

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

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Charity number: 1114873
Company Number: 5731255

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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)
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 Elsworth and Moore
Salisbury House
Station Road
Cambridge CB1 2LA

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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***

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- 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;

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- 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;

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- 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

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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:

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- **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.

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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.

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- 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.

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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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	<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
(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 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		<u>809,241</u>	751,967
TOTAL NET ASSETS		<u><u>815,740</u></u>	<u><u>756,844</u></u>
CHARITY FUNDS			
Restricted funds	17	18,605	25,675
Unrestricted funds	17	797,135	731,169
TOTAL FUNDS		<u><u>815,740</u></u>	<u><u>756,844</u></u>

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
(A Company Limited by Guarantee)

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 on 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:

LONDON HIGHER
(A Company Limited by Guarantee)

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
(A Company Limited by Guarantee)

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-

LONDON HIGHER
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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 2024 £	Total funds 2024 £	Total funds 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 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 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
	363,778	964,211	1,327,989	1,079,415
TOTAL 2023	258,498	820,917	1,079,415	

LONDON HIGHER
(A Company Limited by Guarantee)

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	

LONDON HIGHER
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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>

LONDON HIGHER
(A Company Limited by Guarantee)

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
	23,889	20,151

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	3,000	5,400

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
	825,439	776,073

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

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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 No.	2023 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 No.	2023 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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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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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
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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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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
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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

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**NOTES TO THE FINANCIAL STATEMENTS
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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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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
	766,055	66,567	832,622

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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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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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	<u>50,400</u>	<u>50,400</u>

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).