterprise initiatives are responsive to local economic needs while reinforcing London's position as a global hub for research-driven growth.

A source of skills and jobs

The year ahead will see us continue to engage at national and local levels via our London Medicine (LMED) and London Health Education Group (LHEG) networks. We are keen to ensure those involved in health policy and regulation understand the role higher education needs to play and the complexities in London.

London Higher is the higher education partner on the BFI's Metro London Skills Cluster, supported by the National Lottery Fund and led by Film London. We have been actively taking forward a programme of work in screen and film to help identify skills gaps and develop clearer pathways to employment for anyone in their area. For the year ahead, we will be strongly focused on bringing together higher education and industry in screen and film to identify and bridge understanding, gaps and narratives. In addition, for the coming year, we also want to pilot a wider creatives network. The plan is to bring relevant creative members, creative industries and sector bodies together to engage in issues and opportunities.

Financial Review

Total income for 2024-5 was £1,231,903, a decrease of £120,042 (9%) compared to 2023-24 (£1,351,945)

- Membership Income increased by £10,792 or 1% (15% in 2023-4).
 - London Higher Core Membership fees were received from 39 members (2023-4: 37) for a total of £540,666 (2023-4: £548,419).
 - London Higher centres membership fees were received from 20 members (2023-4: 18) for a total of £110,528 (2023-4: £90,125)
 - London Medicine and Healthcare membership fees were received from 30 members (2023-4: 29) for a total of £112,297 (2023-4: £106,600).
 - AccessHE membership fees were received from 20 members (2023-4: 27) for a total of £122,689 (2023-4: £130,244)
- Projects and event income decreased by £65,359 (83%) in 2024-5 (2023-4: increase £35,945). The previous year saw the first London Higher Awards, which significantly boosted sponsorship income in this area. It was decided to run this event biannually.
- Following a move to higher interest-bearing products for our reserves in 2023-4, finance income increased by 36% to £28,769 (2023-4: £21,228)
- Grant income has been received from two sources: the OfS's 'Uni Connect' grant for work undertaken by AccessHE, and a grant from Film London for the creative arts project.
- The Uni Connect grant is managed via London Southbank University. For the year to July 2025, the division received a grant of £198,893 (2023-4: £259,258) and was able to access the £21,262 underspend carried forward from the previous year.

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- Creative arts is a three-year project supported by income from Film London, which ended in March 2025. The project allows work within higher education institutions to boost the skillset of creative arts graduates.

Total expenditure for 2024-5 was £1,221,587. This was a decrease of £71,462 (5%) compared to 2023-4 (£1,293,049).

- The main contributors to this decrease was staff vacancy savings and delayed project work.
- Support costs increased by £8,116 (5%), the main area of increased spending being around strategy development (this related to work that was undertaken to better understand the organisation’s position regarding VAT registration)

Reserves Policy: Total funds at 31 July 2025 were £826,056 (2024: £815,740). Of the total funds £8,263 (2024: £18,605) were represented by restricted funds and £817,793 (2024: £797,135) by unrestricted funds. Free Reserves (i.e. unrestricted funds excluding fixed assets and amounts designated) stood at £811,611 at 31 July 2025 (2024: £790,636).

The London Higher reserves policy is to hold unrestricted funds to cover between three to six months expenditure, to cover staff costs, overheads and a scaled down level of administration and project expenditure. This applies to all divisions. This amounts to a total of £386,162- £655,934, and so the current level of Free Reserves of £811,611 exceeds this criteria. It is recognised that reserves held have increased over the course of the financial year due to staff vacancy savings and project work that is being rolled forward into the coming financial year.

The trustees have agreed to one-off projects totalling £111,500 which will be drawn from reserves over the course of the next financial year in order to reduce the amount held in reserves and provide additional value to members. Given continuing financial instabilities within the sector, trustees are comfortable with retaining a higher level of reserves in the short-term, though a long-term plan will be constructed by the CEO in order to slowly reduce reserves to acceptable levels over the course of the next three to five years.

The Net Book Value of Fixed assets was £6,182 (2024: £6,499) and London Higher has no other Designated Reserves as of 31 July 2025.

Risk management: London Higher maintains a risk register which ranks the key risks to which the organisation is exposed, their likely impact and our proposed responses to them. The risk register is a standing item on the Board agenda each meeting and is further discussed by SMT regularly. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The highest rated risks to the organisation are noted to be:

Risk	Management Control
Business model heavily reliant on subscription income	<ul style="list-style-type: none"> • Regular assessment of member satisfaction • Exploration of additional revenue streams
Reliance on single source of grant funding for some areas of work	<ul style="list-style-type: none"> • Look for alternative, longer-term, sources for funding where possible.

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	<ul style="list-style-type: none"> • Reduce overall reliance on project funds for payroll for those staff members not directly working on the project. • Careful contract management. Maintain good working relationship with funders including fostering a culture of early disclosure concerning problems. • Prepare early for loss of project funding. Including communicating to staff and preparing options for redirecting resources. • Manage supplier contracts to achieve flexibility. • Keep a close eye on unrestricted reserves. • Prepare a conservative budget.
<p>Uncertainty in central government policies, limited bandwidth for HE</p>	<ul style="list-style-type: none"> • Continue to build relationships with various government departments- DfE DSIT, HMT, OfS

Remuneration: Pay of all staff is reviewed annually and is normally increased to reflect cost of living adjustment. Cost of living increases within the charity and membership sector, and the financial situation of the organisation are considered when making this decision. Cost of living increases are proposed in the budget which the Board approves, therefore the increases are considered managerial decisions and are not reported to the Remuneration Committee. The Remuneration Committee sets the remuneration package for the CEO and, in doing so, takes account of sector benchmarks and the CEO’s annual performance review undertaken by the Chair of the Board. From time to time, we ask our HR consultants to perform a pay review to ensure that there are no biases in our pay in regard to age, gender and ethnicity and that the job families are remunerated in reference to the broader market for these roles.

Fundraising: London Higher has not carried out any fundraising from the general public during the year. There has been no outsourced fundraising via professional fundraisers or other third parties and as a result the organisation is not registered with the fundraising regulator and received no fundraising complaints in the year.

Structure, Governance and Management

Corporate status: London Higher is a company limited by guarantee with charitable status. It began as an unincorporated member association in 1999. It was incorporated on 6 March 2006 and registered as a charity in England and Wales on 26 June 2006. The charitable activities of the company were transferred from the University of London on 1 April 2009.

Governing document: The company was established under Memorandum and Articles of Association dated 6 March 2006 which establish the objects and powers of the charitable company. In addition, it operates under a Members’ Agreement with each member that sets out the nature of the relationship between the company and each member.

Trustees: Trustees are elected by the members, save a number that are co-opted with regard to specific interests. In addition, London Higher Trustees invite observers from a limited number of key stakeholder organisations.

Trustee induction & training: Member Trustees are familiar with the practical elements of the company as higher education institutions (HEIs) have charitable status as providers of education. Each new Trustee is directed to

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guidance by the Charities Commission and all relevant Governance documents relating to the company. New Trustees are given a briefing pack and relevant information on London Higher.

Sub committees: London Higher's Board of Trustees has three sub committees:

- **Finance Committee.** This committee reviews the financial activity of the organisation by: monitoring London Higher's performance against budget; advising, supporting and by being a resource for the Head of Operations and Finance Manager in overseeing the company's finances; ensuring that the financial elements of the organisation are in accordance with its vision, mission, and strategic plan; advising the board on the financial condition of the organisation; and reviewing the company's Financial Regulations.
- **Membership Committee.** This committee reviews London Higher membership by: reviewing applications against membership criteria and either recommending the application for approval by the Board or providing feedback to the applicant institution on why their application was unsuccessful; reviewing and monitoring London Higher's members and membership criteria and recommending updates and changes to the Board of Trustees when required.
- **Remuneration Committee.** The function of this committee is to determine and agree with the London Higher Board the broad policy for the remuneration of the CEO; and to monitor and note the level and structure of remuneration for London Higher staff.

Structure of the Executive: The Executive is divided into three business divisions. These are listed below together with their primary functions. Each division is: a) a separate cost centre; b) overseen by an Advisory Group of members; and c) has its own Head of Division/member of Senior Management Team (SMT) with strategic oversight who reports directly to the Chief Executive. In addition, the Senior Management Team meet every week.

Business Divisions of London Higher:

- *London Higher Core*, making the case for HE through our suite of networks, special projects, written reports and briefings.
- *London Medicine & Healthcare*, bringing together London's schools of medicine, healthcare and clinical academic institutions to meet, discuss and collaborate.
- *AccessHE*, a pan-London network enabling provision of support for young people from disadvantaged backgrounds to enter higher education; AccessHE includes the Uni Connect programme, a funded partnership programme offering advice and information on attending university.

Decision making protocols: The overall strategic direction of London Higher is set out in a business plan that is drawn up by the Executive, approved by the Board of Trustees and agreed by the company members. Each year an Operational Plan is drawn up with the same approvals. The annual operational plan sets out the specific initiatives for the year together with expected costs. Heads of Division are responsible for delivering these initiatives on a day-to-day basis. The SMT monitors progress, and each quarter Trustees are given a written progress report. In addition, any expenditure or income over £50,000, whether agreed in the operational plan or not, must be approved by the Board, and London Higher will seek support from the Finance Committee for any expenditure or income over £10,000.

Higher education institutions (HEIs): HEIs in London are our company members. Members are required to submit an application to be considered for membership. This application is reviewed against members criteria by the Membership Committee who advise the Board of Trustees on whether to accept or reject the application. In the

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2025

Members' Agreement members devolve to the London Higher Board of Trustees the power to make decisions on their behalf in the collective interests of the group, or parts thereof. This authority is safeguarded by Advisory Groups for each of our operational divisions which comprise senior representatives from the membership group.

Centres membership: London Higher also recognises an additional partnership category (distinct from members) which includes higher education providers based outside London who have opened centres in London.

Related parties: The policy landscape for higher education is currently set by the Department for Education and the Department for Science, Innovation and Technology (with some input from the Department for Health and Department of Business, Energy & Industrial Strategy when relevant) and is implemented by the Office for Students (OfS), the independent regulator of HE in England. London Higher seeks to influence policy at local and national Government level and to develop and run HE collaborations that reflect national policy and that which are tailored to the London region and the unique nature of the London group of HEIs. Additionally, the Mayor of London and the Greater London Authority (GLA) have interests in higher education as it pertains to the capital. London Higher maintains links with each.

Auditors: Our auditor, Peters Elworthy & Moore transferred their audit registration and therefore that part of their business to a newly incorporated limited company, PEM Audit Limited, on 1 September 2025. Accordingly, Peters Elworthy and Moore formally ceased to be the Company's auditor with the Directors duly appointing PEM Audit Limited to fill the vacancy arising.

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Trustees Annual Report and Financial Statements
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Statement of Trustees Responsibilities

The Trustees (who are also Directors of London Higher for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information; and
- in all material respects income from grants and income for specific purposes and from other restricted funds administered by London Higher have been applied only for the purposes for which they were received.

The Trustees have prepared this report in accordance with the Special Provisions of Part 15 of the Companies Act 2006. In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by Section 415A, the Companies Act 2006.

Approved by the London Higher Board of Trustees on 17 November 2025 and signed on its behalf by:

Shitij Kapur

..... Professor Shitij Kapur, Chair, London Higher

LONDON HIGHER
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER

OPINION

We have audited the financial statements of London Higher (the 'charitable company') for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

LONDON HIGHER
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

LONDON HIGHER
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER (CONTINUED)

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006 and Charities Act 2011;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the company's ability to operate or to avoid material penalties;
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.
- we made enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

LONDON HIGHER
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER (CONTINUED)

- laws and regulations identified were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

As a result of the above risk assessment procedures we identified the greatest risk of material misstatement on the financial statements arising from irregularities and fraud to be within the potential for management to override controls together with the risk of fraudulent revenue recognition to be most prevalent in the completeness of revenue. In response to these identified risks, we designed procedures which included, but were not limited to:

- performed analytical procedures to identify any unusual or unexpected relationships;
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias;
- performed substantive testing for a sample of transactions from membership records and grant agreements to ensure that all income was appropriately recognised in the correct period and any restrictions appropriately recognised.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- we agreed the financial statement disclosures to underlying supporting documentation; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we read the minutes of meetings of those charged with governance.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

LONDON HIGHER
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER (CONTINUED)

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Nikki Loan (Senior Statutory Auditor)

for and on behalf of

PEM Audit Limited

Registered Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 25 November 2025

LONDON HIGHER
(A Company Limited by Guarantee)

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

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
INCOME FROM:					
Donations and legacies	4	15,058	6,608	21,666	2,728
Charitable activities	5	278,598	902,870	1,181,468	1,327,989
Investments	6	-	28,769	28,769	21,228
TOTAL INCOME		293,656	938,247	1,231,903	1,351,945
EXPENDITURE ON:					
Charitable activities	7	305,743	915,844	1,221,587	1,293,049
TOTAL EXPENDITURE		305,743	915,844	1,221,587	1,293,049
NET (EXPENDITURE)/INCOME		(12,087)	22,403	10,316	58,896
Transfers between funds	17	1,745	(1,745)	-	-
NET MOVEMENT IN FUNDS		(10,342)	20,658	10,316	58,896
RECONCILIATION OF FUNDS:					
Total funds brought forward		18,605	797,135	815,740	756,844
Net movement in funds		(10,342)	20,658	10,316	58,896
TOTAL FUNDS CARRIED FORWARD		8,263	817,793	826,056	815,740

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 41 form part of these financial statements.

LONDON HIGHER
(A Company Limited by Guarantee)
REGISTERED NUMBER: 5731255

BALANCE SHEET
AS AT 31 JULY 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible assets	13	6,182	6,499
CURRENT ASSETS			
Debtors	14	52,679	32,942
Investments	15	550,712	536,378
Cash at bank and in hand	20	250,112	296,244
		853,503	865,564
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	16	(33,629)	(56,323)
NET CURRENT ASSETS		819,874	809,241
TOTAL NET ASSETS		826,056	815,740
CHARITY FUNDS			
Restricted funds	17	8,263	18,605
Unrestricted funds	17	817,793	797,135
TOTAL FUNDS		826,056	815,740

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Shitij Kapur

Professor Shitij Kapur
 (Chair of Trustees)

Date: 17 November 2025

The notes on pages 24 to 41 form part of these financial statements.

LONDON HIGHER
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	Note	2025 £	2024 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	19	(57,338)	57,210
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		28,636	15,239
Purchase of tangible fixed assets		(3,096)	(5,882)
Net movement in current investments		(14,334)	(326,349)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		11,206	(316,992)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(46,132)	(259,782)
Cash and cash equivalents at the beginning of the year		296,244	556,026
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	20	250,112	296,244

The notes on pages 24 to 6 form part of these financial statements

LONDON HIGHER
(A Company Limited by Guarantee)

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

1. GENERAL INFORMATION

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 5731255) and a charity registered in England and Wales (charity number: 1105500). Its registered office is disclosed on page 1.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

London Higher meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The functional currency of the Charity is considered to be GBP because that is the currency of the primary economic environment in which it operates.

2.2 GOING CONCERN

Recognising the continuing pressure on universities' budgets, London Higher has investigating additional income streams in this financial year, including seeking increased levels of sponsorship and additional grants for project funding. This work is in its early stages and should see results in the 2025/26 financial year. The additional funding streams will ease reliance on membership income, and the extra workstreams that come with these (for example, increased amounts of events, research and campaigns, as well as new additional projects) will raise our profile further within the sector, adding benefit for members and giving further reason to retaining memberships. In addition, a relatively conservative approach has been taken in the 2025/26 budget, with some member losses recognised.

A strategic review, currently in progress, and due to launch in early 2026 will give further clarity to the member offer and work that will be undertaken, allowing for an even tighter control of costs, and meaning London Higher can continue to operate as a going concern.

Considering all these factors, and having completed a cash flow analysis for the next 18 months which considers different scenarios, the Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The ability to manage the charity assets, the reserves levels and future plans give Trustees confidence the charity remains a going concern for at least twelve months from the date of signing.

LONDON HIGHER
(A Company Limited by Guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.3 INCOME

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are recognised in full in the Statement of Financial Activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. Where a grant agreement includes conditions, the income is only recognised when the condition is fulfilled.

Membership income is recognised over the period it relates.

Investment income relates to interest on bank balances and current asset investments, and is accounted for on an accrual basis.

Deferred income represents amounts receivable for future years where conditions are attached which must be fulfilled before unconditional entitlement, or grants which can only be spent in future years. The deferred income is released when entitlement to the income is confirmed.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- London Higher
- London Medicine & Healthcare
- AccessHE
- Uni Connect
- Creative Arts

Membership and charitable activity costs that are attributable to more than one activity are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include office running costs, finance function, personnel, payroll and governance costs which support the Charity's activities.

Governance costs are costs incurred in connection with the strategic management of the Charity and in compliance with constitutional and statutory requirements. These costs have been allocated to charitable activities based of the proportion of time spent by staff on those activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charitable Company's objectives, as well as any associated support costs.

LONDON HIGHER
(A Company Limited by Guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets on a straight-line basis to write off the cost, less estimated residual value, over their expected useful lives as follows:

Fixtures and fittings, Furniture & - 3 years
Computer equipment

The Charity's capitalisation policy is for any items over £500.

2.6 CURRENT ASSET INVESTMENTS

Current asset investments are those which are held for resale or pending their sale and cash on deposit with a maturity date of less than one year and more than 3 months post year end held for short-term investment purposes rather than cashflow. Current asset investments are valued at fair value unless they qualify as basic financial assets.

2.7 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2.8 PENSIONS

The Charity participates in the Universities Superannuation Scheme (the scheme). Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

2.9 FINANCIAL INSTRUMENTS

The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 EMPLOYEE BENEFITS

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

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

LONDON HIGHER
(A Company Limited by Guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.11 DEBTORS

Trade, other debtors and accrued income are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.14 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

LONDON HIGHER
(A Company Limited by Guarantee)

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

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of these accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods. The Trustees consider the following items to be areas subject to estimation and judgement:

USS Pension

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense is recognised in profit or loss. The directors are satisfied that the scheme provided by USS meets the definition of a multi employer scheme.

No deficit recovery plan was required from the 2023 valuation because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the Charity was no longer required to make deficit recovery contributions.

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	15,058	6,608	21,666	2,728
TOTAL 2024	-	2,728	2,728	

The donations above relate to an in kind benefit for various venue hires and staff time, £15,058 (2024: £Nil) relates to restricted activities and £6,608 unrestricted activities (2024: £2,728). An equivalent cost has also been recognised.

LONDON HIGHER
(A Company Limited by Guarantee)

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

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Membership Contributions: London Higher	-	540,666	540,666	548,419
Membership Contributions: London Medicine & Healthcare	-	112,297	112,297	106,600
Membership Contributions: London Centres	-	110,528	110,528	90,125
Membership Contributions: AccessHE	-	122,689	122,689	130,244
Grants	260,698	-	260,698	353,038
Project & event Income	17,900	16,690	34,590	99,563
	<u>278,598</u>	<u>902,870</u>	<u>1,181,468</u>	<u>1,327,989</u>
TOTAL 2024	<u><u>363,778</u></u>	<u><u>964,211</u></u>	<u><u>1,327,989</u></u>	

6. INVESTMENT INCOME

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Bank interest	28,769	28,769	21,228
TOTAL 2024	<u><u>21,228</u></u>	<u><u>21,228</u></u>	

LONDON HIGHER
(A Company Limited by Guarantee)

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

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
London Higher	-	671,388	671,388	689,492
London Medicine & Healthcare	-	103,886	103,886	90,826
AccessHE	-	140,570	140,570	141,883
Uni Connect	221,900	-	221,900	252,463
Mental Health	-	-	-	11,208
Creative Arts	83,843	-	83,843	107,177
	<u>305,743</u>	<u>915,844</u>	<u>1,221,587</u>	<u>1,293,049</u>
TOTAL 2024	<u><u>370,848</u></u>	<u><u>922,201</u></u>	<u><u>1,293,049</u></u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
London Higher	550,609	120,779	671,388	689,492
London Medicine & Healthcare	93,886	10,000	103,886	90,826
AccessHE	129,570	11,000	140,570	141,883
Uni Connect	206,900	15,000	221,900	252,463
Mental Health	-	-	-	11,208
Creative Arts	76,343	7,500	83,843	107,177
	<u>1,057,308</u>	<u>164,279</u>	<u>1,221,587</u>	<u>1,293,049</u>
TOTAL 2024	<u><u>1,136,886</u></u>	<u><u>156,163</u></u>	<u><u>1,293,049</u></u>	

LONDON HIGHER
(A Company Limited by Guarantee)

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2025 £	Total funds 2024 £
Occupancy Cost	53,184	57,546
Administration Cost	35,145	27,423
Human Resource Cost	35,478	40,466
Depreciation	3,413	4,260
Governance (Note 9)	22,687	23,889
Strategy Development	12,932	1,075
Banking Charges	1,440	1,504
	164,279	156,163

9. GOVERNANCE COSTS

	2025 £	2024 £
Audit fee (including VAT)	18,846	20,320
Accountancy fee (including VAT)	3,300	3,000
Trustees' meetings	528	556
Companies House filing	13	13
	22,687	23,889

10. AUDITOR'S REMUNERATION

	2025 £	2024 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts (including VAT)	18,846	20,320
Fees payable to the Charitable Company's auditor in respect of: Preparation of the financial statements	3,300	3,000

LONDON HIGHER
(A Company Limited by Guarantee)

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

11. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	666,332	660,331
Social security costs	61,831	61,741
Contribution to defined contribution pension schemes	90,812	103,367
	818,975	825,439

The average number of persons employed by the Charitable Company during the year was as follows:

	2025	2024
	No.	No.
London Higher	9	11
Creative Arts	1	1
AccessHE	2	2
London Medicine & Healthcare	1	-
Uni Connect	4	3
	17	17

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £100,001 - £110,000	-	1

Pension contributions payable by the Charity for higher paid employees in the year were £9,526 (2024: £18,816)

The key management personnel are defined as the CEO, COO, Head of AccessHE, Head of Policy, Head of Communications and Director of Strategy of which the total employee benefits in aggregate for the year were £451,394 (2024: £468,576).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 July 2025, no Trustee expenses have been incurred (2024 - £NIL).

LONDON HIGHER
(A Company Limited by Guarantee)

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

13. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £
COST	
At 1 August 2024	21,392
Additions	3,096
Disposals	(3,167)
	21,321
DEPRECIATION	
At 1 August 2024	14,893
Charge for the year	3,413
On disposals	(3,167)
	15,139
NET BOOK VALUE	
At 31 July 2025	6,182
At 31 July 2024	6,499

14. DEBTORS

	2025 £	2024 £
DUE WITHIN ONE YEAR		
Trade debtors	22,288	11,170
Prepayments and accrued income	30,391	21,772
	52,679	32,942

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

15. CURRENT ASSET INVESTMENTS

	2025	2024
	£	£
High interest bank accounts	550,712	536,378

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	6,845	18,535
Other creditors	1,514	2,559
Accruals and deferred income	25,270	35,229
	33,629	56,323
	2025	2024
	£	£
Deferred income at 1 August 2024	6,609	6,910
Resources deferred during the year	3,094	6,609
Amounts released from previous periods	(6,609)	(6,910)
	3,094	6,609

Deferred income relates to grants and membership income invoiced/received in the year, but relating to the next financial year.

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

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 August 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2025 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Fixed asset fund	6,499	-	-	(317)	6,182
GENERAL FUNDS					
General Fund	790,636	938,247	(915,844)	(1,428)	811,611
TOTAL UNRESTRICTED FUNDS	797,135	938,247	(915,844)	(1,745)	817,793
RESTRICTED FUNDS					
Uni Connect	21,262	198,893	(221,900)	1,745	-
Creative Arts	(2,657)	94,763	(83,843)	-	8,263
	18,605	293,656	(305,743)	1,745	8,263
TOTAL OF FUNDS	815,740	1,231,903	(1,221,587)	-	826,056

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

17. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2024 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Fixed asset fund	4,878	-	-	1,621	6,499
GENERAL FUNDS					
General Fund	726,291	988,167	(922,201)	(1,621)	790,636
TOTAL UNRESTRICTED FUNDS	731,169	988,167	(922,201)	-	797,135
RESTRICTED FUNDS					
Mental Health	11,208	-	(11,208)	-	-
Uni Connect	14,467	259,258	(252,463)	-	21,262
Creative Arts	-	104,520	(107,177)	-	(2,657)
	25,675	363,778	(370,848)	-	18,605
TOTAL OF FUNDS	756,844	1,351,945	(1,293,049)	-	815,740

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

17. STATEMENT OF FUNDS (CONTINUED)

Purpose of funds:

- **Uni Connect**, AccessHE is a key delivery partner in the OfS - outreach programme in London created to help realise the government’s goal of increasing participation in Higher Education from lower participating neighbourhoods. The initiative engages with schools / colleges in 13 wards across London, all of which exhibit low participation neighbourhood characteristics.
- **Mental Health** Mental Health was tasked with supporting an online Mental Health support hub for students and support staff. A review of the division and its resource took place in December 2023 as the restricted funds to support the project had been spent. It was agreed to bring the hub and any future expenses to support it into the London Higher division.
- **LH Creative Arts** is tasked with supporting the Metro London Skills Clusters. Led by Film London, it will deliver an integrated programme of activities across London and the ‘gateway’ counties of Buckinghamshire, Hertfordshire and Surrey.

The agreement includes some matched funding to be provided by the Charity or others. Matched funding provided by a third party in the current year has been included in the restricted income and expenditure of the fund.

- Fixed asset fund represents the net book value of fixed assets held by the Charity.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds	Unrestricted funds	Total funds
	2025	2025	2025
	£	£	£
Tangible fixed assets	-	6,182	6,182
Current assets	9,331	844,172	853,503
Creditors due within one year	(1,068)	(32,561)	(33,629)
TOTAL	8,263	817,793	826,056

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	6,499	6,499
Current assets	31,057	834,507	865,564
Creditors due within one year	(12,452)	(43,871)	(56,323)
TOTAL	18,605	797,135	815,740

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	10,316	58,896
ADJUSTMENTS FOR:		
Depreciation charges	3,413	4,260
Dividends, interests and rents from investments	(28,769)	(21,228)
(Increase)/decrease in debtors	(19,604)	14,896
(Decrease)/increase in creditors	(22,694)	386
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	(57,338)	57,210

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash in hand	250,112	296,244

LONDON HIGHER
(A Company Limited by Guarantee)

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

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 August 2024	Cash flows	At 31 July 2025
	£	£	£
Cash at bank and in hand	296,244	(46,132)	250,112
Liquid investments	536,378	14,334	550,712
	<u>832,622</u>	<u>(31,798)</u>	<u>800,824</u>

22. PENSION COMMITMENTS

The Charity participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the Charity therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

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

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

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

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

The key financial assumptions used in the 2023 valuation are described below.

Price inflation - consumer Prices Index (CPI)	3.0% p.a (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/CPI gap	1.0% p.a to 2023, reducing to 0.1%p.a from 2030

LONDON HIGHER
(A Company Limited by Guarantee)

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

22. PENSION COMMITMENTS (CONTINUED)

Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a “soft cap” of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

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

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

The current life expectancies on retirement at age 65 are:

	2025	2024
Males currently aged 65 (years)	23.8	23.7
Females currently aged 65 (years)	25.5	25.6
Males currently aged 45 (years)	25.7	25.4
Females currently aged 45 (years)	27.2	27.2

LONDON HIGHER
(A Company Limited by Guarantee)

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

23. OPERATING LEASE COMMITMENTS

At 31 July 2025 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025	2024
	£	£
Buildings		
Not later than 1 year	50,400	50,400
Later than 1 year and not later than 5 years	15,465	65,865
	<u>65,865</u>	<u>116,265</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2025	2024
	£	£
Operating lease rentals	<u>50,400</u>	<u>50,400</u>

24. RELATED PARTY TRANSACTIONS

The Charitable Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charitable Company at 31 July 2025 (2024: none).

LONDON HIGHER

England & Wales - Charity number 1114873

Accounts

London Higher
Trustees Annual Report and Financial Statements
For the year ended 31 July 2024



Supporting Higher Education in London

London Higher

Trustees Annual Report and Financial Statements

For the year ended 31 July 2024

Charity number: 1114873

Company Number: 5731255

**London Higher
Trustees Annual Report and Financial Statements
For the year ended 31 July 2024**

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London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2024

Reference and Administrative details

London Higher

Charity number: 1114873

Company Number: 5731255

Registered Office

Woburn House
20-24 Tavistock Square
London WC1H 9HQ

Board of Trustees

Elected Trustees

Professor Amanda Broderick, Vice Chancellor, University of East London (Elected Chair)
Professor Peter Bonfield OBE, Vice Chancellor, University of Westminster (Elected Vice Chair)
Professor Jenny Higham, Vice Chancellor, St George's, University of London (to 31 July 2024)
Andy Cook, Vice Chancellor, Ravensbourne University London
Professor Frances Comer OBE, Warden, Goldsmiths, University of London
Professor Dave Phoenix OBE, Vice Chancellor, London South Bank University
Professor Jean-Noël Ezingard, Vice Chancellor, University of Roehampton
Professor Andrew Jones, Vice Chancellor, Brunel University of London

Co-opted Trustees

Professor Anthony Bowne, Principal, Trinity Laban Conservatoire of Music and Dance
Professor Wendy Thomson CBE, Vice Chancellor, University of London

Observer

Mark Hilton, Policy Delivery Director, BusinessLDN

London Higher Senior Management Team

Diana Beech	Chief Executive Officer
Jenny Wetherill	Chief Operating Officer (resigned August 2024)
Gemma Adlington	Head of Operations (appointed September 2024)
Richard Boffey	Head of Access HE
Mark Corbett	Head of Policy and Networks
Jolanta Edwards	Director of Strategy
Anna Zvagule	Head of Communications

Auditors: Peters Elsworthy and Moore
Salisbury House
Station Road
Cambridge CB1 2LA

**London Higher
Trustees Annual Report and Financial Statements
For the year ended 31 July 2024**

Bankers: Royal Bank of Scotland Group (Education Sector)
Commercial Banking
3rd Floor, Cavell House
21 Charing Cross Road
London WC2H 0NN

Company Secretary Gemma Adlington

Objectives and Activities

Our vision: At London Higher, we seek to represent the full diversity of higher education in London. We support our members by advocating for and on behalf of London’s universities and higher education colleges. It is our aim to become a well-respected ‘go to’ representative body for higher education in London to ensure the success of all our members.

Our mission: We help our members to address the opportunities and challenges that arise from our shared location in London. We assist and support our members to achieve their goals, whilst being a collective voice for their interests, locally and nationally. We influence and work with a wide range of stakeholders and networks as a trusted, non-partisan and professional partner.

At London Higher, we support our members by advocating for and on behalf of London’s higher education sector. We act:

- as a convenor, hosting collaborative networks to identify new initiatives to solve common challenges;
- as a communicator, being a collective voice for our members and promoting London as a world-class study and research destination; and
- as a campaigner, responding to policy concerns and raising awareness of policy implications across our diverse membership.

Annual reports and plans: Every year we will provide an annual review which reflects on the goals outlined in the Business Strategy and an Operational plan detailing how we aim to achieve them that year. These documents are voted on at our AGM and uploaded to our website.

Our principles: Through the work on our business strategy for 2023-26 we have identified four key principles that will determine our priorities over this period. These are based on the London HE sector being:

- ***A local asset***
 - Maintain and enhance the social mobility successes of London’s HEIs.
 - Promote and facilitate the civic contributions of London’s HEIs.
- ***A global magnet***
 - Strengthen and promote ‘brand London’ to increase the region’s global appeal to potential students, staff, researchers and investors.
 - Build an attractive, diverse, inclusive and welcoming community in which to live, study, research and work.
- ***An engine for innovation and enterprise***

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2024

- Champion London's R&D successes, support innovation and promote the sector's partnership potential with business, local authorities and the third sector.
- Promote and facilitate positive outcomes for both London's graduates and London plc., including via employability and knowledge exchange.
- **A source of skills and jobs**
 - Strengthen understanding of the potential of the London HE sector to promote growth and opportunities, particularly through partnership with schools, colleges and employers.
 - Promote London's specialist knowledge and skills, including in the health and creative sectors.

Public benefit: Our work is informed by the need to act for the benefit of the public. In doing this we reference the Charities Commission guidance on public benefit. We engage with more than 70 unique institutions across our three divisions. We benefit them in various ways as will be shown below, but in all cases our test is whether an action of ours will result in universities providing a richer experience for their staff and/or students in London. A 'secondary public' comprises a wider group of stakeholders with whom HE students and staff interact throughout their lives, from employers, parents and children to policy makers and sectoral stakeholders in both higher education and place, all of whom gain benefit from an effective and full higher education experience.

Achievements and Performance

For 25 years London Higher has been working with universities and higher education colleges in London. Our mission is to support universities in meeting the challenges and opportunities of providing diverse higher education in London. We do this by:

1. identifying challenges and opportunities through our wide network offering and other channels;
2. assessing the impact, extent or volume of such challenges or opportunities on our members and the wider public, through our surveys and analysis of HE data;
3. designing appropriate measures to address the challenges or opportunities through our projects, collaborations, advocacy work; and
4. sharing this (and other) information with our members and the wider policy environment to promote our work, including through our events. This cycle of engagement-action-promotion is how we ensure that our outputs meet our goals, and our goals are appropriate and have impact.

We have earned, and in the past few years strengthened, our deserved reputation for advocating and promoting London's HEIs and supporting our members in their responses to the challenges and opportunities that have emerged.

Our **Powering London** report published in June 2023 provided the underlying theme for the year, highlighting how London's higher education institutions power London through our four pillars. We held a major networking event for 200 people connecting our institutions with London businesses, big and small, aiming to kick off better collaborative working between universities and industry.

Our highlights for the year have included:

- gaining 6 new members;
- hosting 35 network meetings;
- responding to 10 consultations;
- publishing 4 reports and 11 briefing notes;

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2024

- launching CreativeLDN, a website aimed at upskilling pre-university and university students looking to work in the creative industries;
- holding 20 London Higher events and four AccessHE events, including a sector-wide conference;
- publishing two manifestos, one for the general election and one for the London Mayoral election ensuring our asks are visible and communicated to policymakers, forming the basis for our lobbying activity;
- making our asks for the Autumn Statement known through a publication and letter to the Chancellor of the Exchequer;
- holding an awards ceremony to celebrate the work that London's higher education institutions do, with 159 submissions from 38 institutions, resulting in 12 winners and 11 highly commended members; and
- communication with main political party leaders to outline our General Election manifesto asks

In addition, we undertook a raft of work focusing on the priority areas from our operational plan, based on London HE being:

A local asset

- hosted a conference for 100 practitioners looking at the role of collaboration in addressing some of the major challenges for delivering social mobility through higher education in London, promoting our social mobility successes and sharing best practice to ensure we continue to improve;
- coordinated outreach projects on behalf of our members that reached over 300 young Londoners, including those living in the areas of lowest HE progression;
- piloted HE-led attainment raising projects in London schools that have had a demonstrable positive impact on students' academic outcomes;
- launched a brand new, pan-London outreach project for care leavers in London – the first of its kind – and inputted on behalf of London HE into mayoral work to improve the support for care experienced young people across the city;
- taken a deep-dive into the particular challenges that commuter students in London face;
- wrote about the challenges faced by students who are living and learning in London;
- summarised how London's universities and colleges are working together to support students, employers and local communities;
- highlighted the effect of the cost of living crisis on students' higher education choices in London through a briefing note, followed by a larger report; and
- published an updated version of the Creative Apply Guide for students in schools wanting to study a creative subject, providing information on how the application process works and other necessary details.

Overall impact: helping local communities in London with the social mobility of their most disadvantaged pupils, and increasing the HE progression rates within boroughs.

A global magnet

- relaunched the Study London campaign to promote 'brand London' worldwide, reaching millions of people on launch day alone, and securing coverage in London press including the Evening Standard and CityAM; sector press including The PIE and Research Professional; and international press including India Today;
- wrote to the Prime Minister and other cabinet members to campaign for the Graduate Route in conjunction with the London Chamber of Commerce and Industry, as well as separately on behalf of our CEO and The Board of Trustees;

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2024

- published a briefing note for the International Higher Education Commission on international students in university governance;
- held CEO meetings with the Deputy Mayor of London for Business Howard Dawber, Chair of the Education Select Committee Robin Walker MP, Shadow HE Minister Matt Western MP, and many other influential policymakers prior to the announcement that the Graduate Route remains untouched; and
- spoke at a number of conferences, including The PIE Live Europe 2024 and a round table at the House of Lords organised by the National Indian Student and Alumni Union on our International Education Strategy for London and our Study London campaign.

Overall impact: using all the above activity, in conjunction with other meetings with senior policymakers to influence the retention of the Graduate Route visa in May/June of this year.

A source of skills and jobs

- wrote about the state of the creative landscape in London and where higher education sits in that pipeline;
- held a roundtable discussion looking at London HE's role in widening access to teaching, policing and social work;
- launched two phases of the #StudyNursingLondon and #StudyRadiographyLondon campaign which focus on giving prospective students more information about these subjects, encouraging them to apply and reaching over 2 million people across digital channels;
- developed courses for students looking to go into the creative industries to refine their skillset in a number of areas;
- looked in detail at the creative landscape in London and where higher education fits in; and
- examined what it's like to live and learn in London as a student in 2023 through analysis of the latest HEPI/AdvanceHE Student Academic Experience Survey data.

Overall impact: the #StudyNursingLondon campaign reached over 2 million people across digital channels, enabling information about nursing and other allied health professional courses to be delivered to prospective students, as a result, encouraging more people to consider these professions and hopefully in the longer term, enabling numbers on these courses in London to rise again.

An engine for innovation and enterprise

- looked in detail at the income from startups, spinouts and intellectual property for London universities;
- formed a group for business and enterprise leads at London universities, headed up by our Head of Policy and Networks. British Business Bank, TfL and London and Partners joined the first meeting on 08 July;
- held a flagship university-business 'Powering London' event building on our 2023 report;
- hosted a roundtable at Imperial on London HE's role in strengthening the UK's artificial intelligence sector, attended by the GLA's Head of Data and the CEO of London and Partners;
- our Head of Policy and Networks spoke at the Big South London business innovation-growth-summit - Skills for a Net Zero Economy;
- submitted letter of support for the London Research and Policy Partnership bid to lead a Local Policy Innovation Partnership; and
- published an article on how London HE supports the whole nation; our CEO presented at the 2024 National Centre for Entrepreneurship in Education Entrepreneurial Leaders training day.

Overall impact: London Higher's "Powering London" event series brought together universities and business in a way that hasn't been done before, allowing better collaborations to be fostered between the two sectors, and

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2024

leading to better alignment on a range of issues related to higher education, from international to business and enterprise.

In addition, we have engaged in communications activities to boost our external presence and influence as an organisation, both within the higher education sector and in London, such as:

- having more blogs than ever before published on our site (40);
- placing a record number of quotes in the press (over 120);
- having the highest number of articles written by London Higher staff published in external publications; launching two substantial campaigns (#StudyNursingLondon and Study London);
- submitting 10 consultation responses on important topics including freedom of speech, the National Student Survey and the Research Excellence Framework;
- working with key stakeholders such as the Deputy Mayors of London, NHS England, and others; hosting a range of influential speakers at our network meetings and events, including Matt Western MP and Deputy Mayor of London Howard Dawber;
- continuing and strengthening our engagement with the GLA, various Government departments and the Opposition;
- growing our newsletter and social media readership/following to reach a combined base of over 7000 people, not including website visitors;
- having staff speaking at various conferences to amplify the work of London Higher within the sector and beyond; and
- continuing to work with other sector organisations on issues that matter, such as creative education, the NHS workforce plan and lobbying for the Graduate Route

Structure, Governance and Management

Corporate status: London Higher is a company limited by guarantee with charitable status. It began as an unincorporated member association in 1999. It was incorporated on 6 March 2006 and registered as a charity in England and Wales on 26 June 2006. The charitable activities of the company were transferred from the University of London on 1 April 2009.

Governing document: The company was established under Memorandum and Articles of Association dated 6 March 2006 which establish the objects and powers of the charitable company. In addition, it operates under a Members' Agreement with each member that sets out the nature of the relationship between the company and each member.

Trustees: Trustees are elected by the members, save a number that are co-opted with regard to specific interests. At date of accounts London Higher has two co-opted Trustees. In addition, London Higher Trustees invite observers from a limited number of key stakeholder organisations. London Higher has one observer at this time.

Trustee induction & training: Member Trustees are familiar with the practical elements of the company as higher education institutions (HEIs) have charitable status as providers of education. Each new Trustee is directed to guidance by the Charities Commission and all relevant Governance documents relating to the company. New Trustees are given a briefing on London Higher.

Sub committees: London Higher's Board of Trustees has three sub committees:

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2024

- Finance Committee. This committee reviews the financial activity of the organisation by: monitoring London Higher's performance against budget; advising, supporting and by being a resource for the Chief Operating Officer/Head of Operations and Finance Manager in overseeing the company's finances; ensuring that the financial elements of the organisation are in accordance with its vision, mission, and strategic plan; advising the board on the financial condition of the organisation; and reviewing the company's Financial Regulations.
- Membership Committee. This committee reviews London Higher membership by: reviewing applications against membership criteria and either recommending the application for approval by the Board or providing feedback to the applicant institution on why their application was unsuccessful; reviewing and monitoring London Higher's members and membership criteria and recommending updates and changes to the Board of Trustees when required.
- Remuneration Committee. The function of this committee is to determine and agree with the London Higher Board the broad policy for the remuneration of the CEO; and to monitor and note the level and structure of remuneration for London Higher staff.

Structure of the Executive: The Executive is divided into three business divisions. These are listed below together with their primary functions. Each division is a separate cost centre and has its own Head of Division/ member of Senior Management Team (SMT) with strategic oversight who reports directly to the Chief Executive. In addition, the Chief Executive and Heads of Division meet as an SMT every week.

Business Divisions of London Higher:

- *London Higher Core*, making the case for HE through our suite of networks, special projects, written reports and briefings.
- *London Medicine & Healthcare*, bringing together London's schools of medicine, healthcare and clinical academic institutions to meet, discuss and collaborate.
- *AccessHE*, a pan-London network enabling provision of support for young people from disadvantaged backgrounds to enter higher education; AccessHE includes the Uni Connect programme, a funded partnership programme offering advice and information on attending university.

Decision making protocols: The overall strategic direction of London Higher is set out in a Business Plan that is drawn up by the Executive, approved by the Board of Trustees and agreed by the company members. Each year an Operational Plan is drawn up with the same approvals. The annual operational plan sets out the specific initiatives for the year together with expected costs. Heads of Division are responsible for delivering these initiatives on a day-to-day basis. The SMT monitors progress, and each quarter Trustees are given a written progress report. In addition, any expenditure or income over £50,000, whether agreed in the operational plan or not, must be approved by the Board, and London Higher will seek support from the Finance Committee for any expenditure or income over £10,000.

Higher education institutions (HEIs): HEIs in London are our company members. Members are required to submit an application to be considered for membership. This application is reviewed against members criteria by the Membership Committee who advise the Board of Trustees on whether to accept or reject the application. In the Members' Agreement members devolve to the London Higher Board of Trustees the power to make decisions on their behalf in the collective interests of the group, or parts thereof. This authority is safeguarded by advisory groups which comprise senior representatives from the membership group. Following the departure of our board representative for the healthcare and medical sphere, we plan to review the advisory structure for our healthcare and medical groups

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Centres membership: London Higher also recognises an additional partnership category (distinct from members) which includes higher education providers based outside London who have opened centres in London.

Related parties: The policy landscape for higher education is currently set by the Department for Education and the Department for Science, Innovation and Technology (with some input from the Home Office, the Department for Health and Social Care, the Department for Culture, Media and Sport and the Department for Business and Trade when relevant) and is implemented by the Office for Students (OfS), the independent regulator of HE in England. London Higher seeks to influence policy at local and national Government level and to develop and run HE collaborations that reflect national policy and that which are tailored to the London region and the unique nature of the London group of HEIs. Additionally, the Mayor of London and the Greater London Authority (GLA) have interests in higher education as it pertains to the capital. London Higher maintains links with each.

Measuring our success: We measure our success via four key objectives: member value, creation of the ‘London Voice’, operational effectiveness, and member engagement. Specifically, these objectives are mapped via the following metrics:

Member value	Creation of the ‘London Voice’	Operational effectiveness	Member engagement
Member numbers	Number and reach of publications and campaigns	Staff costs	Numbers attending networks
Number of blogs, social media mentions and quotes	External mentions of London Higher	Number of operating days covered by reserves	Event attendance
Number of third party sources mentioning London Higher	Number of external organisations engaging with LH activities	Surplus over budget	Number of members participating in LH consultations and reports

Plans for 2024-5

The need to support, promote and advocate for London higher education has never been clearer. Taking each of our priorities in turn:

A local asset

We continue to believe in the importance of social mobility for the individual, the economy and society. Whilst London’s record of widening participation to higher education is one to be proud of, the capital is nonetheless home to some of the most socio-economically deprived areas in the country and educational inequalities persist. This makes the work of our AccessHE division, which supports the professionalisation of widening participation practice in London HE, and collaboration with schools, local authorities and underrepresented student groups, all the more important.

The regulatory framework for equality of opportunity in English higher education now centres around an Equality of Opportunity Risk Register (EORR), to which providers must give regard in their widening participation activities. To support our members in working with the EORR, we are planning some changes to our membership offer this year. We will streamline our practitioner networks (our Action Forums), so we are able to concentrate in detail on relevant EORR topics and groups. Underpinning this will be the student voice, which will be heard via a Young

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Londoners Forum that we are in the process of setting up. This will enable consultation with students aged 18-24 and facilitate meaningful co-creation of widening participation activity.

We will continue to deliver on our Uni Connect responsibilities, but this will undergo change. In February 2024 the Government published an independent review of the Uni Connect programme, which restated the valuable nature of the work and need for longer-term funding of it. In the immediate term, however, the programme funding faces considerable pressures, as the Government recently announced a one-third funding cut for Uni Connect in 2024-25. The funding allocation that London Higher receives to deliver our Uni Connect activities in London will reduce accordingly. In response, we are seeking greater join-up with the other partners in the London Uni Connect consortium to achieve efficiencies in how we deliver our collaborative outreach and attainment raising projects. We will scale back the collaborative infrastructure we currently provide across 19 local authorities to focus on priority local areas where need is greatest and where our members are best placed to offer support.

Last year we held a conference in November for members of our AccessHE division on Collaboration Matters. Given the success of the conference we want to make this a regular event and are planning another conference in 2024-25.

We will continue to champion and support London's HEIs as civic institutions. The Civic Network will continue to play an active part in coordinating civic engagement and impact across the London higher education sector. We shall also continue to update our 'living' London Higher Civic Map with new projects and initiatives as they emerge from our members.

A global magnet

We want to see London as an appealing place for potential and existing students, staff, researchers and investors. It has been disheartening this year to see some mixed messages around London and changes to the international student visa position and the related health surcharge, on which we have advocated tirelessly and seen as a result, no change being currently made to the Graduate Route.

The successes of London's higher education sector are widely recognised and it is important that London continues to be seen as an attractive destination for education and investment. We have been engaging with government departments and London stakeholders to set out the case and importance of international students and the value they bring to the capital and country.

We will continue to highlight how international students are good news for the economy and bring immense value, both economically and socially. We want London's HEIs to be valued overseas and to showcase them proudly nationally and internationally.

To demonstrate how welcoming London is, and to counteract some of the negative rhetoric that has been developing around international students of late, we have relaunched the "Study London" campaign. This showcases the attractiveness of London as an international study destination and aims to shore up interest from potential applicants. Work will continue on this campaign over the course of the next year.

An engine for innovation and enterprise

Our 'Powering London' report, developed in discussion with the KPMG London Leaders' Circle, celebrated the enormous contribution that London's universities and businesses make to the London region and the country. It highlights the world-class teaching and learning opportunities that ensure a diverse and talented workforce, recognises the value of research and innovation, and sets out why London is an attractive destination for people and investment. We will build on this.

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2024

Our flagship report launch and networking event in February brought together a wide range of higher education institutions, businesses, and investors. Theme-specific meetings have also taken place around the creative industries, artificial intelligence, London's public sector workforce and international student recruitment. We will continue this work, with further roundtables in the pipeline including on health.

A source of skills and jobs

We will continue to develop the CreativeLDN website and resources for students at pre-university, university and post-university level who are looking to get into the creative industries

With the publication of the NHS Long Term Workforce Plan, our healthcare sector has been discussing shortfalls in student numbers to fulfil the ambitious targets set out in the document. Our #StudyNursingLondon campaign will continue into 2024-25 with London universities developing their own content focusing on the benefits of healthcare degrees and highlighting financial assistance and career pathways.

The campaign is also piloting an outreach component in a London school, to see what pupils need to know about to help them decide what subjects and careers may be suitable for them if they wish to enter into the healthcare service. Both elements of the campaign should provide us with valuable insights on what might be impactful should we wish to extend the campaign further.

We will work with members to think about skills, business need and how to bridge gaps and misconceptions.

We will continue to ensure we are visible and vocal and seek ways to understand our impact. For this coming year particularly, we believe we need to maintain active engagement in the political scene, locally and nationally, formally and informally. We know that our responses to consultations and engagement with government, the GLA, the Office for Students and others has been successful in setting out issues and influencing the agenda, and we will wish to continue this over the coming year, including supporting any changes from local or national election.

To support this work, and as mentioned in our three-year plan, we will continue to consider how to create greater financial sustainability for London Higher as an organisation. We will also run a survey which will help us understand how members see us and our impact and influence.

For the 2024-25 financial year we are forecasting income of £1,164,272 and expenses of £1,234,695 producing a budgeted deficit of £70,423 or 6% of income. The budget was presented to the Finance Committee of the Board in June 2024 and approved by the Board in July 2024.

In the coming year we plan to:

- Openly and proactively champion 'Brand London', representing London higher education institutions with a continued strong regional voice, influence and presence. This will include continuing work on the growth and opportunity agenda to ensure the wider diversity of London is fully understood as well as the role London plays in supporting growth and development, not just in the capital but across the country.
- Boost our links with the London business community and support key sectors. We recognise the increasing importance of closer links with business representatives. We see this engagement as being important from many perspectives. This includes helping members to attract the best talent, domestic and international.
- Raise awareness of the role of universities and higher education institutions in innovation clusters and knowledge exchange. We believe there is a need to increase understanding and appreciation of the contribution of London's higher education sector to research and the numerous clusters and spin-offs which support innovation and growth.

London Higher Trustees Annual Report and Financial Statements For the year ended 31 July 2024

- Engage with the political landscape. We want to play our full, vocal part in supporting members in what is a constantly changing higher education landscape. This means that we will continue to represent members at relevant events and boards.
- Build on our members' successes. We want to help our members to continue to attract the best talent, domestic and international. We want to support the many London students who choose to stay in London to go into higher education and then who stay on in the capital to live and work. We are committed to continually finding innovative ways to showcase our sector's achievements and highlight its contribution to all sectors of our economy and society, including by prioritising external engagements (keynotes and panel appearances) at relevant regional and national events.
- Respond to need. The higher education sector is in a period of change, and we will continue to be nimble, to ensure we can respond to consultations and issues quickly and as the need arises.
- Prioritise internally. The key to our success is in our people. We recognise the need to increase our income so that we can invest in recruitment and retention, upskilling the team, and providing better facilities and resources for the team. To achieve our priorities, we will continue to work on cross-divisional information-sharing and communications.
- Listen to our members and working with them in the areas that matter to them. From our 2022 members' survey we know there are certain key areas which are particularly important to our members. We will ensure we are tackling these issues by continuing to convene members on areas of interest, including through our core networks. We will continue to visit members and seek feedback, including from new and returning members.

Financial Review

Our financial goal is to expand and enhance member services by offering an effective and streamlined financial administration.

Total income 2023-2024 was £1,351,945, an increase of £266,578, 24%, compared to 2022-2023 (£1,085,367).

- Membership Income increased by £118,089 or 16% with growth in all membership networks' income (12% in 2022-23, excluding Access HE).
- Projects and event income increased by £35,945 or 57% due to London Higher organising the London Higher Awards for the first time, plus the first year of the Creative Arts project, support from the London Borough of Havering for work to increase student participation in higher education, and being commissioned to produce several specific programmes.
- Interest income increased by £15,276 or 257% due to higher interest rates in 2023-2024 and a move to higher interest-bearing products for our reserves.
- Grant income was increased from last year by £94,540, the equivalent of 37%. This was due to the OfS reducing the Uni Connect grant allocations for AccessHE.
- Total expenditure for 2023-24 was £1,293,049. This increased by £230,971, 22%, compared to 2022-2023 £1,062,078. The main contributors to this growth were higher project and direct delivery costs (including specific project costs where specific grants/sponsorship was received), though this was offset by lower support costs and lower spending on the Uni Connect programme to match the lower level of OfS grant.
- Direct Costs increased by £182,540 or 19%.
- Support Costs increased by £48,431 or 45%, due to higher staff training costs as budgeted and higher staff recruitment costs due to the need to replace the COO which was unbudgeted.
- London Higher Core Membership - During the year LH, invoiced 39 members for a total of £548,419 (budget £523,518). The increase is due to two new members and an inflationary increase of 3%. The increase was ratified by the Board.

**London Higher
Trustees Annual Report and Financial Statements
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- London Higher centres invoiced 18 members for a total of £90,125 against a budget of £58,916. The figures include six new members in 2023-24 and two members making full year contributions in 2023-24.
- London Medicine and Healthcare Membership Income – During the year, the division invoiced 29 members for a total of £106,600. This represented an increase of 6% against the budget (£100,165) with two new members during the year.
- AccessHE invoiced 27 members for a total of £130,244. (Budget £126,050).
- Uni Connect is grant-funded by OfS and managed via London South Bank University (LSBU). At 31 July 2024, the division had total funds of £21,262 to carry forward into FY 2024-25. A decision of whether the excess funds will be rolled into 2024-25 budgets or returned to LSBU will be made during 2024-25.
- Creative Arts is a new project in 2023-24, supported by income from Film London. The project is to work with the higher education institutions to boost the creative arts skill set of graduates.
- The Mental Health restricted funds were spent during the early part of 2023-24 and the project has now been brought under the LH core unit while a strategic review takes place as to its longer-term outlook.

Reserves Policy: Total funds at 31 July 2024 were £815,740 (2022-23: £756,844). Of the total funds, £18,605 (2022-23: £25,675) were represented by restricted funds and £797,135 (2022-23: £731,169) by unrestricted funds. Free Reserves (i.e. unrestricted funds excluding fixed assets and amounts designated) stood at £790,636 (2022-23: £726,291) at 31 July 2024.

The London Higher reserves policy is to hold unrestricted funds to cover between three to six months expenditure, to cover staff costs, overheads and a scaled down level of administration and project expenditure. This applies to all divisions. This amounts to a total of £259,861-£482,621, and so the current level of Free Reserves of £790,636 exceeds this criteria. Given financial instabilities within the sector, trustees are comfortable with retaining a higher level of reserves in the short-term, though thought will be given in Spring 2025 to projects that can be implemented in order to reduce the reserves over the course of the next year.

The Net Book Value of Fixed assets was £6,499 and London Higher has no other Designated Reserves as of 31 July 2024.

Risk management: London Higher maintains a risk register which ranks the key risks to which the organisation is exposed, their likely impact and our proposed responses to them. The risk register is a standing item on the Board agenda each year and examined by the Board. The risk register is also a standing item at all SMT meetings. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The highest rated risks to the organisation are noted to be:

Risk	Management Control
Removal of grant funding	<ul style="list-style-type: none"> • Look for alternative, longer-term, sources for funding where possible. • Reduce overall reliance on project funds for payroll for those staff members not directly working on the project. • Careful contract management. Maintain good working relationship with funders including fostering a culture of early disclosure concerning problems.

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Trustees Annual Report and Financial Statements
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	<ul style="list-style-type: none"> • Prepare early for loss of project funding. Including communicating to staff and preparing options for redirecting resources. • Manage supplier contracts to achieve flexibility. • Keep a close eye on unrestricted reserves. • Prepare a conservative budget.
Changes in government policy	<ul style="list-style-type: none"> • Continuing activity in campaigning and influencing sphere to represent the views of our members

Remuneration: Pay of all staff is reviewed annually and is normally increased to reflect cost of living (COL) adjustment. The education sector average COL and financial situation of the organisation are considered when making this decision. COL increases are proposed in the budget which the Board approves, therefore the increases are considered managerial decisions and are not reported to the Remuneration Committee. The Remuneration Committee sets the remuneration package for the CEO and, in doing so, takes account of sector benchmarks and the CEO’s annual performance review undertaken by the Chair of the Board. From time to time, we ask our HR consultants to perform a pay review to ensure that there are no biases in our pay in regard to age, gender and ethnicity and that the job families are remunerated in reference to the broader market for these roles.

Fundraising: London Higher has not carried out any fundraising from the general public during the year. There has been no outsourced fundraising via professional fundraisers or other third parties and as a result the organisation is not registered with the fundraising regulator and received no fundraising complaints in the year.

**London Higher
Trustees Annual Report and Financial Statements
For the year ended 31 July 2024**

Statement of Trustees Responsibilities

The Trustees (who are also Directors of London Higher for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information; and
- in all material respects income from grants and income for specific purposes and from other restricted funds administered by London Higher have been applied only for the purposes for which they were received.

The Trustees have prepared this report in accordance with the Special Provisions of Part 15 of the Companies Act 2006. In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by Section 415A, the Companies Act 2006.

Approved by the London Higher Board of Trustees on 4 February 2025 and signed on its behalf by:



..... Professor Amanda Broderick Chair, London Higher

LONDON HIGHER
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER

OPINION

We have audited the financial statements of London Higher (the 'charitable charity') for the year ended 31 July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

LONDON HIGHER
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

LONDON HIGHER
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER (CONTINUED)

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including the Charities Act 2011, Companies Act 2006, and relevant taxation legislation;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence available; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and

LONDON HIGHER
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER (CONTINUED)

regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities, including fraud and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reading the minutes of those charged with governance.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Nikki Loan (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditor

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 05 February 2025

LONDON HIGHER
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
INCOME FROM:					
Donations and legacies	4	-	2,728	2,728	-
Charitable activities	5	363,778	964,211	1,327,989	1,079,415
Investments	6	-	21,228	21,228	5,952
TOTAL INCOME		363,778	988,167	1,351,945	1,085,367
EXPENDITURE ON:					
Charitable activities	7	370,848	922,201	1,293,049	1,062,078
TOTAL EXPENDITURE		370,848	922,201	1,293,049	1,062,078
NET MOVEMENT IN FUNDS		(7,070)	65,966	58,896	23,289
RECONCILIATION OF FUNDS:					
Total funds brought forward		25,675	731,169	756,844	733,555
Net movement in funds		(7,070)	65,966	58,896	23,289
TOTAL FUNDS CARRIED FORWARD		18,605	797,135	815,740	756,844

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 8 to 25 form part of these financial statements.

LONDON HIGHER
(A Company Limited by Guarantee)
REGISTERED NUMBER: 5731255

BALANCE SHEET
AS AT 31 JULY 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	13	6,499	4,877
CURRENT ASSETS			
Debtors	14	32,942	41,849
Investments	15	536,378	210,029
Cash at bank and in hand		296,244	556,026
		<u>865,564</u>	<u>807,904</u>
Creditors: amounts falling due within one year	16	(56,323)	(55,937)
NET CURRENT ASSETS		809,241	751,967
TOTAL NET ASSETS		815,740	756,844
CHARITY FUNDS			
Restricted funds	17	18,605	25,675
Unrestricted funds	17	797,135	731,169
TOTAL FUNDS		815,740	756,844

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Professor Amanda Broderick
Trustee

Date: 4 February 2025

The notes on pages 8 to 25 form part of these financial statements.

LONDON HIGHER
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	Note	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	19	57,210	(85,535)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		15,239	5,952
Purchase of tangible fixed assets		(5,882)	(835)
Current investments		(326,349)	(210,029)
NET CASH USED IN INVESTING ACTIVITIES		(316,992)	(204,912)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(259,782)	(290,447)
Cash and cash equivalents at the beginning of the year		556,026	846,473
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	20	296,244	556,026

The notes on pages 8 to 25 form part of these financial statements

LONDON HIGHER
(A Company Limited by Guarantee)

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

1. GENERAL INFORMATION

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 5731255) and a charity registered in England and Wales (charity number: 1105500). Its registered office is disclosed on page 1.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

London Higher meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The functional currency of the Charity is considered to be GBP because that is the currency of the primary economic environment in which it operates.

2.2 GOING CONCERN

During 2023-2024, the Charity engaged with an increasing number of members as well as boosting its membership presence in LH Centers (University based outside London but with London campus). However, the pressure on universities' budgets means that the strategy of London Higher is to look to boost non-membership income. During 2023-2024, London Higher saw increased project income and sponsorship to deliver an increase in non-membership income. These have further raised London Higher's profile within the sector. This should help protect the membership income as members of London Higher see the benefit of retaining their membership.

To take a conservative approach to the new year, the 2024-2025 budget has included a net loss of members. Alongside a strategic review of the non-membership income streams, including a review of the VAT status of London Higher and a tight control of costs means that London Higher can continue to operate as a going concern.

Considering all these factors, and having completed a cash flow analysis for the next 18 months which considers different scenarios, the Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The ability to manage the Charity assets, the reserves levels and future plans gives Trustees confidence the Charity remains a going concern for the foreseeable future.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.3 INCOME

All income is recognised once the charitable charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are recognised in full in the Statement of Financial Activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. Where a grant agreement includes conditions, the income is only recognised when the condition is fulfilled.

Membership income is recognised over the period it relates.

Investment income relates to interest on bank balances and current asset investments, and is accounted for on an accrual basis.

Deferred income represents amounts receivable for future years where conditions are attached which must be fulfilled before unconditional entitlement, or grants which can only be spent in future years. The deferred income is released when entitlement to the income is confirmed.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- London Higher
- London Medicine & Healthcare
- AccessHE
- Uni Connect
- Mental Health
- Creative Arts

Membership and charitable activity costs that are attributable to more than one activity are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include office running costs, finance function, personnel, payroll and governance costs which support the Charity's activities.

Governance costs are costs incurred in connection with the strategic management of the Charity and in compliance with constitutional and statutory requirements. These costs have been allocated to charitable activities based of the proportion of time spent by staff on those activities.

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets on a straight-line basis to write off the cost, less estimated residual value, over their expected useful lives as follows:

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

2. ACCOUNTING POLICIES (CONTINUED)

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)

Fixtures and fittings, Furniture & - 3 years
Computer equipment

The Charity's capitalisation policy is for any items over £500.

2.6 CURRENT ASSET INVESTMENTS

Current asset investments are those which are held for resale or pending their sale and cash on deposit with a maturity date of less than one year held for short-term investment purposes rather than cashflow. Current asset investments are valued at fair value unless they qualify as basic financial assets.

2.7 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2.8 PENSIONS

The Charity participates in the Universities Superannuation Scheme (the scheme). Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

2.9 FINANCIAL INSTRUMENTS

The charitable charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 EMPLOYEE BENEFITS

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

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

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

2. ACCOUNTING POLICIES (CONTINUED)

2.11 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.14 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

In the application of these accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods. The Trustees consider the following items to be areas subject to estimation and judgement:

USS Pension

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-

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

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT (CONTINUED)

employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense is recognised in profit or loss. The directors are satisfied that the scheme provided by USS meets the definition of a multi employer scheme.

No deficit recovery plan was required from the 2023 valuation because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the Charity was no longer required to make deficit recovery contributions. Due to the Charity not being able to reliably measure the deficit contributions in previous years, no liability was recognised in 2023 and therefore no provision is required to be released.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds	Total funds	Total funds
	2024	2024	2023
	£	£	£
Donations	2,728	2,728	-

The donation above relates to an in kind benefit for venue hire. An equivalent cost has also been recognised.

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds	Unrestricted funds	Total funds	Total funds
	2024	2024	2024	2023
	£	£	£	£
Membership Contributions: London Higher	-	548,419	548,419	487,768
Membership Contributions: London Medicine & Healthcare	-	106,600	106,600	96,500
Membership Contributions: London Centres	-	90,125	90,125	51,929
Membership Contributions: AccessHE	-	130,244	130,244	121,102
Grants	353,038	-	353,038	258,498
Project & event Income	10,740	88,823	99,563	63,618
	<u>363,778</u>	<u>964,211</u>	<u>1,327,989</u>	<u>1,079,415</u>
TOTAL 2023	<u>258,498</u>	<u>820,917</u>	<u>1,079,415</u>	

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

6. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest	21,228	21,228	5,952
TOTAL 2023	5,952	5,952	

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
London Higher	-	689,492	689,492	558,455
London Medicine & Healthcare	-	90,826	90,826	93,197
AccessHE	-	141,883	141,883	150,427
Uni Connect	252,463	-	252,463	244,162
Mental Health	11,208	-	11,208	15,837
Creative Arts	107,177	-	107,177	-
	370,848	922,201	1,293,049	1,062,078
TOTAL 2023	259,999	802,079	1,062,078	

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
London Higher	576,325	113,167	689,492	558,455
London Medicine & Healthcare	80,830	9,996	90,826	93,197
AccessHE	130,883	11,000	141,883	150,427
Uni Connect	237,463	15,000	252,463	244,162
Mental Health	11,208	-	11,208	15,837
Creative Arts	100,177	7,000	107,177	-
	<u>1,136,886</u>	<u>156,163</u>	<u>1,293,049</u>	<u>1,062,078</u>
TOTAL 2023	<u>954,346</u>	<u>107,732</u>	<u>1,062,078</u>	

ANALYSIS OF SUPPORT COSTS

	Total funds 2024 £	Total funds 2023 £
Occupancy Cost	57,546	54,072
Administration Cost	27,423	14,092
Human Resource Cost	40,466	12,330
Depreciation	4,260	4,847
Governance (Note 9)	23,889	20,151
Strategy Development	1,075	1,140
Banking Charges	1,504	1,100
	<u>156,163</u>	<u>107,732</u>

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

9. GOVERNANCE COSTS

	2024	2023
	£	£
Audit fee (including VAT)	20,320	14,600
Accountancy fee	3,000	5,400
Trustees' meetings	556	138
Companies House filing	13	13
	<u>23,889</u>	<u>20,151</u>

10. AUDITOR'S REMUNERATION

	2024	2023
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts (including VAT)	20,320	14,600
Fees payable to the charitable charity's auditor in respect of: Preparation of the financial statements	<u>3,000</u>	<u>5,400</u>

11. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	660,331	620,054
Social security costs	61,741	53,671
Contribution to defined contribution pension schemes	103,367	102,348
	<u>825,439</u>	<u>776,073</u>

During the year, no redundancy or termination payments were made (2023: £3,997).

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NOTES TO THE FINANCIAL STATEMENTS
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11. STAFF COSTS (CONTINUED)

The average number of persons employed by the charitable charity during the year was as follows:

	2024	2023
	No.	No.
London Higher	11	9
Creative Arts	1	-
AccessHE	2	2
Uni Connect	3	4
	<u>17</u>	<u>15</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

Pension contributions payable by the Charity for higher paid employees in the year were £35,789 (2023: £20,141)

The key management personnel are defined as the CEO, COO, Head of AccessHE, Head of Policy, Head of Communications (for 2023-24 only) and Director of Strategy of which the total employee benefits in aggregate for the year were £468,576 (2023 restated to include employers NI and pension costs: £313,656).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 July 2024, no Trustee expenses have been incurred (2023 - £NIL).

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

13. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £
COST	
At 1 August 2023	21,408
Additions	5,882
Disposals	(5,898)
At 31 July 2024	21,392
DEPRECIATION	
At 1 August 2023	16,531
Charge for the year	4,260
On disposals	(5,898)
At 31 July 2024	14,893
NET BOOK VALUE	
At 31 July 2024	6,499
At 31 July 2023	4,877

14. DEBTORS

	2024 £	2023 £
DUE WITHIN ONE YEAR		
Trade debtors	11,170	9,040
Prepayments and accrued income	21,772	32,809
	32,942	41,849

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

15. CURRENT ASSET INVESTMENTS

	2024	Restated
	£	2023
		£
Short-term one-year cash bond / 95day access account	536,378	210,029

The one-year bond (£324,590) attracts interest of 4.5% and matures in February 2025. The remainder of the balance relates to a liquidity manager 95 day account. The equivalent amount in this account in the prior year has been reclassified from cash.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	18,535	28,133
Other creditors	2,559	894
Accruals and deferred income	35,229	26,910
	56,323	55,937
	2024	2023
	£	£
Deferred income at 1 August 2023	6,910	54,857
Resources deferred during the year	6,609	6,910
Amounts released from previous periods	(6,910)	(54,857)
	6,609	6,910

Deferred income relates to grants and membership income invoiced/received in the year, but relating to the next financial year.

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

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2024 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Fixed asset fund	4,878	-	-	1,621	6,499
GENERAL FUNDS					
General Fund	726,291	988,167	(922,201)	(1,621)	790,636
TOTAL UNRESTRICTED FUNDS	731,169	988,167	(922,201)	-	797,135
RESTRICTED FUNDS					
Mental Health	11,208	-	(11,208)	-	-
Uni Connect	14,467	259,258	(252,463)	-	21,262
Creative Arts	-	104,520	(107,177)	-	(2,657)
	25,675	363,778	(370,848)	-	18,605
TOTAL OF FUNDS	756,844	1,351,945	(1,293,049)	-	815,740

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

17. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2023 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Fixed asset fund	8,890	-	-	(4,012)	4,878
GENERAL FUNDS					
General Fund	697,489	826,869	(802,079)	4,012	726,291
TOTAL UNRESTRICTED FUNDS	706,379	826,869	(802,079)	-	731,169
RESTRICTED FUNDS					
Mental Health	27,045	-	(15,837)	-	11,208
Uni Connect	131	258,498	(244,162)	-	14,467
	27,176	258,498	(259,999)	-	25,675
TOTAL OF FUNDS	733,555	1,085,367	(1,062,078)	-	756,844

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

17. STATEMENT OF FUNDS (CONTINUED)

Purpose of funds:

- **Uni Connect**, AccessHE is a key delivery partner in the OfS - outreach programme in London created to help realise the government's goal of increasing participation in Higher Education from lower participating neighbourhoods. The initiative engages with schools / colleges in 13 wards across London, all of which exhibit low participation neighbourhood characteristics.
- **Mental Health** Mental Health was tasked with supporting an online Mental Health support hub for students and support staff. A review of the division and its resource took place in December 2023 as the restricted funds to support the project had been spent. It was agreed to bring the hub and any future expenses to support it into the London Higher division.
- **LH Creative Arts** is tasked with supporting the Metro London Skills Clusters. Led by Film London, it will deliver an integrated programme of activities across London and the 'gateway' counties of Buckinghamshire, Hertfordshire and Surrey.

The agreement includes some matched funding to be provided by the Charity or others. The Charity's matched funding is included in unrestricted expenditure. Any matched funding provided by a third party will be included in the restricted income and expenditure of the fund.

The deficit carry forward will be covered by future funding instalments.

- Fixed asset fund represents the net book value of fixed assets held by the Charity.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	6,499	6,499
Current assets	31,057	834,507	865,564
Creditors due within one year	(12,452)	(43,871)	(56,323)
TOTAL	18,605	797,135	815,740

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	4,877	4,877
Current assets	39,331	768,573	807,904
Creditors due within one year	(13,656)	(42,281)	(55,937)
TOTAL	25,675	731,169	756,844

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	58,896	23,289
ADJUSTMENTS FOR:		
Depreciation charges	4,260	4,846
Dividends, interests and rents from investments	(21,228)	(5,952)
Decrease/(increase) in debtors	14,896	(4,031)
Increase/(decrease) in creditors	386	(103,687)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	57,210	(85,535)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand	296,244	556,026

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

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 August 2023	Cash flows	At 31 July 2024
	£	£	£
Cash at bank and in hand	556,026	(259,782)	296,244
Liquid investments	210,029	326,349	536,378
	<u>766,055</u>	<u>66,567</u>	<u>832,622</u>

22. PENSION COMMITMENTS

The Charity participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the Charity therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

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

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

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

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

The key financial assumptions used in the 2023 valuation are described below.

Price inflation - consumer Prices Index (CPI)	3.0% p.a (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/CPI gap	1.0% p.a to 2023, reducing to 0.1%p.a from 2030

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (CONTINUED)

Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a “soft cap” of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

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

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

The current life expectancies on retirement at age 65 are:

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

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NOTES TO THE FINANCIAL STATEMENTS
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23. OPERATING LEASE COMMITMENTS

At 31 July 2024 the charitable charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	50,400	50,400
Later than 1 year and not later than 5 years	65,865	116,265
	<u>116,265</u>	<u>166,665</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2024	2023
	£	£
Operating lease rentals	50,400	50,400

24. RELATED PARTY TRANSACTIONS

The charitable charity has not entered into any related party transactions during the year, nor are there any outstanding balances owing between related parties and the charitable charity at 31 July 2024 (2023: no related party transactions or balances).

LONDON HIGHER

England & Wales - Charity number 1114873

Accounts



(A company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

Charity Number: 1114873
Company Number: 5731255

LONDON HIGHER

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

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LONDON HIGHER

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 JULY 2023

Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	Royal Bank of Scotland Group (Education Sector) Commercial Banking 3 rd Floor, Cavell House 21 Charing Cross Road London WC2H ONN
Registered office	London Higher Woburn House 20-24 Tavistock Square London WC1H 9HQ
Company Registration Number	5731255
Charity Registration Number	1114873
Company Secretary	Jenny Wetherill

LONDON HIGHER SENIOR MANAGEMENT TEAM

Diana Beech	Chief Executive Officer
Jenny Wetherill	Chief Operating Officer
Richard Boffey	Head of AccessHE
Mark Corbett	Head of Policy (appointed January 2023)
Jolanta Edwards	Director of Strategy (appointed June 2023)
Emmanuela Forte	Head of Finance (resigned March 2023)

BOARD OF TRUSTEES

- Professor Nic Beech, **Vice Chancellor**
Middlesex University
- Dr Peter Bonfield, **Vice-Chancellor** (*Elected Vice-Chair*)
University of Westminster
- Professor Amanda Broderick, **Vice-Chancellor** (*Elected Chair*)
University of East London
- Andy Cook, **Vice Chancellor**
Ravensbourne University London
- Professor Frances Corner, OBE, **Warden**
Goldsmiths, University of London
- Professor David Andrew Phoenix, **Vice-Chancellor**
London South Bank University
- Professor David Latchman CBE, **Master**
Birkbeck, University of London

CO-OPTED TRUSTEES

- Professor Anthony Bowne, **Principal**
Trinity Laban Conservatoire of Music and Dance
- Professor Jenny Higham, **Principal**
St George's, University of London
- Professor Wendy Thomson, **Vice-Chancellor**
University of London

OBSERVERS

- Mark Hilton, **Policy Delivery Director, Membership**
BusinessLDN

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 July 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

1. **Corporate status.** London Higher is a company limited by guarantee with charitable status. It began as an unincorporated member association in 1999. It was incorporated on 6 March 2006 and registered as a charity in England and Wales on 26 June 2006. The charitable activities of the company were transferred from the University of London on 1 April 2009.
2. **Governing document.** The company was established under *Memorandum and Articles of Association* dated 6 March 2006 which establish the objects and powers of the charitable company. In addition, it operates under a *Members' Agreement* with each member that sets out the nature of the relationship between the company and each member.
3. **Trustees.** Trustees are elected by the members, save a number that are co-opted with regard to specific interests. At date of accounts London Higher has three co-opted Trustees. In addition, London Higher Trustees invite observers from a limited number of key stakeholder organisations. London Higher has one observer at this time.
4. **Trustee induction & training.** Member Trustees are familiar with the practical elements of the company as higher education institutions (HEIs) have charitable status as providers of education. Each new Trustee is directed to guidance by the Charities Commission and all relevant Governance documents relating to the company. New Trustees are given a briefing on London Higher.
5. **Sub committees.** London Higher Board of Trustees has three sub committees:
 - a. **Finance Committee.** This committee reviews the financial activity of the organisation by: monitoring London Higher's performance against budget; advising, supporting and by being a resource for the Chief Operating Officer and Finance Manager in overseeing the company's finances; ensuring that the financial elements of the organisation are in accordance with its vision, mission, and strategic plan; advising the board on the financial condition of the organisation; and reviewing the company's Financial Regulations.
 - b. **Membership Committee.** The function of this committee is to review London Higher membership by: reviewing applications against membership criteria and either recommending the application for approval by the Board or providing feedback to the applicant institution on why their application was unsuccessful; reviewing and monitoring London Higher's members and membership criteria and recommending updates and changes to the Board of Trustees when required.
 - c. **Remuneration Committee.** The function of this committee is to determine and agree with the London Higher Board the broad policy for the remuneration of London Higher staff; have delegated authority to set individual remuneration arrangements for the CEO; and recommend, monitor and note the level and structure of remuneration for London Higher staff.
6. **Structure of the Executive.** The Executive is divided into three business divisions. These are listed below together with their primary functions. Each division is: a) a separate cost centre; b) overseen by an Advisory Group of members; and c) has its own Head of Division/ member of Senior Management Team (SMT) with strategic oversight who reports directly to the Chief Executive. In addition, the Chief Executive, Chief Operating Officer and Heads of Division meet as a SMT every week.

7. Business Divisions of London Higher:

- *London Higher Core*, making the case for HE through our suite of networks, special projects, written reports and briefings.
- *London Medicine & Healthcare*, bringing together London's schools of medicine, healthcare and clinical academic institutions to meet, discuss and collaborate.
- *AccessHE*, a pan-London network enabling provision of support for young people from disadvantaged backgrounds to enter higher education; AccessHE includes the Uni Connect programme, a funded partnership programme offering advice and information on attending university.

8. Decision making protocols. The overall strategic direction of London Higher is set out in a Business Plan that is drawn up by the Executive, approved by the Board of Trustees and agreed by the company members. Each year an Operational Plan is drawn up with the same approvals. The annual Operational Plan sets out the specific initiatives for the year together with expected costs. Heads of Division are responsible for delivering these initiatives on a day-to-day basis. The SMT monitors progress, and each quarter Trustees are given a written Progress Report. In addition, any expenditure or income over £50,000, whether agreed in the Operational Plan or not, must be approved by the Board, and London Higher will seek support from the Finance Committee for any expenditure or income over £10,000.

9. Higher education institutions (HEIs). HEIs in London are our company members. Members are required to submit an application to be considered for membership. This application is reviewed against members criteria by the Membership Committee who advise the Board of Trustees on whether to accept or reject the application. In the *Members' Agreement* members devolve to the London Higher Board of Trustees the power to make decisions on their behalf in the collective interests of the group, or parts thereof. This authority is safeguarded by Advisory Groups for each of our operational divisions which comprise senior representatives from the membership group.

10. Centres membership. London Higher also recognises an additional partnership category (distinct from members) which includes higher education providers based *outside* London who have opened centres in London.

11. Related parties. The policy landscape for higher education is currently set by the Department for Education and the Department for Science, Innovation and Technology (with some input from the Department for Health and Department of Business, Energy & Industrial Strategy when relevant) and is implemented by the Office for Students (OfS), the independent regulator of HE in England. London Higher seeks to influence policy at local and national Government level and to develop and run HE collaborations that reflect national policy and that which are tailored to the London region and the unique nature of the London group of HEIs. Additionally, the Mayor of London and the Greater London Authority (GLA) have interests in higher education as it pertains to the capital. London Higher maintains links with each.

12. Risk management. London Higher maintains a Risk Register which ranks the key risks to which the organisation is exposed, their likely impact and our proposed responses to them. The Risk Register is a standing item on the Board Agenda each year and examined by the Board. The Risk Register is also a standing item at all SMT meetings. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The principal risks and uncertainties identified by the charity are as follows:

No.	Risk	Probability (1-5)	Impact (1-5)
1	Changes in government and/or to government policies	5	4
2	Economic downturn effecting HEIs	3	4
3	Member dissatisfaction: Members leave or do not make contributions Reduced services to members and /or reduced staff level Reporting a loss at year end No longer able to represent the 'London cluster'	2	4
4	London Higher is perceived as not being politically impartial or receives negative media coverage resulting in members/ stakeholders losing trust in the organisation	1	3
5	One or more of LH pillars membership (AHE, LMED, LHEG) are financially untenable and unable to contribute towards overheads of business.	2	4
6	Removal of grant funding (Uni Connect): Staff are made redundant/ leave for job security. Impact on business forward planning. Loss of contribution towards overheads/ contribution to core staff roles	4	3
7	Financial obligations outlast membership terms resulting in reduced services to members and /or reduced staff level or closure of the organisation	1	5
8	Board conflicts or biased influencing. Board members act in the interests of their own institutions rather than in the best interests of the business	3	3
9	Key leadership roles leave causing reputational damage and key knowledge lost	2	4
10	Declining membership participation/Heads of Institutions leave and their replacements do not renew the LH subscription	3	2
11	Ineffective communications strategy	2	3
12	Growing membership resulting in too much work for current LH team to manage/ or risk of diluting the essence and mission of LH	2	2
13	London Higher IT systems are compromised or become inaccessible	1	4
14	Failure to comply with H&S regulations	1	3
15	Breaches/ safeguarding issues when working with children/ children's data (under 16 - AHE division only)	4	2
16	Non-compliance with data protection laws	1	3
17	Retention of staff: loss of institutional knowledge, contacts and business continuity with fast turnover of staff.	4	2

13. Remuneration. Pay of all staff is reviewed annually and is normally increased to reflect cost of living (COL) adjustment. The education sector average COL and financial situation of the organisation are considered when making this decision. This change historically had to be authorised by the Remuneration Committee and reported to the Board of Trustees. Since 19-20 COL increases are

proposed in the budget which the Board approves, therefore the increases are considered managerial decisions and are not reported to the Remuneration Committee. The Remuneration Committee sets the remuneration package for the CEO and, in doing so, takes account of sector benchmarks and the CEO's annual performance review undertaken by the Chair of the Board. From time to time, we ask our HR consultants to perform a pay review to ensure that there are no biases in our pay in regard to age, gender and ethnicity and that the job families are remunerated in reference to the broader market for these roles.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

1. **Our vision:** At London Higher, we seek to represent the full diversity of higher education in London, and we support our members by advocating for and on behalf of London's universities and higher education colleges. It is our aim to become a well-respected 'go to' representative body for higher education in London to ensure the success of all our members.
2. **Our mission:** We help our members to address the opportunities and challenges that arise from our shared location in London. We assist and support our members to achieve their goals, whilst being a collective voice for their interests, locally and nationally. We influence and work with a wide range of stakeholders and networks as a trusted, non-partisan and professional partner.

At London Higher, we support our members by advocating for and on behalf of London's higher education sector. We act:

- as a convenor, hosting collaborative networks to identify new initiatives to solve common challenges;
- as a communicator, being a collective voice for our members and promoting London as a world-class study and research destination;
- and as a campaigner, responding to policy concerns and raising awareness of policy implications across our diverse membership.

3. **Annual reports and plans.** Every year we will provide an annual review which reflects on the goals outlined in the Business Strategy and an Operational plan detailing how we aim to achieve them that year. These documents are voted on at our AGM and uploaded to our website.
4. **Our principles.** Through the work on our Business Strategy 2023-26 we have identified four key principles that will determine our priorities over the next three years. These are based on the London HE sector being:

A local asset

- Maintain and enhance the social mobility successes of London's HEIs.
- Promote and facilitate the civic contributions of London's HEIs.

A global magnet

- Strengthen and promote 'brand London' to increase the region's global appeal to potential students, staff, researchers and investors.
- Build an attractive, diverse, inclusive and welcoming community in which to live, study, research and work.

An engine for innovation and enterprise

- Champion London's R&D successes, support innovation and promote the sector's partnership potential with business, local authorities and the third sector.

- Promote and facilitate positive outcomes for both London’s graduates and London plc., including via employability and knowledge exchange.

A source of skills and jobs

- Strengthen understanding of the potential of the London HE sector to promote growth and opportunities, particularly through partnership with schools, colleges and employers.
- Promote London’s specialist knowledge and skills, including in the health and creative sectors.

- 5. Public benefit.** Our work is informed by the need to act for the benefit of the public. In doing this we reference the Charities Commission guidance on public benefit. We engage with more than 50 HEIs. We benefit them in various ways as will be shown below, but in all cases our test is whether an action of ours will result in universities providing a richer experience for their staff and/or students in London. A ‘secondary public’ comprises a wider group of stakeholders with whom HE students and staff interact throughout their lives, from employers, parents and children to policy makers and sectoral stakeholders in both higher education and place, all of whom gain benefit from an effective and full higher education experience.
- 6. Fundraising.** London Higher has not carried out any fundraising from the general public during the year. There has been no outsourced fundraising via professional fundraisers or other third parties and as a result the organisation is not registered with the fundraising regulator and received no fundraising complaints in the year.

ACHIEVEMENTS AND PERFORMANCE

1. For over 20 years *London Higher* has been working with universities and higher education colleges in London. Our mission is to support universities in meeting the challenges and opportunities of providing diverse higher education in London. We do this by: 1) identifying what the challenges and opportunities are through our wide network offering and other channels; 2) assessing the impact, extent or volume of such challenges or opportunities on our members and the wider public, through our surveys and analysis of HE data; 3) designing appropriate measures to address the challenges or opportunities through our projects, collaborations, advocacy work; and 4) sharing this (and other) information with our members and the wider policy environment to promote our work, including through our events. This cycle of engagement-action-promotion is how we ensure that our outputs meet our goals, and our goals are appropriate and have impact. We have earned, and in the past few years strengthened, our deserved reputation for advocating and promoting London’s HEIs and supporting our members in their responses to the challenges and opportunities that have emerged.
2. **Outputs.** Our outputs are diverse, including a wide range of projects and publications, as well as campaigns and data analysis, promotional material, and more. In this section we give summaries of some of the main activities each of our divisions has undertaken during the past year, including our network activity, meetings, lobbying work and events in addition to our outputs:
 - a) **London Higher Core** aims to create an ongoing and robust evidence-base in support of HE in the capital. In particular it seeks to: understand the challenges and opportunities London Higher members and partner institutions face; conceive, develop and manage responses that address these challenges and opportunities; and promote the impact of London’s HE sector on the social, cultural and economic development of the region and beyond. During the year our outputs and achievements included:
 - Gained eight new members.

- Held 31 network meetings, with over 550 attendees
- London Higher staff took part in 35+ external speaking engagements.
- Placed 50+ comments in the media, including national papers such as the Guardian.
- Published 15+ blog posts.
- Kicked off the #WeAreInternational campaign, working with four other organisations across the sector.
- Produced 11 publications, including two major reports hitting headlines.
- Submitted four consultation responses.
- Visited a large proportion of our members on campus.
- The Global Majority Mentoring Programme entered its second year with 15 member institutions participating.
- Strengthened our relationship with the GLA and its key initiatives, with London Higher now represented on the London Partnership Board, the London Anchors Institutions' Network and the Skills for Londoners Boards, among others.
- Continued regular engagement with key Government departments, regulators and funders.

b) London Medicine & Healthcare brings together senior representatives from across London's schools of medicine, clinical academic disciplines, nursing, midwifery and the allied health professions. Through its two standing membership networks, London Medicine (for medical schools and clinical academic institutes) and the Healthcare Education Group (for nursing, midwifery and the allied health professions), London Medicine & Healthcare provides a discussion platform pertaining to the delivery of medical and healthcare education and training in London. During the year:

- LHEG sponsored the "University Educator of the Year" category in the Student Nursing Times Awards.
- LHEG funded two projects through the LHEG Project Fund this year. One on facilitating the implementation of Early Career Academics within healthcare higher education and the other on bespoke live simulated learning sessions and a filmed resource, focusing on the needs of learning disability service users, for healthcare students and clinicians.
- Launched a new Project Fund for 2023/24, which includes LMED alongside LHEG.
- Submitted evidence to The Times Health Commission detailing areas of concern and suggesting areas of collaboration.
- Held quarterly meetings for both groups and have brought the Chairs of the groups together to discuss key areas of shared interest.
- Undertook a range of social media activity to support the groups.

c) AccessHE is a key division of London Higher and the pan-London network supporting underrepresented learners to access and succeed in higher education (HE). AccessHE does this by facilitating collaborative outreach and student support work that brings together HE providers, schools, colleges and local government. It is the largest regional membership organisation of its kind in England, representing 27 HEI members. During 2022-23 we:

- Engaged approximately 1000 students through UniConnect outreach work in seven schools around London.
- Continued to deliver employability activity as a partner in the Mayor's Creative Skills Academy, benefitting over 400 students and graduates, of whom 50 have secured work or paid placements in the industry.

- Received £2.2m in funding to deliver the Metro London Skills Cluster with partners. Held 17 Forum meetings for widening participation practitioners.
- Published a Cost of Living advice guide for prospective students in London and ran a best practice workshop for staff in London HE aimed at improving the support offered to current students who are facing cost pressures.
- Submitted two consultation responses covering care experienced young people and Equality of Opportunity.

FINANCIAL REVIEW

7. Our financial goal is to expand and enhance member services by offering an effective and streamlined financial administration. Total income 2022-23 was £1,085,367, an increase of £62,730, 6.1%, compared to 2021-22 (£1,022,637). The main factors were as follows:
- Membership Income increased by £81,153 or 12% with growth in all membership networks' income apart from AccessHE.
 - Projects and Event Income increased by £45,056 or 342% due to London Higher receiving sponsorship for the Global Majority Mentoring Programme (£12,000) and the Summer Event (£6,000) and being commission to produce several specific programmes - a GLA sponsored Civic Innovation Report (£10,000) and a County Lines Report (£7,200). In addition, AccessHE received sponsorship for the Hackney Youth Project (£5,000), a GLA Sponsored Academy (£12,948) and an Action for E3 programme (£9,970).
 - Finance Income increased by £4,308 or 362% due to rising interest rates through 2022-2023.
 - Grant Income was substantially reduced from last year by £67,787 the equivalent of 21%. This was due to the OfS reducing the Uni Connect grant allocations for AccessHE.

Total expenditure 2022-23 (£1,062,078) increased by £33,438, 3%, compared to 2021-22 (£1,028,640). The main contributors the growth were higher project and direct delivery costs (including specific project costs where specific grants/sponsorship was received) offset by lower support costs and lower spending on the Uni Connect programme to match the lower level of OfS grant. Direct Costs increased by £60,997 or 7% and Support Costs decreased by £27,559 or 20%.

- London Higher Core Membership - During the year LH, invoiced 38 members for a total of £487,768 (Budget £468,179). The increase is due to 3 new members and full year contributions from the 5 members who joined or re-joined part way through 2021-22. These figures also include an inflationary increase of 3%. (The increase was ratified by the Board).
 - London Medicine and Healthcare Membership Income – During the year, the division invoiced 27 members for a total of £96,500. An increase of 15% against the budget (£84,250) with three new members during the year. Under the umbrella of London Medicine and Healthcare also sits the Mental Health project which will be reconfigured in 2023-24.
 - AccessHE invoiced 24 members for a total of £121,102. (Budget £129,568).
 - Uni Connect is grant funded by OfS and managed via Middlesex University in 2022-23. At 31 July 2023, the division had total funds of £14,467 to carry forward into FY 2023-24. Any excess funds from the 2022-23 grant will be returned to Middlesex University in 2023-24.
8. **Reserves Policy.** Total funds as 31 July 2023 are £756,844 (2021-22: £733,555). Of the total funds, £25,675 (2021-22: £27,176) were represented by restricted funds and £731,169 (2021-22: £706,379) by unrestricted funds. Free Reserves (i.e. unrestricted funds excluding fixed assets and amounts designated) stood at £726,291 (2021-22: £697,489) at 31 July 2023.

The London Higher reserves policy is to hold unrestricted funds to cover between three to six months expenditure, to cover staff costs, overheads and a scaled down level of administration and project expenditure. This applies to all divisions. The current level of Free Reserves of £726.291 meets the criteria.

The Net Book Value of Fixed assets was £4,877 and London Higher has no other Designated Reserves as of 31 July 2023.

PLANS FOR 2023-24

9. **Financial Plan.** For the 2023-24 financial year we are forecasting income of £1,178,780 and expenses of £1,165,234 producing a budgeted surplus of £13,546 or 1% of income. The budget was presented to the Finance Committee of the Board in June 2023 and approved by the Board in July 2023.
10. **Strategies for the year.**
- a. **Openly and proactively championing ‘Brand London’.** Representing London higher education institutions with a continued strong regional voice, influence and presence. This will include continuing work on the Levelling Up agenda to ensure the wider diversity of London is fully understood as well as the role London plays in supporting growth and development, not just in the capital but across the country.
 - b. **Boosting our links with the London business community and support key sectors.** We recognise the increasing importance of closer links with business representatives. We see this engagement as being important from many perspectives. This includes helping members to attract the best talent, domestic and international.
 - c. **Raising awareness of the role of universities and higher education institutions in innovation clusters and knowledge exchange.** We believe there is a need to increase understanding and appreciation of the contribution of London’s higher education sector to research and the numerous clusters and spin-offs which support innovation and growth.
 - d. **Engaging with the political landscape.** We want to play our full, vocal part in supporting members in what is a constantly changing higher education landscape. This means that we will continue to represent members at relevant events and boards.
 - e. **Building on our members' successes.** We want to help our members to continue to attract the best talent, domestic and international. We want to support the many London students who choose to stay in London to go into higher education and then who stay on in the capital to live and work. That is why we commit to continually finding innovative ways to showcase our sector’s achievements and highlight its contribution to all sectors of our economy and society, including by prioritising external engagements (keynotes and panel appearances) at relevant regional and national events.
 - f. **Being responsive to need.** The higher education sector is in a period of change, and we will continue to be nimble, to ensure we can respond to consultations and issues quickly and as the need arises.
 - g. **Prioritising internally.** The key to our success is in our people. We recognise the need to increase our income so that we can invest in recruitment and retention, upskilling the team, and providing better facilities and resources for the team. To achieve our priorities, we will continue to work on cross-divisional information-sharing and communications.
 - h. **Listening to our members and working with them in the areas that matter to them.** From our recent survey we know there are certain key areas which are particularly important to our members. We will ensure we are tackling these issues by continuing to convene members on areas of interest, including through our core networks. We will continue to visit members and seek feedback, including from new and returning members.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

1. The Trustees (who are also Directors of London Higher for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)
2. Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company 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;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.
3. The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
4. In so far as the Trustees are aware:
 - there is no relevant audit information of which the charity's auditor is unaware;
 - the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information; and
 - in all material respects income from grants and income for specific purposes and from other restricted funds administered by London Higher have been applied only for the purposes for which they were received.

APPROVAL

Declaration. Trustees have prepared this report in accordance with the Special Provisions of Part 15 of the Companies Act 2006. In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by Section 415A, the Companies Act 2006.

5. **Resolution.** Approved by the London Higher Board of Trustees on 24 January 2024 and signed on its behalf by:



.....
Professor Amanda Broderick
Chair, London Higher

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER

Opinion

We have audited the financial statements of London Higher for the year ended 31 July 2023 which comprise Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charity Law, GDPR and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We

also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006, Charities Act 2011 and the Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual journal postings, recognition of membership income and grant income. Audit procedures performed by the engagement team included:

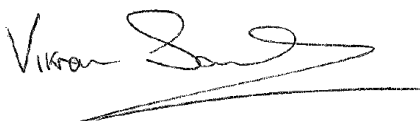
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journal transactions which may pose a heightened risk of misstatement whether due to fraud and error, in particular those posted with unusual descriptions, postings by unusual users or posted at unusual or specific points in time.
- Challenging assumptions and judgements made by management in their critical accounting estimates such as pension liability and general accruals.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Vikram Sandhu
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 19th February 2024

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating and Income and Expenditure Account)

FOR THE YEAR ENDED 31 JULY 2023

Company number 5731255

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income from:					
Charitable activities					
<i>Membership income</i>	3	757,299	-	757,299	676,146
<i>Grants</i>	3	-	258,498	258,498	326,285
<i>Other</i>	3	63,618	-	63,618	18,562
Investment income	3	5,952	-	5,952	1,644
Total income		<u>826,869</u>	<u>258,498</u>	<u>1,085,367</u>	<u>1,022,637</u>
Expenditure on:					
Charitable activities	4	802,079	259,999	1,062,078	1,028,640
Total expenditure		<u>802,079</u>	<u>259,999</u>	<u>1,062,078</u>	<u>1,028,640</u>
Net income/(expenditure)	2	24,790	(1,501)	23,289	(6,003)
Net movement in funds		<u>24,790</u>	<u>(1,501)</u>	<u>23,289</u>	<u>(6,003)</u>
Reconciliation of funds					
Total funds brought forward		<u>706,379</u>	<u>27,176</u>	<u>733,555</u>	<u>739,558</u>
Transfer between funds		-	-	-	-
Total Funds carried forward		<u><u>731,169</u></u>	<u><u>25,675</u></u>	<u><u>756,844</u></u>	<u><u>733,555</u></u>

All amounts derive from continuing activities. There are no other gains or losses other than those shown above. The comparative Statement of Financial Activities is on note 15.

The notes on pages 19 to 31 form part of the accounts.

	Note	2023 £	2022 £
FIXED ASSETS	7	<u>4,877</u>	<u>8,890</u>
CURRENT ASSETS			
Debtors	8	41,849	37,817
Cash at bank and in hand		<u>766,055</u>	<u>846,473</u>
		807,904	884,290
CREDITORS: amounts falling due within one year	9	<u>(55,937)</u>	<u>(159,625)</u>
NET CURRENT ASSETS		<u>751,967</u>	<u>724,665</u>
NET ASSETS		<u><u>756,844</u></u>	<u><u>733,555</u></u>
FUNDS			
Unrestricted funds			
General funds	10	726,291	697,489
Designated funds	10	4,878	8,890
Restricted funds	10	<u>25,675</u>	<u>27,176</u>
		<u>756,844</u>	<u>733,555</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 24 January 2024 and were signed on their behalf by:



.....
Professor Amanda Broderick
Chair, London Higher

	2023	2022
	£	£
Cash flows from operating activities:		
Net income for the reporting period (per the statement of financial activities)	23,289	(6,003)
Adjustments for:		
Depreciation charges	4,846	3,307
Interest received	(5,952)	(1,644)
Decrease/(increase) in debtors	(4,032)	27,053
(Decrease)/increase in creditors	(103,687)	43,360
	<u> </u>	<u> </u>
Net cash provided by/(used in) operating activities	(85,535)	66,073
	<u> </u>	<u> </u>
Cash flows from investing activities		
Investment income	5,952	1,644
	<u> </u>	<u> </u>
Net cash provided by investing activities	5,952	1,644
	<u> </u>	<u> </u>
Cash flows from capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(835)	(9,870)
	<u> </u>	<u> </u>
Net cash used in financing activities	(835)	(9,870)
	<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period	(80,418)	57,847
Cash and cash equivalents at the beginning of the reporting period	846,473	788,626
	<u> </u>	<u> </u>
Cash and cash equivalents at the end of the reporting period	766,055	846,473
	<u> </u>	<u> </u>

Reconciliation of net debt	2022	Cashflow	2023
	At the start of the year		At the end of the year
	£	£	£
Cash in hand	846,473	(80,418)	766,055
	<u> </u>	<u> </u>	<u> </u>
Total cash and cash equivalents	846,473	(80,418)	766,055
	<u> </u>	<u> </u>	<u> </u>

The notes on pages 21 to 33 form part of the accounts.

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) - effective 1 January 2019.

The organisation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Legal status

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 5731255) and a charity registered in England and Wales (charity number: 1105500). The charity meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The functional currency of the charitable company is considered to be GBP because that is the currency of the primary economic environment in which it operates.

Preparation of accounts on a going concern basis

During 22-23 London Higher engaged with eight extra members strengthening the membership income position further. In addition, three more members have also joined during the first part of 23-24 and further potential members are in conversation with London Higher. Nonetheless the cost-of-living crisis is a strong reality and the company is taking the issue very seriously. In 2023 we launched a new three-year business strategy which was developed in consultation with our members and is line with the members' objectives, as well as the sector as a whole. The company has seen its profile rise and received praise and positive feedback from across the membership and sector. This positive feedback has given London Higher more confidence about the future.

Costs are kept under constant review to check they are value for money. OfS grant is coming to an end in July 2024 and the decision to continue will only be taken in late March 2024. Considering all these factors, and having completed a cash flow analysis for the next 18 months which considers different scenarios, the Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The ability to manage the company assets, the reserves levels and future plans gives Trustees confidence the charity remains a going concern for the foreseeable future.

Critical accounting judgements and key sources of estimation uncertainty

In the application of these accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

1. ACCOUNTING POLICIES (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods. The Trustees consider the following items to be areas subject to estimation and judgement:

Pensions: FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense is recognised in profit or loss. The directors are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme.

The USS pension scheme is in a deficit position and a proportion of the contributions London Higher is paying to the scheme is relation to funding the deficit. FRS 102 requires that you must recognise a liability for the fair value of any contributions payable that arise from an agreed deficit repayment plan between employer and a pension scheme. Whilst the scheme documentation does provide a stated % figure of the ongoing contributions which can be attributed to deficit repayment, the payment amount is based on future salaries rather than a specified fixed repayment plan. On this basis, the deficit contributions are not reliably measurable and as such no liability has been recognised.

Income

All income is recognised once the charity has entitlement to income, it is probable that income will be received, and the amount of income receivable can be measured reliably.

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Investment income relates to interest on from bank balances and is accounted for on an accrual basis.

Deferred income represents amounts receivable for future years where conditions are attached which must be fulfilled before unconditional entitlement, or grants which can only be spent in future years. The deferred income is released when entitlement to the income is confirmed.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

1. ACCOUNTING POLICIES (continued)

Expenditure
 London Higher
 London Medicine & Healthcare
 AccessHE
 Uni Connect
 Mental Health

Membership and charitable activity costs include expenditure, which is directly attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Support costs are those functions that assist the work of the charity but do not undertake charitable activities. Support costs include office running costs, finance function, personnel, payroll and governance costs which support the charity's activities.

Governance costs are costs incurred in connection with the strategic management of the charity and in compliance with constitutional and statutory requirements. These costs have been allocated to charitable activities. The basis on which support costs have been allocated across the categories on the basis of the proportion of time spent by staff on those activities.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets on a straight-line basis to write off the cost, less estimated residual value, over their expected useful lives as follows:

IT equipment	3 years
Fixtures and fittings	3 years
Furniture	3 years

The charity's capitalisation policy is for any items over £500.

Operating leases

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Pension scheme

The Charity participates in the Universities Superannuation Scheme (the scheme). Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

Employee benefits

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

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

1. ACCOUNTING POLICIES (continued)

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, staff loans, other debtors, prepayments and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash and cash equivalents are defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost, fees in advance, trade creditors and other creditors and amounts owed to group undertakings.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash held within bank accounts.

Creditors and provisions

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

Funds

Funds held by the charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Unrestricted designated funds – these are funds which the Trustees have set aside for specific purposes, and can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds that can only be used for purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

2. NET INCOME/(EXPENDITURE)	2023	2022
	£	£
This is stated after charging:		
Auditors' remuneration (excluding VAT)		
- current year	12,167	11,000
Depreciation	4,846	3,307
Operating lease rentals	50,400	54,629
	<u> </u>	<u> </u>
3. INCOME	2023	2022
	£	£
Membership Contributions		
London Higher Members	487,768	429,821
London Medicine	96,500	84,250
London Partners	51,929	39,992
AccessHE	121,102	122,083
	<u> </u>	<u> </u>
	757,299	676,146
Grants		
Ofs	258,631	346,536
Underspend	(133)	(20,251)
	<u> </u>	<u> </u>
	258,498	326,285
Other		
Project & event income	63,618	18,562
	<u> </u>	<u> </u>
	63,618	18,562
	<u> </u>	<u> </u>
Total charitable income	1,079,415	1,020,993
	<u> </u>	<u> </u>
Investment Income	5,952	1,644
	<u> </u>	<u> </u>
	5,952	1,644
	<u> </u>	<u> </u>
Total income	1,085,367	1,022,637
	<u> </u>	<u> </u>

4. ANALYSIS CHARITABLE EXPENDITURE	Direct	Support	Total	Direct	Support	Total
	Costs £	Costs £	2023 £	Costs £	Costs £	2022 £
London Higher	507,723	50,732	558,455	397,102	75,124	472,226
London Medicine & Healthcare	82,197	11,000	93,197	67,820	11,000	78,820
AccessHE	119,427	31,000	150,427	99,787	29,167	128,954
Uni Connect	229,162	15,000	244,162	327,403	20,000	347,403
Mental Health	15,837	-	15,837	1,237	-	1,237
	<u>954,346</u>	<u>107,732</u>	<u>1,062,078</u>	<u>893,349</u>	<u>135,291</u>	<u>1,028,640</u>
		2023 £			2022 £	
Support costs						
Occupancy Cost		54,072			80,072	
Administration Cost		14,092			18,463	
Human Resource Cost		12,330			15,205	
Depreciation		4,847			3,307	
Communication Cost		-			-	
Governance (Note 5)		20,151			13,213	
Strategy		1,140			3,450	
Development						
Banking Charges		1,100			1,581	
		<u>107,732</u>			<u>135,291</u>	

5. GOVERNANCE COSTS	2023	2022
	£	£
Audit fee (including VAT)	14,600	13,200
Accountancy fee	5,400	-
Trustees meetings	138	-
Company house filing	13	13
	<u>20,151</u>	<u>13,213</u>
	<u><u>20,151</u></u>	<u><u>13,213</u></u>
6. ANALYSIS OF STAFF COSTS	2023	2022
	£	£
Wages and Salaries	620,054	598,225
Social security costs	53,671	50,018
Pension costs	102,348	98,185
Recruitment expenses	1,685	7,604
	<u>777,758</u>	<u>754,032</u>
	<u><u>777,758</u></u>	<u><u>754,032</u></u>

Included within Wages and Salaries are redundancy, settlement, termination payments made in the year of £3,997 (2022: £18,000).

The average number (headcount) of employees was:

	2023	2022
	Number	Number
London Higher	9	8
London Medicine & Healthcare	-	1
AccessHE	2	2
Mental Health	-	-
Uni Connect	4	5
	<u>15</u>	<u>16</u>
	<u><u>15</u></u>	<u><u>16</u></u>

During the year there was one employee (2022: three) who received emoluments exceeding £60,000 and to whom retirement benefits are accruing under a defined benefits scheme.

The remuneration falls into the following brackets:

	2023	2022
	Number	Number
£90,000 - £100,000	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

Pension contributions payable by the Charity for the higher earners in the year were £20,141 (2022: £17,776).

No trustee received remuneration or reimbursement for expenses during the year (2022: Nil).

The key management personnel are defined as the CEO, COO, Head of AccessHE, Head of Policy and Director of Strategy of which the total employee benefits in aggregate for the year were £280,421 (2022: £239,270).

7. TANGIBLE FIXED ASSETS	IT Equipment £	Fixtures & Fittings £	Furniture £	Total £
Cost				
At 31 July 2022	33,030	30,510	16,030	79,570
Additions	834	-	-	834
Disposals	(15,266)	(29,735)	(13,995)	(58,996)
	<u>18,598</u>	<u>775</u>	<u>2,035</u>	<u>21,408</u>
Depreciation				
At 31 July 2022	24,250	30,510	15,921	70,681
Charge for the year	4,737	-	109	4,846
Elim on disposal	(15,266)	(29,735)	(13,995)	(58,996)
	<u>13,721</u>	<u>775</u>	<u>2,035</u>	<u>16,531</u>
Net Book Value				
At 31 July 2022	<u>8,780</u>	<u>-</u>	<u>110</u>	<u>8,890</u>
At 31 July 2023	<u>4,877</u>	<u>-</u>	<u>-</u>	<u>4,877</u>

8. DEBTORS	2023 £	2022 £
Trade debtors	9,040	11,025
Other debtors	-	-
Prepayments and accrued income	32,809	26,792
	<u>41,849</u>	<u>37,817</u>

9. CREDITORS: amounts falling due within one year	2023 £	2022 £
Trade creditors	28,134	38,072
Accruals	20,000	65,991
Deferred income (see below)	6,910	54,857
Other creditors	893	705
	<u>55,937</u>	<u>159,625</u>

Deferred income	2023 £	2022 £
Balance at start of the year	54,857	32,458
Amounts released to income	(54,857)	(32,458)
Amounts deferred in the year	6,910	54,857
	<u>6,910</u>	<u>54,857</u>
Balance at the end of the year	<u><u>6,910</u></u>	<u><u>54,857</u></u>

Deferred income relates to grants and membership income, invoiced/received in the year but which relates to the next financial year.

10. STATEMENT OF FUNDS

	Brought forward at 01/08/2022	Income	Expenditure	Transfers	Carried forward at 31/07/2023
	£	£	£	£	£
Restricted funds					
Curate	-	-	-	-	-
Mental Health	27,045	-	(15,837)	-	11,208
Uni Connect	131	258,498	(244,162)	-	14,467
	<u>27,176</u>	<u>258,498</u>	<u>(259,999)</u>	<u>-</u>	<u>25,675</u>
Total Restricted funds	<u>27,176</u>	<u>258,498</u>	<u>(259,999)</u>	<u>-</u>	<u>25,675</u>
Unrestricted funds					
<i>General funds</i>					
London Higher	447,560	581,349	(558,455)	4,012	474,466
London Medicine & Healthcare	144,946	96,500	(93,197)	-	148,249
AccessHE	104,983	149,020	(150,427)	-	103,576
<i>Designated funds</i>					
Fixed asset fund	8,890	-	-	(4,012)	4,878
EAIE fund	-	-	-	-	-
IT fund	-	-	-	-	-
	<u>706,379</u>	<u>826,869</u>	<u>(802,079)</u>	<u>-</u>	<u>731,169</u>
Total Unrestricted funds	<u>706,379</u>	<u>826,869</u>	<u>(802,079)</u>	<u>-</u>	<u>731,169</u>
Total funds	<u><u>733,555</u></u>	<u><u>1,085,367</u></u>	<u><u>(1,062,078)</u></u>	<u><u>-</u></u>	<u><u>756,844</u></u>

10. STATEMENT OF FUNDS (continued)

PRIOR YEAR	Brought forward at 01/08/2021 £	Income £	Expenditure £	Transfers £	Carried forward at 31/07/2022 £
Restricted funds					
Curate	(127)	-	-	127	-
Mental Health	28,282	-	(1,237)	-	27,045
Uni Connect	20,249	327,285	(347,403)	-	131
Total Restricted funds	48,404	327,285	(348,640)	127	27,176
Unrestricted funds					
<i>General funds</i>					
London Higher	428,544	479,507	(472,226)	11,735	447,560
London Medicine & Healthcare	139,516	84,250	(78,820)	-	144,946
AccessHE	102,342	131,595	(128,954)	-	104,983
<i>Designated funds</i>					
Fixed asset fund	2,326	-	-	6,564	8,890
EAIE fund	926	-	-	(926)	-
IT fund	17,500	-	-	(17,500)	-
Total Unrestricted funds	691,154	695,352	(680,000)	(127)	706,379
Total funds	739,558	1,022,637	(1,028,640)	-	733,555

- *London Medicine and Healthcare* is tasked with monitoring the healthcare policy environment as it applies to the membership of the Group, and identify opportunities to promote the regional, national and international contributions made by London's Medical Schools and Schools of Healthcare.
- *AccessHE* is a pan-London organisation enabling the provision of support for young people from disadvantages backgrounds to enter Higher Education. AccessHE facilitates collaboration and activities that aim to increase social mobility in the capital.
- *Uni Connect*, AccessHE is a key delivery partner in the OfS - outreach programme in London created to help realise the Government's goal of increasing participation in Higher Education from lower participating neighbourhoods. The initiative engages with schools / colleges in 13 wards across London, all of which exhibit low participation neighbourhood characteristics.
- Mental Health is tasked with supporting an online Mental Health support hub for students and support staff. A review of the division and its resource needs in the future is taking place and should be completed by December 2023.
- Fixed asset funds represents the net book value of fixed assets held by the charity.

10. STATEMENT OF FUNDS (continued)

- *IT fund* - The IT fund was designed to replace the aging IT system. As we moved office and introduced flexible working from home, all the staff now have new laptops. The leftover of £17,500 has been moved to general reserves.
- *EAIE fund* – A one-off subscription by members of LH International to fund an exhibition stand and promotional literature with London & Partners at the EAIE international study conference in Helsinki in September 2019. The stand was used to promote London as a world class destination for HE study. The Finance Committee gave permission to move the unspent funds (£926) to general reserves.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2023 Restricted Funds £	2023 Unrestricted Funds £	2023 Total Funds £
Fixed assets	-	4,878	4,878
Current assets	39,331	768,571	807,902
Current liabilities	(13,656)	(42,280)	(55,936)
Transfer between funds	-	-	-
Total funds	<u>25,675</u>	<u>731,169</u>	<u>756,844</u>

PRIOR YEAR	2022 Restricted Funds £	2022 Unrestricted Funds £	2022 Total Funds £
Fixed assets	-	8,890	8,890
Current assets	54,476	829,814	884,290
Current liabilities	(27,428)	(132,197)	(159,625)
Transfer between funds	127	(127)	-
Total funds	<u>27,175</u>	<u>706,380</u>	<u>733,555</u>

12. OPERATING LEASE COMMITMENTS

At 31 July 2023 the charitable company had the total future minimum lease payments under operating leases (breaking clause 01 Feb 2024) as follows:

	2023	2022
	£	£
Amounts due in:		
Within one year	50,400	50,400
Between two and five	116,265	166,665
	<u> </u>	<u> </u>
Total operating lease commitments	166,665	217,065
	<u> </u>	<u> </u>

The charge made to the Statement of Financial Activities in 2023 was £50,400 (2022: £54,629).

13. PENSION SCHEME

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

The information provided is based on the last formal completed actuarial valuation of Universities Superannuation Scheme (the scheme) which was as at 31 March 2020 and completed in October 2021. The actuary's report on the 2020 valuation is published in full on the USS website.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

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

2020 Valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females.

13. PENSION SCHEME (continued)

The current life expectancies on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	23.9	23.9
Females currently aged 65 (years)	25.5	25.5
Males currently aged 45 (years)	25.9	25.9
Females currently aged 45 (years)	27.3	27.3

14. Related Party

There were no related party transactions (2022: none) during the year.

15. Comparative Statement of Financial Activities

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Income from				
Charitable activities				
<i>Membership income</i>	3	676,146	-	676,146
<i>Grants</i>	3	-	326,285	326,285
<i>Other</i>	3	17,562	1,000	18,562
Investment income	3	1,644	-	1,644
Total income		<u>695,352</u>	<u>327,285</u>	<u>1,022,637</u>
Expenditure on				
Charitable activities	4	680,000	348,640	1,028,640
Total expenditure		<u>680,000</u>	<u>348,640</u>	<u>1,028,640</u>
Net income/Expenditure	2	15,352	(21,355)	(6,003)
Net movement in funds		<u>15,352</u>	<u>(21,355)</u>	<u>(6,003)</u>
Reconciliation of funds				
Total funds brought forward		691,154	48,404	739,558
Transfer between funds		(127)	127	-
Total Funds carried forward		<u><u>706,379</u></u>	<u><u>27,176</u></u>	<u><u>733,555</u></u>

LONDON HIGHER

England & Wales - Charity number 1114873

Accounts



(A company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

Charity Number: 1114873
Company Number: 5731255

LONDON HIGHER

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

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LONDON HIGHER

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 JULY 2022

Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	Royal Bank of Scotland Group (Education Sector) Commercial Banking 3 rd Floor, Cavell House 21 Charing Cross Road London WC2H ONN
Registered office	London Higher Woburn House 20-24 Tavistock Square London WC1H 9HQ
Company Registration Number	5731255
Charity Registration Number	1114873
Company Secretary	Emmanuela Forte

LONDON HIGHER SENIOR MANAGEMENT TEAM

Diana Beech	Chief Executive Officer
Jenny Wetherill	Chief Operating Officer
Richard Boffey	Head of AccessHE
Chloe Bukata	Head of Communications and External Affairs
Emmanuela Forte	Head of Finance

BOARD OF TRUSTEES

- Professor Nic Beech, **Vice Chancellor**
Middlesex University
- Dr Peter Bonfield, **Vice-Chancellor** (*Elected Vice-Chair*)
University of Westminster
- Professor Amanda Broderick, **Vice-Chancellor** (*Elected Chair*)
University of East London
- Andy Cook, **Vice Chancellor**
Ravensbourne University London (*joined 01 August 2021*)
- Professor Frances Corner, OBE, **Warden**
Goldsmiths, University of London
- Professor Lynn Dobbs, **Vice-Chancellor**
London Metropolitan University
- Professor David Latchman CBE, **Master**
Birkbeck, University of London

CO-OPTED TRUSTEES

- Professor Anthony Bowne, **Principal**
Trinity Laban Conservatoire of Music and Dance
- Professor Jenny Higham, **Vice-Chancellor**
St George's, University of London
- Professor Wendy Thomson, **Vice-Chancellor**
University of London

OBSERVERS

- Mark Hilton, **Policy Delivery Director, Membership**
BusinessLDN

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 July 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

1. **Corporate Status.** London Higher is a company limited by guarantee with charitable status. It began as an unincorporated member association in 1999. It was incorporated on 6 March 2006 and registered as a charity in England and Wales on 26 June 2006. The charitable activities of the company were transferred from the University of London on 1 April 2009.
2. **Governing Document.** The company was established under *Memorandum and Articles of Association* dated 6 March 2006 which establish the objects and powers of the charitable company. In addition, it operates under a *Members' Agreement* with each member that sets out the nature of the relationship between the company and each member.
3. **Trustees.** Trustees are elected by the members, save a number that are co-opted with regard to specific interests. At date of accounts London Higher has three co-opted Trustees. In addition, London Higher Trustees invite observers from a limited number of key stakeholder organisations. London Higher has one observer at this time.
4. **Trustee Induction & Training.** Member Trustees are familiar with the practical elements of the company as higher education institutions (HEIs) have charitable status as providers of education. Each new Trustee is directed to guidance by the Charity Commission and all relevant Governance documents relating to the company. New Trustees are given a briefing on London Higher.
5. **Sub committees.** London Higher has a Finance Committee and a Remuneration Committee. The Finance Committee reviews the financial activity of the organisation by: monitoring London Higher's performance against budget; advising, supporting and being a resource for the Head of Finance in overseeing the company's finances; ensuring that the financial elements of the organisation are in accordance with its vision, mission, and strategic plan; advising the board on the financial condition of the organisation; and reviewing the company's Financial Regulations. The function of the Remuneration Committee is to: determine and agree with the London Higher Board the broad policy for the remuneration of London Higher staff; have delegated authority to set individual remuneration arrangements for the CEO; and recommend, monitor and note the level and structure of remuneration for London Higher staff.
6. **Structure of the Executive.** The Executive is divided into three business divisions. These are listed below together with their primary functions. Each division : a) is a separate cost centre; b) is overseen by an Advisory Group of members; and c) has its own Head of Division/ member of Senior Management Team (SMT) with strategic oversight who reports directly to the Chief Executive. In addition, the Chief Executive, Chief Operating Officer and Heads of Division meet as a SMT every quarter.
7. **Business Divisions of London Higher:**
 - *London Higher Core*, making the case for HE through our suite of Networks, Special Projects, Executive, Administration and Human Resources
 - *London Medicine & Healthcare*, bringing together London's schools of medicine, dentistry, healthcare and clinical academic institutions to meet, discuss and collaborate;

- *AccessHE*, Pan-London organisation enabling provision of support for young people from disadvantaged backgrounds to enter Higher Education; AccessHE includes the London National Collaborative Outreach Programme (UniConnect).
8. **Decision Making Protocols.** The overall strategic direction of London Higher is set out in a Business Plan that is drawn up by the Executive, approved by the Board of Trustees and agreed by the company members. Each year an Operational Plan is drawn up with the same approvals. The annual Operational Plan sets out the specific initiatives for the year together with expected costs. Heads of Division are responsible for delivering these initiatives on a day-to-day basis. The SMT monitors progress, and each quarter Trustees are given a written Progress Report. In addition, any expenditure or income over £50,000, whether agreed in the Operational Plan or not, must be approved by the Board, and London Higher will seek support from the Finance Committee for any expenditure or income over £10,000.
 9. **Higher Education Institutions (HEIs).** Publicly funded HEIs in London are our company members. In the *Members' Agreement* they devolve to the London Higher Board of Trustees the power to make decisions on their behalf in the collective interests of the group, or parts thereof. This authority is safeguarded by Advisory Groups for each of our operational divisions which comprise senior representatives from the membership group.
 10. **Higher Education Partners.** In response to Government policies aimed at reducing the distinction between publicly funded and other forms of higher education, in 2011 London Higher began to work with other, quality assured providers of higher education in London. We now recognise two additional partnership categories (as distinct from members): publicly funded higher education providers based *outside* London who have opened centres in London; and independent and alternative providers (including private providers and not-for-profit providers).
 11. **Related Parties.** The policy landscape for higher education is currently set by the Department for Education and the Department of Business, Energy & Industrial Strategy (with some input from the Department for Health when relevant) and is now being implemented by the Office for Students (OfS), the independent regulator of HE in England. London Higher seeks to influence policy at the local and Government level and to develop and run HE collaborations that reflect national policy and that are tailored to the London region and the unique nature of the London group of HEIs. Additionally, the Mayor of London and the Greater London Authority (GLA) have interests in higher education as it pertains to the capital. London Higher maintains links with each. Following the pandemic, and the move towards local and national recovery, we have worked closely with the Mayor of London's London Recovery Board, with the CEO appointed to represent Higher Education across the Capital.
 12. **Risk Management.** London Higher maintains a Risk Register which ranks the key risks to which the organisation is exposed, their likely impact and our proposed responses to them. The Risk Register is a standing item on the Board Agenda each year and examined by the Board. The Risk Register is also a standing item at all SMT meetings. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The principal risks and uncertainties identified by the charity are as follows:

No.	Risk	Consequence	Mitigation	Probability/ impact
Financial Risks				
1	Members leave or do not make contributions	<ul style="list-style-type: none"> - Reduced services to members and /or reduced staff level - Reporting a loss at year end - No longer able to represent the 'London cluster' 	<ul style="list-style-type: none"> - CEO/Chair/ LH Team have regular engagement with all members to inform them of benefits, update them on activity and to receive feedback. - Engage members via an account management approach so LH is not relying on one team member to keep relationships with members. - Hold regular network and all member engagement meetings. - All members offered the opportunity to feedback and approve the LH Business Strategy and Operational Plan. - Two pronged approach to members who give notice, this includes a 12-month notification clause in Mem & Arts to reengage them and recruiting board members / mutual contacts to persuade otherwise. - Aim to streamline processes so all members for all divisions pay subscriptions in August and ensure that are notices periods on all contracts. - Demonstrate value for money and highlight past achievements and outputs. - When required produce a conservative budget to reflect decrease in membership income. 	Probability: 2/5 Impact: 4/5
2	Reliance or dependence on grant funding (Uni Connect)	<ul style="list-style-type: none"> - Staff are made redundant/ leave to job security - Impact on business forward planning. - Loss of contribution towards overheads/ contribution to core staff roles 	<ul style="list-style-type: none"> - Look for alternative, longer-term, sources for funding where possible. - Reduce overall reliance on project funds for payroll for those staff members not directly working on the project. - Careful contract management. Maintain good working relationship with funders including fostering a culture of early disclosure concerning problems. - Prepare early for loss of project funding. Including communicating to staff and preparing options for redirecting resources. - Manage supplier contracts to achieve flexibility. - Keep a close eye on unrestricted reserves. - Prepare a conservative budget. 	Probability: 4/5 Impact: 3/5

3	LH division becomes untenable financially.	<ul style="list-style-type: none"> - The overheads would be shared out amongst fewer divisions - Loss of prestige 	<ul style="list-style-type: none"> - Regular financial reporting by Head of Finance and monthly management accounts reports. - Regular project updates by head of relevant department & Executive. - More collaborative cross divisional working established and encouraged. - Provide excellent quality internal services to hosted divisions at fair cost. 	<p>Probability: 3/5</p> <p>Impact: 3/5</p>
4	Financial obligations out last membership terms.	<ul style="list-style-type: none"> - Reduced services to members and /or reduced staff level or closure of the organisation 	<ul style="list-style-type: none"> - Secured an affordable smaller office with shorter lease terms than previously held. - Streamline contracts (IT, cleaning, HR, etc.) with short or no contract lengths. - Robust financial procedures so no financial commitments are made without review and sign off from the SMT and when required LH Board. - Ensure company reserves remain at sufficient level to wind down the company if required. - 12-month notification clause in Mem & Arts. 	<p>Probability: 1/5</p> <p>Impact: 4/5</p>
Reputational/ Other				
5	London Higher IT systems are compromised or become inaccessible	<ul style="list-style-type: none"> - Damage to the reputation of the organisation to be trusted with data - Loss of organisational knowledge & membership contacts/ information 	<ul style="list-style-type: none"> - Use Office 365 (cloud), which can be accessed anywhere and has multiple back-up sites. - Test backup and retrieval systems periodically. - SAGE finance software is backed up to the cloud. - Implement and maintain two anti-virus software programmes on all computers as advised by our IT consultants. - Have IT and data protection policies which staff are reminded of periodically. - All staff complete GDPR training periodically. 	<p>Probability: 1/5</p> <p>Impact: 3/5</p>
6	London Higher is perceived as not being politically impartial	<ul style="list-style-type: none"> - Members/ stakeholders lose trust in the organisation 	<ul style="list-style-type: none"> - CEO to seek approval from the LH Board on contentious issues. - Well rounded representation at events and networks. - Executive leadership to monitor minor actions to ensure they are broadly non-partisan. - Comms teams check the quality of materials published on-line 	<p>Probability: 1/5</p> <p>Impact: 4/5</p>
7	Retention of staff	<ul style="list-style-type: none"> - Loss of information and contacts 	<ul style="list-style-type: none"> - Culture and articulation of the benefits and leave – emphasise our values. - Review salary banding regularly - Remove our dependency on any one team member and continue to build the pipeline of LH staff to ensure work can be covered when staff leave. 	<p>Probability: 4/5</p> <p>Impact: 2/5</p>

13. Remuneration. Pay of all staff is reviewed annually and is normally increased to reflect cost of living (COL) adjustment. The education sector average COL and financial situation of the organisation are considered when making this decision. This changes historically had to be authorised by the Remuneration Committee and reported to the Board of Trustees. Since 19-20 COL increases are proposed in the budget which the Board approves, therefore the increases are considered managerial decisions and are not reported to the Remuneration Committee. The Remuneration Committee sets the remuneration package for the CEO and, in doing so, takes account of sector benchmarks and the CEO's annual performance review undertaken by the Chair of the Board. From time to time, we ask our HR consultants to perform a pay review to ensure that there are no biases in our pay in regard to age, gender and ethnicity and that the job families are remunerated in reference to the broader market for these roles.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

- 14. Our core mission** is to help enable our members, their staff and their students to thrive.
- We help our members to address the opportunities and challenges that arise from our shared location in London.
 - We assist and support our members to achieve their goals, whilst being a collective voice.
 - We influence and work with a wide range of stakeholders and networks as a trusted, non-partisan and professional partner.
- 15. Our Vision:** We support our members by advocating for and on behalf of London HE. It is our aim to become a well-respected “go to” representative body for higher education in London to ensure the success of all our members. We therefore act in ways that reflect our six core purposes as:
- a) A convenor: Hosting powerful and highly influential networks and events and providing opportunities for collaborative initiatives.
 - b) A communicator: Providing a collective influential voice for our members and promoting London as the destination of choice for students and staff.
 - c) A campaigner: Expertly responding to policy concerns through advocacy campaigns, raising awareness for members and creating new opportunities for partnership.
 - d) A champion: Promoting London's contribution to local, national and global economies, and endorsing London as a pre-eminent world city for all students, staff, research and enterprise.
 - e) A collaborator: Working across member institutions, through our wide-ranging networks, to take key issues and solutions to the heart of local and national government.
 - f) A co-creator: Working with members to create policies and positions that reflect the “London voice” and have as their aim a strong and healthy London higher education sector.
- 16. Annual Reports and Plans.** Every year we will provide an annual review which reflects on the goals outlined in the Business Strategy and an Operational Plan detailing how we aim to achieve them that year. These documents are voted on at our AGM and uploaded to our website.
- 17. Our Priorities** include the following:
- a) **Bringing our members together to discuss pertinent issues.** We continue to convene our twenty networks across London Higher, AccessHE and London Medicine and Healthcare, bringing members together to discuss the issues that matter them.

Alongside our networks, we will hold a number of cross-network discussions and projects on issues important to our members. diversifying London's postgraduate student community, making clear their contribution.

- b) **Improving the student and staff experience in the capital.** London's universities and higher education colleges are engines of economic growth, collectively educating over 485,000 students to power the skilled workforce of tomorrow, employing over 223,000 people and generating £12bn in GDP. Enabling our staff and students to remain happy in the capital is integral to ensuring that our sector continues to thrive.
- c) **Showcase London as a world-class HE destination and centre of excellence,** promoting London's contribution to local, national and global communities and endorsing London as a pre-eminent world city for students, staff, research and enterprise. Exploring the impact and experience of staff and students in London through the forums provided by our networks and providing briefings and analysis of the latest data for London.
- d) **Engaging with a wide range of national and regional stakeholders.** Building on our relationships with local and national Government we continue to work with a number of key partners across the city representing and advocating for London HE.
- e) **Restructure the London Higher team.** We will continue to integrate AccessHE and London Medicine and Healthcare division into the London Higher core team. Building resilience between different staff roles and streamlining our offering into strategic priority areas to bring about tangible and positive outcomes for our members.

18. Measuring our success. We will measure our impact by consulting with members through a newly developed member survey, as well as in discussion with our stakeholders. Additionally, we maintain our connections to our members' senior teams and policy executives, through regular meetings and through our network offering. We understand the importance of demonstrating value to our members and determining our success. We have introduced a RAG rating system for our strategic priorities that will be discussed at Board meetings and are developing internal KPIs to demonstrate impact and progress.

19. Public Benefit. Our work is informed by the need to act for the benefit of the public. In doing this we reference the Charities Commission guidance on public benefit. We engage with over forty HEIs. We benefit them in various ways as will be shown below, but in all cases our test is whether an action of ours will result in universities providing a richer experience for their staff and/or students in London. A 'secondary public' comprises a wider group of stakeholders with whom HE students and staff interact throughout their lives, from employers, parents and children to policy makers and sectoral stakeholders in both higher education and place, all of whom gain benefit from an effective and full higher education experience.

20. Fundraising. London Higher has not carried out any fundraising from the general public during the year. There has been no outsourced fundraising via professional fundraisers or other third parties and as a result the organisation is not registered with the fundraising regulator and received no fundraising complaints in the year.

ACHIEVEMENTS AND PERFORMANCE

21. For more than twenty years *London Higher* has been working with universities and higher education colleges in London. Our mission is to support universities in meeting the challenges and opportunities of providing diverse higher education in London. We do this by: 1) identifying what the challenges and opportunities are through our wide network offering; 2) assessing the impact, extent or volume of such challenges or opportunities on our members and the wider public, through our surveys and analysis of HE data; 3) designing appropriate measures to address the challenges or opportunities through our projects, collaborations, advocacy work; and 4) sharing this (and other) information with our members and the wider policy environment to promote our work through our events. This cycle of engagement-action-promotion is how we ensure that our outputs meet our goals, and our goals are appropriate and have impact. During our existence we have earned a deserved reputation for advocating and promoting London's HEIs and supporting our members in their responses to the challenges and opportunities that have emerged.
22. **Outputs.** Our outputs are diverse including a wide range of networks, cross-network discussions and projects and publications, as well as campaigns and data analysis, promotional material, meetings and workshops, lobbying and receptions. In this section we give summaries of some of the main activities each of our divisions has undertaken during the past year.
- a) **London Higher Core** aims to create an ongoing and robust evidence-base in support of HE in the capital. In particular it seeks to: understand the challenges and opportunities London Higher members and partner institutions face; conceive, develop and manage responses that address these challenges and opportunities; and promote the impact of London's HE sector on the social, cultural and economic development of the region and beyond. During the year outputs included:
- **The London Higher Civic Map.** This dynamic project, compiled in collaboration with London Higher's Civic Network showcases the various ways in which London's higher education sector works in partnership with key stakeholders across our city. The map has also provoked thoughtful discussion across the membership as to how London's higher education institutions can work together to address civic 'coldspots', ensuring that we can maximise our impact through collective endeavor.
 - **'Clearing the Big Smoke:** London's higher education sector leading a greener future. Launched to coincide with COP26, in conjunction with London Higher's Sustainability Network, the 'Clearing the Big Smoke: London's higher education sector leading a greener future' report showcased real-life, practical examples of the innovative work being carried out at higher education institutions across the capital to help the city achieve its Net Zero ambitions. Following the report, London Higher teamed up with London Councils on five new innovative knowledge partnerships, designed to enable the lead London boroughs to use the best available evidence and data in their work and help higher education partners boost their role in civic leadership.
 - **The London Higher Global Majority Mentoring Programme.** London Higher's EDI Network launched the programme, in partnership with London Metropolitan University and Minerva. This pan-London, positive action mentoring programme is designed to provide an effective platform for improving career progression for global majority staff by matching mentors and mentees and to broaden pan-London collaboration with cross-institutional matching. The Programme aims to support the capital's higher education sector to build the pipeline of Black, Asian and Minority Ethnic academic and professional services staff, across all levels of institutions.
 - **OfS (Student Outcomes, TEF & Constructing Indicators) and DfE (HE Reform and LLE) Consultation Responses.** Working with members of our various networks, our Heads of Institutions and in collaboration with other sector bodies, London Higher has responded to

this year's five key sector consultations; OfS (Student Outcomes, TEF & Constructing Indicators) and DfE (HE Reform and LLE), alongside ad hoc responses to APPG London as a global city and OFS consultation on support for international students.

- **Comprehensive Spending Review.** Ahead of the 2021 Comprehensive Spending Review, London Higher released a position paper showing how 'Unleashing London' and its higher education and research sector can help the Government realise its strategic priorities, from leveling up some of England's poorest communities and accelerating local and national recovery to turbocharging the UK's international science and education ambitions.
- b) **London Medicine & Healthcare** brings together senior representatives from across London's schools of medicine, dentistry, clinical academic disciplines, nursing, midwifery and the allied health professions. Through its two standing membership networks, London Medicine (for medical schools and clinical academic institutes) and the Healthcare Education Group (for nursing, midwifery and the allied health professions), London Medicine & Healthcare provides a discussion platform pertaining to the delivery of medical and healthcare education and training in London. During the year we were especially proud of:
- **Sponsorship of the Nursing Times awards.** In recognition of the amazing work done by educators in shaping the future nursing workforce, LHEG has chosen to collectively sponsor the Educator of the Year award at this year's Student Nursing Times Awards held on 27 May.
 - **LHEG project funding launched.** In the interest of its core objective to support innovative healthcare education projects of benefit to London through collaboration, LHEG has launched a fund to support members to work in collaboration. Projects will need to be designed and delivered between at least two universities or a university and a partner organisation and must have measurable outputs that benefit healthcare education in London. This project funding will help to lead and shape healthcare education in London, working collegiately to solve complex challenges across London and the nation.
 - **Dealing with COVID-19.** LHEG and London Higher's medical school equivalent, London Medicine, demonstrated amazing resilience this year working collegiately with Health Education England to jointly tackle enormous strategic challenges including Vaccination as a Condition of Deployment, clinical placement disruption and several other issues caused by the pandemic.
- c) **AccessHE** is a key division of London Higher and the pan-London network supporting underrepresented learners to access and succeed in higher education (HE). AccessHE does this by facilitating collaborative outreach and student support work that brings together HE providers, schools, colleges and local government. It is the largest regional membership organisation of its kind in England, representing 27 HEI members. During 2021-22 we:
- Delivered targeted outreach activity to more than 1,300 learners from areas of low HE progression as a partner in the London strand of the OfS' Uni Connect Programme.
 - Published a research report, Best Laid Plans, looking at the impact of the Covid-19 pandemic on young Londoners' HE decision making. The report also suggested ways in which the 'covid cohort' of school/college leavers in London can be supported with the transition to HE.
 - Co-delivered, with AccessHE members, over five weeks of outreach programmes to vulnerable Londoners. The programmes included multi-week projects for students from care experienced backgrounds and for a Pupil Referral Unit in Tower Hamlets.
 - Secured £750,000 of funding from the GLA to co-deliver a hub of the Mayor's Creative Academy. The hub will work with AccessHE members to develop new, collaborative training and employability support for students that helps them to secure jobs in the screen sector.

- Ran a series of member roundtable events, including one attended by the OfS Director for Fair Access and Participation. The roundtables helped AccessHE members to frame their response to the HE reform consultations and the access and participation plan variations process.

More details of these activities are presented in our *Annual Report* to members which can be downloaded from our website: <https://londonhigher.ac.uk/resources/annual-review-business-plans/>

FINANCIAL REVIEW

23. Our financial goal is to expand and enhance member services by offering an effective and streamlined financial administration. In 21-22 London Higher Core has released the London Higher Civic Map, mapping almost 200 examples of civic activities across London. The map was launched at an event with the deputy Mayor of London and gained extensive coverage across Higher Education press. We also began to develop our #LondonisLocal campaign, highlighting examples of transformative activity within our member institutions. A brand-new website was also at the centre of the 21-22 financial activities. Total Income (£1,042,888) decreased by £290,140, 21.7%, compared to 2021-22 (£1,333,028). The main factors were as follows:

- Membership Income increased by £39,372 or 6%.
- Projects and Event Income decreased by £116,024 or 86% mainly due to the departure of NEON but also because AccesHE was unable to raise any project income as it did in the past.
- Grant Income was substantially reduced from last year by £212,572 the equivalent of 38%. This was due to the OfS reducing the Uni Connect programme funding nationally by £20 million, resulting in a reduction in grant allocations for all Uni Connect programme hubs, including AccessHE.
- London Medicine and Healthcare had an increase in membership income however, the increase was not sufficient to offset the income decrease generated by the above.

Total expenditure decreased (£1,028,640) by £310,900, 23%, compared to 2020-21 (£1,339,540). The main contributor was the cut in OfS funds. Direct Costs decreased by £315,349 or 26% and Support Costs decreased by £4,763 or 4%.

- London Higher Core Membership - During the year, LH invoiced 35 members for a total of £429,821 (Budget £363,762). The 18% increase is due to 5 members returning to the scheme in the second half of the financial year.
The above figures also include an inflation increase of 3%. (The increase was ratified by the Board).
- London Medicine and Healthcare Membership Income – During the year, the division invoiced 24 members for a total of £84,250 an increase of 9% against the budget (£77,250). Under the umbrella of London Medicine and Healthcare, also sits Mental Health project which will be reconfigured in 22-23.
- ACC invoiced 25 members for a total of £120,500. (Budget £131,000).
- Uni Connect (A grant funded by OfS and managed via Kingston University). At 31 July 2021, the division had total funds of £20,251 to carry forward into FY 21-22. This amount was refunded to Kingston in January 2022.
- At the end of July 2022, the programme received extra funding to complete the programme (£7,900) A tiny surplus of £133 was reported at the year end.

24. **Reserves Policy.** Total funds as 31 July 2022 are £733,555 (2021: £739,558). Of the total funds, £27,176 (2021: £48,404) were represented by restricted funds and £706,379 (2021: £691,154) by unrestricted funds. Free Reserves (i.e. unrestricted funds excluding fixed assets and amounts designated) stood at £697,489 (2021: £670,402) at 31 July 2022.

The London Higher reserves policy is to hold unrestricted funds to cover between three to six months expenditure, to cover staff costs, overheads and a scaled down level of administration and project

expenditure. This applies to all divisions. The current level of unrestricted reserves of £706,379 meets the criteria.

Within designated funds, a brought forward amount of £17,500 is designated for IT capital expenditure. In October 2021, London Higher upgraded the entire IT system and the balance has been transferred to Unrestricted funds. £8,890 within the designated fund represents the net book value of assets. Also, within designated funds we had the EAIE funds of £926 which related to a project which started in Sept 2019. Because of the pandemic, London Higher was unable to continue the programme for another year. The Trustees agreed to transfer the balance to unrestricted reserves

PLANS FOR 2022-23

25. Financial Plan. For the 2022-23 financial year we are forecasting income of just above £1,002,000. In July 2022 we circulated a costed Operational Plan for 2022-23 to all members which indicates how this money will be disbursed. In January/February 2023 we will revise the Plan to reflect the post-audit position.

26. Strategies for the year. Our initiatives this year include:

- Achieve our objectives of transforming our network offering to better reflect local and national strategic priorities, ensuring all London Higher activities result in meaningful & communicable outputs, and refining London Higher’s external “brand identity” and external relationships
- Continue to develop relationship with local and national government. Including keeping a seat on the London Recovery Board and Skills for Londoners board, GLA high level skills boards and working with the London anchors networks. This year will see London Higher build on these platforms and utilise our wide range of networks and stakeholders to start to effect tangible change.
- Global Majority Mentoring Scheme will be expanded to include more London Higher members.
- Updating our Civic Map to include wider more detailed breakdown of the impacts of HE to London.
- Produce the London version of the HEPI-Advance HE annual student academic experience survey to provide a clearer picture of how London students experience higher education and what we could be doing to improve it.
- Launch of the International Education Strategy for London, which is designed to address the challenges of international student recruitment in the capital, and to encourage Government to be more ambitious in their overall national targets.
- Launch a Sustainability Pledge for London HE calling on members to commit to a series of promises and provide benchmarking and a baseline for pursuing shared targets.
- Produce series of briefings on prevalent topics such as Cost of Living, Foundation years and diversifying the HE talent pipeline.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

27. The Trustees (who are also Directors of London Higher for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)
28. Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company 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;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.
29. The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
30. In so far as the Trustees are aware:
- there is no relevant audit information of which the charity's auditor is unaware;
 - the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information; and
 - in all material respects income from grants and income for specific purposes and from other restricted funds administered by London Higher have been applied only for the purposes for which they were received.

APPROVAL

Declaration. Trustees have prepared this report in accordance with the Special Provisions of Part 15 of the Companies Act 2006. In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by Section 415A, the Companies Act 2006.

31. **Resolution.** Approved by the London Higher Board of Trustees on 24 January 2023 and signed on its behalf



Professor Amanda Broderick
Chair, London Higher

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON HIGHER

Opinion

We have audited the financial statements of London Higher for the year ended 31 July 2022 which comprise Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement on page 14, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charity Law, GDPR and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We

also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006, Charities Act 2011 and the Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual journal postings, recognition of membership income and grant income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journal transactions which may pose a heightened risk of misstatement whether due to fraud and error, in particular those posted with unusual descriptions, postings by unusual users or posted at unusual or specific points in time.
- Challenging assumptions and judgements made by management in their critical accounting estimates such as pension liability and general accruals.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Vikram Sandhu
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 30 January 2023

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating and Income and Expenditure Account)

FOR THE YEAR ENDED 31 JULY 2022

Company number 5731255

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:					
Charitable activities					
<i>Membership income</i>	3	676,146	-	676,146	637,275
<i>Grants</i>	3	-	326,285	326,285	501,005
<i>Other</i>	3	17,562	1,000	18,562	134,586
Investment income	3	1,644	-	1,644	2,059
Total income		<u>695,352</u>	<u>327,285</u>	<u>1,022,637</u>	<u>1,274,925</u>
Expenditure on:					
Charitable activities	4	680,000	348,640	1,028,640	1,339,540
Total expenditure		<u>680,000</u>	<u>348,640</u>	<u>1,028,640</u>	<u>1,339,540</u>
Net income/(expenditure)	2	15,352	(21,355)	(6,003)	(64,615)
Net movement in funds		<u>15,352</u>	<u>(21,355)</u>	<u>(6,003)</u>	<u>(64,615)</u>
Reconciliation of funds					
Total funds brought forward		691,154	48,404	739,558	804,173
Transfer between funds		(127)	127	-	-
Total Funds carried forward		<u><u>706,379</u></u>	<u><u>27,176</u></u>	<u><u>733,555</u></u>	<u><u>739,558</u></u>

All amounts derive from continuing activities. There are no other gains or losses other than those shown above. The comparative Statement of Financial Activities is in note 15.

The notes on pages 21 to 33 form part of the accounts

	Note	2022 £	2021 £
FIXED ASSETS	7	<u>8,890</u>	<u>2,326</u>
CURRENT ASSETS			
Debtors	8	37,817	64,870
Cash at bank and in hand		<u>846,473</u>	<u>788,626</u>
		884,290	853,496
CREDITORS: amounts falling due within one year	9	<u>(159,625)</u>	<u>(116,264)</u>
NET CURRENT ASSETS		<u>724,665</u>	<u>737,232</u>
NET ASSETS		<u><u>733,555</u></u>	<u><u>739,558</u></u>
FUNDS			
Unrestricted funds			
General funds	10	697,489	672,222
Designated funds	10	8,890	18,932
Restricted funds	10	<u>27,176</u>	<u>48,404</u>
		<u><u>733,555</u></u>	<u><u>739,558</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 24 January 2023 and were signed on their behalf by:



.....
Professor Amanda Broderick
 Chair, London Higher

	2022	2021
	£	£
Cash flows from operating activities:		
Net income for the reporting period (per the statement of financial activities)	(6,003)	(64,615)
Adjustments for:		
Depreciation charges	3,307	1,126
Interest received	(1,644)	(2,059)
Decrease/(increase) in debtors	27,053	(23,798)
Increase/(decrease) in creditors	43,360	(138,472)
	<u> </u>	<u> </u>
Net cash provided by/(used in) operating activities	66,073	(227,818)
	<u> </u>	<u> </u>
Cash flows from investing activities		
Investment income	1,644	2,059
	<u> </u>	<u> </u>
Net cash provided by investing activities	1,644	2,059
	<u> </u>	<u> </u>
Cash flows from capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(9,870)	-
	<u> </u>	<u> </u>
Net cash used in financing activities	(9,870)	-
	<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period	57,847	(225,759)
Cash and cash equivalents at the beginning of the reporting period	788,626	1,014,385
	<u> </u>	<u> </u>
Cash and cash equivalents at the end of the reporting period	846,473	788,626
	<u> </u>	<u> </u>

Reconciliation of net debt	2021		2022
	At the start of the year	Cashflow	At the end of the year
	£	£	£
Cash in hand	788,626	57,847	846,473
		<u> </u>	<u> </u>
Total cash and cash equivalents	788,626	57,847	846,473
	<u> </u>	<u> </u>	<u> </u>

The notes on pages 21 to 33 form part of the accounts.

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) - effective 1 January 2019.

The organisation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Legal status

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 5731255) and a charity registered in England and Wales (charity number: 1105500). The charity meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The functional currency of the charitable company is considered to be GBP because that is the currency of the primary economic environment in which it operates.

Preparation of accounts on a going concern basis

During 21-22 London Higher re-engaged with 5 extra members strengthening the membership income position. More members have also joined during the first part of 22-23. Nonetheless the cost-of-living crisis is a strong reality and the company is taking the issue very seriously. Our work remains focused and in line with the members' objectives, as well as the sector as a whole. All the members are engaging together to address the future of London's students. This robust collaboration and the positive feedback have given London Higher more confidence about the future. Costs are kept under constant review to check they are value for money. The Ofs grant is coming to an end in July 2023 and Ofs's decision to continue will only be taken in late March 2023. Having taken all these elements into consideration and reviewing a cash flow forecast for the next 18 months which highlights different scenarios, the Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The ability to manage the company assets, the reserves levels and future plans give Trustees confidence the charity remains a going concern for the foreseeable future.

Critical accounting judgements and key sources of estimation uncertainty

In the application of these accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that

1. ACCOUNTING POLICIES (continued)

period, or in the period of the revision and future periods if the revision affects current and future periods. The Trustees consider the following items to be areas subject to estimation and judgement:

Pensions: FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense recognised in the profit and loss account. The directors are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme.

The USS pension scheme is in a deficit position and a proportion of the contributions London Higher is paying to the scheme is in relation to funding the deficit. FRS 102 requires that you must recognise a liability for the fair value of any contributions payable that arise from an agreed deficit repayment plan between employer and a pension scheme. Whilst the scheme documentation does provide a stated % figure of the ongoing contributions which can be attributed to deficit repayment, the payment amount is based on future salaries rather than a specified fixed repayment plan. On this basis, the deficit contributions are not reliably measurable and as such no liability has been recognised.

Income

All income is recognised once the charity has entitlement to income, it is probable that income will be received, and the amount of income receivable can be measured reliably.

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Investment income relates to interest on bank balances and is accounted for on an accruals basis.

Deferred income represents amounts receivable for future years where conditions are attached which must be fulfilled before unconditional entitlement, or grants which can only be spent in future years. The deferred income is released when entitlement to the income is confirmed.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

London Higher
London Medicine & Healthcare
AccessHE
UniConnect

Membership and charitable activity costs include expenditure which is directly attributable to more than one activity. These costs are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

1. ACCOUNTING POLICIES (continued)

Support costs are those functions that assist the work of the charity but do not undertake charitable activities. Support costs include office running costs, finance function, personnel, payroll and governance costs which support the charity's activities.

Governance costs are costs incurred in connection with the strategic management of the charity and in compliance with constitutional and statutory requirements. These costs have been allocated to charitable activities. Support costs have been allocated across the categories on the basis of the proportion of time spent by staff on those activities.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets on a straight-line basis to write off the cost, less estimated residual value, over their expected useful lives as follows:

IT equipment	3 years
Fixtures and fittings	3 years
Furniture	3 years

The charity's capitalisation policy is for any items over £500.

Operating leases

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Pension scheme

The Charity participates in the Universities Superannuation Scheme (the scheme). Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

Employee benefits

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

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

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, staff loans, other debtors, prepayments and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash and cash equivalents are defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost, fees in advance, trade creditors and other creditors and amounts owed to group undertakings.

1. ACCOUNTING POLICIES (continued)**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash held within bank accounts.

Creditors and provisions

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

Funds

Funds held by the charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Unrestricted designated funds – these are funds which the Trustees have set aside for specific purposes, and can be used in accordance with the charitable objects at the discretion of the Trustees.
- Restricted funds – these are funds that can only be used for purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

2. NET INCOME/(EXPENDITURE)	2022	2021
	£	£
This is stated after charging:		
Auditors' remuneration (excl VAT)	11,000	10,000
Depreciation	3,307	1,126
Operating lease rentals	54,629	53,363
	<u> </u>	<u> </u>
3. INCOME	2022	2021
	£	£
Membership Contributions		
London Higher Members	429,821	363,300
London Medicine	84,250	72,330
London Partners	39,992	40,493
AccessHE	122,083	125,542
NEON	-	35,610
	<u> </u>	<u> </u>
	676,146	637,275
Grants		
Ofs	346,536	559,108
Underspend	(20,251)	(58,103)
	<u> </u>	<u> </u>
	326,285	501,005
Other		
Project & event income	18,562	134,586
	<u> </u>	<u> </u>
	18,562	134,586
	<u> </u>	<u> </u>
Total charitable income	1,020,993	1,272,866
	<u> </u>	<u> </u>
Investment Income	1,644	2,059
	<u> </u>	<u> </u>
	1,644	2,059
	<u> </u>	<u> </u>
Total income	1,022,637	1,274,925
	<u> </u>	<u> </u>

4. ANALYSIS CHARITABLE EXPENDITURE	Direct	Support	Total	Direct	Support	Total
	Costs £	Costs £	2022 £	Costs £	Costs £	2021 £
London Higher	397,102	75,124	472,226	394,552	38,637	433,189
London Medicine & Healthcare	67,820	11,000	78,820	44,210	10,850	55,060
AccessHE	99,787	29,167	128,954	87,164	40,000	127,164
NEON	-	-	-	126,396	20,000	146,396
UniConnect	327,403	20,000	347,403	518,856	20,000	538,856
Curate	-	-	-	997	-	997
Mental Health	1,237	-	1,237	36,837	1,041	37,878
	<u>893,349</u>	<u>135,291</u>	<u>1,028,640</u>	<u>1,209,012</u>	<u>130,528</u>	<u>1,339,540</u>
		2022 £			2021 £	
Support costs						
Occupancy Cost		80,072			89,443	
Administration Cost		18,463			14,142	
Human Resource Cost		15,205			9,107	
Depreciation		3,307			1,126	
Communication Cost		-			204	
Governance (Note 5)		13,213			12,583	
Strategy		3,450			2,020	
Development						
Banking Charges		1,581			1,903	
		<u>135,291</u>			<u>130,528</u>	

5. GOVERNANCE COSTS	2022	2021
	£	£
Audit and related fees (including VAT)	13,200	12,570
Trustees' meetings	-	-
Company house filing	13	13
	<u>13,213</u>	<u>12,583</u>
	<u><u>13,213</u></u>	<u><u>12,583</u></u>
6. ANALYSIS OF STAFF COSTS	2022	2021
	£	£
Wages and Salaries	598,225	668,794
Social security costs	50,018	61,316
Pension costs	98,185	107,130
Recruitment expenses	7,604	1,455
	<u>754,032</u>	<u>838,695</u>
	<u><u>754,032</u></u>	<u><u>838,695</u></u>

Included within Wages and Salaries are redundancy, settlement, termination payments made in the year of £18,000 (2021: £nil).

The average number (headcount) of employees was:

	2022	2021
	Number	Number
London Higher	8	7
London Medicine & Healthcare	1	1
AccessHE	2	2
Mental Health	-	1
NEON	-	2
NCOP	5	6
	<u>16</u>	<u>19</u>
	<u><u>16</u></u>	<u><u>19</u></u>

During the year there were three employees (2021: two) who received emoluments exceeding £60,000 and to whom retirement benefits are accruing under a defined benefits scheme.

The remuneration falls into the following brackets:

	2022	2021
	Number	Number
£90,000 - £100,000	1	1
£150,000 - £160,000	-	-
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

Pension contributions payable by the Charity for the higher earners in the year were £17,776 (2021: £23,258).

No trustee received remuneration or reimbursement for expenses during the year (2021: Nil).

The key management personnel are defined as the CEO, Head of Finance, and Head of AccessHE of which the total employee benefits in aggregate for the year were £239,270 (2021: £216,011).

7. TANGIBLE FIXED ASSETS	IT Equipment £	Fixtures & Fittings £	Furniture £	Total £
Cost				
At 31 July 2021	23,160	30,510	16,030	69,700
Additions	9,870	-	-	9,870
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 July 2022	33,030	30,510	16,030	79,570
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 31 July 2021	20,943	30,510	15,920	67,373
Charge for the year	3,307	-	-	3,307
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 July 2022	24,250	30,510	15,920	70,680
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Book Value				
At 31 July 2021	2,217	-	110	2,327
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 July 2022	8,780	-	110	8,890
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

All assets are held for operational purposes

8. DEBTORS	2022 £	2021 £
Trade debtors	11,025	45,502
Other debtors	-	-
Prepayments and accrued income	26,792	19,368
	<u> </u>	<u> </u>
	37,817	64,870
	<u> </u>	<u> </u>

9. CREDITORS: amounts falling due within one year	2022 £	2021 £
Trade creditors	38,072	38,129
Accruals	65,991	44,751
Deferred income (see below)	54,857	32,458
Other creditors	705	926
	<u> </u>	<u> </u>
	159,625	116,264
	<u> </u>	<u> </u>

Deferred income	2022 £	2021 £
Balance at start of the year	32,458	75,573
Amounts released to income	(32,458)	(75,573)
Amounts deferred in the year	54,857	32,458
	<u>54,857</u>	<u>32,458</u>
Balance at the end of the year	<u>54,857</u>	<u>32,458</u>

Deferred income relates to grants and membership income, invoiced/received in the year but which relates to the next financial year.

10. STATEMENT OF FUNDS

	Brought forward at 01/08/2021	Income	Expenditure	Transfers	Carried forward at 31/07/2022
	£	£	£	£	£
Restricted funds					
Curate	(127)	-	-	127	-
Mental Health	28,282	-	(1,237)	-	27,045
UniConnect	20,251	327,285	(347,403)	-	133
	<u>48,404</u>	<u>327,285</u>	<u>(348,640)</u>	<u>127</u>	<u>27,176</u>
Total Restricted funds					
	<u>48,404</u>	<u>327,285</u>	<u>(348,640)</u>	<u>127</u>	<u>27,176</u>
Unrestricted funds					
<i>General funds</i>					
London Higher	428,544	479,507	(472,226)	11,735	447,560
London Medicine & Healthcare	139,516	84,250	(78,820)	-	144,946
AccessHE	102,342	131,595	(128,954)	-	104,983
<i>Designated funds</i>					
Fixed asset fund	2,326	-	-	6,564	8,890
EAIE fund	926	-	-	(926)	-
IT fund	17,500	-	-	(17,500)	-
	<u>691,154</u>	<u>695,352</u>	<u>(680,000)</u>	<u>(127)</u>	<u>706,379</u>
Total Unrestricted funds					
	<u>691,154</u>	<u>695,352</u>	<u>(680,000)</u>	<u>(127)</u>	<u>706,379</u>
Total funds	<u>739,558</u>	<u>1,022,637</u>	<u>(1,028,640)</u>	<u>-</u>	<u>733,555</u>

10. STATEMENT OF FUNDS (continued)

PRIOR YEAR	Brought forward at 01/08/2020 £	Income £	Expenditure £	Transfers £	Carried forward at 31/07/2021 £
Restricted funds					
Curate	869	-	(998)	-	(127)
Mental Health	66,160	-	(37,878)	-	28,282
UniConnect	58,103	501,005	(538,857)	-	20,251
Total Restricted funds	125,132	501,005	(577,733)	-	48,404
Unrestricted funds					
<i>General funds</i>					
London Higher	369,680	405,852	(433,189)	86,201	428,544
London Higher Europe	7,348	-	-	(7,348)	-
London Medicine & Healthcare	122,246	72,330	(55,060)	-	139,516
AccessHE	84,643	144,862	(127,163)	-	102,342
NEON	73,247	150,876	(146,396)	(77,727)	-
<i>Designated funds</i>					
Fixed asset fund	3,452	-	-	(1,126)	2,326
EAIE fund	926	-	-	-	926
IT fund	17,500	-	-	-	17,500
Total Unrestricted funds	679,042	773,920	(761,808)	-	691,154
Total funds	804,173	1,274,925	(1,339,540)	-	739,558

- *London Medicine and Healthcare* is tasked with monitoring the healthcare policy environment as it applies to the membership of the Group, and identify opportunities to promote the regional, national and international contributions made by London's Medical Schools and Schools of Healthcare.
- *AccessHE* is a pan-London organisation enabling the provision of support for young people from disadvantages backgrounds to enter Higher Education. AccessHE facilitates collaboration and activities that aim to increase social mobility in the capital.
- *UniConnect*, AccessHE is a key delivery partner in the OfS-outreach programme in London created to help realise the Government's goal of increasing participation in Higher Education from lower participating neighbourhoods. The initiative engages with schools / colleges in 13 wards across London, all of which exhibit low participation neighbourhood characteristics.
- Fixed asset funds represents the net book value of fixed assets held by the charity.
- *IT fund* - The IT fund was designed to replace the aging IT system. As we moved office and introduced flexible working from home, all the staff now have new laptops. The leftover of £17,500 has been moved to general reserves.

- *EAIE fund* – A one-off subscription by members of LH International to fund an exhibition stand and promotional literature with London & Partners at the EAIE international study conference in Helsinki in September 2019. The stand was used to promote London as a world class destination for HE study. The Finance Committee gave permission to move the unspent funds (£926) to general reserves

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2022 Restricted Funds £	2022 Unrestricted Funds £	2022 Total Funds £
Fixed assets	-	8,890	8,890
Current assets	54,476	829,814	884,290
Current liabilities	(27,428)	(132,197)	(159,625)
Transfer between funds	127	(127)	
Total funds	<u>27,175</u>	<u>706,380</u>	<u>733,555</u>

PRIOR YEAR

	2021 Restricted Funds £	2021 Unrestricted Funds £	2021 Total Funds £
Fixed assets	-	2,326	2,326
Current assets	91,878	761,619	853,497
Current liabilities	(43,474)	(72,791)	(116,265)
Total funds	<u>48,404</u>	<u>691,154</u>	<u>739,558</u>

12. OPERATING LEASE COMMITMENTS

At 31 July 2022 the charitable company had the total future minimum lease payments under operating leases (break clause 01 Feb 2024) as follows:

	2022 £	2021 £
Amounts due in:		
Within one year	50,400	23,518
Between two and five	166,665	-
Total operating lease commitments	<u>217,065</u>	<u>23,518</u>

The charge made to the Statement of Financial Activities in 2022 was £54,629 (2021: £53,363).

13. PENSION SCHEME

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

The information provided is based on the last formal completed actuarial valuation of Universities Superannuation Scheme (the scheme) which was as at 31 March 2020 and completed in October 2021. The actuary's report on the 2020 valuation is published in full on the USS website.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

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

2020 Valuation

Mortality base table	<u>101% of S2PMA "light" for males and 95% of S3PFA for females</u>
Future improvements mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

13. PENSION SCHEME (continued)

The current life expectancies on retirement at age 65 are:

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

14. Related Party

There were no related party transactions (2021: none) during the year.

15. Comparative Statement of Financial Activities

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income from				
Charitable activities				
<i>Membership income</i>	3	637,275	-	637,275
<i>Grants</i>	3	-	501,005	501,005
<i>Other</i>	3	134,586	-	134,586
Investment income	3	2,059	-	2,059
		<u>773,920</u>	<u>501,005</u>	<u>1,274,925</u>
Total income				
Expenditure on				
Charitable activities	4	761,808	577,732	1,339,540
		<u>761,808</u>	<u>577,732</u>	<u>1,339,540</u>
Total expenditure				
Net income/Expenditure	2	12,112	(76,727)	(64,615)
		<u>12,112</u>	<u>(76,727)</u>	<u>(64,615)</u>
Net movement in funds				
Reconciliation of funds				
Total funds brought forward		679,042	125,131	804,173
		<u>679,042</u>	<u>125,131</u>	<u>804,173</u>
Total Funds carried forward		<u>691,154</u>	<u>48,404</u>	<u>739,558</u>

LONDON HIGHER

England & Wales - Charity number 1114873

Accounts

LONDON HIGHER
(A company Limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

Charity Number: 1114873
Company Number: 5731255

LONDON HIGHER

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

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LONDON HIGHER**REFERENCE AND ADMINISTRATIVE DETAILS****FOR THE YEAR ENDED 31 JULY 2021**

Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	Royal Bank of Scotland Group (Education Sector) Commercial Banking 3 rd Floor, Cavell House 21 Charing Cross Road London WC2H ONN
Registered office	London Higher Tavistock House Tavistock Square London WC1H 9JJ
Company Registration Number	5731255
Charity Registration Number	1114873
Company Secretary	Emmanuela Forte

LONDON HIGHER SENIOR MANAGEMENT TEAM

Diana Beech	Chief Executive Officer
Graeme Atherton	Head of AccessHE and NEON (until March 2021)
Richard Boffey	Deputy Head of AccessHE / Head of AccessHE
Chloe Bukata	Head of Communications and External Affairs
Emmanuela Forte	Head of Finance
Alec Webb	Head of Policy and Member Engagement (until June 2021)
Jenny Wetherill	Head of Operations

BOARD OF TRUSTEES

- Professor Nic Beech, **Vice Chancellor**
Middlesex University
- Dr Peter Bonfield, **Vice-Chancellor** (*Elected Vice-Chair*)
University of Westminster
- Professor Amanda Broderick, **Vice-Chancellor**
University of East London
- Professor Frances Corner, OBE, **Warden**
Goldsmiths, University of London
- Professor Lynn Dobbs, **Vice-Chancellor**
London Metropolitan University
- Professor David Latchman CBE, **Master**
Birkbeck, University of London
- Professor Paul Layzell, **Principal** (*Elected Chair*)
Royal Holloway, University of London

CO-OPTED TRUSTEES

- Professor Anthony Bowne, **Principal**
Trinity Laban Conservatoire of Music and Dance
- Professor Sir Paul Curran, **President**
City, University of London
- Professor Jenny Higham, **Principal**
St George's, University of London (from May 2021)
- Professor Peter John, **Vice Chancellor**
University of West London
- Professor Wendy Thomson, **Vice-Chancellor**
University of London

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 July 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

1. **Corporate Status.** London Higher is a company limited by guarantee with charitable status. It began as an unincorporated member association in 1999. It was incorporated on 6 March 2006 and registered as a charity in England and Wales on 26 June 2006. The charitable activities of the company were transferred from the University of London on 1 April 2009.
2. **Governing Document.** The company was established under *Memorandum and Articles of Association* dated 6 March 2006 which establish the objects and powers of the charitable company. In addition it operates under a *Members' Agreement* with each member that sets out the nature of the relationship between the company and each member.
3. **Trustees.** Trustees are elected by the members, save a number that are co-opted with regard to specific interests. At date of accounts London Higher has four co-opted Trustees. In addition London Higher Trustees invite observers from a limited number of key stakeholder organisations. London Higher has no observers at this time.
4. **Trustee Induction & Training.** Member Trustees are familiar with the practical elements of the company as higher education institutions (HEIs) have charitable status as providers of education. Each new Trustee is directed to guidance by the Charities Commission and all relevant Governance documents relating to the company. New Trustees are given a briefing on London Higher. Trustees attend an annual Strategy Meeting that includes governance questions.
5. **Sub committees.** London Higher has a Finance Committee and a Remuneration Committee. The Finance Committee reviews the financial activity of the organisation by: monitoring London Higher's performance against budget; advising, supporting and by being a resource for the Head of Finance in overseeing the company's finances; ensuring that the financial elements of the organisation are in accordance with its vision, mission, and strategic plan; advising the board on the financial condition of the organisation; and reviewing the company's Financial Regulations. The function of the Remuneration Committee are to: determine and agree with the London Higher Board the broad policy for the remuneration of London Higher staff; have delegated authority to set individual remuneration arrangements for the most senior London Higher staff including the CEO; and recommend, monitor and note the level and structure of remuneration for London Higher staff.
6. **Structure of the Executive.** The Executive is divided into four business divisions. These are listed below together with their primary functions. Each division is: a) a separate cost centre; b) overseen by an Advisory Group of members; and c) has its own Head of Division/ member of Senior Management Team (SMT) with strategic oversight who reports directly to the Chief Executive. In addition the Chief Executive and Heads of Division meet as a SMT every quarter.
7. **Business Divisions of London Higher:**
 - *London Higher Core*, making the case for HE through our suite of Networks, Special Projects, Executive, Administration and Human Resources
 - *London Medicine & Healthcare*, bringing together London's schools of medicine, dentistry, healthcare and clinical academic institutions to meet, discuss and collaborate;

- *Access HE*, Pan-London organisation enabling provision of support for young people from disadvantaged backgrounds to enter Higher Education; Access HE includes the London National Collaborative Outreach Programme (UniConnect);
 - *NEON*, a national organisation supporting professionals involved in widening access to HE. (Until May 2021)
8. **Decision Making Protocols.** The overall strategic direction of London Higher is set out in a Business Plan that is drawn up by the Executive, approved by the Board of Trustees and agreed by the company members. Each year an Operational Plan is drawn up with the same approvals. The annual Operational Plan sets out the specific initiatives for the year together with expected costs. Heads of Division are responsible for delivering these initiatives on a day to day basis. The SMT monitors progress and each quarter Trustees are given a written Progress Report. In addition any expenditure or income over £50,000, whether agreed in the Operational Plan or not, must be approved by the Board, and London Higher will seek support from the Finance Committee for any expenditure or income over £10,000.
9. **Higher Education Institutions (HEIs).** Publicly funded HEIs in London are our company members. In the *Members' Agreement* they devolve to the London Higher Board of Trustees the power to make decisions on their behalf in the collective interests of the group, or parts thereof. This authority is safeguarded by Advisory Groups for each of our operational divisions which comprise senior representatives from the membership group.
10. **Higher Education Partners.** In response to Government policies aimed at reducing the distinction between publicly funded and other forms of higher education, in 2011 London Higher began to work with other, quality assured providers of higher education in London. We now recognise two additional partnership categories (as distinct from members): publicly funded higher education providers based *outside* London who have opened centres in London; and independent providers (including private providers and not-for-profit providers).
11. **Related Parties.** The policy landscape for higher education is currently set by the Department for Education and the Department of Business, Energy & Industrial Strategy (with some input from the Department for Health when relevant), and is now being implemented by the Office for Students (OfS), the independent regulator of HE in England, having previously been overseen by the Higher Education Funding Council for England (HEFCE). London Higher seeks to influence policy at the local and Government level and to develop and run HE collaborations that reflect national policy and that which are tailored to the London region and the unique nature of the London group of HEIs. London Higher has engaged with with OfS on our CUREate project targeted at recruiting arts students into healthcare programmes.
12. Additionally, the Mayor of London, the Greater London Authority (GLA) and the London Economic Action Partnership (LEAP) have interests in higher education as it pertains to the capital. London Higher maintains links with each. Additionally, the Mayor of London, the Greater London Authority (GLA) and the London Economic Action Partnership (LEAP) have interests in higher education as it pertains to the capital. London Higher maintains links with each. Following the pandemic, and the move towards local and national recovery, we have worked closely with the Mayor of London's London Recovery Board, with the CEO appointed to represent Higher Education across the Capital in The President of UUK's absence.
13. **Risk Management.** London Higher maintains a Risk Register which ranks the key risks to which the organisation is exposed, their likely impact and our proposed responses to them. The Risk Register is a standing item on all Board Agendas and at each meeting one risk is examined in detail by the Board. The Risk register is also a standing item at all SMT meetings. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The principal risks and uncertainties identified by the charity are as follows: It is important to note that the risks and mitigating actions for events that arise from the coronavirus pandemic are covered by risk 1-3, and the London Higher team continue to assess these in light of changing circumstances.

	Risk	Theme	Impact	Mitigation
1	Members leave or do not make contributions/ pay reduced rate.	Financial and reputational.	Reduced services to members and /or reduced staff level - Reporting a loss at year end - No longer able to represent the 'London cluster'.	CEO/Chair/ LH Team have regular 1:1 meetings with all members to inform them of benefits, update them on activity and to receive feedback. - Hold regular network and all-member engagement meetings. - All members offered the opportunity to feedback and approve the LH Business Strategy and Operational Plan. - 12-month notification clause in Mem & Arts. - Use peer group / mutual contacts to persuade otherwise. - Produce a conservative budget to reflect decrease in membership income. - Negotiate partial access to LH services to mitigate representational losses.
2	Reliance or dependence on grant funding.	Financial.	Loss of contribution towards overheads - Staff are made redundant.	- Careful contract management: - Regular financial reporting by Head of Finance. - Maintain good working relationship with funders. - Foster culture of early disclosure concerning problems. - Manage supplier contracts to achieve flexibility. - Keep a close eye on unrestricted reserves. - Prepare a conservative budget.
3	London Higher IT systems are compromised or become inaccessible.	Reputational	-Damage to the reputation of the organisation to be trusted with data - Loss of organisational knowledge & membership contacts/ information	- We use Office 365 (cloud), which can be accessed anywhere and has multiple back-up sites. We test our backup and retrieval systems periodically. - SAGE finance software is backed up to the cloud. - We implement and maintain anti-virus software on all computers as advised by our IT consultants. - We have an IT and data protection policies which staff are reminded of periodically. - All staff complete GDPR training annually
4	LH division becomes untenable financially	Financial and reputational.	- The overheads would be shared out amongst fewer divisions - Loss of prestige	- Regular financial reporting by Head of Finance and monthly management accounts reports. - Regular project updates by head of relevant department & Executive. - More collaborative cross divisional working established and encouraged. - Provide excellent quality internal services to hosted divisions at fair cost.
5	London Higher is perceived as not being politically impartial.	Reputational.	- Members/ stakeholders lose trust in the organisation	- CEO to seek approval from the LH Board on contentious issues. - Executive leadership to monitor minor actions to ensure they are broadly non-partisan. - Foster relationships with key stakeholders across the political spectrum in London and UK Government, and with those in non-political roles.
6	An employee takes London Higher to an employment tribunal	Financial.	- Damages / reparations could impact on financial stability	- Member of the executive with CIPD level 5 employment law qualifications. - Reactive and robust HR procedures which are guided and implemented with support from a paid-for HR specialist service. - Foster culture of early disclosure concerning problems amongst staff.

14. Remuneration. Pay of all staff is reviewed annually and is normally increased to reflect cost of living (COL) adjustment. The education sector average COL and financial situation of the organisation are considered when making this decision. This change historically had to be authorised by the Remuneration Committee and reported to the Board of Trustees. Since 19-20 COL increases are proposed in the budget which the Board approves, therefore the increase are considered managerial decisions and are not reported to the Remuneration Committee. The Remuneration Committee sets the remuneration package for the CEO and, in doing so, takes account of sector benchmarks and the CEO's annual performance review undertaken by the Chair of the Board. From time to time we ask our HR consultants to perform a pay review to ensure that there are no biases in our pay in regard to age, gender and ethnicity and that the job families are remunerated in reference to the broader market for these roles.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

15. Following the appointment of Dr Diana Beech as CEO in October 2020, London Higher undertook a review of the organisation, speaking to all members and reorienting our approach to representation. We produced a strategic plan, approved by the board, in line with our operational plan which was approved by the members, and we are working to throughout this year. The document defines our mission, aim and priorities.

16. Our mission is to help enable our members, their staff and students to thrive. We help our members to address opportunities and challenges that arise from our shared location in London. We assist and support our members to achieve their goals whilst being a collective voice, garnered through our networks and taking this message to our key stakeholders. We influence and work with stakeholders and networks as a trusted, non-partisan and professional partner.

17. Our Vision: We support our members by advocating for and on behalf of London HE. It is our aim to become a well-respected "go to" representative body for higher education in London to ensure the success of all our members. We therefore act in ways that reflect our six core purposes as:

- a) A convenor: Hosting powerful and highly influential networks and events and providing opportunities for collaborative initiatives.
- b) A communicator: Providing a collective influential voice for our members and promoting London as the destination of choice for students and staff.
- c) A campaigner: Expertly responding to policy concerns through advocacy campaigns, raising awareness for members and creating new opportunities for partnership.
- d) A champion: Promoting London's contribution to local, national and global economies, and endorsing London as a pre-eminent world city for all students, staff, research and enterprise.
- e) A collaborator: Working across member institutions, through our wide-ranging networks, to take key issues and solutions to the heart of local and national government.
- f) A co-creator: Working with members to create policies and positions that reflect the "London voice" and have as their aim a strong and healthy London higher education sector.

Every year we will provide an annual review which reflects on the goals outlined in the Business Strategy and an Operational plan detailing how we aim to achieve them that year. These documents are voted on at our AGM and uploaded to our website.

18. Our Priorities include the following:

- a) **Articulate the London perspective in all relevant debates**, creating channels for our members to engage with key stakeholders, including the GLA, MPs, Government departments

across Whitehall and beyond. Developing strong working relationships with relevant local and national officials. And convening our members on major issues such as the ‘levelling up’ agenda and the student experience, whilst responding to emerging policy changes, from Covid-19 to Brexit.

- b) **Showcase London as a world-class HE destination and centre of excellence**, promoting London’s contribution to local, national and global communities and endorsing London as a pre-eminent world city for students, staff, research and enterprise. Exploring the impact and experience of staff and students in London through the forums provided by our networks and providing briefings and analysis of the latest data for London.
- c) **Restructure the London Higher team**, Integrating AccessHE into the London Higher core team and creating a dedicated resource for our health networks. Building resilience between different staff roles and streamlining our offering into strategic priority areas to bring about tangible and positive outcomes for our members.

19. Measuring our success. We will measure our impact by consulting with members through a newly developed member survey, as well as in discussion with our stakeholders. Additionally, following the appointment of Dr Diana Beech, we have become better connected to our members’ senior teams and policy executives, through regular meetings and through our reformed network offering. We understand the importance of demonstrating value to our members and determining our success. We have introduced a RAG rating system for our strategic priorities that will be discussed at Board meetings, Details on how we aim to deliver and manage our success can be found in our business strategy.

20. Public Benefit. Our work is informed by the need to act for the benefit of the public. In doing this we reference the Charities Commission guidance on public benefit. We engage with over forty HEIs. In London universities employ 223,000 people, with nearly 380,000 students attending higher education providers in the city. We benefit them in various ways as will be shown below, but in all cases our test is whether an action of ours will result in universities providing a richer experience for their staff and/or students in London. A ‘secondary public’ comprises a wider group of stakeholders with whom HE students and staff interact throughout their lives, from employers, parents and children, to policy makers and sectoral stakeholders in both higher education and place, all of whom gain benefit from an effective and full higher education experience.

21. Fundraising. London Higher has not carried out any fundraising from the general public during the year. There has been no outsourced fundraising via professional fundraisers or other third parties and as a result the organisation is not registered with the fundraising regulator and received no fundraising complaints in the year.

ACHIEVEMENTS AND PERFORMANCE

22. For more than twenty years *London Higher* has been working with universities and higher education colleges in London. Our mission is to support universities in meeting the challenges and opportunities of providing diverse higher education in London. We do this by: 1) identifying what the challenges and opportunities are through our wide network offering; 2) assessing the impact, extent or volume of such challenges or opportunities on our members and the wider public, through our surveys and analysis of HE data; 3) designing, appropriate measures to address the challenges or opportunities through our projects, collaborations, advocacy work; and 4) sharing this (and other) information with our members and the wider policy environment to promote our work through our events. This cycle of engagement-action-promotion is how we ensure that our outputs met our goals, and our goals are appropriate and have impact. During our existence we have earned a deserved reputation for advocating and promoting

London's HEIs and supporting our members in their responses to the challenges and opportunities that have emerged.

23. Outputs. Our outputs are diverse including a wide range of networks, advisory groups and publications, as well as campaigns and data analysis, promotional material, meetings and workshops, lobbying and receptions. In this section we give summaries of some of the main activities each of our divisions has undertaken during the past year.

a) **London Higher Core** aims to create an ongoing and robust evidence-base in support of HE in the capital. In particular it seeks to: understand the challenges and opportunities London Higher members and partner institutions face; conceive, develop and manage responses that address these challenges and opportunities; and promote the impact of London's HE sector on the social, cultural and economic development of the region and beyond. During the year we:

- Continue to promote London's contribution to local and national economies, and showcase London as a global destination of research and study, from the Covid-secure Charter (July 2020). Designed by our Operations group to showcase the role of London's HEIs in keeping their campuses and the city safe and secure to Mayoral Priorities document – putting London HE at the heart of the capital's recovery (May 2021), Showcasing the strength of London's HE sector, and the huge role we will play in the capital's recovery.
- By expertly responding to policy concerns through large-scale advocacy campaigns, we seek to raise awareness of our members' positions within Government. Responding to the OfS consultation on recurrent funding, London Higher worked with members and Frontier Economics to produce a report looking at the potential impact of removing the subsidy.
- We have also worked with partner organisations to highlight members integral role in the capital's and the UK's recovery, in particular with business organisation London First, with regard to the economic position of London post the covid pandemic and members role in its recovery.

b) **London Medicine & Healthcare** brings together senior representatives from across London's schools of medicine, dentistry, clinical academic disciplines, nursing, midwifery and the allied health professions. Through its two standing membership networks, London Medicine (for medical schools and clinical academic institutes) and the Healthcare Education Group (for nursing, midwifery and the allied health professions), London Medicine & Healthcare provides a discussion platform pertaining to the delivery of medical and healthcare education and training in London. Activities throughout the year were heavily impacted and shaped by the ongoing COVID-19 pandemic. During the year we:

- Have actively arranged discussions with colleagues from the NHS and HEE (Higher Education England) about the impact of and response from London higher education institutions during the COVID-19 pandemic. These calls continued to be weekly throughout the Christmas period, and proved invaluable to organization of staff across the capital.
- Publication of our report evaluation of LHEG universities' Covid-19 response in allied healthcare. This report describes the efforts made by healthcare students, university staff, NHS staff and the broader higher education community in London during the first wave of Covid-19. Drawing on 23 in-depth interviews, it illustrates the experiences of

those on the frontline, the challenges that they faced, the sacrifices that they made, and the immense impact that their efforts had.

- Completion of the Office for Students Strategic Interventions in Health Education Disciplines (SIHED) Challenge Fund, in line with the revised project plan compiled following the onset of the coronavirus pandemic. Our project, CUREate, has elevated awareness of postgraduate entry routes into health, tailored to the needs and interests of London's sizable creative student community. This was completed in March 2021.

c) **AccessHE** is a key division of London Higher and the pan-London network supporting underrepresented learners to access and succeed in higher education (HE). AccessHE does this by facilitating collaborative outreach and student support work that brings together HE providers, schools, colleges and local government. It is the largest regional membership organisation of its kind in England, representing 28 HEI members. During 2020-21 we:

- Delivered outreach activity to over 3000 learners as a partner in the London strand of the OfS' Uni Connect Programme.
- Published two research reports, looking respectively at the impact of Covid-related learning loss on HE progression in London, and at degree awarding gaps by ethnicity in London. The reports provided an evidence base to underpin AccessHE members' outreach strategies and their work to address gaps in student outcomes.
- Delivered and secured external funding for two community-based outreach projects, one in Tower Hamlets and one in Hackney, providing support and HE advice and guidance to young Londoners whose education had been acutely impacted by the pandemic. These were delivered in partnership with AccessHE members.
- Ran a programme of professional development and signposting sessions for London-based teachers and careers advisers that enabled them to access local HE-led outreach.
- Ran two roundtable events for our members, with input from UCAS and from current students at AccessHE HEIs, to support them in achieving shared access and participation objectives.

d) **NEON (National Education Opportunities Network)** was founded in 2012 and is the professional organisation for widening access to higher education and social mobility in the England. NEON undertakes professional development delivery, fosters collaboration, and carries out research and advocacy related work. NEON has over 150 members including over 107 higher education institutions and since 2012 over 8241 people have attended its events. In 2020-21 it delivered nearly 35 events among which its two largest events online, - NEON's annual Symposium and Awards (over 200 delegates attended). As a result of the lockdown these events were deferred in 2019-20 to 2020-21.

NEON continued however to convene its national working groups which reached over 1000 of our members in 2020-21. NEON produced a number of influential research reports; including 'The outlook for outreach': this report shows investment in widening access to higher education to fall if Uni-Connect programme not renewed, 'Will abolishing BTECs mean reversing widening access to higher education?': the report shows evidence that the proposed reforms to Level 3 qualifications may set back government efforts to widen access to higher education (HE) by at least 5 years and 'The Future of Student Outcomes': the report argues for student focused approach to improving higher education outcomes. NEON developed its new initiative Uni4Me to include 12 'Uni4Me Live' events, these events to broadcast live subject related content through Uni4Me. NEON also held the third World Access to Higher Education Day (WAHED) - WAHED24, based around 'Access and Success in the Post Pandemic world' and featured a series of six events

- over 600 delegates registered for these events. In addition, there were a further 48 events that took place that were registered via the WAHED website.

In December 2020, following the departure of one member of staff the decision was made that London Higher would help facilitate the temporary transfer across UWL as it establishes itself as an independent organisation. It was agreed with UWL that Neon last day at London Higher would be the 28th of May. Assets and Liabilities accrued from 1st of June onwards were wholly transferred to UWL promptly on the 18 June 2021. At year end 31 July 2021 Neon presented a profit of just over £4,000 in London Higher books.

Profits made by the division in the past (total of £73,247 as 31 July 2021) are classified as Unrestricted funds (part of free reserves) and are shown on the Statements of Funds as a transfer from the NEON division to London Higher for the purpose of presenting the disposal.

- e) **London Higher Europe.** London Higher Europe ceased operations last year and continues not to meet. This was due to ongoing uncertainty pertaining to Brexit and London Higher Europe running at a loss. Through engagement with members there were questions raised about the value members were receiving, especially if fees were to be raised. London Higher has formed and introduced an international network, designed to reflect the current policy landscape and including EU students. All members of London Higher are invited to participate in this group and does not reflect an extra cost to the member.
- f) **Special Projects.** Alongside our Save London Weighting campaign, we have focused on the impact of COVID-19 by demonstrating the importance of London's HEIs in ensuring the city is safe and welcoming to staff and students, as well as to residents. We have also worked with partner organisations to highlight members integral roles in the capital and the UK's recovery. This year we have been developing the following for the benefit of members though this challenging time:
- Responding to the OfS consultation on recurrent funding, London Higher worked with members and Frontier Economics to produce a report looking at the potential impact of removing the London weighting subsidy. Investing in a major research report, we engaged with parliamentarians and policymakers and generated media interest in the topic – in London, in the HE sector and nationally with the aim of getting UK Government to reconsider plans to cut the 'London Weighting' element of the Strategic Priorities Grant which is given to higher education institutions across the capital
 - We also partnered with Study London on The "Next Step" campaign (January 2021), promoting study in London internationally in response to the coronavirus crisis, resulting in increased awareness of the opportunities in London for students across the globe
 - Series of strategic conversations to shape the future direction and policy outputs of London Higher for the upcoming academic year.

More details of these activities are presented in our *Annual Report* to members which can be downloaded from our website: <https://www.londonhigher.ac.uk/wp-content/uploads/2021/07/Annual-review-2020-21.pdf>

FINANCIAL REVIEW

24. Our financial goal is to maintain and expand member services by offering an effective and transparent financial regime. In 20-21 the company concentrated on the need to reassure prospective international students, and the need to respond to the threat to remove the London Weighting element of the teaching grant. The Board members agreed to fund these out of reserves.

Total Income (£1,333,028) decreased by £246,823, 16%, compared to 2019-20 (£1,579,851). The main factors were as follow: 1) Membership Income decreased by £75,254 or 15% (LH Core down by 14%,

LHEurope down 100% as the division was discontinued last year, NEON down by 45% as the division ceased trading under LH in June 2021). 2) Projects and Event Income decreased by £145,281 or 52% mainly due to Neon departure but also because AHE was unable to raise any project income (as it did in the past) due to the restrictions in place due to the COVID 19 pandemic imposed in 20-21.

Grant Income was also reduced from last year although only by £25,000 the equivalent of 4%.

LH Centre Groups, LMHC and AHE all had an increase in membership income however, the combined increase was not sufficient to offset the income decrease generated by the above.

Total expenditure decreased (£1,339,540) by £225,926, 14%, compared to 2019-20 (£1,565,466). Direct Costs decreased by £183,595 or 15%, (LH Core down by 19%, LH Europe down by 100% as the division was discontinued last year, NEON down by 36% as the division ceased trading under LH in June 2021, Curate also seen almost no spending as the project concluded the previous year) and Support Costs decreased by £42,332 or 24%. HR Costs contributed to most of the savings, although comparison with previous year is a little imbalanced as last year was really a one-off year for HR costs as we had the departure and recruitment for the CEO post.

- **London Higher Core Membership** - In September 2020, London Higher invoiced 31 institutions for a total of £363,000.
- After a review of the unrestricted reserves, the SMT proposed not to apply a CPI increase and to keep the fee at the same level as previous year. The Board ratified the proposal.
- **LMHC** issued membership invoices in October 20 for a total of £77,331. Under the umbrella of London Medicine and Health Care, also sit Curate and Mental Health projects (the latter due to be completed in January 2021).
- **AHE** raised a total Income of £144,900 between August 2020 and July 2021.
- **NCOP** is a restricted grant and invoices are being issued one month after the work is completed. A funding schedule has been agreed in late March 20 at a reduced rate compared to previous years. Because of the pandemic, the NCOP team was unable to deliver some of the agreed school activities and this resulted in a surplus at the year-end 19-20. London Higher has agreed to repay that amount back to Kingston in January 2021 (£58,102).
- **NEON** raised a combined total Income of £150,875 for membership, and events. The amount came under budget by £39,125 or 17%. (pro-rata budget at £190,000) as the division departed from London Higher in June 2021. Expenditure of £146,395 were down by £36,937 or 20%. Net profit as June 2021 £4,479.

25. Reserves Policy. Total funds as 31 July 2021 are £739,558 (2020: £804,173). Of the total funds, £48,404 (2020: £125,131) were represented by restricted funds and £691,154 (2020: £679,042) by unrestricted funds. Free Reserves (i.e. unrestricted funds excluding fixed assets and amounts designated) stood at £670,402 (2020: £657,164) at 31 July 2021.

The London Higher reserves policy is to hold unrestricted funds to cover between three to six months expenditure, to cover staff costs, overheads and a scaled down level of administration and project expenditure. This applies to all divisions. The current level of unrestricted reserves of £691,154 meet the criteria.

Within designated funds, £17,500 are designated for IT capital expenditure. This is to replace current IT hardware when it becomes necessary to do so. The IT fund would be used to replace ageing IT. Back in 2017 we extended the life of our current PC's by installing Solid State Drives but by 2021 many of them will be in excess of seven years old and will need replacement. London Higher has started the replacement process in October 2021. The £17,500 would include software and installation for all purchases. £2,326 within the designated fund represents the net book value of assets. Also, within Designated Funds we have the EAIE funds of £926 which relates to a project which started in Sept 2019. Because of the pandemic, London Higher was unable to continue the programme for another year. The

carried forward amount will be used towards the direct delivery costs of some similar activity or returned to the participating members.

PLANS FOR 2021-22

26. Financial Plan. For the 2020-21 financial year we are forecasting income of just around £959,000. In June 2021 we circulated a costed Operational Plan for 2021-22 to all members which indicates how this money will be disbursed. In January/February 2022 we revise the Plan to reflect the post-audit position.

27. Strategies for the year. Our initiatives this year include:

- Produce a sustainability report, coinciding with COP26 and detailing the importance of London's higher education institutions as leaders on the 'green' agenda
- Increase member engagement and ad hoc meetings to respond to the evolution of the pandemic and the changing policy context.
- Reform and enhance our networks to ensure that we are collaborating across the breadth of higher education in London, offering activities in areas valued most by members
- Launch the Wellbeing Connect toolkit, enabling students and university welfare officers to better access mental health services, whenever in the city they live.
- Create and launch 'The London Higher Civic Map', showcasing the initiatives and impact of our members across the City of London and the 32 London boroughs. This will be a living document and regularly updated.
- Launch a strategic working group to sit under the International network, with a view to launching an International Education Strategy for London for the next academic year.
- Design and run a 'London is local' campaign to ensure policymakers recognise London's levelling up needs and the contribution of our members to local Londoners.
- Conduct research into the importance of postgraduate higher education in London and produce a report acknowledging the vital role London plays in bolstering the UK research talent pipeline.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

28. The Trustees (who are also Directors of London Higher for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

29. Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

31. In so far as the Trustees are aware:

- there is no relevant audit information of which the charity’s auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information; and
- in all material respects income from grants and income for specific purposes and from other restricted funds administered by London Higher have been applied only for the purposes for which they were received.

APPROVAL

Declaration. Trustees have prepared this report in accordance with the Special Provisions of Part 15 of the Companies Act 2006. In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A, the Companies Act 2006.

32. **Resolution.** Approved by the London Higher Board of Trustees on 18 January 2022 and signed on its behalf by:



.....
Professor Amanda Broderick
Chair, London Higher

Independent auditor's report to the members of London Higher

Opinion

We have audited the financial statements of London Higher for the year ended 31 July 2021 which comprise Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charity Law, GDPR and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We

also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006, Charities Act 2011 and the Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the NEON transfer, manual journal postings, recognition of membership income and grant income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Challenging assumptions and judgements made by management in their critical accounting estimates such as , the dilapidations provision and pension liability.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities, including operating sufficiently during the Covid-19 remote working period;
- Identifying and testing journal transactions which may pose a heightened risk of misstatement whether due to fraud and error, in particular those posted with unusual descriptions, postings by unusual users or posted at unusual or specific points in time.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Kathryn Burton (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 20 January 2022.....

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating and Income and Expenditure Account)

FOR THE YEAR ENDED 31 JULY 2021

Company number 5731255

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Charitable activities					
<i>Membership income</i>	3	637,275	-	637,275	712,529
<i>Grants</i>	3	-	559,108	559,108	584,108
<i>Other</i>	3	134,586	-	134,586	279,867
Investment income	3	2,059	-	2,059	3,347
Total income		<u>773,920</u>	<u>559,108</u>	<u>1,333,028</u>	<u>1,579,851</u>
Expenditure on:					
Charitable activities	4	761,808	577,732	1,339,540	1,565,466
Total expenditure		<u>761,808</u>	<u>577,732</u>	<u>1,339,540</u>	<u>1,565,466</u>
Net income/(expenditure)	2	12,112	(18,624)	(6,512)	14,385
Brought forward refunded		-	(58,103)	(58,103)	-
Net movement in funds		<u>12,112</u>	<u>(76,727)</u>	<u>(64,615)</u>	<u>14,385</u>
Reconciliation of funds					
Total funds brought forward		<u>679,042</u>	<u>125,131</u>	<u>804,173</u>	<u>789,788</u>
Total Funds carried forward		<u><u>691,154</u></u>	<u><u>48,404</u></u>	<u><u>739,558</u></u>	<u><u>804,173</u></u>

All amounts derive from continuing activities except for the Neon project. The income and expenditure relating to this project in the year were £150,874 and £146,393 respectively. (Net Income of £4,479). Further details of the Neon transfer can be found on page 10 and 12. There are no other gains or losses other than those shown above. The comparative Statement of Financial Activities is on note 16.

The notes on pages 21 to 33 form part of the accounts.

	Note	2021 £	2020 £
FIXED ASSETS	7	2,326	3,452
CURRENT ASSETS			
Debtors	8	64,870	56,973
Cash at bank and in hand		788,626	1,014,385
		853,496	1,071,358
CREDITORS: amounts falling due within one year	9	(116,264)	(270,637)
NET CURRENT ASSETS		737,232	800,721
NET ASSETS		739,558	804,173
FUNDS			
Unrestricted funds			
General funds	11	672,222	657,164
Designated funds	11	18,932	21,878
Restricted funds	11	48,404	125,131
		739,558	804,173

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 18 January 2022 and were signed on their behalf by:



.....
Professor Amanda Broderick
Chair, London Higher

	2021	2020
	£	£
Cash flows from operating activities:		
Net income for the reporting period (as per the statement of financial activities)	(64,615)	14,385
Adjustments for:		
Depreciation charges	1,126	1,295
Interest received	(2,059)	(3,347)
Decrease/(increase) in debtors	(23,798)	95,684
Increase/(decrease) in creditors	(138,472)	129,695
	<u> </u>	<u> </u>
Net cash provided by/(used in) operating activities	(227,818)	237,712
	<u> </u>	<u> </u>
Cash flows from investing activities		
Investment income	2,059	3,347
	<u> </u>	<u> </u>
Net cash provided by investing activities	2,059	3,347
	<u> </u>	<u> </u>
Cash flows from capital expenditure and financial investment		
Payments to acquire tangible fixed assets	-	(2,058)
	<u> </u>	<u> </u>
Net cash used in financing activities	-	(2,058)
	<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period	(225,759)	239,001
Cash and cash equivalents at the beginning of the reporting period	1,014,385	775,384
	<u> </u>	<u> </u>
Cash and cash equivalents at the end of the reporting period	788,626	1,014,385
	<u> </u>	<u> </u>

Reconciliation of net debt	2020	Cashflow	2021
	At the start of the year		At the end of the year
	£	£	£
Cash in hand	1,014,385	(225,759)	788,626
	<u> </u>	<u> </u>	<u> </u>
Total cash and cash equivalents	1,014,385	(225,759)	788,626
	<u> </u>	<u> </u>	<u> </u>

The notes on pages 21 to 33 form part of the accounts.

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) - effective 1 January 2019.

The organisation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Legal status

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 5731255) and a charity registered in England and Wales (charity number: 1105500). The charity meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The functional currency of the charitable company is considered to be GBP because that is the currency of the primary economic environment in which it operates.

Preparation of accounts on a going concern basis

We continued to be effected by the pandemic during 20-21 but the London Higher scope of work remained focused and in line with the members' objectives, as well as the sector as a whole. All the members are engaging together to address the future of London's students. This robust collaboration and the positive feedback have given London Higher more confidence about the future. After so many years in the collaboration with Kingston Uni, London Higher plans to re applied for restricted funding from OfS. A decision on whether we have been successful will be made in March 2021. Having taken all these elements into consideration and carry out a cash flow forecast for the next 18 months which highlights different scenarios, the Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The ability to manage the company assets, the reserves levels and future plans gives Trustees confidence the charity remains a going concern for the foreseeable future.

Critical accounting judgements and key sources of estimation uncertainty

In the application of these accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that

1. ACCOUNTING POLICIES (continued)

period, or in the period of the revision and future periods if the revision affects current and future periods. The Trustees consider the following items to be areas subject to estimation and judgement:

Pensions:

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss. The Trustees are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme.

The USS pension scheme is in a deficit position and a proportion of the contributions London Higher is paying to the scheme is in relation to funding the deficit. FRS 102 requires that you must recognise a liability for the fair value of any contributions payable that arise from an agreed deficit repayment plan between employer and a pension scheme. Whilst the scheme documentation does provide a stated % figure of the ongoing contributions which can be attributed to deficit repayment, the payment amount is based on future salaries rather than a specified fixed repayment plan. On this basis, the deficit contributions are not reliably measurable and as such no liability has been recognised.

Income

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Investment income relates to interest on from bank balances and is accounted for on an accruals basis.

Deferred income represents amounts receivable for future years where conditions are attached which must be fulfilled before unconditional entitlement, or grants which can only be spent in future years. The deferred income is released when entitlement to the income is confirmed.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

London Higher
London Medicine & Healthcare
Access HE
NEON
NCOP

Membership and charitable activity costs include expenditure which is directly attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

1. ACCOUNTING POLICIES (continued)

Support costs are those functions that assist the work of the charity but do not undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities.

Governance costs are costs incurred in connection with the strategic management of the charity and in compliance with constitutional and statutory requirements. These costs have been allocated to charitable activities. The basis on which support costs have been allocated across the categories on the basis of the proportion of time spent by staff on those activities.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets on a straight line basis to write off the cost, less estimated residual value, over their expected useful lives as follows:

IT equipment	3 years
Fixtures and fittings	3 years
Furniture	3 years

The charity's capitalisation policy is for any items over £500.

Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pension scheme

The Charity participates in the Universities Superannuation Scheme (the scheme). Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

Employee benefits

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

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

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, trade and fee debtors, staff loans, other debtors, prepayments and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash and cash equivalents are defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost, fees in advance, trade creditors and other creditors and amounts owed to group undertakings.

1. ACCOUNTING POLICIES (continued)**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash held on site and within bank accounts.

Creditors and provisions

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

Funds

Funds held by the charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Unrestricted designated funds – these are funds which the Trustees have set aside for specific purposes, and can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds that can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

2. NET INCOME	2021	2020
	£	£
This is stated after charging:		
Auditors remuneration (excluding VAT)		
- current year	10,000	10,000
Depreciation	1,126	1,295
Operating lease rentals	53,363	52,500
	<u> </u>	<u> </u>
3. INCOME	2021	2020
	£	£
Membership Contributions		
London Higher Members	363,300	424,200
London Higher Europe	-	16,333
London Medicine	72,330	61,331
London Partners	40,493	27,500
Access HE	125,542	118,959
NEON	35,610	64,206
	<u> </u>	<u> </u>
	637,275	712,529
Grants		
Ofs	559,108	584,108
	<u> </u>	<u> </u>
	559,108	584,108
Other		
Project & event income	134,586	279,867
	<u> </u>	<u> </u>
	134,586	279,867
	<u> </u>	<u> </u>
Total charitable income	1,330,969	1,576,504
	<u> </u>	<u> </u>
Investment Income	2,059	3,347
	<u> </u>	<u> </u>
	2,059	3,347
	<u> </u>	<u> </u>
Total income	1,333,028	1,579,851
	<u> </u>	<u> </u>

4. ANALYSIS OF CHARITABLE EXPENDITURE	Direct Costs £	Support Costs £	Total 2021 £	Direct Costs £	Support Costs £	Total 2020 £
London Higher	394,552	38,637	433,189	487,998	90,110	578,108
London Higher Europe	-	-	-	22,574	-	22,574
London Medicine & Healthcare	44,210	10,850	55,060	45,668	7,000	52,668
Access HE	87,164	40,000	127,164	85,479	37,500	122,979
NEON	126,396	20,000	146,396	196,344	17,000	213,344
NCOP	518,856	20,000	538,856	506,323	20,000	526,323
Curate	997	-	997	31,631	-	31,631
Mental Health	36,837	1,041	37,878	16,590	1,250	17,840
	<u>1,209,012</u>	<u>130,528</u>	<u>1,339,540</u>	<u>1,392,607</u>	<u>172,860</u>	<u>1,565,467</u>

2021
£

2020
£

Support costs

Occupancy Cost	89,443	84,834
Administration Cost	14,142	20,505
Human Resource Cost	9,107	36,950
Depreciation	1,126	1,295
Communication Cost	204	4,472
Governance (Note 5)	12,583	13,176
Strategy Development	2,020	9,742
Banking Costs	1,903	1,886
	<u>130,528</u>	<u>172,860</u>

5. GOVERNANCE COSTS	2021	2020
	£	£
Audit and related fees (including VAT)	12,570	12,090
Trustees meetings	-	1,073
Company house filing	13	13
	<u>12,583</u>	<u>13,176</u>
	<u><u>12,583</u></u>	<u><u>13,176</u></u>
6. ANALYSIS OF STAFF COSTS	2021	2020
	£	£
Wages and Salaries	668,794	846,282
Social security costs	61,316	67,989
Pension costs	107,130	120,624
Recruitment expenses	1,455	34,564
	<u>838,695</u>	<u>1,069,459</u>
	<u><u>838,695</u></u>	<u><u>1,069,459</u></u>

Included within Wages and Salaries are redundancy, settlement, termination payments made in the year of £nil (2020: £76,089).

The average number (headcount) of employees was:

	2021	2020
	Number	Number
London Higher	7	8
London Medicine & Healthcare	1	2
Access HE	2	2
Mental Health	1	1
NEON	2	4
NCOP	6	4
	<u>19</u>	<u>21</u>
	<u><u>19</u></u>	<u><u>21</u></u>

During the year there were two employees (2020: two) who received emoluments exceeding £60,000 and to whom retirement benefits are accruing under a defined benefits scheme.

The remuneration falls into the following brackets:

	2021	2020
	Number	Number
£70,000 - £80,000	-	1
£90,000 - £100,000	1	-
£150,000 - £160,000	-	1
	<u>1</u>	<u>2</u>
	<u><u>1</u></u>	<u><u>2</u></u>

Pension contributions payable by the Charity for the higher earners in the year were £23,258 (2020: £34,744).

No trustee received remuneration or reimbursement for expenses during the year (2020: Nil).

The key management personnel are defined as the CEO, Head of Finance and Head of AccessHE and NEON of which the total employee benefits in aggregate for the year were £216,011 (2020: £280,154).

7. TANGIBLE FIXED ASSETS	IT Equipment £	Fixtures & Fittings £	Furniture £	Total £
Cost				
At 31 July 2020	23,160	30,510	16,030	69,700
Additions	-	-	-	-
	<u>23,160</u>	<u>30,510</u>	<u>16,030</u>	<u>69,700</u>
At 31 July 2021	23,160	30,510	16,030	69,700
	<u>23,160</u>	<u>30,510</u>	<u>16,030</u>	<u>69,700</u>
Depreciation				
At 31 July 2020	19,850	30,477	15,921	66,248
Charge for the year	1,093	33	-	1,126
	<u>19,850</u>	<u>30,477</u>	<u>15,921</u>	<u>66,248</u>
At 31 July 2021	20,943	30,510	15,921	67,374
	<u>20,943</u>	<u>30,510</u>	<u>15,921</u>	<u>67,374</u>
Net Book Value				
At 31 July 2020	3,310	33	109	3,452
	<u>3,310</u>	<u>33</u>	<u>109</u>	<u>3,452</u>
At 31 July 2021	2,217	-	109	2,326
	<u>2,217</u>	<u>-</u>	<u>109</u>	<u>2,326</u>

All assets are held for operational purposes

8. DEBTORS	2021 £	2020 £
Trade debtors	45,502	45,671
Other debtors	-	-
Prepayments and accrued income	19,368	11,302
	<u>64,870</u>	<u>56,973</u>

9. CREDITORS: amounts falling due within one year	2021 £	2020 £
Trade creditors	38,129	84,967
Accruals	44,751	93,598
Deferred income (see below)	32,458	75,573
Other creditors	926	16,499
	<u>116,264</u>	<u>270,637</u>

Deferred income	2021 £	2020 £
Balance at start of the year	75,573	48,948
Amounts released to income	(75,573)	(48,948)
Amounts deferred in the year	32,458	75,573
	<u>32,458</u>	<u>75,573</u>
Balance at the end of the year	<u>32,458</u>	<u>75,573</u>

Deferred income relates to grants & membership income invoiced/received in the year for the next period.

10. STATEMENT OF FUNDS

	Brought forward at 01/08/2020	Income	Expenditure	Transfers	Carried forward at 31/07/2021
	£	£	£	£	£
Restricted funds					
Curate	869	-	(998)	-	(127)
Mental Health	66,160	-	(37,878)	-	28,282
NCOP	-	559,108	(538,857)	-	20,251
NCOP refund	-	-	-	-	-
	<u>67,029</u>	<u>559,108</u>	<u>(577,733)</u>	<u>-</u>	<u>48,404</u>
Total Restricted funds	<u>67,029</u>	<u>559,108</u>	<u>(577,733)</u>	<u>-</u>	<u>48,404</u>
Unrestricted funds					
<i>General funds</i>					
London Higher	369,680	405,852	(433,189)	86,201	428,544
London Higher Europe	7,348	-	-	(7,348)	-
London Medicine & Healthcare	122,246	72,330	(55,060)	-	139,516
Access HE	84,643	144,862	(127,163)	-	102,342
NEON	73,247	150,876	(146,396)	(77,727)	-
	<u>679,042</u>	<u>773,920</u>	<u>(761,808)</u>	<u>-</u>	<u>691,154</u>
Total Unrestricted funds	<u>679,042</u>	<u>773,920</u>	<u>(761,808)</u>	<u>-</u>	<u>691,154</u>
	<u>804,173</u>	<u>1,333,028</u>	<u>(1,133,954)</u>	<u>-</u>	<u>739,558</u>
Total funds	<u>804,173</u>	<u>1,333,028</u>	<u>(1,133,954)</u>	<u>-</u>	<u>739,558</u>

10. STATEMENT OF FUNDS (continued)

PRIOR YEAR	Brought forward at 01/08/2019 £	Income £	Expenditure £	Transfers £	Carried forward at 31/07/2020 £
Restricted funds					
Curate	-	32,500	(31,631)	-	869
Mental Health	-	84,000	(17,840)	-	66,160
NCOP	317	584,108	(526,323)	-	58,102
Total Restricted funds	317	700,608	(575,794)	-	125,131
Unrestricted funds					
<i>General funds</i>					
London Higher	491,685	455,047	(576,288)	(764)	369,680
London Higher Europe	13,589	16,333	(22,574)	-	7,348
London Medicine & Healthcare	113,583	61,331	(52,668)	-	122,246
Access HE	79,923	127,699	(122,979)	-	84,643
NEON	67,758	218,833	(213,344)	-	73,247
<i>Designated funds</i>					
Fixed asset fund	2,688	-	-	764	3,452
EAIE fund	2,745	-	(1,819)	-	926
IT fund	17,500	-	-	-	17,500
Total Unrestricted funds	789,471	879,243	(989,672)	-	679,042
Total funds	789,788	1,579,851	(1,565,466)	-	804,173

- *London Medicine and Healthcare* is tasked with monitoring the healthcare policy environment as it applies to the membership of the Group, and identify opportunities to promote the regional, national and international contributions made by London's Medical Schools and Schools of Healthcare.
- *Access HE* is a pan-London organisation enabling the provision of support for young people from disadvantages backgrounds to enter Higher Education. Access HE facilitates collaboration and activities that aim to increase social mobility in the capital.
- *UniConnect*, Access HE is a key delivery partner in the OfS-outreach programme in London created to help realise the Government's goal of increasing participation in Higher Education from lower participating neighbourhoods. The initiative engages with schools / colleges in 13 wards across London, all of which exhibit low participation neighbourhood characteristics.
- Fixed asset funds represents the net book value of fixed assets held by the charity.

- IT fund - The IT fund will be used to replace ageing IT. During 2017, we have extended the life of our current PC's by installing Solid State Drives but by mid-2021 many of them will be in excess of seven years old and we will need to be replaced. The £17,500 would include software and installation for all purchases.
- EAIE fund – A one-off subscription by members of LH International to fund an exhibition stand and promotional literature with London & Partners at the EAIE international study conference in Helsinki in September 2019. The stand was used to promote London as a world class destination for HE study.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2021 Restricted Funds £	2021 Unrestricted Funds £	2021 Total Funds £
Fixed assets	-	2,326	2,326
Current assets	91,878	761,619	853,497
Current liabilities	(43,474)	(72,791)	(116,265)
Total funds	<u>48,404</u>	<u>691,154</u>	<u>739,558</u>

PRIOR YEAR

	2020 Restricted Funds £	2020 Unrestricted Funds £	2020 Total Funds £
Fixed assets	-	3,452	3,452
Current assets	154,758	916,573	1,071,358
Current liabilities	(29,654)	(240,983)	(270,637)
Total funds	<u>125,131</u>	<u>679,042</u>	<u>804,173</u>

12. OPERATING LEASE COMMITMENTS

At 31 July 2021 the charitable company had the total future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Amounts due in:		
Within one year	23,518	53,363
Between two and five	-	30,567
Total operating lease commitments	<u>23,518</u>	<u>83,930</u>

The charge made to the Statement of Financial Activities in 2021 was £53,363 (2020: £52,500).

13. PENSION SCHEME

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete. Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole. The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows

	2018 Valuation
Mortality base table	<u>Pre-retirement</u>
	71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females
	<u>Post Retirement</u>
	97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.
Future improvements to mortality	toCMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

13. PENSION SCHEME (continued)

The current life expectancies on retirement at age 65 are:

	2021	2020
Males currently aged 65 (years)	24.6	24.4
Females currently aged 65 (years)	26.1	25.9
Males currently aged 45 (years)	26.6	26.3
Females currently aged 45 (years)	27.9	27.7

14. Related Party

There were no related party transactions (2020: none) during the year.

15. Comparative Statement of Financial Activities

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income from				
Charitable activities				
<i>Membership income</i>	3	712,529	-	712,529
<i>Grants</i>	3	-	584,108	584,108
<i>Other</i>	3	163,363	116,500	279,867
Investment income	3	3,347	-	3,347
Total income		<u>879,243</u>	<u>700,608</u>	<u>1,579,851</u>
Expenditure on				
Charitable activities	4	989,672	575,794	1,565,466
Total expenditure		<u>989,672</u>	<u>575,794</u>	<u>1,565,466</u>
Net income/Expenditure	2	(110,429)	124,814	14,385
Net movement in funds		<u>(110,429)</u>	<u>124,814</u>	<u>14,385</u>
Reconciliation of funds				
Total funds brought forward		789,471	317	789,788
Total Funds carried forward		<u><u>679,042</u></u>	<u><u>125,131</u></u>	<u><u>804,173</u></u>

All amounts are from continuing activities.