

Jisc Trustees' Report and Financial Statements

Year ended 31 July 2022

Charity registration number: 1149740

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Report from the Chair

In my first full year as chair of Jisc, I am delighted to share this report from the trustees highlighting the significant progress that has been made. It has also been the first year for our chief executive, Heidi Fraser Krauss, who has spent considerable time engaging and listening both to our members and customers, to identify their needs, and to Jisc colleagues to help inform the restructuring of the organisation that is required to deliver on those needs.

At such a critical time for Jisc and the wider Higher Education (HE), Further Education (FE), research and innovation, and skills sectors, it has been an immense privilege to serve as chair of Jisc. Our members continue to look to Jisc for support in their digital transformation, whether that is the exciting possibilities and benefits of online learning and teaching, artificial intelligence, trusted research or a secure, reliable network and associated services.

The world-class Janet network and Eduroam-related services continue to provide the backbone that allows our member organisations to function reliably and effectively. Jisc will continue to invest and innovate in these areas to make sure that the UK is leading the way in such digital support infrastructure. A key goal is to extend Eduroam further into many more public spaces, such that we make digital engagement ever more inclusive.

It is perhaps no surprise that cyber security continues to remain a key priority for Jisc and the board to maximise our protection for members. We will continue to enhance and improve these critical services for universities and colleges, alongside the provision of advice and guidance, such as our 16 questions senior leaders need to ask to assess their cyber security position.

Of course, Jisc does far more than providing digital infrastructure. It is an organisation which provides a range of innovative services. Some examples include: the well-received Digital Elevation Tool, providing senior strategic leaders in FE and skills organisations with an online self-assessment that allows them to validate their organisation's current digital position and map their digital journey.

In response to member demand, we have expanded our brokerage role in relation to software, journal and eBook licensing; working closely with the research community to implement the UK Research and Innovation (UKRI) Open Access policy to play our part in transforming the UK approach to publishing academic research. We have published an in-depth report on Exploring Digital Carbon Footprints to support our members in reducing the climate-related implications of their digital environment. We have also supported UK HE members involved in the UK-Ukraine University Twinning Programme, including hardware donations and content access and licensing solutions.

More recently, the trustees are delighted to have published our new strategy. Over the next three years, Jisc will build on its core strengths and leverage the collective power of the HE and FE sectors to maximise our impact in three key ways: delivering the right solutions; empowering our communities; and being a force for good. While the Janet network remains key to our offering, we will work with key partners to allow us to be agile, developing solutions in a timely way, and accelerating our capabilities in key areas for our members, such as the Cloud and 5G.

Finally, I am particularly delighted that we have successfully concluded a merger with the Higher Education Statistics Agency (HESA). The merger consolidates the considerable expertise of both



organisations to create a resilient, joint capability for delivering the sector's data and digital needs.

These are both exciting and challenging times for a digital and data organisation, and while we are immensely proud of all that we have achieved over the past year, we remain ambitious in our outlook for the future. I look forward to continuing to work with Heidi and the board to build on our significant success to date.

I would also like to offer the sincere thanks of the board to every member of Jisc staff, who have worked tirelessly over the past year to support the organisation and its members.

Paul Boyle

Professor Paul Boyle, CBE

Jisc Chair

1 December 2022



Strategic Report

The trustees present their strategic report for the year ended 31 July 2022.

Our vision and purpose

Jisc is the UK digital, data and technology agency focused on tertiary education, research and innovation.

We are a not-for-profit organisation and believe education and research improves lives and that technology improves education and research.

We provide managed and brokered products and services, enhanced with expertise and intelligence to provide sector leadership and enable digital transformation.

Vision: for the UK to be world leaders in technology for education and research and innovation

Our purpose: to improve lives through the digital transformation of education

We are a member organisation, working in support of further education, higher education and research and innovation in the UK. We also provide services to local government, public sector, non-profits and industry customers.

Our overarching aim is to be THE trusted partner in digital transformation.

We support our members by providing services in a range of areas critical to their success:



Cloud – consultancy, support and reseller of cloud services



Libraries, learning resources and research – shared services, infrastructure and advice



Connectivity – network connection services and infrastructure



Student experience – tools to enrich learning and employability



Cyber security – protecting the network and member organisations



Trust and identity – manage access to systems efficiently and effectively



Data analytics – address strategic challenges through data



Advice and guidance – guides, training and consultancy



Activities and achievements 2021-22

2021-22 has been a busy year in challenging times for our universities and colleges, the UK and globally.

We have very recently concluded our work with HESA to merge the charities, completing on 4 October 2022. The knowledge and expertise from the merger will provide a rich, open source of HE information for data users, the benefits of which will be realised in years to come.

We have continued to invest in the Janet network and our strong bedrock of security services which we will continue to enhance and improve. We have focused on developing and stabilising the security incident and event monitoring (SIEM) service and launching the managed firewall as significant steps in moving towards delivering a full managed security operation centre service.

As part of our commitment to customer service both in delivery and ongoing management we are finalising plans to move to 24/7 operations for network and cyber services. Within the following year we expect to be in a position to launch an exciting range of security services which will ultimately comprise of a fully managed security operation centre.

We are working with the research community to implement UKRI's Open Access policy. The Transitional Open Access Agreements in place in 2021 enabled the UK academic sector to avoid £55M in open access publishing costs and 31,480 articles to be published immediately. Jisc Licensing have 71 open access agreements available, which support higher education with the transition to open access and enable compliance with UK funder policies whilst also supporting diversity in the marketplace. These currently cover an estimated 87% of UKRI funded output.

OpenAthens now helps more than 2,600 organisations in over 65 countries get access to the knowledge that they need, when they need it, with over five million end users. OpenAthens international client base has grown significantly, primarily as a result of our partnership with EBSCO, a global e-journal, eBook, database and discovery service provider, but also having direct customers in other countries. One of our challenges supporting overseas customers and partners was that they needed local support in their own time zone. Native speakers and an understanding of local customs and culture feature highly in our sales conversations with overseas prospects. To combat this, we have implemented customer-facing support functions overseas in Singapore to support our growing number of OpenAthens customers in the Asia Pacific region.

We have a study underway to understand the carbon impact of digital technology at an institutional level. This project is working alongside our internal Net Zero project, which is planning the collection of information about the carbon emissions of our products and services to inform our baselining, targets and Net Zero plan.

We have published a well-received report focusing on highlighting the source and impact of digital carbon footprints for procurement; on-premises IT; cloud technologies; and remote working. A project is also underway which will allow data to be gathered through Building Management System environments on power usage to help address priority areas of power consumption and reduce carbon emissions as a result.



Key Achievements

Some of our key achievements through the year to deliver our strategy to 2022 are below. Our strategy for 2022-25 can be found on page 10.

Satisfy members and funders

- Our leadership survey results show that customer satisfaction is very high with scores at 94% in FE and 86% in HE
- **Value for money studies** undertaken by an independent consultant demonstrate the financial costs savings and costs avoided for Jisc customers is in the order of £220m in 2020-21 (£155m in HE and £65m in FE)
- We have been working with the Department for Education, England (DfE) on their new digital standards for schools and colleges
- We have been working with the Scottish Further and Higher Education Funding Council (SFC), Scottish members and stakeholders on the development of Scotland's National Standard for Online and Blended Learning
- We have been commissioned by Welsh Government to develop a bespoke programme for Welsh FE providers on designing and delivering blended learning and are delivering the second phase of our learning analytics programme in Wales
- Our Global Education Access Framework (GEAF) continues to be of importance to our members with students who were unable to return or start their studies in the UK as a result of the pandemic, including demand by members in preparation for 2022-23 and for solutions to support all forms of transnational education (TNE)
- We initiated support for UK HE members involved in the [UK-Ukraine University Twinning Programme](#), identifying areas that Jisc can develop solutions, for example hardware donations and content access and licensing

**Deliver world class core services and offer value added services**

- Our investment in the Janet network has continued, following pandemic-related delays, including engaging with institutions in Scotland and Northern Ireland on implementation and delivery in those nations
- We launched Edubox, which is powered with a 5G sim card, allowing 5G connectivity where it may be otherwise difficult to get online
- We launched guidance to help college and university staff work together to assess and improve their cyber security maturity and a Ransomware incident response allowing members to test their infrastructure, policies and procedures with a realistic simulated incident
- We have responded to a record number of cyber security incidents, working alongside customers to mitigate the duration and scale of attacks
- We are working with the research community to implement UKRI's Open Access policy
- We completed negotiations for the world's largest Open Access agreement with Elsevier, bringing a significant reduction on current institutional spend on Elsevier journals
- We launched a pilot new publishing platform, Octopus, to help enable fast, free and fair publishing of research that is open to all and focuses on the intrinsic quality of research
- We have altered our equipment data platform to make research assets discoverable. This will help research projects to fulfil UKRI requirements
- We have collaborated with the British Science Association to publish their digital archive, providing access to 930,000 pages of scientific archive material
- We launched the Digital Elevation Tool, providing senior strategic leaders in FE and skills organisations with an online self-assessment tool that allows them to validate their organisation's current digital position and map their digital journey against the digital elevation model
- Over 750,000 UK graduates entered work or postgraduate study across the globe after being verified through Hedd, our degree validation service, generating over £1 million revenue which is shared with Hedd members
- We launched the first tech careers fair in the UK, connecting employers and educational institutions with hard-to-reach young talent interested in technology careers
- We are helping UK universities explore how artificial intelligence (AI) can reduce workload for their staff by piloting **Graide**, an AI-based digital assessment and feedback platform



Inspire with thought leadership

- We published a report on [Exploring digital carbon footprints](#) which outlines steps that our members can take to help address the impact of their digital carbon emissions
- We lead on a project to identify [sustainable IT investment and management practices](#) in Welsh FE colleges, with outcomes that can be shared across the sector
- A record number of students completed our [student digital experience insights survey](#), giving valuable insights into how students experienced online learning through the pandemic. We have also released a toolkit for benchmarking online student experiences, which helps universities assess their progress on the key issues that are important to students' online learning experience
- We have created a programme of thought leadership in support of the 4 themes of our 'Powering UK Higher Education' strategy, to stimulate transformative change in the sector's use of technology to improve teaching, learning and research
- We have facilitated a wide range of community groups, allowing our members to share experiences and solutions within a wide range of topics, including digital culture and leadership, learning and teaching, research, accessibility, IT and networking, and library
- The principles of assessment and feedback guide ([Principles of good assessment and feedback | Jisc](#)) continues to be one of the most visited guides on the our website, and numerous presentations and workshops on these resources have been delivered at national conferences and university staff development events. Our series on rethinking assessment and feedback from the Beyond the Technology podcasts have continued to attract a large number of listeners (9,359) since March 2022
- We presented a keynote at the Ministry of Education and Chinese Education Association for International Exchange (CEAIE) UK-China Higher Education Summit on 'Looking ahead – future trends and innovative technology in online teaching and learning.'



Transform Jisc and provide financial leadership

- Our Corporate Social Responsibility (CSR) programme has made significant progress, with a focus on establishing our carbon emissions baseline to inform decarbonisation plans, embedding further modern slavery checks into high-risk procurements and an increase in volunteering
- Our diversity and inclusion programme was launched with focussed training, resources and workshop to embed our priorities across the organisation. Our staff engagement survey results show an improvement in our measure of inclusive culture, at 76%
- We have established a new pay framework to support career pathways and enhanced our rewards package providing further focus on well-being support for colleagues
- We have reviewed and updated our management of projects across the organisation to ensure that our priority transformational projects are delivered as needed to enhance our customer support
- Our new Protective Services team was established, bringing together our cyber incident response, threat intelligence and defensive teams, to deliver a world class incident response service for our customers
- We have refocussed our account managers into relationship managers to support our continuing focus on delivering exceptional customer experience, with additional customer focussed training being provided across the organisation
- We have opened a company and have recruited colleagues in Singapore to support our growing number of OpenAthens customers in the Asia Pacific region
- Our finance transformation programme will make life easier for our members and customers when dealing with our invoices and billing
- We have agreed an implementation plan for all Jisc teams to move to one instance of Customer Relationship Management – Salesforce. This will ensure that we are able to better support our members and customers across the broader products and services now offered by Jisc
- Cost savings and efficiencies as a result of mergers with Eduserv and the Higher Education Careers Services Unit (HECSU) in recent years have been realised with some product areas significantly exceeding predicted income
- We have kept costs under firm control through 2021-22 and are keeping close watch on the impact of inflation and the energy crisis
- We have invested a VAT refund received into priority projects for the benefit of our sectors, including further investment in the Janet network, a series of additional cyber security services and going forward enhancing Janet IP connections for FE colleges. This means that members have received additional support without a significant increase in subscription fees
- We continue to invest in adding capacity and resilience to the network whilst managing the ongoing cost.



Our Strategy

Over the past year, we have continued to implement Jisc's strategy to 2022 and this report covers our progress.

Satisfy members

Deliver a great member experience with a long-term aim of 95% satisfaction.

Satisfy funders

Grow our funders' confidence even further so our grants increase above inflation or, at a minimum, remain at current levels.

Deliver world-class core services

Provide the UK's HE, FE and research communities with best-in-class e-infrastructure, content and data services.

Offer value-added service

Develop vibrant new services that are co-designed and driven by the needs of members in HE, FE and research, and are distinct from the commercial market.

Inspire with thought leadership

Provide thought leadership that inspires members to transform.

Transform Jisc

Strive to be the best sector agency in the world with the right people, culture and processes – and to be one that constantly transforms in order to excel.

Provide financial leadership

Guarantee the financial wherewithal to realise our vision and achieve our strategy.

Strategy 2022-25

Having reached the end of our three-year strategy, we have reflected and reframed our strategy to guide us through the next three years. (See Organisational Purpose on page 28 for further information).

Our overarching aim remains the same - to be THE trusted partner for digital transformation. We have three priorities:

- i. **Delivering the right solutions** – Ensuring that the focus on members is clear.
- ii. **Empowering communities** – Highlighting the value of Jisc in convening communities.
- iii. **Be a force for good** – Focussed on participation in the global community and sustainability in terms of environmental issues, financially and people, with a focus on people as a key asset

Our financial position needs to be strong to enable us to maintain the best quality service and deliver our products and services, and advice and guidance, while ensuring our membership subscription is kept low. We continue to run ourselves efficiently, ensuring costs as a proportion of revenue grow less than inflation. In recent years, subscription increases to our members have either been held at the same level or increased by inflation.



Stakeholder engagement and Companies Act section 172 statement

Engaging with our members and other key stakeholders (including our funders and other sector agencies) is fundamental to ensuring that their requirements are understood, and the services and products required are delivered.

Our focus on delivering what our range of stakeholders need ensures that we continue to be a trusted partner in our sectors, helping to secure our long-term future as a sector agency. Our strategy (see page 10) explains the key tenets which we believe will secure our long-term future and our analysis of the key risks which may challenge our ability to deliver our strategy, which can be found in the principal risks and uncertainties section (see page 20). Our ongoing financial sustainability underpins our strategy, so we are able to continue to invest in the development and ongoing delivery of services that deliver the most value to our members and customers.

The pandemic brought forward the digital transformation of learning, teaching and research. We are working to ensure that we can support all our members, recognising that differing levels of digital skills and preparedness exist across our sectors.

We continue to work in support of our funder's strategies such as the SFC digital vision for FE and HE as well as contributing expertise to support other government priorities such as giving evidence to the Skills Commission Inquiry into the Future Workforce and membership of an All-Party Parliamentary Group on digital poverty. These engagements help to reinforce the role of Jisc as sector experts and a trusted partner. Further information about engagement with our funders is included in the Openness and accountability section of the Governance and management report from page 35.

Jisc uses a variety of mechanisms to ensure full engagement, including regional and audience specific events, partnerships with sector bodies as well as a formal account manager structure. We partner and engage with a range of individuals within our member organisations as necessary to share information or gather feedback.

In December 2021 we held a series of virtual stakeholder forums in each nation. These were designed to allow a more intimate, region specific focus to discussions amongst key stakeholders including members, funders and sector bodies and were well received. We will continually review the most effective approach to our stakeholder engagements, in discussion with our board, funders and guarantors. The satisfaction of members with our work is reflected in very strong satisfaction levels of 94% in FE and 86% in HE.

We have appointed a trainer for a Jisc wide programme to deliver customer experience training and re-training across all teams in Jisc, internal and externally facing colleagues will have training in 2022-23 and we will embed a stronger customer culture.

Details about our Corporate Social Responsibility strategy, which includes three strands of activity (business ethics, environment and community) can be found in the Organisational purpose section of the Governance and management report from page 28.



A number of policies exist that provide guidance to staff about expected behaviours and are supported by mandatory training on Anti-Bribery and Corruption, Fraud awareness, Whistleblowing and Modern Slavery awareness through our online training platform. Jisc holds ISO9001 quality management system approval and seeks to maintain high standards of business conduct at all times, managing complaints promptly and ensuring all employees undertake mandatory training about our approach to quality, information security and customer complaints.

Trustees are expected to abide by the Nolan Principles of public life – selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Trustees ensure each decision they make is in good faith and to promote the success of the company for the benefit of its members as a whole.

The merger with HESA completed on 4 October 2022 at which point Jisc became the Designated Data Body (DDB) for higher education in England. The decision to merge was only taken once the benefits and risks of a mechanism to achieve a merger were clear and the board were comfortable to proceed on the basis that it is in the best interests of the organisation as a whole. Plans were shared with our funders, our Representative members and the Office for Students (OfS) and DfE were also consulted in relation to the merger.

The HESA merger will provide significant benefits to UK higher education, combining the expertise of both organisations to create a resilient, joint capability for delivering the sector's data and digital needs. The knowledge and expertise from the merger with HESA will provide a rich, open source of HE information for data users.

We have completed two other mergers – with Eduserv in 2019 and with HECSU in 2020 and lessons from those mergers have been applied to the merger with HESA. Combining organisations has brought efficiencies in back office functions and bringing together colleagues into shared accommodation has reduced the carbon impact of the combined organisation.

A regular engagement survey is carried out with staff to temperature check the interests of employees and identify any areas that may require further focus. Any bonus and commission payments for Jisc staff take account of the medium to long term rather than focusing on solely on short term benefits.

Charitable purpose and public benefit

As a charity, our purposes must be exclusively charitable¹. Our charitable objectives are the advancement of education, lifelong learning and research for the public benefit through the provision of services to those within higher education, further education, research communities and charitable and not-for-profit organisations. How we do this is explained through this report. In everything they do, our trustees are aware of the public benefit requirements of our charitable status.

¹ A charitable purpose is a purpose which comes within the descriptions listed in the Charities Act 2011 and which is for the public benefit.



Financial performance and strategy

This report and the accompanying financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) and the Charities SORP.

	Unrestricted funds 2022 £'000	Restricted Funds 2022 £'000	Total Funds 2022 £'000	Total funds Restated 2021 £'000
Donations and grants	51,718	20,252	71,970	71,028
Income from charitable activities	17,726	479	18,205	17,159
Income from trading with members	16,144	63	16,207	17,915
Income from other trading activities	22,832	-	22,832	16,865
Investment income	296	-	296	217
Income	108,716	20,794	129,510	123,184
Expenditure from charitable activities	42,999	1,767	44,766	47,040
Expenditure from trading with members	61,459	11,950	73,409	72,351
Other trading activities	4,355	-	4,355	5,459
Grants	72	62	134	74
Other (gains)/losses	357	-	357	(69)
Expenditure	109,242	13,779	123,021	124,855
Net (expenditure)/income before movement in pension provision	(526)	7,015	6,489	(1,671)
Movement in pension provision	(16,812)	-	(16,812)	21
Net (expenditure)/income	(17,338)	7,015	(10,323)	(1,650)
Transfers between funds	8,755	(8,755)	-	-
Other unrealised gains/(losses)	3,302	-	3,302	12,386
Exceptional items	-	-	-	20,929
Net movement in funds for the year	(5,281)	(1,740)	(7,021)	31,665

	2022 £'000	2021 £'000
Fixed assets	106,518	102,753
Current assets	86,719	84,863
Creditors falling due in less than one year	(46,749)	(52,177)
Provisions for liabilities	(3,902)	(2,390)
Net current assets	36,068	30,296

Provisions for liabilities falling due in more than one year	(28,744)	(12,186)
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Total net assets	113,842	120,863
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Restricted reserves	10,819	12,559
Unrestricted reserves	103,023	108,304
	113,842	120,863

Cash & cash equivalents	50,712	33,968
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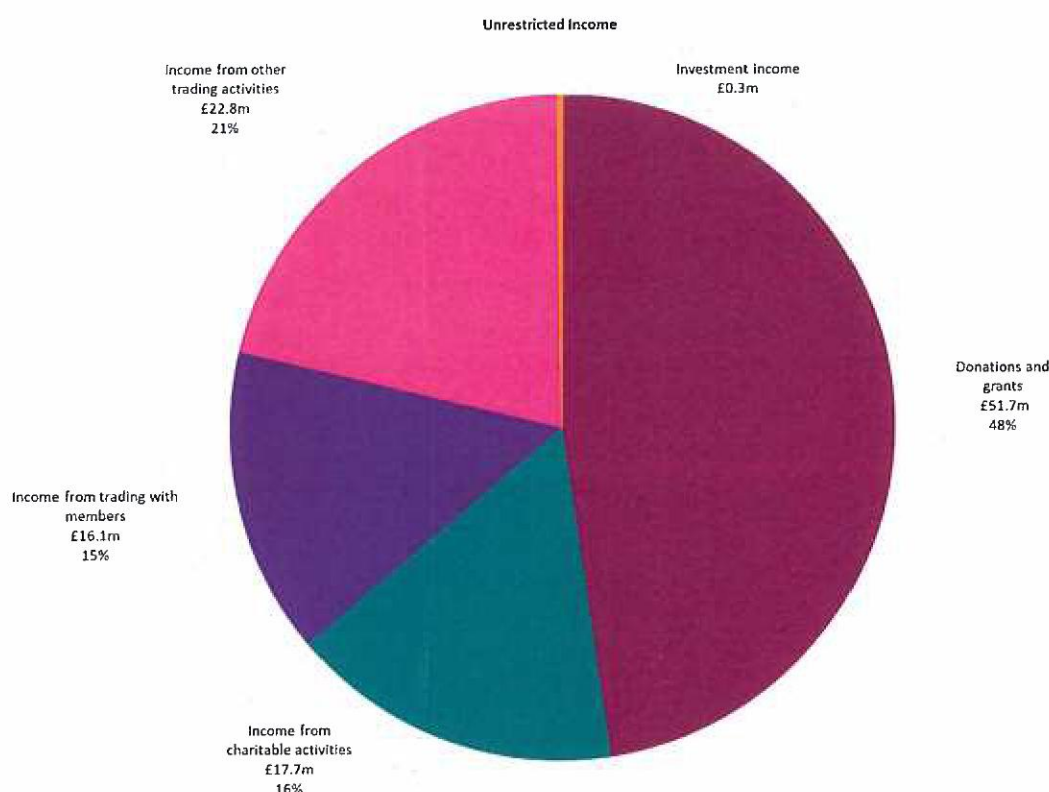


Consolidated Income and Expenditure

The net movement in funds in the year is a deficit of £7.0m compared to a surplus of £31.7m in 2020-21 and total funds carried forward are £113.8m. This movement mainly resulted from exceptional items and unrealised gains in 2021 and a significant pension movement in 2022.

Income

Total income has increased by 5%, from £123m in 2021 to £130m in 2022 with increases in most unrestricted categories and restricted grant and charitable income.



Total donations and grant income consist of restricted and unrestricted funding from the higher and further education funding bodies across the United Kingdom. Core funding remained the same as in the previous year, although OfS moved £3.5m from restricted to unrestricted, and additional grants have been received for specific projects including Data Futures (OfS), Open Access (Research England) and digital teaching and learning projects in the nations.

Other unrestricted income has been reclassified to more accurately reflect the services which Jisc now offers and non-charitable income has been split between members and non-members. Overall, income other than from donations and grants has increased by £5.1m (10%), with income from Trust and Identity, cloud services and the prospects.ac.uk activities having the highest increases.

Additional connectivity remains the largest income stream, but this is a low margin activity and the majority of costs of the connectivity and the Janet network are covered by the grant income from funders. Trust and identity services include verification services offered through OpenAthens and VerifID, both of which have strong growth plans and are non-member facing, giving Jisc diversification in both its customer base and internationally, with staff being employed in Singapore to enhance the customer experience around the clock. Prospects.ac.uk income includes the HEDD service which is the



UK's official degree verification service and the advertising of graduate recruitment schemes and university courses through the Graduate Prospects website.

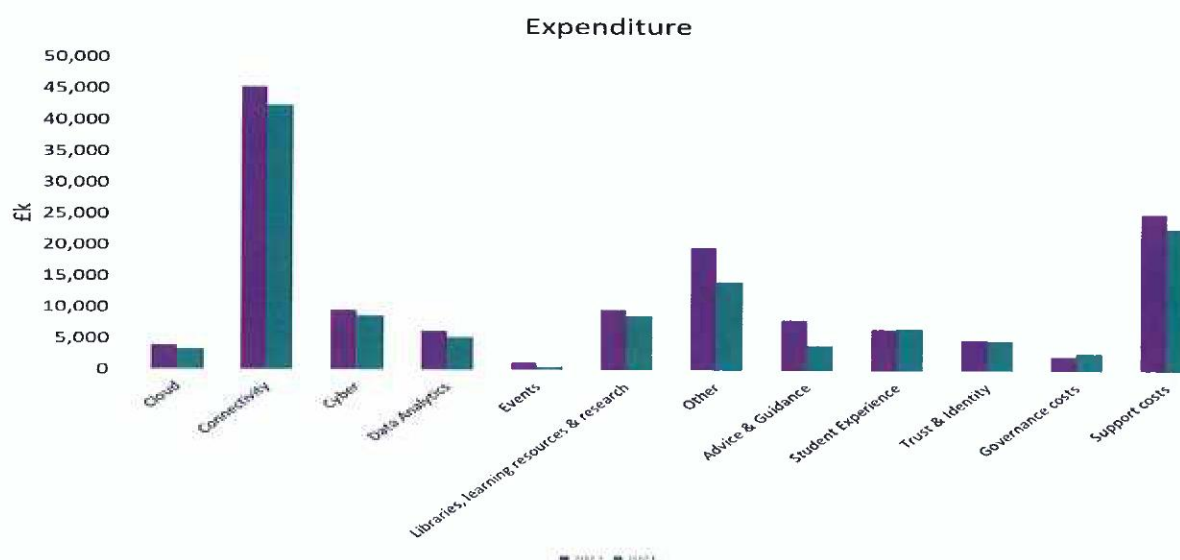
Previously, flowthrough activity from the reselling of licence subscriptions was recognised as if Jisc were the principal in the transaction and both income and expenditure was recognised gross in Jisc's accounts. During the year, these agreements have been reviewed in detail and, from 2022, it is more correctly treated as agency income and only the net margin recognised and the 2020-21 figures have been restated. In 2021-22 the gross income was £185.3m (2021 : £103.2m). Further detail explaining the impact on 2021 figures can be found on within the financial statements note 2e (page 57) and note 5 (page 63).

Expenditure

Excluding the increase in the USS pensions provision and depreciation, expenditure has increased by £3m (2%). There has been a shift from restricted spend to unrestricted spend with restricted spend (capital) being lower as equipment deliveries are delayed due to worldwide chip shortages and new services are brought online to help protect the network including additional staff within the cyber team.

Spend has also increased to support new products in data analytics, including the data futures project and we continue to bring software development inhouse as well as having major projects to improve our internal systems including licence subscription manager (LSM), customer relationship manager (CRM) and the finance system.

Dilapidation provisions have been increased on Harwell, as the lease is coming to an end and the holiday pay provision was significantly reduced as staff took leave as pandemic restrictions were relaxed.



Depreciation has decreased from £9.4m to £4.2m as a result of a review of the useful economic life of network assets. The delays in the Janet Access Programme have meant that these assets are in use longer than previously expected and this estimate has been changed from three years to five years. As the way in which the network is run and upgraded is changing, this estimate will be reviewed annually.

The 2020 valuation of the USS pension scheme was completed in the year and this has increased the provision by £16.8m as Jisc takes its share of the pension scheme's deficit.

Staff salary costs (i.e. excluding pension and social security costs) have increased from £38.9m to £42.9m as the average number of staff has increased from 862 to 928, although the number of higher



paid staff has reduced from 129 to 123. Spend on temporary staff (mainly contractors) has increased slightly from £1.0m to £1.1m, with many of these being in the software development group working on projects such as Data Futures where the work is for a fixed term and where the market is driven by a culture of contracting. IR35 rules continue to change this market and mean that a number of people who have worked for Jisc over a long period of time have moved onto fixed term staff roles.

In compliance with the Charities SORP, a transfer between restricted and unrestricted funds to account for assets purchased in year using those funds has been shown separately in the Statement of Financial Activities (page 53). This amounts to £8.8m (2021: £5.6m).

The investment portfolio continued to perform well, with the Ruffer and Savills funds in particular protecting against the market volatility. The strong cash balances in year mean that the portfolio is held for the longer term, and there are no current plans to liquidate any investments and therefore all of the gains (£3.3m) are unrealised.

After the transfer between reserves and the unrealised gain on the portfolio, but before the USS pensions provision, there was a surplus on unrestricted activity of £11.5m (2021: £31.4m) and a small restricted deficit of £1.7m (2021: £0.3m surplus). After the pension provision, the total deficit for the year was £7.0m (2021: £31.6m surplus).

Balance Sheet

Intangible assets previously included customer contracts (acquired as part of the HECSU merger and digital content assets). During the year, a review of the balance sheet moved software licences to intangible assets from prepayments where they were previously reported – this increased intangible assets by £8.1m. Amortisation for the year was £2.9m, reducing the net book value from £14.8m to £12.4m. Digital content and customer contracts are written off over ten years with software licenses being written off in line with the contractual terms. Further detail can be found in note 14.

Tangible fixed assets have increased by £2.79m, with additions of £7.0m being offset by disposals of £0.1m and net depreciation of £4.2m. The majority of additions, as expected, relate to the network as the Janet Access Programme is rolled out, however, due to the delays in equipment deliveries, the useful economic life of these assets has been extended from three to five years and this has resulted in a year on year reduction in depreciation (2021: £9.4m).

There has been a grossing up exercise, adding £21.7m to cost and £21.7m to depreciation, to correct the accounting for the disposal of Janet network assets since they were acquired in 2012. Further detail can be found in note 15.

The majority of the investments are held within publicly traded funds and the unrealised gain of £3.3m (as noted above) is responsible for the majority of the increase in value from £68.7m to £72.2m. The group also holds equity in a number of EdTech start-up companies as well as investing in the Emerge Education fund – 1.2% of the total invested is in EdTech.

Total debtors have decreased by £14.9m, with trade debtors down by £3.7m. The taxation and social security debtors still relates mainly to the VAT repayment (see note 32). HMRC have now requested the outstanding claims and it is expected that cash will be received by the end of this calendar year. Creditors (less than one year) have decreased from £52.2m to £46.7m.

The changes in accounting treatment relating to Chest and Jisc Collections publishing and software licences noted above (and on pages 61, 63, 68 & 77) have required the restatement of a number of balance sheet accounts - trade creditors (£8.7m), accruals (£2.4m), deferred income (£32.0m), trade debtors (£4.6m), prepayments (£18.3m) and accrued income (£1.3m). Note 18 shows the movement from 2021's published numbers.



The 2020 valuation of the USS pension scheme has been completed and the provision recalculated, increasing it by £16.8m. The final valuation led to a small increase in contribution rates from the 2018 valuation and a longer deficit recovery period as a result of the decision to proceed with benefit change by the Joint Negotiating Committee (JNC) subject to member consultation.

Jisc has total funds of £113.8m (2021: £120.9m) including investments of £72.2m (2021: £68.7m) and cash balances of £50.7m at 31 July 2022 (2021: £34.0m).

The funds of £113.8m comprise £103.0m of unrestricted funds (2021: £108.3m) and £10.8m of restricted funds (2021: £12.6m). Of the unrestricted funds, £16.2m (2021: £18.4m) relates to grant funded assets within designated funds. The remaining £86.3m (2021: £89.3m) can be deemed as general unrestricted funds.

Restricted Funds

Jisc has consolidated restricted funds of £10.8m (2021: £12.6m). These funds, which are subject to special terms specified by the grantors can only be used for the purpose to which they are given and the trustees fully intend to utilise these funds over the next two years as part of the long term financial plan approved by the board. They do not form part of Jisc's reserves available for day to day use. Jisc sets aside cash to cover these funds. A full breakdown is provided in note 21 (page 81).

Unrestricted funds

The starting point for assessing the amount of reserves held by any charity, including Jisc, is normally the amount of unrestricted funds it holds. Jisc's policy for the designation for unrestricted funds is that they are comprised as follows:

Tangible assets: the Charities SORP specifically allows funds held against grant-funded tangible fixed assets for charity use to be excluded from general unrestricted reserves. This recognises that certain assets will be used operationally, and their disposal may adversely impact on a charity's ability to deliver its aims. At 31 July 2022 these amounted to £16.2m (2021: £18.4m).

Other designated funds: where unrestricted funds are earmarked or designated for essential future spending, for example, to fund a project that could not be met from future income alone they can be excluded from general unrestricted reserves. For Jisc on a consolidated basis, at 31 July 2022, these elements amounted to £0.6m (2021: £0.6m) in respect of restructuring funds.

To cover short-term self-funding in the event that normal funding receipts were delayed, our policy is to have 4 months cover of our normal operating costs. At 31 July 2022, the balance of our general unrestricted reserves was £86.3m (2021: £89.3m) which equates to 8.4months (2021: 10 months) of our normal operating costs.

It has been agreed by the trustees that the VAT refund will be used on projects to provide additional support to members or invest in commercial activities which will generate additional surpluses in the future to support Jisc's charitable activities. These projects include additional protection of the Janet network, levelling up of the FE connections and resource to deliver more software and licensing agreements. Coming out of the pandemic, these projects have taken longer to gain momentum than hoped, but spend is forecast to increase in 2022-23.

The last major upgrade of the Janet network was in 2012-13 and is expected that the next major tranche of work will be due in 2028. Given the speed at which technology is moving in telecommunications, networking and the cyber protection needed against threat actors, the chief technology officer and Group CTO are reviewing the architecture of the network and will be delivering a plan on how best to deliver this next upgrade. Unlike previous upgrades, it is unlikely that there will be significant additional



government funds available to pay for it and it is expected that any major investment will need to be self-funded.

The current economic environment, including inflation and interest rates not seen in decades, put additional risk on the cost base. The energy crisis and pressure on salaries across many sectors, but particularly in technology, alongside increased government borrowing and the recovery from the pandemic slowing growth in the wider economy give a need for additional flexibility and support to meet any short-term changes to funding which might come about due to pressure on either funders or members.

Given these plans, the current economic situation and inflationary cost pressures the sector is facing, the trustees consider the level of reserves to be satisfactory.

Cash

The Group's cash position for 31 July 2022 was £50.7m (2021: £34.0m), excluding restricted funds. The balance of the cash reserves is held in managed funds, as summarised in note 25.

2022-23 budget and financial forecast

An annual budget and three-year financial plan has been prepared and approved by the board.

The budget for 2022-23 takes account of the current economic climate, including increasing inflation and energy costs, and the pressures which the Covid crisis continued to place upon our members and customers. Grant funding was the same as previous years and we have not applied an inflationary increase on member subscriptions.

The three year plan has built-in efficiencies and savings which will be needed to deliver ongoing surpluses, and we have budgeted for an operating breakeven position for 2022-23 and to invest in projects as mentioned above to spend the funds received from HMRC.

As noted in previous years, management and the trustees have agreed a plan to spend the restricted reserve on the network and deliver value to the sector by upgrading services and products.

Going Concern

On 11 March 2020, COVID-19 was declared a pandemic by the World Health Organisation and restrictions of some kind remained in place for almost two years, impacting Jisc and its members and customers. Jisc continued to operate throughout this period and supported its members as well as rolling out new services and continuing with the Janet Access Programme.

As noted above, the balanced budget for 2022-23 has taken account of changes and challenges in the current economic climate and delivers investment in products and services from the VAT refund and the restricted reserves and the financial position remains strong, with funding and other income streams being constant and the cash position improving.

Management have undertaken a review of the business, for the period up to 31 July 2024, including future plans, looking at a number of scenarios, including a significant reduction in income (from both members and funders), higher than inflationary increases in costs and expected savings not being delivered, to assess Jisc's ability to continue as a going concern.

Given the strong balance sheet and healthy reserves position which Jisc has, even after the increase in the pension provision, management believe that there is no material uncertainty that casts doubt on Jisc's financial sustainability over the next twelve months.



Changes to accounting policies and methodologies

A detailed review of the accounting policies and accounting methodologies used to prepare the Jisc group financial statements was carried out during the year. This review found two errors in the way in which Jisc accounts for certain transactions and one change in accounting policy. Neither the errors nor the change in accounting policy have impacted the reserves figures and have been corrected for in the year ended 31 July 2022. The prior year figures for the year ended 31 July 2021 have been restated to provide a meaningful comparison. The changes are summarised here and further information is given in the notes to the accounts as referenced below :

Licences sold by Jisc Services Ltd through Jisc Collections

Continuing prior years' practice, the 2020-21 group financial statements accounted for Chest licences sold on an agency basis but the Collections licences were accounted for on a principal basis with the income shown gross. Following a review of the recent contracts placed with the both the Chest and Collections publishers it is now considered that Jisc Services Ltd acts as an agent when reselling these licences to its customers.

The change to income and expenditure in prior year are shown below and further detail is shown in notes 1,5 and 18 to the financial statements.

	Restated 31 July 2021 £'000	Published 31 July 2021 £'000
Income	123,184	195,749
Expenditure	124,834	197,399

Gross cost and accumulated depreciation of consolidated tangible fixed assets

Jisc (charity) acquired Jisc Services Ltd in 2012 including the tangible fixed assets relating to the Janet network. In accordance with standard accounting policy the gross cost value of these assets in the consolidated accounts was adjusted down to reflect the net book value of these assets on acquisition and accumulated depreciation set to zero. This adjustment amounted to £30,059k. Since acquisition, this adjustment was incorrectly never reduced to reflect the acquired assets subsequently disposed of. A review has been carried out during the year to identify the assets disposed of and this adjustment reduced accordingly. The gross cost of the assets disposed of amounts to £24,536k as at 1 August 2021. Further details are shown in note 15 of the financial statements.

Change in accounting policy for long term software licences

In order to more accurately reflect the long term nature of certain software licences, those licences with a life of more than one year are no longer shown in the balance sheet as prepayments within current assets but as intangible fixed assets. At 1 August 2021, £8,131k of prepayments related to long term licences and have been reclassified as intangible fixed assets. Further details are shown in note 14 of the financial statements.

Classification of services

The classification of income in the financial statements has been reviewed and updated from previous years to better reflect the income services provided to our members and income from non-members and expenditure against services has been analysed in the same way. Further details are shown in notes 5 and 7 of the financial statements.



Principal risks and uncertainties

A framework is in place which maps risk areas against our strategy and identifies early warning indicators as well as success indicators. This was reviewed in detail in the latter part of 2021-22 as part of the review of our strategy. The key risks to the successful delivery of our strategy are summarised as:

Area of strategy	Risk area	Key mitigations
Delivering the right solutions	Failure to defend and protect Jisc's internal infrastructure	Implementation of agreed improvements: secure development roadmap; end point protection; bring your own device; conditional access; mobile application management
	Jisc cyber security is unable to protect our members and the network from cyber-attacks and threats	Redesign our processes and approach to enhance our cyber security offer; implement the agreed product roadmap for cyber security; ensure staff expertise is secured and retained; increase pen tests; combine engineering teams
	Jisc does not have the right skills in the organisation to manage partners	Review structure of procurement and contract management to enable new ways of working; review skills and expertise required for greater partnership working with global providers
	Failure to realise benefits from the HESA merger	Delivery of HESA integration action plan to agreed timeframe; clear identification of target state and benefits and efficiencies to be realised
	Failure to innovate / meet customer needs	Adoption and embedding of new Product lifecycle management process; increased member centricity; engagement of members in pilot services; partnership working to deliver at pace and to scale; annual customer satisfaction survey and monthly customer voice reports
	Jisc's data protection and management is not sufficiently mature	Implementation and delivery of data governance and data protection actions, including One Trust privacy management tool, record of processing activities (ROPA) for personal data, procurement of data catalogue, information asset register review, data retention review
	Member funding constraints	Demonstrate value for money and impact, continue to deliver efficiencies; support our members with the issues they face; monitor health of sectors
	Critical product failure	Identify and test all key critical products to ensure robustness of continuity; undertake any remedial work identified



Area of strategy	Risk area	Key mitigations
	Disruptive technologies and increasing competition push Jisc out of the market	Undertake horizon scanning across all product areas and key technologies; increase oversight activities in the Edtech and Co-Design teams.
	Jisc's funding reduced	3 year planning exercise; ensure all new products / investments have robust business cases and financial risks are understood; monitor budgets and forecasts reporting on a timely basis
Empowering communities	Failure to meet carbon reduction targets	Complete baseline calculations for Net Zero, then agree target emissions
	Jisc fails to support and advise members on reducing their digital carbon footprint	Publish guidance, research thought leadership articles and advice as well as engaging with HE / FE Climate Commissioners; Good Practice Guide on IT Sustainability
Be a force for good	Jisc unable to attract or retain staff due to the competitive external environment	Continue to deliver and embed Jisc's People Strategy including talent management, pay and reward framework, diversity and inclusion plan and strategic workforce planning
	Impact of the energy and cost of living crisis	Review approach to energy management; support for our members to prepare for a range of scenarios; review potential impact on operations and contingency plans; support for Jisc staff



Trustees' report

The Trustees present their report and audited consolidated financial statements for the year ended 31 July 2022.

Legal and administrative information

Registered and principal office address

4 Portwall Lane
Bristol
BS1 6NB

Company registration number: 05747339
Charity registration number: 1149740
Registered in England and Wales
Company secretary: Alice Colban

Independent auditors

Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG

Bankers

HSBC
186 Broadway
Didcot
OX11 8RP

Lloyds Bank plc
Threadneedle Street
London
EC2R 8AU

Solicitors

DAC Beachcroft
25 Walbrook
London
EC4N 8AF

Veale Wasborough Vizards
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

Jisc is a company limited by guarantee and a charity registered in England and Wales². We operate under bespoke [Articles of Association](#).

² An application to register as a charity in Scotland is on hold until all potential mergers are complete



Executive Leadership Team

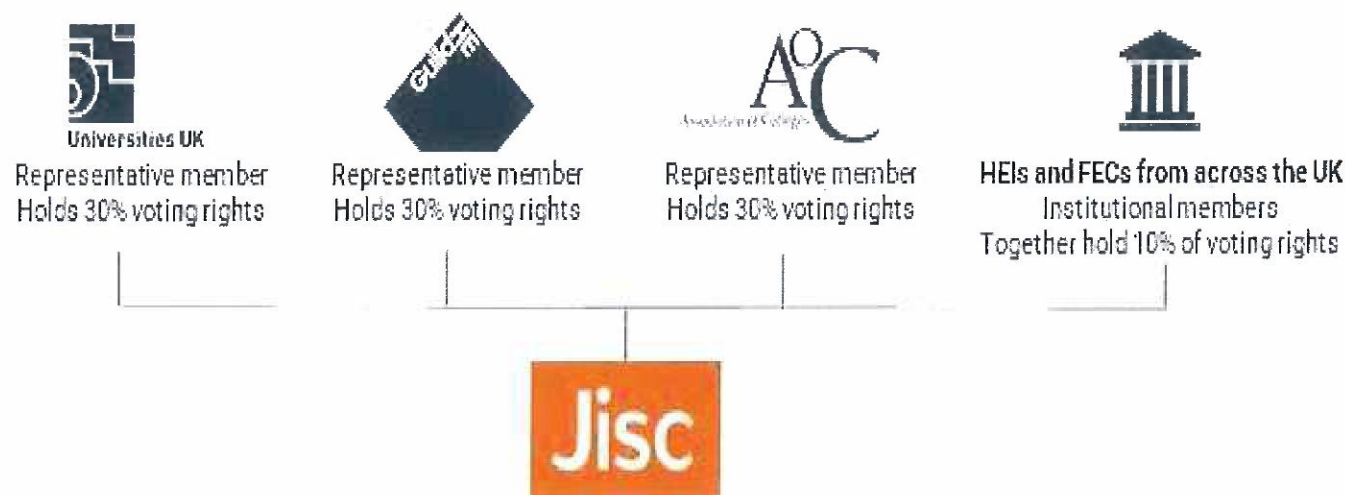
The following members of the Executive Leadership Team are responsible for managing the day to day activities of the charity:

Name	Role
Heidi Fraser-Krauss (from 16 September 2021)	Chief executive officer
Nicola Arnold	Chief financial officer
Alice Colban	Deputy chief executive and chief operating officer (company secretary)
Jayne Davies	Managing director, customer and sector enablement
Liam Earney	Executive director, digital resources
Robin Ghurbhurun	Managing director, further education and skills
Steve Masters	Chief technology officer
Rob Philpotts (from 4 October 2022)	Chief data officer
Andrew Wood	Chief of staff
Steve Kennett (until 1 December 2021)	Executive director, e-infrastructure
Karen Foster (until 1 December 2021)	Executive director, data analytics
Jayne Rowley (until 1 December 2021)	Executive director, student services
Jonathan Baldwin (until 17 September 2021)	Interim Managing Director, higher education
Dr Paul Feldman (until 15 September 2021)	Chief executive officer



Membership

Our Articles of Association allows for two classes of membership: Representative and Institutional.



VAT- exempt Cost Sharing Group (CSG)

With Jisc institutional membership comes automatic membership of the VAT-exempt Cost Sharing Group (CSG), which means that members do not pay VAT on a range of optional services that Jisc provides. In order to become and remain a member of the CSG, an organisation must meet a small number of [membership conditions](#).

At 31 July 2022, there were 152 HE members and 112 FE, Sixth Form or Specialist college members in the UK, along with our Representative Members. A full [Register of Members](#) is available on our website.

We are reviewing how we use the CSG in future in line with HMRC guidance.

Role of members

Institutional Members are represented by the most appropriate Representative Member (AoC, GuildHE or UUK) to act on their behalf in governance matters of Jisc. Institutional Members are free to choose to represent themselves, though none have elected to do so. Jisc's Representative Members therefore also act in the interests of their nominating members.

The liability of each member (both Institutional and Representative) is limited to a maximum of £1. This liability will apply for the duration of membership of the charity and for one year beyond the end of membership.

Jisc's members have the rights afforded to them by the Companies Act 2006. Each Representative Member is the same class of member, each having one vote on resolutions proposed to members. Representative Members also have one vote on behalf of all the Institutional Members they represent. Further information on the types of decision that can be proposed to members and the thresholds to pass resolutions is included in our Articles of Association.



Group structure

Jisc is the parent company of the Jisc Group. Jisc Services Limited (JSL) and Jisc Commercial Limited (JCL) are active wholly owned subsidiary companies in the group. A number of other subsidiary companies which joined the group as a result of mergers, or have reached the end of their useful life, have been closed or are in the process of being closed.³ All UK Jisc Group companies are registered in England and Wales and operate under bespoke Articles of Association. Each company prepares its own Annual Report and Financial Statements. We also hold equity shares in other companies.

We have also set up a new subsidiary company in Singapore, JISC International APAC Pte. Ltd. which provides technical support services within the Asia and Pacific region for Jisc Group. Jisc International APAC Pte. Ltd. is a company limited by shares registered in Singapore.

The board have agreed to proceed with incorporating a new subsidiary company to act as the treasury company for the group and simplify our invoicing and payment processes for our members, funders and suppliers. This will be taken forward at an appropriate time when we can be certain that we can deliver the benefits envisaged.

Further information can be found in note 16 – Investments (page 73).

³ These are HESA, HESA Services Limited, Eduserv, Eduserv Commercial Limited, HECSU, Graduate Prospects Limited and Jisc Liberate Managed Services Limited



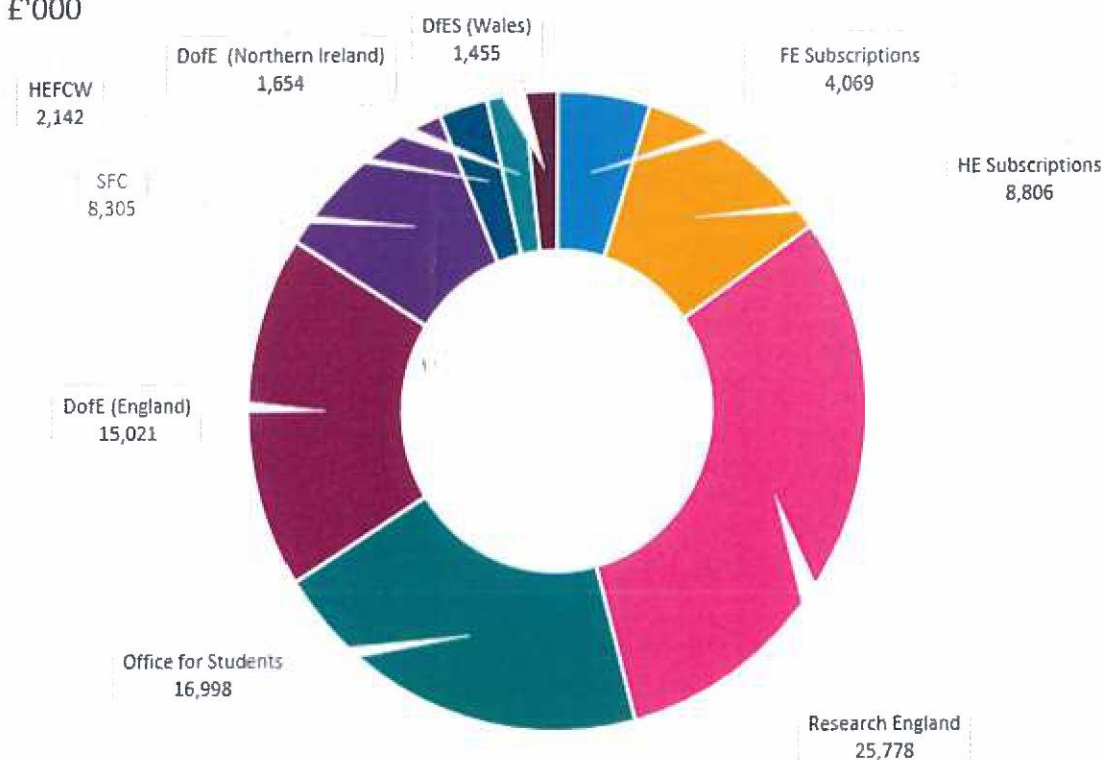
Funding model

We receive core funding from the funding bodies responsible for HE and FE across the UK. These are:

- **Research England**
- **Office for Students** (OfS)
- **Department for Education (England)** (DfE)
- **Scottish Further and Higher Education Funding Council** (SFC)
- **Higher Education Funding Council for Wales** (HEFCW)
- **Department for the Economy (Northern Ireland)** (DfE Northern Ireland)
- **Department for Education and Skills, Wales** (DfES)

A subscription fee is also paid by HE institutions across the UK and by FE colleges in England. The chart below shows the different elements of our core funding in 2021-22:

Core funding
£'000





Governance and management

Trustees

The trustees of the charity who were in office during the year and up to the date of signing the financial statements were:

Trustee name	Role	
Professor Paul Boyle CBE (Chair)	Vice chancellor, Swansea University	Appointed by AoC, GuildHE and UUK
Dr David Ashton	Pro Vice-Chancellor, Leeds Beckett University	Nominated by Jisc's core funders
Susan Bowen	President and chief executive, Aptum Technologies (UK) Limited	
Joanna Campbell	Principal and chief executive, Dumfries and Galloway College	
Heidi Fraser-Krauss (from 16 September 2021)	Chief executive, Jisc	
Professor Anthony Forster	Vice chancellor, University of Essex	
Debra Gray	Principal and chief executive, Hull College (previously Chief executive Grimsby Institute of Further and Higher Education until April 2022)	Nominated by AoC
Professor Chris Husbands (from 7 October 2022)	Vice Chancellor, Sheffield Hallam University	
Robert McWilliam	Trustee	
Dr David Pilsbury	Chief development officer, Oxford international Education Group	
Professor Lisa Roberts (from 1 April 2022)	Vice Chancellor and chief executive, University of Exeter	Nominated by UUK
Professor Mark E Smith CBE	President and Vice chancellor, University of Southampton	
Ashley Wheaton (deputy chair since 15 April 2022)	Principal, University College of Estate Management	Nominated by GuildHE
Dr Paul Feldman (until 15 September 2021)	Chief executive, Jisc	
Professor Elizabeth Barnes CBE (until 31 December 2021)	Vice chancellor and chief executive, Staffordshire University	Nominated by UUK
Professor Anne Trefethen (until 14 April 2022)	Pro vice chancellor for people & gardens, libraries and museums, University of Oxford	



Charity Governance Code

This report explains our approach to governance in line with the principles and recommended practice in the Charity Governance Code ("Code") and takes into account changes to the Code following the 2020 review.

Organisational purpose

The board has a rolling three-year strategy which is reviewed annually and has recently been updated for 2022-25. Our overarching aim remains the same - to be THE trusted partner for digital transformation. We have three priorities:

- i. **Delivering the right solutions** –ensuring that the focus on members is clear, with clarity around the focus on partnering rather than building solutions ourselves and the need to professionalise the management of products and services.
- ii. **Empowering communities** –highlighting the value of Jisc in convening communities, being proactive rather than reactive and adding value around bringing people together around common issues.
- iii. **Be a force for good** – focussed on participation in the global community, sustainability in terms of environmental issues, financially and people, with a focus on people as a key asset.

A statement on the section 172 responsibilities of trustees of a charitable company (in accordance with the requirements of the Companies Act 2006) can be found in the Stakeholder engagement section of this report on page 11. All decisions made by the board are in the context of meeting the needs of our members. We track member satisfaction in a number of ways, including surveys of leaders in HE and FE which are conducted annually. The results of the latest survey are reported in the Activities and Achievements section on page 5.

The board are aware of the risk factors associated with Jisc's income streams. One of our key risks is financial sustainability and our updated strategy supports this through ongoing efficiencies and by prioritising investment and the development of products and services based on the needs of our members, their staff and students. Risks associated with income streams, are reflected in the Principal risks and uncertainties section (see page 20).

Jisc recognises its broader responsibilities towards communities, stakeholders, society and the environment. One of our strategic priorities is to strive to make a positive global impact with sustainability noted as a key priority. Our Corporate Social Responsibility (CSR) has three strands – business ethics, environment and community.

Business ethics includes our work around modern slavery and the steps we are taking to improve visibility and ethical standards in our supply chain. We have registered with the Government's modern slavery statement registry and published our 2022 [Modern Slavery statement](#) on our website to demonstrate our commitment. We chose Unseen as our corporate charity for 2022, which is a UK-based charity working towards a world without slavery. A small number of our staff took part in a charity skydive to fundraise for Unseen in 2022.

A strategic target was been agreed to move towards NetZero by 2040, ten years ahead of the government target. We are working with experts to establish a baseline of carbon emissions and will be seeking to meet our NetZero ambitions ahead of our own target. We have an environmental policy in place which outlines commitment to continually improving our environmental performance and minimising the environmental impact of our corporate activities. We have brought climate-related risks into our risk framework.



Our community focus is around developing our plans for organisation-wide fundraising and group volunteering efforts. Each year we plan to support a charity that aligns with our vision, mission and purpose and that supports our corporate social responsibility aims. We have increased staff volunteering days from one day to three days each year including a volunteering team building day.

Our CSR statement is agreed by the board each year which describes the work of the organisation across each area of our CSR strategy. Our 2022 **CSR statement** is available on our website.

Leadership

Our board and individual trustees take collective responsibility for decisions. The chair provides leadership and ensures that Jisc's strategy and priorities are clear. The board has agreed guiding principles (see Internal organisation on page 41) as key drivers of how the organisation should operate.

The roles of the board, chair and deputy chair are clearly defined. Proper arrangements are in place for appointments including a planned and delivered induction process with follow up sessions as required. The board also participate in the appointment process for Executive leadership team (ELT) appointments where required. Proper arrangements are in place in the organisation for the management of senior leaders. Performance reviews of the chief executive and ELT including any resulting pay awards are overseen by the Remuneration committee.

Jisc has a number of subsidiary companies, each with their own bespoke Articles of Association. The relationship between Jisc and each subsidiary is governed by a Management and Supervision Agreement (which includes a list of matters reserved for the Jisc board) and an Intra-Group Operating Agreement (which describes the services that Jisc provides to the subsidiary and vice-versa). An annual business plan and budget for each subsidiary is prepared and agreed by the Jisc board and regular progress reports are provided to the board. Each of the board's committees (Audit and Risk Management, Finance and Treasury, Nominations and Governance, Remuneration) operate across all companies in the Jisc Group.

The board recognises and respects differing views amongst trustees and constructive challenge is welcomed by senior leaders. A supportive relationship exists between the board and senior leaders based on openness and trust. This is evident from the results of the annual board effectiveness review which reflects positive views of trustees and senior leaders about the relationship.

The time commitment expected of trustees is detailed during the recruitment process and in the appointment documentation. Additional time commitments as a result of involvement in committees or other activities are outlined when these roles are appointed. Attendance of trustees and committee members at meetings is recorded and the statistics reported to the Nominations and Governance committee for review annually.

Five board meetings were held in the reporting year 1 August 2021 to 31 July 2022. Attendance of trustees at board meetings is as follows:

Trustee name	Eligibility to attend (based on term of office)	Actual attendance
Professor Paul Boyle CBE	5	5
Dr David Ashton	5	4
Susan Bowen	5	3
Joanna Campbell	5	4
Professor Anthony Forster	5	4
Heidi Fraser-Krauss (from 16 September 2021)	5	5



Trustee name	Eligibility to attend (based on term of office)	Actual attendance
Debra Gray	5	5
Robert McWilliam	5	4
Dr David Pilsbury	5	4
Professor Lisa Roberts (from 1 April 2022)	2	0
Professor Mark E Smith CBE	5	4
Professor Anne Trefethen (deputy chair until 14 April 2022)	4	2
Ashley Wheaton (deputy chair from 15 April 2022)	5	4
Dr Paul Feldman (until 16 September 2021)	0	0
Professor Elizabeth Barnes CBE (until 31 December 2021)	2	2

Integrity

The board and individual trustees are seen to act with honesty, trustworthiness and care, and support Jisc's guiding principles. They are expected to abide by the Nolan Principles of public life – selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Collectively, the board is independent in its decision making to support Jisc's purpose and no one person or group has undue power or influence.

A register of interests is maintained for trustees and updated when new trustees are appointed and as changes are reported. A full review is undertaken annually. The declaration of interests is a standing item at the beginning of each board meeting.

Along with our guiding principles, a number of policies exist that provide guidance to staff about expected values and behaviours, including Conflict of Interest, Gifts and Hospitality, Anti-Bribery and Corruption, Anti-Fraud and Whistleblowing. All staff must complete Anti-Bribery and Corruption, Fraud awareness, Whistleblowing and Modern Slavery awareness training through Fuse, our online training platform.

The nature of our business, and our relationship with UK HE and FE through institutional membership and the delivery of services, means that Jisc does have a relationship with the employing organisations of several trustees. However, this is reflective of the membership structure of the organisation and the purposeful approach to ensuring our activities are guided by the customers we exist to serve and does not affect the independence of trustees. In discharging their responsibilities, trustees must act solely in the interests of the charitable company - they are not the delegates or representatives of any nominating body. Our trustees, with the exception of our chief executive, are all considered to be independent non-executive directors.

Our Safeguarding policy reflects the steps that we take as an organisation to ensure a safe working environment for staff and sharing clear guidance on how to raise any concerns.

Our Corporate Social Responsibility (CSR) strategy and policy is reviewed regularly (discussed further under Organisational purpose in the Governance and Management section from page 28).



Decision-making, risk and control

The board is ultimately responsible for the charitable company's system of internal control and for reviewing its effectiveness. Our internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance of effectiveness. Internal control processes include:

- a Jisc strategy, approved by the board;
- a set of strategic targets underpinned by a Group-wide operating plan;
- a risk appetite statement approved by the board;
- an annual budget approved by the board;
- consideration of the financial results of the group by the board including variance from budgets;
- delegation of authority and segregation of duties;
- identification and management of risks or potential risks through a strategic risk register;
- an internal audit department reporting to the Audit and Risk Management committee and trustees;
- processes in place for identifying and managing compliance with relevant legislation and with the requirements of regulatory bodies; and;
- operational policies and procedures for staff.

The **role of the board** can be found on our website. We have four standing committees which operate across the Jisc Group (Audit and Risk Management; Finance and Treasury; Nominations and Governance and Remuneration) and the Data Collections and Statistics oversight board. Our Articles of Association define areas of responsibility that cannot be delegated by the board to a committee. Each committee operates under terms of reference agreed by the board and which are reviewed annually.

The **terms of reference and committee memberships** can be found on the Jisc website. Each committee is chaired by a trustee with at least one further trustee as a member of each committee. The appointment of committee chairs and members falls under the auspices of the Nominations and Governance committee. Each committee reports to the board regularly. Attendance at meetings by committee members is recorded and reviewed by the Nominations and Governance committee annually.

The board consider key documents such as the risk appetite, financial Scheme of Delegation, Reserves policy and Treasury policy regularly following detailed discussion by the appropriate committee. A Governance Scheme of delegation is in place and reviewed annually to ensure clarity of decision-making across the governance structure.

The board receives reports at each meeting on progress against our strategic targets, our financial performance and key product areas. The board has responsibility for overseeing risk management within Jisc as a whole with the Audit and Risk Management committee having detailed oversight of the risk management framework which has been updated in the past year.

Our high level strategic and operational risk registers are underpinned by risk registers in key areas of the business. These are reviewed regularly to check progress of mitigating actions and position of early warning indicators. Details of the key risks to the successful delivery of our strategy can be found in the Principal risks and uncertainties section of this report on page 20.



Risk management training and supporting documentation is available to all staff. A risk management system is in use across the organisation, which is also used for tracking progress against organisational targets as well as actions arising from internal audits.

The board considers the risk appetite annually. A well-managed risk appetite is encouraged, tailored to each area of our activity which supports the development and delivery of new services to meet the needs of our customers through our research and development work, while ensuring that we maintain oversight for parts of the business with less tolerance for risk. The risk appetite was reviewed and updated in June 2022.

Each year, the Audit and Risk Management committee receive an assurance map for a series of planned audits, approve the annual internal audit plan and receive reports of all internal audits undertaken by Internal Audit.

Audit and Risk Management opinion 2021-22

Based on the work of the Audit and Risk Management committee, internal audits conducted during the reporting year and in the context of materiality:

Audit and Risk Management committee opinion 2021-22

Having taken account of:

- consideration of reports from the chief executive and Jisc officers on a number of activities;
- consideration of a range of audits and the opinion of Jisc's Group Internal Audit Manager (reflected below);
- discussions with the Jisc executive leadership team and others regarding risk management across the Group, and the assurance we have received as to the beneficial impact of those discussions on Jisc's system of risk management;
- the Jisc risk management framework including the Jisc risk appetite.

It is the opinion of the Audit and Risk Management committee that:

- Further work is needed to improve data governance to address internal audit actions identified. Improvements have been made in the area of data protection.
- Work needs to continue to improve the control framework and internal control environment within the Finance & Procurement directorate, particularly preventative controls.
- Work needs to continue to improve the general internal control environment around projects.
- Further focus is required to ensure that audit recommendations are completed efficiently and effectively;
- With the exception of the governance of data and certain preventative controls, the overall control environment is adequate and effective;
- The Jisc Group arrangements for corporate governance, risk management and value for money are adequate and effective;
- The Jisc board may place reasonable reliance on these processes and systems in carrying out their respective roles and providing assurances to Jisc's funders and members.



Board effectiveness

The board usually meets 5 times a year including a strategy-focussed awayday. A strategy session was held in November 2021 with an additional strategy-focussed discussion also held in April 2022 at the planned awayday. All board meetings throughout the year, including strategy sessions, have been held in person at Jisc's offices with the option for dial in for those unable to travel. The board has a clear agenda at every meeting and a forward look agenda plan. Additional items can be added to future agendas at the request of trustees.

Our trustees include senior leaders working in UK further and higher education and individuals with the business skills and expertise that help shape Jisc for the future. Individuals are drawn from across the UK to provide an appropriate balance of experience from the respective countries and from the sectors we serve, and in accordance with our defined skills set for trustees.

Trustees are permitted to access independent professional advice should they feel it is necessary to support the discharge of their duties as a trustee. There have been no requests for such advice in the reporting year.

Our chair is appointed by our Representative Members (AoC, GuildHE and UUK). The role of chair is separate to that of chief executive. A deputy chair is also appointed by the board on the recommendation of the Nominations and Governance committee.

As at 31 July 2022, the composition of the board was as follows:

Chair – appointed by AoC, GuildHE and UUK	
One trustee nominated by AoC	One trustee nominated by GuildHE
One trustee nominated by UUK	One trustee nominated by our funders
Up to eight trustees appointed by the board	Jisc chief executive

The skills matrix for trustees is reviewed when a vacancy arises to identify the skills and experience that we wish to see in new trustee appointments. Trustees are appointed based on merit for a maximum term of six years – a three-year initial term and an extension of up to a further three years subject to a positive performance review and subject to the agreement of appointing organisations where this applies. In exceptional circumstances, an extension of a further year is permitted. In April 2022, the Nominations and Governance committee and board agreed to an extension of one year for a trustee. Details of all trustees appointed can be found in the Governance and Management section of this report from page 27.

Trustees receive an induction when taking up a role with Jisc. This includes the provision of background and supporting documents relating to the Jisc Group and resources from the Charity Commission ("The Essential Trustee"). Meetings are held with the chief executive and members of the Executive Leadership Team to give a detailed overview of our activities. Inductions are also held when a trustee is appointed to any of our board committees, or any other role that a trustee takes up (e.g. as chair of the .ac.uk appeals panel).

A board and committee effectiveness review is conducted each year, which also includes a survey and discussions with trustees and committee members about their contributions to the role of the board or committee. The recommendations arising from the reviews are considered and agreed by the Nominations and Governance committee and the relevant board or committee. An external review was last conducted in 2017-18. The Nominations and Governance committee agreed that the review due to be held in Autumn 2022 would be conducted internally, given the relatively new appointment of the chair



and a number of new trustees. The expectation is that the 2023 review will be conducted by an external consultant.

Equality, diversity and inclusion

The board and the Nominations and Governance committee are committed to increasing diversity within the governance structure, both at board and executive level. Candidates from diverse backgrounds are sought and encouraged whenever a vacancy for a trustee arises, including when an appointment is the result of the nomination by our funders or Representative Members.

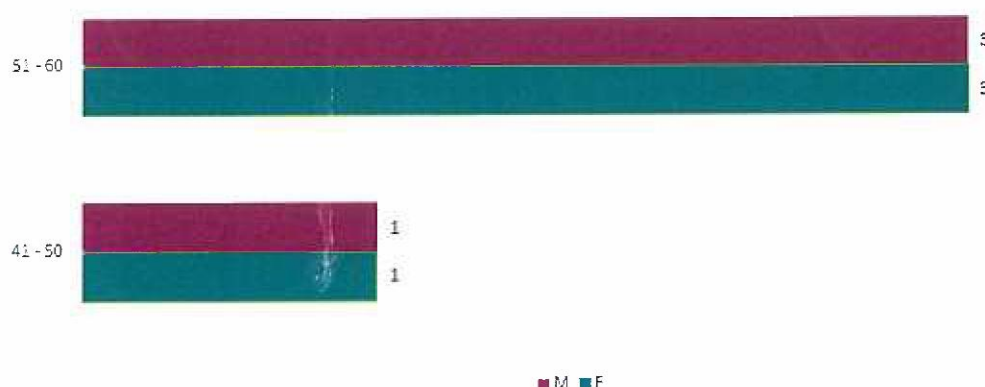
We are committed to removing, reducing or preventing obstacles to people becoming trustees.

A Jisc-wide programme of activity to explore diversity is also reviewing the diversity of the board and how we can better address different diverse factors. One of our guiding principles agreed by the board (discussed further in the Internal organisation section on page 41) is 'Always inclusive' which focusses on building and celebrating a culture of diverse minds, be actively inclusive and open, and working together as one.

As of 31 July 2022, our board comprised of 43% female and 57% male trustees. No other diversity factors are currently represented on the board.

The Executive leadership team comprises the chief executive officer and executive directors. The age and gender distribution of this group is as follows:

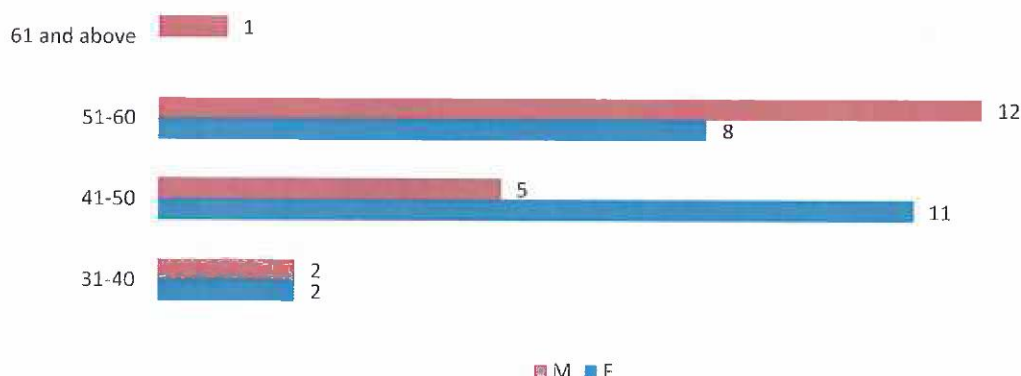
ELT age and gender distribution





The age and gender distribution of senior leaders (those reporting to Executive leadership team members) is as follows:

SLT age and gender distribution



85.5% of the Executive Leadership Team and 75% of senior leaders have provided ethnicity data. Only two people have declared a non-white background.

Diversity and inclusion strategy

Our diversity and inclusion (D&I) strategy has continued to grow and build substantial momentum, with progress evident. Aligned with our 'always inclusive' guiding principle, the strategy has been welcomed by leaders and colleagues.

Many colleagues are actively engaged in supporting the strategy through our Inclusion Group, made up of a team of 40, working together on D&I initiatives. Furthermore, our employee resource group (ERG), supporting Neurodiversity and Neurodivergence at Jisc, are now well established. Further ERG including Anti Racism, Men's and women's Health and LGBTQ+.

D&I events and talks have been well attended with demand for more. Our groups have supported us to run a number of awareness raising events this year particularly on Menopause, Dyspraxia and Anti-Racism.

Openness and accountability

Further information about engagement with our members can be found in the stakeholder engagement section of the Strategic report on page 4. Communicating effectively with our key stakeholders is central to our business.

Regular reporting is provided to each of our core funders to describe our activities and how we have supported the priorities of our funders. Meetings of our Funders and Owners Group are held three times annually, which consists of representatives from each of our funders and Representative Members. The meetings are chaired by the Jisc chair and attended by senior Jisc officers.

The board receives reports based on feedback from member organisations or other stakeholders. The board discusses lessons learned as appropriate in the context of the board's strategic role.

In the year to 31 July 2022, remuneration has been paid to Heidi Fraser-Krauss (as Chief executive) and to Professor Paul Boyle (as Jisc chair). This remuneration is paid for these additional roles undertaken on behalf of Jisc and not in their capacity as trustees. The details of the remuneration are shown in note 12 of the Financial Statements on page 67. The level of remuneration has been approved by the



Remuneration committee and Jisc's Articles of Association give authority for this payment. No other trustees are remunerated.

The remuneration of the Executive leadership team is set within a framework agreed by the Remuneration committee. Details of this remuneration can be found in note 12 of the Financial Statements starting from page 67.

A travel and subsistence policy is available for trustees and committee members. Travel and subsistence costs are refunded to trustees and committee members on submission of a claim with supporting receipts and payment is subject to compliance with the policy. These costs relating to trustees' expenses are included in note 12 of the Financial Statements on page 67.

Trustee indemnity insurance provides insurance cover for trustees against claims which may arise from their legitimate actions as trustees. Insurance is in place for all trustees through the course of their appointment with Jisc. There have been no claims against this insurance in the reporting year.



Streamlined energy and carbon reporting

In accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, Jisc is presenting its greenhouse gas emissions and energy use report covering the 2021-2022 financial year. Autumn 2020 was the first year that Jisc produced a SECR for the year ending 31 July 2020. In this report, 2020-21 has been used as comparison year. We will likely be identifying an alternative baseline year in future, as 2020-21 figures were impacted by the Covid-19 pandemic. The Jisc/HESA merger will also require us to recalculate our baseline.

Several additional categories of emissions have been reported for the first time for 2021-2022, and are included in the SECR for full transparency. This includes additional Scope 3 emissions from other forms of business travel such as air and rail travel, employee commuting, waste generation and downstream transportation and distribution. Therefore, no comparison years are available for these categories. We will look to increase this data across additional scopes to gain a more comprehensive and accurate picture of Jisc's annual carbon footprint.

Greenhouse gas emissions and energy use data for period 1 August 2021 to 31 July 2022

	Current reporting year 2021-2022		Comparison reporting year 2020-21
	UK and offshore		
Energy consumption used to calculate emissions	Electricity consumption from facilities (kWhs)	719,252.10	754,646
	Electricity consumption from data centres (kWhs) (partial)	412,549	N/A
Emissions from combustion of fuel for transport purposes (Scope 1)	Emissions from combustion of fuel for transport purposes have been included in Scope 3 calculations following guidance: "Where a vehicle is used by an organisation, but it isn't owned by the organisation, then the emissions from the vehicle can be reported in Scope 3 instead of Scope 1, using the same factors. These factors can also be found in the Scope 3 under 'Business travel-land' or 'managed assets- vehicles')."		
Emissions from purchased electricity (Scope 2, location-based)	Broadhurst House (tCO ₂ e)	16.69	19.52
	Fetter Lane (tCO ₂ e)	11.82	11.72
	Lumen House (tCO ₂ e)	80.40	90.70
	Portwall Lane (tCO ₂ e)	27.06	33.15
	Castle Park (tCO ₂ e)	3.12	5.14
	Virtus data centre (tCO ₂ e)	31.34	N/A
	AQL data centre (tCO ₂ e)	48.44	N/A
	Total (tCO ₂ e)	218.51	160.23
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	Emissions from hire cars (tCO ₂ e)	N/A	7.40
	Emissions from personal vehicle use (tCO ₂ e)	54.36	16.54
	Total (tCO ₂ e)	54.36	23.94



	Current reporting year 2021-2022		Comparison reporting year 2020-21
Additional emissions from other forms of business travel (Scope 3)	Emissions from air travel (tCO ₂ e)	112.58	N/A
	Emissions from rail travel (tCO ₂ e)	45.79	N/A
	Total (tCO ₂ e)	158.37	N/A
Emissions from waste generation (Scope 3)	Total (tCO ₂ e)	0.22	N/A
Emissions from downstream transportation	Total (tCO ₂ e)	0.81	N/A
Employee commuting in in cars, trains, the underground motorcycles, buses (Scope 3)	Emissions from employee commuting to hub office (tCO ₂ e)	58.16	N/A
Total gross tCO₂e based on above	490.52		184.17
Intensity ratio: tCO₂e per £m of income			184.17 tCO ₂ e / £124m = 1.485 tCO₂e per £m of income

Our Scope 2 emissions from purchased electricity have decreased across all properties from the previous reporting year. Emissions from personal vehicle use have increased due to the increase in business travel after the Covid-19 pandemic. The majority of our Scope 3 emissions are not comparable to previous years due to the inclusion of new categories.

Energy Efficiency Action

Our updated CSR strategy and statement affirm our commitment to reducing the environmental impact of Jisc's business and services and supporting our members to attain their own environmental goals over time.

In 2022, we announced our target to bring our Scope 1 and 2 emissions to net zero by 2030. We aim to achieve net zero emissions for Scope 3 by 2040, 10 years ahead of the government target. In 2022-23 we will be establishing decarbonisation plans and will aim to bring our targets forward if possible.

In 2021-22, we launched an environmental policy using the ISO14001 standard as a framework. We also published an initial carbon reduction plan, required for government procurement processes, which sets out where we are on our path to net zero and our future plans.

We have established environmental considerations and energy efficiency as a priority for all refurbished offices this year including reusing and recycling furniture. Our office at Portwall Lane, Bristol includes features such as solar panels, repurposed furniture from our previous office, and energy efficient lighting and heating is more energy-efficient than our previous Bristol office. We promote recycling at each site and collect hard-to-recycle items for example crisp packets, pens and bottle tops.

We encourage staff to use public transport wherever possible. Even before COVID-19, we have been actively encouraging our staff to reduce their travel through initiatives such as the use of videoconferencing, as well as working from home where this is practical. We operate a cycle to work scheme and provide cycle racks and shower facilities to encourage and support cyclists.



We redeveloped our website using carbon emissions as a significant consideration, with a deep dive on the data of carbon emissions generated by our current website as our baseline.

We are Gold Partners with Trees for Life, who to date have planted 3,135 trees in the Scottish Highlands on our behalf and provide opportunities for team building events and tours of their Dundreggan Estate. We plan to invest in additional offsetting measures in future to offset unavoidable emissions to reach net zero.

Methodology

Conversion factors	Throughout, we have used the Government's conversion factors: https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting .
Comparison reporting year 2019-2020	2020-2021 has been used as comparison year as required, with the caveat that we will likely be identifying an alternative baseline year in future. This is due to the exceptional and therefore unusual conditions in 2019-2020 and 2020-2021 caused by the COVID-19 outbreak.
Properties general	Wherever possible, data from actual meter readings was used to calculate kWhs.
Broadhurst House	Meter readings were not available for July 2022, therefore an average was taken from the meter readings 11 months prior to this.
Castle Park	The Castle Park office closed to staff on 29th November 2019, replaced with the Portwall Lane office. Jisc held the lease until April 2022 and were therefore still responsible for the energy consumption of this property to that date. Meter readings were not available for 2020-21 or 2021-22. An average has been taken of the readings provided between December 2019 to March 2020 (post office closure months) and this figure has been used.
Hire car use	Hire car use data was not available for 2021-22
Personal vehicle use for business travel	A distance-based method was used. Details for personal vehicle use by own employees were taken from our expenses system, therefore please note that only those journeys that were claimed on the expense system were included in this calculation. Data relating to car size or market segment was not available, therefore the conversion factors for Business travel – land for an Average car with unknown fuel type were used.
Air travel	Reports were generated from Click Travel, our travel booking platform. The date of travel, rather than date of booking, was used to filter journeys for the reporting year. A distance-based method was used. Different conversion factors were used depending on if the journey was classified as domestic, short haul to or from the UK, long haul to or from the UK, and international flights not from the UK. Conversion factors for Average passenger were used for all of these. The set of conversion factors that included indirect effects of flights (e.g. water vapour, contrails, NOx) were used to capture the full effect of travel, as per UK government guidance.
Rail travel	Reports were generated from Click Travel. A distance-based method was used. Conversion factors for national rail were used for all journeys.



Hotel stays	Reports on hotel stays were generated from Click Travel. The number of nights stayed in the hotel was multiplied by the conversion factor. Different conversion factors were used for each country, including a separate one for hotels in London. Not all countries stayed in had available conversion factors. Therefore the nearest country geographically with available factors was used instead for the following: Ireland (UK used), Austria (Switzerland used), Sweden (Germany used), Greece and Slovenia (Italy used)
Employee commuting	A distance based method was firstly used. Details of the number of miles travelled by staff by each type of transport, per month, was obtained through a staff commuting survey. The conversion factors for Business travel – land for each Average type of transport were used. Five different types of car were included (diesel, petrol, electric, hybrid and plug in hybrid). Emissions were multiplied by 12 to establish an average for the year. Emissions of all staff were estimated by dividing tCO ₂ e by the number of survey responses, and then multiplied by the total number of staff as of 31 July 2022.

Financial policies and risks

Financial policies

A number of financial policies are in place for the Jisc Group:

- **Treasury** – this describes the nature of the investments that Jisc holds. Neither Jisc nor its subsidiaries have a requirement for external borrowings. Any borrowings are not permitted to be taken out without the prior consent from OfS under the terms of the grant funding agreement.
- **Reserves** - this describes the categories of reserves that Jisc holds and the reasons for each.

Both policies were reviewed by the Finance and Treasury committee in 2022 and approved by the board.

Credit risk

The Jisc Group's activities are primarily with state-funded education and research bodies and, as such, has minimum credit risk.

Liquidity risk

In its cash management, Jisc ensures that there are sufficient cash balances to meet day-to-day needs of the organisation. This is reflected in our reserves policy which requires us to hold four months of operating costs (see financial performance and strategy section on page 13).

Grant-making policies

In some cases, we provide grants to organisations to provide services on our behalf or to participate in projects. Grants are managed through specific agreements, which set out the conditions of the grant, including reporting requirements and when and how disclosure will happen. The agreement also outlines our responsibilities. Grants are usually disbursed in instalments to ensure that agreed timings and results are being met and managed. Our staff, monitor and evaluate progress throughout the period of the grants. The nature of these activities will depend on the size and complexity of the grant and the perceived level of risk.

Payment practices

In accordance with regulations in the Small Business, Enterprise and Employment Act 2015, we have prepared and submitted [payment practices reports](#) for each 6-month period.



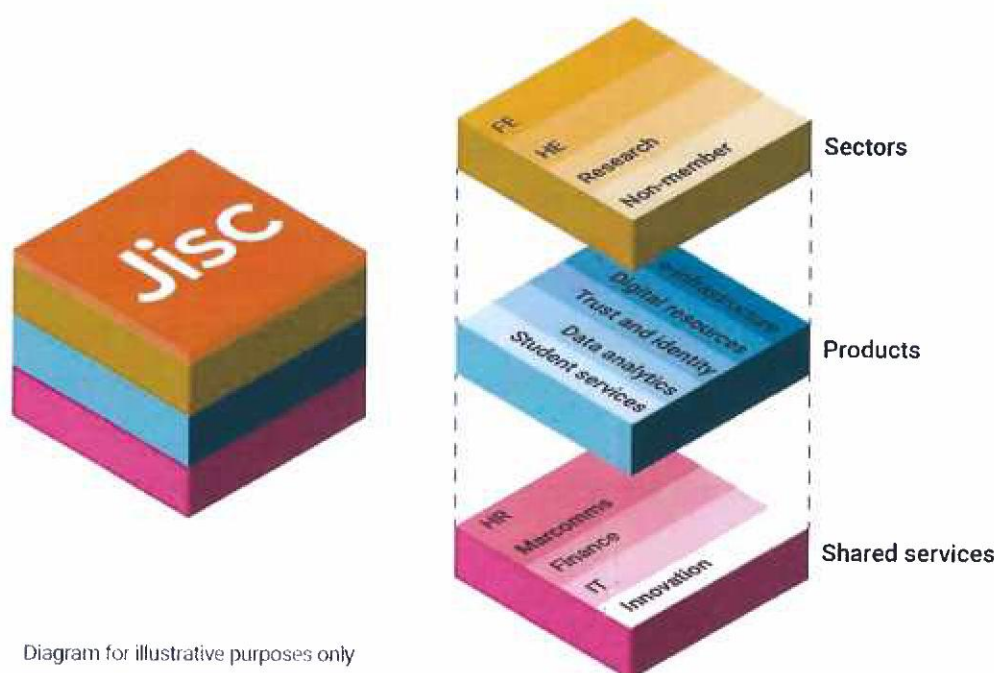
Internal organisation

Over the past 18 months we have continued to embed our operating model, which spans all companies in the Jisc Group. The operating model is based on the sectors that we operate within and the products and services that we offer, with underpinning shared services.

Members of the Executive Leadership Team (ELT) lead the development and execution of either sector strategies for their area, or the development and delivery of products and services to meet our members' needs.

The shared service functions support the overall effective and efficient delivery of products and services/the sector strategies, and undertake activities that deliver organisational benefit to Jisc.

This operating model has enabled us to focus strategically on the sectors that we operate within and the products that we offer, whilst continuing to drive efficiencies and effectiveness through our shared services.



Staff numbers

Our headcount has increased by 9% over the past 12 months to 979 employees as at 31 July 2022. Of these, 6% (60 employees) were on fixed term contracts (compared with 6% in 2021).

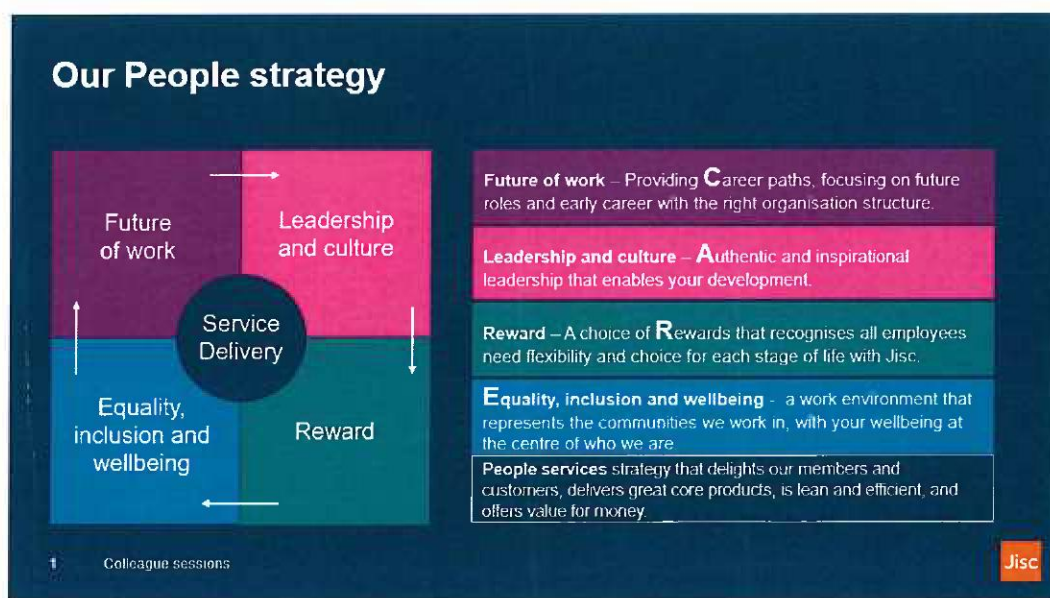
The total turnover rate for the period 1 August 2021 to 31 July 2022 was 15.7% compared to 13.9% in 2021.

Recruitment volumes across Jisc have remained relatively high over the past year. This increase in employee turnover could be attributed to the impact of the Covid-19 pandemic, where a delay in leavers was seen due to external economic uncertainty (great resignation). As a comparison for the last 2 years our turnover for 2020 (the pandemic year) reduced to 10.75% compared to 15.5% in 2019. As we move through 2022 and as a result of the cost-of-living challenges are impacting all staff combined with more movement and competition in the labour market, Jisc can expect its turnover to move back towards pre-pandemic levels within a range of 15% to 18%.



People Strategy

In 2020 we set out our 3-year people strategy, with an ambitious plan to build, grow and align our employee experience to match the ambitions we have around our Members' and Customers' experience. Year 2 has now been completed and the 3 Year plan is on track. In line with the revisions to the Jisc strategy, the 2025 people strategy is evolving.



Year two has been a year to drive change and transformation across Jisc with key changes agreed for Jisc Pay Framework, Performance Management, Diversity and Inclusion and staff benefits with a successful first campaign to drive harmonisation across Jisc.

We are proud of the progression of the Jisc Diversity and Inclusion strategy and would highlight our Employee network groups, our affiliation with the Black Leaders Group and our work on Anti-Racism across Jisc, and finally the work on neurodiversity across Jisc.

In 2020-21 we launched our first Early Careers programme with six graduates joining and we have doubled this for 2022 with 12 Early career Graduates and Apprentices joining in September.

Jisc Leadership programme launched with 85% of all managers and leaders attending the program during the year with the launch of Management essentials planned for September 2022.

We have also further evolved the people strategy and transformed the HR team itself to ensure both are best positioned to support the organisation moving forwards, with the creation of a dedicated HR systems and data team. We now need to embed the strategy into the everyday thinking and practices of our managers, our leaders and our people.

The focus for the next few years will be on leadership and culture, learning and development, embedding our total reward approach, systems and data, harmonisation, engagement and transforming "HR" even further, to be a truly customer centric function.



Culture



Our Guiding principles have been in place since September 2020 and are embedding well across Jisc. Our 2021 Employee Engagement survey continued to show progress on embedding into and across Jisc with employees agreed or strongly agreed that 80% of our managers are great role models for these. Our Guiding principles feature strongly in our recruitment campaigns and we get regular feedback from candidates that it was the descriptions of our culture which swayed their decision to apply to work with us.

In August 2021, we moved to a fully hybrid working model introducing 3 types of working contracts, Hybrid, Hub or remote. Approximately 75% of all Jisc staff are Hybrid driving a mix between collaboration and connection coming to a Jisc Hub and working remotely.

Gender pay gap report

Our most recent **Gender bonus and pay gap report** is based on a snapshot of earnings taken at April 2021. The report shows that our mean gender pay gap has reduced by 1.5% from 15.1% to 13.6%. Our median gap has increased slightly at 15.4% from 14.4% in 2020. Our change in figures is driven by female appointment to the ELT but we have continued, overall, to employ more men than women across the organisation. However, as noted below, this is changing more recently. The median bonus gap was 0% as all staff received a one-off payment during the pandemic.

The gender pay gap figures are a key measure of success for us, the results take time to impact but we are not complacent and are committed to attracting and retaining women in tech and senior roles.

Diversity data

Equalities information

Equalities information is held on our HR system in accordance with GDPR principles. We are reviewing the equalities data that we capture and will be launching a new process for this in autumn. We will continue to look carefully at our data to understand patterns and implications for strategy, both in terms of tracking success and identifying areas of focus. Our new diversity strategy and HR system provides good opportunities to do this.

To date approximately 66% of staff in post at 31 July 2022 have provided information about their ethnic origin, 62% their religion, 62% their sexual orientation and 13% disclosed a disability. A strong campaign led by the Jisc Inclusion group increased our data capture by approximately 20%.



Ethnicity

Diversity varies across teams. Further details of ethnic diversity are shown in the table below. Of those who provided a response, the number of staff recording themselves as White is 86% across Jisc.

Other	Not Known or Prefer Not to Say	White	Mixed heritage	Asian or Asian British	Black or Black British	Not provided
0.3%	1.42%	57.3%	2.75%	3.26%	1.02%	34%

Religion

Approximately 18% of the returns identified with Christianity as their belief system, with an additional 6% specifically Catholic. The number of staff who have no religious belief is at 39.1%. Further information on the diversity of religious beliefs at Jisc is below:

Atheism	Catholicism	Christianity	Hinduism	Islam	Jainism	Jewish	Muslim	No Religion
9.89%	3.97%	11.2%	0.51%	0.71%	0.11%	0.11%	0.3%	24.38%

No Religion	Other	Rastafarianism	Unitarianism	Not Specified	Not provided
24.38%	1.12%	0.21%	0.11%	3.59%	37.6%

Age and gender

Jisc continues to employ people across a broad age group, with the age of new starters over the past year ranging between 20 and 65 - with the average age for a new starter being 42 years old. The average age of our new starters in the last 12 months is 37 years old.

Compared to last year, the proportion of women in post has decreased, from 45.9% at the end of July 2021 to 40.5% at the end of July 2022. This reduction could be related to the work undertaken earlier in the year to gather employee diversity data for the purpose of aggregated reporting. Employees disclosing gender identity has increased to 85% and this increase in employee data gives Jisc a clearer picture of its workforce. Our partnership team will continue to monitor these figures and work with teams across the business so that we can address any issues as they are identified.

Sexual orientation

62.4% of staff have disclosed their sexual orientation. 8.49% preferred not to say. The majority of staff (51.4%) indicate that they are heterosexual, 4.89% identify as lesbian, gay or bisexual.

Bisexual	Gay	Heterosexual	Lesbian	Not provided	Prefer not to say	Unknown
2.6%	1.5%	51.04%	0.71%	37.5%	5.3%	0.2%

Supporting staff with disability

In 2022 we had 126 staff report that they consider themselves to have a disability. We encourage employees to talk to us about any support they need regarding disabilities and as part of the new D&I strategy are focusing on educating our people about the breadth of both mental and physical disabilities. The new diversity data capture form has enabled us to gather more data about how many of our people identify as having a disability. Jisc continues to work with an independent occupational health provider to support the health and wellbeing of our people, and to determine if there are any measures or reasonable adjustments to be considered to support the individual in the workplace.



All new members of staff complete a pre-employment health questionnaire that is reviewed by occupational health to ensure that we are appropriately supporting staff from the beginning of their employment. In line with our commitment to an inclusive and diverse workforce, disabled employees have equality of access to training, development and progression. Support is also given to encourage return to work and retention of newly disabled employees, providing where required a period of rehabilitation, support and training.

Mental health related disabilities are becoming more common place and talked about in the workplace and society in general. We have increased our network of Mental Health First Aiders who provide support to colleagues and can direct colleagues to further sources of support, including our employee assistance programme. We are also providing training to managers on supporting employees with mental health issues, regardless of whether or not they have a disability.

This approach is driven by our iMatter Strategy and the work is being overseen by the Employee voice forum. This forms part of our commitment to a holistic approach to health and safety and wellbeing.

Pay, benefits and recognition

Our objective is to ensure that we have salaries and reward packages that are competitive in the market and offer an attractive range of benefits. Our underpinning philosophy is about flexibility of choice to our people, and we continue to review our employee benefits. We have recently removed individual performance related pay and moved to a single Annual pay award, introduced a wellbeing allowance, increased holiday to 28 days, enhanced the recognition programme and introduced a Jisc performance award.

We have a set of guiding reward principles which include a new single pay framework which covers all staff except the Executive leadership team. The salaries of the Executive leadership team are determined by the Remuneration committee.

Jisc has recently integrated performance management with our new HR system, allowing managers to have transparent conversations with our people about their performance throughout the year and has moved to a more agile approach with quarterly reviews added in to drive better and more frequent conversations.

A variable bonus scheme is in place for members of the Executive leadership team, and there are fully governed commission schemes for account managers and other sales employees. These schemes are reviewed annually to ensure alignment to business priorities and fully linked to performance.

The Remuneration committee considers the annual pay review proposals for all staff across the organisation and the resulting overall level of increase in the salary bill in the context of business performance and the need to ensure good pay governance to ensure money from funding is spent and focussed in the right way. The Remuneration committee reports to the board, providing sufficient detail to enable the board to assure themselves that rigorous, fair and defensible processes have been undertaken in all reward decisions as overall responsibility remains with the board.

A new Recognition Scheme was launched to support our one Jisc culture programme in 2020 with non-financial and small financial awards and has been enhanced in 2022 with the CEO Team award. Employees regularly send e-cards to colleagues calling out great examples of when our Guiding principles are shared, these stories are shared at our 'Star of the month' celebration events.



Employment policies

A core set of employment policies are in place and are periodically reviewed to ensure that they meet employment legislation, our values and support an inclusive and diverse workforce. Our approach to our HR policies is intended to be light touch providing a framework to support people managers and their teams. In October 2021 we also revised the expenses policy.

Workforce engagement

We use a number of communications channels to engage staff and encourage two-way communication across the organisation. These include the following:

- Joint Negotiating Committee with the University and College Union (UCU), our recognised trade union
- Employee Voice Forum (EVF), available to all staff to enable all employees to have a voice, and to share their concerns and views
- Equality, diversity and inclusion network to raise awareness, highlight barriers, celebrate where we are doing well and influence actions that can help further reduce the pay gap
- Fortnightly staff update and monthly all staff briefing on key issues
- Monthly strategy updates from ELT members
- Intranet
- Regular briefing sessions, both at directorate level and organisation wide via 'all hands' briefings with the chief executive and location wide briefings
- Jisc wide staff conference, held in October 2022
- Targeted emails where a group of staff are specifically affected by an issue
- Open consultation processes
- Regular blogs, podcasts and webinars
- Yammer Groups.



Responsibilities of the board in relation to the Trustees' report

The trustees (who are also directors of Jisc for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland") and applicable law. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' responsibilities regarding the Office for Students grant reporting

The trustees are responsible for ensuring that all terms of The Funding Agreement have been complied with or varied in writing with the Office for Students. The trustees are also responsible for providing relevant financial information to the Office for Students.

In the case of each trustee in office at the date the Trustees' Report is approved:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.



Appointment of Independent Auditors

Grant Thornton UK LLP are deemed reappointed as our external auditor pursuant to section 487 of the Companies Act 2006.

The Strategic Report and Trustees' Report have been approved, authorised for issue and signed on behalf of the board by:

Paul Boyle

Professor Paul Boyle, CBE, Jisc chair

1 December 2022



Independent auditor's report to the members and trustees of Jisc

Opinion

We have audited the financial statements of Jisc (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022, which comprise the Consolidated Statement of Financial Activities (including Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated 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 group's and parent charitable company's affairs as at 31 July 2022 and of the group's 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 have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and parent charitable company 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

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the group's and parent charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity'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.

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.



The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. 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.

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 Strategic Report and the Directors' report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in Trustees' Report.

Matters on which we are required to report by exception

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

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

Responsibilities of the trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, page 47, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and parent charitable company and the sector in which it operates through our sector experience, making enquiries of management and those charged with governance and inspection of the parent charitable company's key external correspondence. We corroborated our enquiries through our review of board minutes and other information obtained during the course of the audit.
- Through the understanding we obtained, we determined that the following laws and regulations related to the financial reporting framework, being International Accounting Standards on conformity with the requirements of the Charities Act 2011, the Companies Act 2006, the Charities SORP (FRS 102), The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and Data Protection Act 2018, as well as other laws and regulations such as Bribery and corruption.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it
- We assessed the susceptibility of the Group and parent charitable company's financial statements to material misstatement, including how fraud might occur and the risk of management override of controls, by considering management's incentives and opportunities for manipulation of the financial statements. We determined that the principal risks were in relation to the potential management bias around estimation and judgemental areas of the valuation of investments, intangible assets and Property, Plant and Equipment; and through management override of controls.
- Our audit procedures included:
 - Making enquiries of management concerning the Group and parent charitable company's policies and procedures relating to the identification, evaluation and compliance with laws and regulations; the detection and response to the risks of fraud; and the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations. We considered whether there is a culture of honest and ethical behaviour within the Group and parent charitable company and whether there is a strong emphasis of prevention and deterrence of fraud amongst those charged with governance. We also enquired with management and those



charged with governance whether they were of any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual, suspected, or alleged fraud;

- Gaining an understanding of the controls that management has in place to prevent and detect fraud;
 - Identifying and testing journal entries, in particular manual journal entries to revenue;
 - Challenging significant accounting assumptions, estimates and judgements made by management, including those relevant to: the areas of estimation and judgement in relation to the valuation of investments, intangible assets and Property, Plant and Equipment;
 - Gaining an understanding of and testing significant identified related party transactions;
 - Performing audit procedures to consider the compliance of disclosures in the financial statements with the applicable financial reporting requirements.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation; and
 - Knowledge of the industry in which the Group and parent charitable company operates.
 - Communications with the audit team in respect of potential non-compliance with laws and regulations and fraud included: the potential for fraud in relation to the areas of potential management bias around estimation and judgement in relation to the valuation of investments and intercompany debtors; and through management override of controls in the preparation of the financial statements.

Other voluntary reporting

The directors are required to comply with a funding arrangement with the Office for Students ("OfS") dated 01 August 2018 (the "Funding Agreement"). We have been requested to undertake additional procedures in accordance with the OfS Audit Code of Practice and to provide an opinion on regularity, as if Jisc were a higher education institution as defined under the Further and Higher Education Act 1992.

In our opinion

- funds from whatever source administered by the organisation for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by the OfS, UK Research and Innovation (including Research England), the Education & Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.

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.

Grant Thornton UK LLP

Diccon Thornely ACA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

1 December 2022



Consolidated Statement of Financial Activities (including income and expenditure account) for the year ended 31 July 2022

	Note	Unrestricted funds	Restricted funds	Total funds	Restated Unrestricted funds	Restated Restricted funds	Restated Total funds
		2022	2022	2022	2021	2021	2021
		£'000	£'000	£'000	£'000	£'000	£'000
INCOME							
Donations and grants	4	51,718	20,252	71,970	48,090	22,938	71,028
Income from charitable activities	5	17,726	479	18,205	16,880	279	17,159
Income from trading with members	5	16,144	63	16,207	17,820	95	17,915
Income from other trading activities	5	22,832	-	22,832	16,865	-	16,865
Investment income	6	296	-	296	217	-	217
TOTAL INCOME		108,716	20,794	129,510	99,872	23,312	123,184
EXPENDITURE							
Expenditure from charitable activities before USS pension change		42,999	1,767	44,766	39,671	7,369	47,040
USS pension provision change	29	16,812	-	16,812	(21)	-	(21)
Total charitable activities	7	59,811	1,767	61,578	39,650	7,369	47,019
Expenditure from trading with members	7	61,459	11,950	73,409	62,265	10,086	72,351
Other trading activities	7	4,355	-	4,355	5,459	-	5,459
Grants paid	10	72	62	134	72	2	74
Other (gains) / losses		357	-	357	(69)	-	(69)
TOTAL EXPENDITURE		126,054	13,779	139,833	107,377	17,457	124,834
Net (expenditure) / income	11	(17,338)	7,015	(10,323)	(7,505)	5,855	(1,650)
Transfers between funds	21	8,755	(8,755)	-	5,562	(5,562)	-
Other unrealised gains / (losses)	16	3,302	-	3,302	12,386	-	12,386
Exceptional item	32	-	-	-	20,929	-	20,929
Net movement in funds for the year		(5,281)	(1,740)	(7,021)	31,372	293	31,665
Reconciliation of funds							
Total funds brought forward		108,304	12,559	120,863	76,932	12,266	89,198
Total funds carried forward		103,023	10,819	113,842	108,304	12,559	120,863

The accompanying notes are an integral part of these financial statements.

All results in the year to 31 July 2022 and in the prior year derive from continuing operations.

The consolidated statement of financial activities includes all gains and losses for the year and includes the income and expenditure of the group.



Consolidated & Charity Balance Sheets as at 31 July 2022

Restated		Group 2022	Restated Group 2021	Charity 2022	Restated Charity 2021
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	14	12,393	14,823	1,465	1,583
Tangible assets	15	21,921	19,190	8,659	9,194
Investments	16	72,204	68,740	104,093	100,629
Total fixed assets		106,518	102,753	114,217	111,406
Current assets					
Debtors	17	36,007	50,895	21,959	32,510
Cash and cash equivalents	25	50,712	33,968	36,639	27,399
Total current assets		86,719	84,863	58,598	59,909
Liabilities					
Creditors: amounts falling due within one year	18	46,749	52,177	14,420	16,783
Provisions for liabilities	20	3,902	2,390	3,819	2,380
Total liabilities		50,651	54,567	18,239	19,163
Net current assets		36,068	30,296	40,359	40,746
Total assets less current liabilities		142,586	133,049	154,576	152,152
Provisions for liabilities: amounts falling due after one year	20	28,744	12,186	28,584	12,121
Net assets		113,842	120,863	125,992	140,031
The funds of the Group / Charity:					
Restricted income funds	21	10,819	12,559	64,452	45,976
Unrestricted income funds	22	103,023	108,304	61,540	94,055
Total Group / Charity funds		113,842	120,863	125,992	140,031

The Charity only net deficit for the year was £14,039k (2021: surplus of £47,578k) – refer to note 27. The accompanying notes are an integral part of these financial statements. The financial statements on pages 53 to 89 were approved and authorised for issue by the board and signed on its behalf by:

Heidi Fraser-Krauss

Chief executive officer

1 December 2022

Registered number: 05747339



Consolidated Cash Flow Statement for the year ended 31 July 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash provided by operating activities	25	24,046	2,455
Cash flows from investing activities:			
Interest received	6	296	217
Proceeds from the sale of property, plant and equipment	15	23	1,129
Purchase of property, plant and equipment	15	(6,995)	(5,956)
Purchase of intangible assets	14	(429)	-
Purchase of investments	16	(197)	(83)
Net cash used in investing activities		(7,302)	(4,693)
Net cash provided by financing activities		-	-
Net cash acquired		-	-
Change in cash and cash equivalents in the reporting year		16,744	(2,238)
Cash and cash equivalents at the beginning of the reporting year		33,968	36,206
Cash and cash equivalents at the end of the reporting year		50,712	33,968



Notes to the financial statements

1. Statement of compliance

The group and individual financial statements of Jisc have been prepared on a going concern basis in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - ("CharitiesSORP (FRS 102)"), the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS102") and the Companies Act 2006 and the Charities Act 2011.

2. Principal accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These consolidated and separate financial statements are prepared on a going concern basis (refer to page 18), under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). After reviewing the group's forecasts and projections, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

b) Gift aid

Various group subsidiaries will make a gift aid donation to Jisc as their parent company. Gift aid donations are recognised when a legal obligation to make the payment exists and are classified as a distribution in the statement of changes in equity. In considering the level of gift aid donation to make, the paying company will consider whether there are sufficiently distributable reserves available and whether the paying company will be able to meet its liabilities as they fall due.

c) Group financial statements

The consolidated financial statements and the consolidated cash flow statement include the financial activities of the charity, and its wholly owned trading subsidiaries Jisc Services Limited, Jisc Commercial Limited and Jisc International Apac Pte. Ltd. Intra-group transactions and balances are eliminated fully on consolidation.

A separate Statement of Financial Activities (including the Income and Expenditure Account) for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. Jisc as a standalone company as permitted by FRS102 as a qualifying entity has taken advantage of the available exemption to not prepare a statement of cash flows [Section 7 of FRS102 and para 3.17 (d)].

d) Fund structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor, such as where funding is for specific projects or is capital in nature. Unrestricted funds comprise those funds which the charity is free to use for any purpose in furtherance of the charitable objects.

Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.



e) Income

Income is recognised in the statement of financial activities (SoFA) when a transaction or other event results in an increase in the group's assets or a reduction in its liabilities. Income is recognised when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the group
- Probable – it is more likely than not that the economic benefits associated with the transaction will flow to the group.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction can be measured reliably.

Government Grants

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Performance-related grants that are conditional upon the delivery of a specific level of service are deferred where the conditions have not yet been met.

Income for services

Income for services, including higher education subscriptions, is recognised over the period when the relevant service is provided, or in line with the work being performed, whichever is most appropriate.

Principal versus Agent

When the group acts as the principal in a transaction of goods and/or services, the income is recognised gross and the related expense is recognised within expenditure. Where the group acts as the agent in a transaction of goods and/or services, the related income and cost are netted off against each other such that the margin is ultimately recognised within income. For licences sold on an agency basis the income is recognised in full as an agency fee at the start of the licensing agreement period in line with the contract structure.

The indications that the group is an agent in the transaction are usually:

- the group is not responsible for providing the good or service, or;
- the group does not have inventory risk before the good or service is provided to the customer or even after it has been provided, or;
- the group does not have control over the price of the good or service.

The Chest and Collections licences sold by the group are considered to be sold on an agency basis and income reported on a net basis. Following management review of recent contracts placed with the Chest and Collections it has been noted that in the prior year the Collections licences were incorrectly accounted for on a principal basis. Therefore the income figures for the prior year ending 31st July 2021 have been restated accordingly in order to provide meaningful comparative information and are reported on a net basis. Further detail is shown in Note 5.

Interest income

Interest is recognised as earned.



f) Expenditure and irrecoverable VAT

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. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category of activity within the group. Expenditure is classified under the following activity headings:

- Costs of trading with members and non-members.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Grants payable are payments made to third parties in the furtherance of the charitable objects of the group. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the group agrees to pay the grant without conditions, or the conditions attached to the grant are outside the control of the group.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged against the expenditure category of resources expended for which it was incurred.

g) Allocation of overhead and support costs

Support costs are those functions that assist the work of the group but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support Jisc's projects and activities. These costs have been allocated between commercial trading operations and expenditure on charitable activities.

h) Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the SOFA on a straight-line basis over the period of the lease.

i) Lease incentives

Incentives received to enter into an operating lease are credited to the SOFA, to reduce the lease expense, on a straight-line basis over the period of the lease.

The Group has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 August 2014) and continues to credit such lease incentives to the SOFA over the period to the first review date on which the rent is adjusted to market rates.

j) Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

- Electronic content 10 years
- Customer contracts 10 years
- Long Term Software licences In line with contractual terms

Amortisation is charged to the SOFA.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.



The assets are reviewed for on an annual basis if the above factors indicate that the carrying amount may be impaired.

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

k) Tangible fixed assets and depreciation

All assets are capitalised and recorded at historic cost including any incidental costs of acquisition. Where appropriate, provision has been made for impairment in the value of tangible fixed assets.

Depreciation is charged on a straight-line basis to write off the cost of the tangible fixed assets over their estimated useful life. Items with a total cost of less than £1,000 are expensed in the period in which they occur.

Following a review by management of the lives of the network equipment in use during the year ended 31st July 2022 the expected life of network equipment has been extended from 3 years to 5 years from 1st Aug 2021.

• Land	Non-depreciating
• Freehold property	50 years
• Freehold improvements	10 years
• Leasehold improvements	over the life of the lease
• Fixtures and fittings	10 years
• Network equipment	5 years
• IT equipment	3 years

Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in Statement of Financial Activities.

l) Investments

Investments in subsidiaries and associates are stated at cost, less provision for impairment.

An investment in a jointly controlled entity exists when there is a contractually agreed sharing of control over an economic activity of a separate legal entity, between Jisc and third party(s). A jointly controlled entity is initially recognised at the transaction price and subsequently adjusted for the investors' share of the profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.



Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the assets are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

m) Pensions

The organisation participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. 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 organisation 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 organisation therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the organisation has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the organisation recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

n) Contingent liabilities

In accordance with the Charities SORP (FRS102) contingent liabilities are disclosed for those grants, which do not represent liabilities, but where there is a possible obligation, which arises from past events, which will only be confirmed by one or more future events, not wholly within the trustees' control.

o) Foreign currency

Transactions denominated in foreign currencies are translated at the rate of exchange at the date of the transaction. Foreign currency balances are re-translated at the rate of exchange prevailing at the balance sheet date. Any gain or loss arising is charged to the SoFA.

The majority of foreign currency income transactions have a corresponding cost of sales transaction in the same currency, where a surplus is generated this is used to settle ad-hoc purchases in currency throughout the year.

p) 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.

q) Cash and cash equivalents

Cash at bank and cash 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.

r) Creditors and provisions

Creditors and provisions are recognised where Jisc 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 are recognised at their settlement amount after allowing for any trade discounts due. Provisions are recognised at amortised cost.

s) Financial instruments

Jisc only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their amortised cost. All financial assets and financial liabilities are carried at amortised cost.



t) Taxation

Jisc is a registered charity and is entitled to certain exemptions from corporation tax on profits from investments and any trading activities carried on in furtherance of the charity's primary objectives. The subsidiary companies make qualifying donations of all taxable profits to Jisc.

The group is able to reclaim a proportion of its input VAT incurred using the partial exemption method.

3. Critical accounting judgements and estimation uncertainty

a) Critical judgements in applying the entity's accounting policies

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.

(i) Multi-employer defined benefit pension scheme

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 Universities Superannuation Scheme. 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 in profit or loss in accordance with section 28 of FRS 102. The trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements (note 29).

(ii) Timing of grant revenue recognition

Revenue from restricted grants (note 4) can vary in its terms and conditions, specified years to which it relates and cash payment profile. Judgement about the most appropriate financial year in which to recognise revenue can be required together with the amount of revenue to be recognised in that year, with reference to the specifications of a grant letter.

b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic life of tangible and intangible assets

The annual depreciation charge for tangible and intangible assets (notes 15 and 14 respectively) is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 14 and 15 for the carrying amount of the intangible and fixed assets respectively, and page 59 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade, intercompany and other debtors (note 17). When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**(iii) Multi-employer defined benefit pension scheme**

The costs of the USS deficit recovery plans have been estimated based on a model devised by USS and the British Universities Finance Directors Group. The model uses the additional costs included in the deficit recovery plan, management's judgement of estimated changes in staffing levels and pay increases and is discounted based on corporate bond levels having a maturity of a similar length to the recovery plan. The scheme actuary reviews the funding of the USS every year and undertakes a formal actuarial valuation every three years, at which time the deficit recovery plan may be amended (note 29).

(iv) Impairment of fixed asset investments

In assessing whether the carrying value of fixed asset investments has suffered a permanent impairment, the company considers a number of indicators which include the comparing the market value of the underlying net assets to the cost of the investment, the trading history of the entity and the forecast cash flows of that entity.



4. Donations and grants

During the year to 31 July 2022 £71,970k (2021: £71,028k) of funding was received from the United Kingdom funding bodies for higher and further education.

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Funding Body:	£'000	£'000	£'000	£'000	£'000	£'000
Office for Students	8,729	8,269	16,998	5,200	11,582	16,782
Research England	15,300	10,923	26,223	15,339	10,999	26,338
DfE - England	15,021	-	15,021	15,021	-	15,021
Scottish Funding Council	8,073	232	8,305	8,073	-	8,073
HEFCW	2,001	140	2,141	2,001	32	2,033
DfE Northern Ireland	1,410	244	1,654	1,410	-	1,410
Welsh Government	1,046	409	1,455	1,046	325	1,371
Government Grant under Apprenticeship Training Scheme	138	-	138	-	-	-
British Council	-	35	35	-	-	-
	51,718	20,252	71,970	48,090	22,938	71,028

5. Income

Income has been reclassified in the current year to reflect the activities of Jisc as charitable, trading with members and other trading activities and the services offered in order to provide additional clarity to readers. The prior year has also been restated using the same methodology.

	Income from charitable activities	Income from trading with Jisc members	Income from other trading activities	2022 Total
	£'000	£'000	£'000	£'000
Connectivity	-	8,167	7,398	15,565
Jisc membership subscription	12,875	-	-	12,875
Trust & Identity	981	1,919	7,952	10,852
Cloud	-	787	3,260	4,047
Libraries, learning resources & research	1,191	2,808	-	3,999
Prospects.ac.uk	971	-	2,295	3,266
Data Analytics	15	1,435	1,279	2,729
Cyber	1,301	348	517	2,166
Other (including rent)	871	743	131	1,745
	18,205	16,207	22,832	57,244

Included within Libraries, learning resources & research is net income of £2,808k (2021: £2,520k) from the resell of licence subscriptions through Chest and Collections. These licences are sold on an agency basis and income reported accordingly on a net basis. In 2021 the income from the sales of Collections licences was incorrectly reported on a gross basis as if the group were acting as the principal. Therefore in order to provide for a meaningful comparative analysis the 2021 figure for income has been restated to show the income from the resell of Collections licences on a net basis. The impact of this restatement is to reduce the group income and expenditure figures by £72,565k. Gross income from licences sold on an agency basis in 2022 was £185,269k (2021 £103,152k).



	Restated			
	Income from charitable activities	Income from trading with Jisc members	Income from other trading activities	2021 Total
	£'000	£'000	£'000	£'000
Connectivity	-	8,723	7,120	15,843
Jisc membership subscription	12,818	-	-	12,818
Trust & Identity	877	1,742	6,138	8,757
Cloud	-	1,363	1,521	2,884
Libraries, learning resources & research	1,222	2,520	-	3,742
Prospects.ac.uk	882	-	1,629	2,511
Data Analytics	27	2,409	-	2,436
Cyber	536	529	437	1,502
Other (including rent)	797	629	20	1,446
	17,159	17,915	16,865	51,939

The Group is domiciled in the UK.

Income for the year to 31 July 2022 from external customers that are non-UK based was £7,002k (2021: £6,206k) with the remainder generated in the UK.

Of the above, £56,702k was unrestricted (2021 (Restated): £51,565k) and £542k restricted (2021 (Restated): £374k).

6. Investment income

All of the group's investment income of £296k (2021: £217k) arises from money held in interest bearing deposit accounts and distributions from investments.

7. Expenditure

	Charitable activity expenditure £'000	Expenditure from trading with Jisc member £'000	Expenditure from other trading £'000	2022 Total £'000
Cloud	-	4,013	-	4,013
Connectivity	1,027	44,035	285	45,347
Cyber	1,001	8,679	-	9,680
Data Analytics	2,234	4,079	-	6,313
Events	963	224	-	1,187
Libraries, learning resources & research	7,147	2,568	-	9,715
Advice & Guidance	7,198	954	-	8,152
Student Experience	4,918	820	1,398	7,136
Trust & Identity	-	2,913	2,113	5,026
Governance costs (note 8)	2,464	-	-	2,464
Support costs (note 9)	24,858	516	-	25,374
Other	9,768	4,608	559	14,935
	61,578	73,409	4,355	139,342



	Restated			
	Charitable activity expenditure £'000	Expenditure from trading with Jisc member £'000	Expenditure from other trading £'000	2021 Total £'000
Cloud	-	3,341	-	3,341
Connectivity	685	41,715	-	42,400
Cyber	582	8,173	-	8,755
Data Analytics	1,799	3,526	-	5,325
Events	528	64	-	592
Libraries, learnings resource & research	6,020	2,717	-	8,737
Advice & Guidance	3,714	347	-	4,061
Student Experience	4,524	516	1,694	6,734
Trust & Identity	3,315	1,608	13	4,936
Governance costs (note 8)	2,894	-	-	2,894
Support costs (note 9)	22,789	422	-	23,211
Other	169	9,922	3,752	13,843
	47,019	72,351	5,459	124,829

Of the above total, £125,625k was unrestricted expenditure (2021 (Restated): £107,374k) and £13,717k was restricted expenditure (2021 (Restated): £17,455k).

Expenditure has been reclassified in the current year to reflect the activities of the charity and Group more closely to charitable, other trading activities and trading with members. The expenditure streams are aligned to types of income stream or governance and support costs. The prior year has also been restated using the same methodology for all costs. All expenditure includes irrecoverable VAT, where it has been incurred. Pension costs of £89k are included in charitable expenditure and £7k in Expenditure from trading with Jisc member.

As referenced in Note 5, above the expenditure costs for 2021 have been restated to account for the resell of Collections licences on a net agency basis and total expenditure costs reduced by £72,565k.

8. Governance costs

	2022 £'000	Restated 2021 £'000
External audit	189	130
Senior management salaries	1,655	2,238
Trustee expenses	18	-
Support costs	602	526
	2,464	2,894

The costs relating to the governance function are equally apportioned between the four key charitable activities undertaken in the year.



9. Support costs

	Expenditure charitable activities £'000	Expenditure from trading with Jisc members £'000	2022 £'000
Finance & Procurement	2,996	-	2,996
Group costs	3,988	-	3,988
Strategy and Corporate Services	10,116	160	10,276
Internal IT costs	7,758	356	8,114
	24,858	516	25,374

	Expenditure charitable activities £'000	Expenditure from trading with Jisc members £'000	Restated 2021 £'000
Finance & Procurement	2,807	-	2,807
Group costs	2,155	7	2,162
Strategy and Corporate Services	9,687	130	9,817
Internal IT costs	8,140	285	8,425
	22,789	422	23,211

Support costs of Jisc are allocated where possible directly to the charitable activity and where this direct allocation is not possible costs are allocated in line with the number of direct staff working in each charitable activity type. Wages and pension costs include a liability for paid annual leave accrued but not taken of £880k (2021: £2,152k).

The classification of support costs has been reviewed and updated to reflect the requirements within the Charity SORP. The 2021 figures have been restated to reflect the revised classifications and provide a meaningful comparative.

10. Grants paid

	Group Project £'000	Digital resources Project £'000	e- infrastructure Recurrent £'000	2022 Total £'000	2021 Total £'000
The Open University	-	62	-	62	-
Shibboleth Consortium	-	-	62	62	62
Other grants (< £30k)	10	-	-	10	12
	10	62	62	134	74

In 2022 no grants were awarded to individuals (2021: £nil), all grants were to institutions. Of the total grants paid to third parties during 2022, £72k were unrestricted (2021: £72k) and £62k were restricted (2021: £2k).



11. Net expenditure / (income)

Net expenditure / (income) is stated after charging / (crediting):

	2022 £'000	2021 £'000
Amortisation of intangible assets	2,859	1,586
Depreciation of tangible assets	4,241	9,370
(Profit)/loss on sale of tangible fixed assets	15	(97)
Exchange differences	265	1,019
Operating lease rentals: property	1,931	1,501

During the year the Group obtained the following services from the Group's auditors and its associates:

	2022 £'000	2021 £'000
Audit of all entities and consolidated financial statements		
Current auditors	141	130
Total	141	130

12. Transactions with trustees and the cost of key management personnel

Remuneration and benefits

Recipient	2022 £	2021 £
Heidi Fraser-Krauss	191,442	-
Dr Paul Feldman	91,598	219,400
Professor David Maguire	-	12,202
Professor Paul Boyle	15,000	2,904
	298,040	234,506

The remuneration of Dr Paul Feldman and Heidi Fraser-Krauss is for their role as chief executive officer rather than as a Trustee. The remuneration of Professor Paul Boyle is for his role as Chair. The level of remuneration has been approved by the remuneration committee, and the articles of association of Jisc give express authority for their employment.

The charity trustees were not paid nor received any other benefits from employment with Jisc or its subsidiaries in the year (2021: £nil), neither were they paid for professional or other services supplied to the charity (2021: £nil).

Reimbursement of expenses

Expenses were paid to trustees during the year as shown below and a breakdown by expenditure type:

	2022 £	2021 £
Travel and subsistence	18	-



Key management personnel

The key management personnel of the Group comprise the trustees, the chief executive officer, and 11 (2021:13) members of executive leadership team (ELT). The total remuneration and employee benefits of the key management personnel of the Group were £1,648,495 (2021: £2,109,537). Remuneration and pension contributions paid to members of the ELT during the year by role performed are shown below:

Role	Remuneration £	Employer Pension £	2022 Total £
Chief executive (from 16.09.2021)	157,615	33,827	191,442
Chief executive (until 31.10.2021)	91,598	-	91,598
Chief technology officer	204,253	-	204,253
Managing director, customer and sector enablement	151,110	29,998	181,108
Chief financial officer	151,110	29,998	181,108
Deputy chief executive and chief operating officer	130,342	36,608	166,950
Managing director, higher education and research	135,430	25,942	161,372
Managing director, further education, skills	124,300	24,265	148,565
Chief of staff	114,975	22,825	137,800
Executive director, e- infrastructure (until 1.12.2021)	46,017	7,909	53,926
Executive director, data analytics (until 1.12.2021)	50,033	8,599	58,632
Executive Director, student services (until 1.12.2021)	39,900	6,566	46,466
Managing director, higher education (until 17.09.2021)	25,275	-	25,275
	1,421,958	226,537	1,648,495

Role	Remuneration £	Employer Pension £	2021 Total £
Chief executive officer	219,400	-	219,400
Managing director, higher education (until 17.09.2021)	212,650	-	212,650
Chief technology officer	190,135	-	190,135
Managing director, customer & sector enablement	154,000	29,118	183,118
Chief financial officer	139,000	29,118	168,118
Deputy chief executive and chief operating officer	120,033	36,067	156,100
Executive director data analytics	120,600	25,236	145,836
Managing director, further education and skills	111,000	23,210	134,210
Executive director, marcomms (until 6.11.2020)	117,985	14,461	132,446
Chief of staff	106,000	22,155	128,155
Executive director, digital resources	105,954	22,145	128,099
Executive director, e-infrastructure	104,692	21,879	126,571
Executive director, student services	91,000	18,990	109,990
Executive director, trust & identity (until 31.12.20)	61,692	13,017	74,709
	1,854,141	255,396	2,109,537

The remuneration policy for the ELT is the same as the rest of the Jisc Group, i.e. subject to the same performance review cycle, ratings and approach to pay.

The annual decrease in total ELT remuneration was 22% (2021: increase 1.6%). In the year to 31 July 2022, the remuneration of the chief executive officer equates 3.9 times the mean gross pay of Jisc group employees (2021: 4.9 times) due to growth in staff numbers and the consequent change to average staff pay over the year.



13. Staff and wages

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Wages and salaries	42,891	38,881	30,745	28,711
Social security costs	4,255	3,840	3,008	2,820
Other pension costs	24,302	6,278	21,920	4,329
Redundancy and termination payments	152	363	152	363
	71,600	49,362	55,825	36,223

In addition, temporary staff costs of £1,096k (2021: £1,036k) for the group were incurred during the year.

By activity, the average monthly number of persons employed by the group and charity during the year is:

	Group		Charity	
	2022	2021	2022	2021
Management	46	55	38	47
Technical	761	634	514	399
Administrative	121	173	121	168
	928	862	673	614

Staff numbers have been reported on the basis of full-time equivalent hours.

The number of staff and gross salary and emoluments of staff whose remuneration was over £60,000 were in the following ranges:

	2022	2021
£60,001 - £70,000	63	73
£70,001 - £80,000	27	20
£80,001 - £90,000	8	14
£90,001 - £100,000	7	2
£100,001 - £110,000	2	5
£110,001 - £120,000	5	7
£120,001 - £130,000	2	1
£130,001 - £140,000	3	2
£140,001 - £150,000	-	1
£150,001 - £160,000	2	1
£160,001 - £170,000	1	0
£170,001 - £180,000	1	0
£180,001 - £190,000	-	1
£190,001 - £200,000	-	0
£200,001 - £210,000	1	1
£210,001 - £220,000	1	1
	123	129

The number of staff whose remuneration was over £60,000 to whom retirement benefits are accruing under:

	2022	2021
Money purchase schemes	3	2
Defined benefit schemes	108	120
	111	122



14. Intangible assets

Group	Customer contracts £000	Rights to electronic content £'000	Software licences £'000	Total £'000
Cost				
As at 1 August 2021 Restated	6,500	13,665	8,131	28,296
Additions	-	-	429	429
Disposals	-	-	-	-
As at 31 July 2022	6,500	13,665	8,560	28,725
Accumulated amortisation				
As at 1 August 2021 Restated	650	10,873	1,950	13,473
Disposals	-	-	-	-
Charge for the year	650	768	1,441	2,859
As at 31 July 2022	1,300	11,641	3,391	16,332
As at 31 July 2021 Restated	5,850	2,792	6,181	14,823
As at 31 July 2022	5,200	2,024	5,169	12,393

Assets were assessed in the year for impairment indicators and no impairment indicators have been noted.

Following review the accounting policy for software licences has been changed to reflect long term licences as intangible assets rather than as prepayments within current assets. The prior year figures for intangible fixed assets and prepayments have been restated accordingly. The cost as at 1 August 2021 for software licences was increased by £8,131k to reflect this change in policy. Prepayments were reduced accordingly.

Charity	Customer contracts £000	Rights to electronic content £'000	Software licences £'000	Total £'000
Cost				
As at 1 August 2021 Restated	-	1,700	80	1,780
Additions	-	-	117	117
Disposals	-	-	-	-
As at 31 July 2022	-	1,700	197	1,897
Accumulated amortisation				
As at 1 August 2021 Restated	-	170	27	197
Disposals	-	-	-	-
Charge for the year	-	169	66	235
As at 31 July 2022	-	339	93	432
As at 31 July 2021 Restated	-	1,530	53	1,583
As at 31 July 2022	-	1,361	104	1,465



15. Tangible assets

Group	Freehold property £'000	Network Equipment £'000	IT Equipment £'000	Fixtures and Fittings £'000	Leasehold Improvements £'000	Total £'000
Cost						
As at 1 August 2021 Restated *	7,175	82,815	2,798	1,119	4,303	98,210
Additions	30	6,569	375	22	-	6,996
Disposals	-	(4,155)	-	(24)	(94)	(4,273)
As at 31 July 2022	7,205	85,229	3,173	1,117	4,209	100,933
Accumulated Depreciation						
As at 1 August 2021 Restated *	597	72,820	2,400	464	2,739	79,020
Charge for the year	357	3,281	275	98	230	4,241
Eliminated on disposal	-	(4,133)	-	(22)	(94)	(4,249)
As at 31 July 2022	954	71,968	2,675	540	2,875	79,012
Net book value at 31 July 2021	6,578	9,995	398	655	1,564	19,190
Net book value at 31 July 2022	6,251	13,261	498	577	1,334	21,921

Assets were assessed for impairment indicators in the year. No impairment indicators were noted.

* Jisc (charity acquired) Jisc Services Ltd in 2012 including the tangible fixed assets relating to Janet network. In accordance with standard accounting policy the gross cost value of these assets in the consolidated accounts was adjusted down to reflect the net book value of these assets on acquisition and accumulated depreciation set to zero. This adjustment amounted to £30,059k. Since acquisition this adjustment was incorrectly never reduced to reflect the acquired assets disposed of. A review has been carried out during the year to identify the assets disposed of and this adjustment reduced accordingly. The gross cost and accumulated depreciation of the network equipment assets disposed of and forming part of this adjustment at 1 August 2021 amounts to £24,536k. The gross cost of Network Equipment at 1st August 2021 has therefore been restated from £58,279k to £82,815k. Accumulated depreciation of Network Equipment at 1st August 2021 has been restated from £48,284k to £72,820k.



Charity	Freehold property £'000	IT Equipment £'000	Fixtures and Fittings £'000	Leasehold Improvements £'000	Total £'000
Cost					
As at 1 August 2021	7,175	4,152	1,366	4,782	17,475
Additions	30	374	22	-	426
Disposals	-	-	(24)	(575)	(599)
As at 31 July 2022	7,205	4,526	1,364	4,207	17,302
Accumulated Depreciation					
As at 1 August 2021	597	3,753	711	3,220	8,281
Adjustments	-	-	-	15	15
Charge for the year	357	275	98	215	945
Eliminated on disposal	-	-	(23)	(575)	(598)
As at 31 July 2022	954	4,028	786	2,875	8,643
Net book value as at 31 July 2021	6,578	399	655	1,562	9,194
Net book value as at 31 July 2022	6,251	498	578	1,332	8,659



16. Investments

The Group held investments at 31 July 2022 of £72,204k (2021: £68,740k) made up of investments in funds of £71,200k (2021: £67,898k), other equity investments of £804k (2021: £642k) and investment in affiliates of £200k (2021: £200k).

An unrealised gain of £3,302k (2021: gain £12,240k) has been reported due to the change in value of investment funds held during the year.

Group	Total £'000
Investment funds	
As at 1 August 2021	67,898
Additions	-
Disposals at opening market value	-
Unrealised gain on investments	3,302
Investment funds as at 31 July 2022	71,200
Other Equity Investments	
As at 1 August 2021	642
Additions	197
Reclassified as Other Equity Investment	-
Disposals	(35)
Provision for impairment	-
Other Equity Investments as at 31 July 2022	804
Investments in affiliates	
As at 1 August 2021	200
Additions	-
Provision for impairment	-
Investments in affiliates as at 31 July 2022	200
Total investments as at 31 July 2021	68,740
Total investments as at 31 July 2022	72,204



Charity	Total £'000
Investment funds	
As at 1 August 2021	67,898
Additions	-
Disposals at opening market value	-
Unrealised gain/(loss) on investments	3,302
Investment funds as at 31 July 2022	71,200
 Other Equity Investments	
As at 1 August 2021	642
Additions	197
Reclassified as Other Equity Investment	-
Disposals	(35)
Provision for impairment	-
Other Equity Investments as at 31 July 2022	804
 Investments in subsidiaries and affiliates	
As at 1 August 2021	32,089
Additions	-
Provision for impairment	-
Investments in subsidiaries and affiliates as at 31 July 2022	32,089
 Total investments as at 31 July 2021	100,629
Total investments as at 31 July 2022	104,093



Investment Funds

As at 31 July 2022 Jisc and the Group held the following investments funds which are stated at their market value at the balance sheet date:

Fund	No of units	Price⁴ £	Total 2022 £'000
L&G Future World Climate	70,300,128	0.714	50,215
Ruffer Global Funds	5,760,056	1.719	9,903
Savills Investment Management	5,739,140	1.495	8,579
Managed by Rathbone Investment Management Limited:			
Government Bonds and Invested Cash			54
Equity Risk Investments			1,833
Diversified Fund Investments			616
Other Equity Investments			
Emerge Venture Partners I LP Investment			598
Angel Investments			207
Investments in affiliates by company			
Unitu Limited			200
			72,205

Holdings as at 31 July 2021 were as follows:

Fund	No of units	Price £	Total 2021 £'000
L&G Future World Climate	70,300,128	0.691	48,557
Ruffer Global Funds	5,760,056	1.636	9,425
Savills Investment Management	5,739,140	1.262	7,241
Managed by Rathbone Investment Management Limited:			
Government Bonds and Invested Cash			622
Equity Risk Investments			1,460
Diversified Fund Investments			593
Other Equity Investments			
Emerge Venture Partners I LP Investment			401
Angel Investments			241
Investments in affiliates by company			
Unitu Limited			200
			68,740

The investments managed by Rathbone Investment Management Limited were transferred at fair value following the merger with Eduserv.

⁴ Unit price rounded to 3 decimal places



Investment in subsidiaries and affiliates

Jisc holds investments in subsidiaries and affiliates as part of its charitable activities. Investments in subsidiaries and affiliates are accounted for at the lower of cost or underlying net realisable value.

Throughout the year, Jisc held investments in its trading subsidiaries, Jisc Services Limited and Jisc Commercial Limited.

During the year, Jisc set up a new 100% owned company based in Singapore called Jisc International Apac Pte. Ltd

Jisc Liberate Managed Services Limited, Higher Education Careers Services Unit and Eduserv were all dormant and in the process of being dissolved.

The registered office addresses of all the charity's investments are:

Name	Registered office address
Jisc Services Limited	4 Portwall Lane, Bristol, BS1 6NB
Jisc Commercial Limited	4 Portwall Lane, Bristol, BS1 6NB
Higher Education Careers Services Unit	4 Portwall Lane, Bristol, BS1 6NB
Eduserv	4 Portwall Lane, Bristol, BS1 6NB
Jisc Liberate Managed Services Limited	4 Portwall Lane, Bristol, BS1 6NB
Jisc International Apac Pte. Ltd	16 Raffles Quay, Hong Leong Building, Singapore (048581)
Placer Limited	Studio 10 Tiger House, Burton Street, London, WC1H 9BY
Unitu Limited	2 Viscount House, 8 Lakeside Drive, London, United Kingdom, NW10 7GS



The charity holds greater than 20% interests in the following companies:

Country of registration	Activity	% Holding of Issued Share Capital or guaranttees	Turnover £'000	Expenditure interest & tax £'000	Operating surplus / (deficit) £'000	Assets £'000	Liabilities £'000	Funds £'000
Jisc Services Limited	Development and maintenance of the Janet network and connected services and provision of digital content for the education and research sector	100%	90,924	(86,021)	4,903	46,506	36,184	10,322
Jisc Commercial Limited	Provides public enterprise with access to JISC's infrastructure	100%	11,405	(9,254)	2,151	16,868	7,475	9,393
Jisc International Apac Pte. Ltd	Provides technical support services within the Asia and Pacific region for Jisc Group	100%	-	-	-	-	-	-
Unitu Limited	Provides information technology service activities	22%	214	(182)	32	175	(57)	118



17. Debtors

	Group		Charity	
	2022	Restated 2021	2022	Restated 2021
	£'000	£'000	£'000	£'000
Trade debtors*	8,579	12,313	1,960	2,798
Amounts owed by group undertakings	-	-	3,305	606
Other taxation & social security debtor	15,245	25,082	15,245	25,082
Other debtors	-	585	-	155
Prepayments*	10,125	10,229	1,114	1,353
Accrued income	2,058	2,686	335	2,516
	36,007	50,895	21,959	32,510

Trade debtors are reviewed for impairment and are shown at their amortised cost. An impairment provision of £167k has been recognised in the year (2021: £564k) and has been charged to charitable activities expenditure of £71k (2021: £357k) and other trading activities of £96k (2021: £207k) in the Statement of Financial Activities. No impairment provisions are recognised against charity debtors (2021:nil).

The other taxation & social security debtor relates to the recovery of input VAT from previous years on costs incurred on providing the Janet network (note 32).

* Prior year figures adjusted to reflect the change in accounting policy on collections licences. Please see note 18 for a detailed analysis.

Amounts owed by group undertakings:

	Charity	
	2022	2021
	£'000	£'000
Jisc Commercial Limited	3,274	606
Jisc International APAC PTE. Ltd	31	-
	3,305	606



18. Creditors: amounts falling due within one year

	Group		Charity	
	2022	Restated 2021	2022	Restated 2021
	£'000	£'000	£'000	£'000
Trade creditors*	5,450	7,251	948	316
Amounts owed to group undertakings	-	-	3,099	5,040
Other taxation & social security	2,756	1,036	1,324	1,031
Other creditors	1,705	2,548	1,077	1,373
Accruals*	10,617	12,276	5,628	7,663
Deferred income (note 19)*	11,937	9,445	2,344	1,360
Net agency creditor*	14,284	19,621	-	-
	46,749	52,177	14,420	16,783

Included within other creditors is an amount owed to pension funds of £1,001k (2021: £889k).

* Following the restatement in note 5 in 2021 the amounts included within the balance sheet relating to the sales of Collections licences were incorrectly reported on a gross basis as if the group were acting as the principal. The 2021 comparative figures have been restated to show these balances on a net basis.

This change in accounting policy had the following impact on debtors and creditors as at 31 July 2021.

Category	Published 2021 £'000	Agency Adjustment £'000	Intangible Asset Adjustment £'000	Restated 2021 £'000
Trade creditors	(15,921)	8,670	-	(7,251)
Accruals	(9,844)	(2,432)	-	(12,276)
Deferred income	(41,470)	32,025	-	(9,445)
Trade debtors	16,905	(4,592)	-	12,313
Prepayments	34,750	(18,340)	(6,181)	10,229
Accrued income	4,021	(1,335)	-	2,686
Total	Not Applicable	13,996	Not Applicable	Not Applicable
Net Agency Creditor	5,625	13,996	-	19,621
Software licences	-	-	6,181	6,181

Amounts owed to group undertakings:

	Charity	
	2022 £'000	Restated 2021 £'000
Jisc Services Limited **	3,099	5,040

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**The amount owed by Jisc charity to JSL at 31st July 2021 has been restated and reduced by £10,908k from £15,948k to £5,040k to reflect the removal of a deferred capital grant from Jisc charity to JSL which was an incorrect accounting treatment.



19. Deferred income

Income has been deferred where services or goods issued to beneficiaries have not been or are partially provided. In addition, performance-related grants that are conditional upon the delivery of a specific level of service have been deferred where the conditions had not yet been met.

* Prior year figures adjusted to reflect the change in accounting policy on collections licences. Please see note 18 for a detailed analysis.

	Group		Charity	
	2022	Restated 2021	2022	2021
	£'000	£'000	£'000	£'000
Deferred income brought forward *	9,445	36,779	1,360	1,330
Released in year	(9,445)	(36,779)	(1,360)	(1,330)
Deferred in year	11,937	9,445	2,344	1,360
	11,937	9,445	2,344	1,360

20. Provision for liabilities

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Pension provision (note 29)	30,778	13,966	30,535	13,891
Other provisions	1,868	610	1,868	610
	32,646	14,576	32,403	14,501
The above is analysed as follows:				
Due within one year	3,902	2,390	3,819	2,380
Due after more than one year	28,744	12,186	28,584	12,121
	32,646	14,576	32,403	14,501

Pension provision

The pension provision represents the group and charity recognising a liability in relation to its contractual obligation to contribute to covering the USS deficit.

The pension provision arises as follows:

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Due within one year	2,034	1,780	1,951	1,770
Due after more than one year	28,744	12,186	28,584	12,121
	30,778	13,966	30,535	13,891

Other provisions

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Balance brought forward 1 August 2021	610	1,385	610	353
Net Movement	1,258	(775)	1,258	257
Balance carried forward 31 July 2022	1,868	610	1,868	610

Provision has been made for £1,313k of property lease dilapidations (2021: £610k). The remainder of the provisions amount relates to other provisions.



21. Restricted income funds

Group

	2022 £'000	2021 £'000
Balance brought forward 1 August 2021	12,559	12,266
Incoming resources	20,794	23,312
Resources expended	(13,779)	(17,457)
Fixed assets purchased and transferred to unrestricted funds	(8,755)	(5,562)
Balance to carry forward 31 July 2022	10,819	12,559

Charity

	2022 £'000	2021 £'000
Balance brought forward 1 August 2021	45,976	30,156
Incoming resources	20,701	23,192
Resources expended	(2,106)	(7,372)
Fixed assets purchased and transferred to unrestricted funds	(119)	-
Balance to carry forward 31 July 2022	64,452	45,976

Restricted balances are held in cash. The cash is held within the subsidiary company bank accounts as during the financial year it acted as a central treasury management facility.

22. Unrestricted income funds

Group

	Total £'000	General unrestricted fund £'000	Designated funds Grant funded assets £'000	Restructuring fund £'000
Balance b/fwd 1 August 2021	108,304	89,345	18,387	572
Net (outgoing) / incoming resources	(17,338)	(17,338)	-	-
Unrealised gains	3,302	3,302	-	-
Transfers to general unrestricted fund from designated funds	-	2,200	(2,200)	-
Transferred from restricted	8,755	8,755	-	-
Balance c/fwd 31 July 2022	103,023	86,264	16,187	572

The designated fund labelled "grant funded assets" reflects the net book value of assets purchased using grants.

The restructuring fund is designated for future restructuring expenditure across the group.



Charity

	Designated funds			
	Restated Total £'000	Restated General unrestricted fund £'000	Grant funded assets £'000	Restructuring fund £'000
Balance b/fwd 1 August 2021	94,055	86,005	7,478	572
Net (outgoing) / incoming resources	(32,634)	(32,634)	-	-
Transfers to general unrestricted fund from designated fund	-	(105)	105	-
Transferred from restricted	119	119	-	-
Balance c/fwd 31 July 2022	61,540	53,385	7,583	572

23. Analysis of net assets between funds

Group	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Restated Unrestricted Funds £'000	Restated Restricted Funds £'000	Restated Total 2021 £'000
Fixed assets	106,518	-	106,518	102,753	-	102,753
Current assets	75,900	10,819	86,719	72,304	12,559	84,863
Current liabilities	(50,651)	-	(50,651)	(54,567)	-	(54,567)
Non-current liabilities	(28,744)	-	(28,744)	(12,186)	-	(12,186)
Total	103,023	10,819	113,842	108,304	12,559	120,863

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Restated Unrestricted Funds £'000	Restricted Funds £'000	Restated Total 2021 £'000
Fixed assets	114,217	-	114,217	111,406	-	111,406
Current assets	(5,854)	64,452	58,598	13,933	45,976	59,909
Current liabilities	(18,239)	-	(18,239)	(19,163)	-	(19,163)
Non-current liabilities	(28,584)	-	(28,584)	(12,121)	-	(12,121)
Total	61,540	64,452	125,992	94,055	45,976	140,031

24. Operating lease commitments

The Group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Land and buildings				
Not later than one year	1,229	1,442	1,229	1,442
Later than one year and not later than five years	3,819	4,718	3,819	4,718
Later than five years	1,028	2,256	1,028	2,256
	6,076	8,416	6,076	8,416



25. Reconciliation of net expenditure to net cash inflow from operating activities

	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per Statement of Financial Activities)	(10,323)	(1,650)
Adjustments for:		
Interest	(296)	(217)
Loss on disposal of fixed assets	15	(97)
Write off investments	35	41
Depreciation on tangible fixed assets	4,226	9,370
Amortisation of intangible assets	2,859	1,586
Decrease/(Increase) in debtors	14,888	(6,038)
Increase/(Decrease) in creditors and provisions	12,642	(540)
Gift of new entity (at fair value of net assets)	-	-
Net cash provided by operating activities	24,046	2,455

Analysis of net funds

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Cash at bank and in hand	20,435	8,370	6,362	1,801
Cash equivalents	30,277	25,598	30,277	25,598
Total cash and cash equivalents	50,712	33,968	36,639	27,399

26. Members liability

Jisc is a charitable company limited by guarantee (CLG). The constitution allows for two classes of membership. One class comprises Representative Members, which includes the original members and guarantors - the Association of Colleges, Guild HE and Universities UK. Each of these Representative Members holds 30% of the voting rights. The other class of membership, in place from 1 August 2014, comprises Institutional Members, who together hold 10% of the voting rights. The liability of each member (both Institutional and Representative) is limited to a maximum of £1. This liability will apply for the duration of membership of the charitable company and for one year beyond the end of membership.

27. Results of the charity

	Unrestricted fund £'000	Restricted fund £'000	Total 2022 £'000	Restated Total 2021 £'000
Total incoming resources	69,470	20,701	90,171	88,273
Net (deficit)/surplus	(32,634)	18,595	(14,039)	47,578

28. Related parties

The institutions, suppliers and customers shown within the note have been declared as interests by the trustees of Jisc, members of Executive Leadership Team and the board of directors of its subsidiaries.

Year ended 31 July 2022	I&E		Balance sheet	
	Income £'000	Expenditure £'000	Debtors £'000	Creditors £'000
Advance HE	34	-	12	-
Association of Colleges	11	22	-	3
Birkbeck College	305	1	28	3
Dumfries & Galloway College	18	-	11	-
GEANT	452	987	9	62
Grimsby Institute of Further and Higher Education, part of the TEC Partnership	128	12	24	-
GuildHE	1	-	2	-
HEANet	161	-	29	-
HESA Ltd	47	583	-	-
Higher Education Funding Council for Wales (HEFCW)	2,145	-	1	-
Hull College	86	-	1	-
National Science Museum	1	-	-	1
Office for National Statistics (ONS)	4	-	-	-
Oxford Brookes	617	224	5	-
Pearson College Governing Body	2	-	-	-
Royal Holloway, University of London	911	13	36	-
Staffordshire University	589	85	107	-
StudyPortals	2	-	-	2
Sunderland University	626	42	48	3
Swansea University	1,654	157	18	-
The Russell Group of Universities	7	-	-	-
Tribal Group	-	-	4	-
Universities UK	16	13	-	1
University College of Estate Management	18	-	-	-
University of Essex	1,830	77	114	3
University of Exeter	1,988	58	121	-
University of Oxford	3,980	419	372	-
University of Southampton	2,898	121	160	-
West London College	17	-	-	-
York College	55	-	4	-
	18,603	2,814	1,106	78

Footnotes

EPSRC, HEFCW and Office for Students are listed as Related Parties. They provide grant funding as Jisc's funding bodies. EPSRC pay the Jisc grant from Research England.



Year ended 31 July 2021	I&E		Balance sheet	
	Income	Expenditure	Debtors	Creditors
	£'000	£'000	£'000	£'000
Abertay University	27	7	4	-
Advance HE	3	-	-	-
Amazon Web Services	-	21	-	-
Aptum Technologies	142	-	8	10
Association of Colleges	569	8	252	-
Association of Graduate Careers Advisory Services (AGCAS)	9	-	21	-
Birkbeck College	2	-	-	-
EPSRC	286	1,356	-	17
Forth Valley College	20	-	1	11
GEANT	152	-	-	-
Grimsby Institute of Further and Higher Education	3	-	-	-
HEANet	153	-	38	-
Higher Education Funding Council for Wales	104	831	-	120
HESA Services Limited	2,098	-	50	-
Higher Education Policy Institute	1	-	-	-
Lancaster University	17	-	-	-
Leeds Beckett University	-	-	6	-
National Science Museum	4	-	9	-
Office for Students	344	6	62	-
Oxford Brookes University	2	-	2	-
Painless Security LLC	26	83	-	-
Pearson College Governing Body	512	2	108	-
Richmond Upon Thames College	-	-	1	-
Royal Holloway, University of London	228	10	107	-
Scottish Qualifications Authority (SQA)	-	53	-	-
Shibboleth Consortium	919	75	58	45
Staffordshire University	7	-	-	-
The Russell Group of Universities	3	-	4	-
The Universities and Colleges Employers Association	2	-	13	-
Tribal Group	5	-	-	-
University College of Estate Management	3	20	2	-
University of Dundee	21	-	4	-
University of Greenwich	906	43	603	14
University of London	1,580	7	270	2
University of Oxford	2,248	32	91	31
University of South Wales	1,599	6	33	-
University of Southampton	62	-	61	-
Universities UK	12,057	2,560	1,808	250
	39,704	3,161	1,705	3,507



29. Pension

Universities Superannuation Scheme

The company participates in the Universities Superannuation Scheme (the scheme). The assets of the scheme are held in a separate Trustee-administered fund. The company is required to contribute a specified percentage of payroll costs to the pension scheme to fund the benefits payable to the company's employees. The company 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 FRS 102, accounts for the scheme as if it were a defined contribution scheme.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

Contributions for the year were £6,958k (2021: £6,080k). As the USS scheme is in deficit, the group recognises a liability in relation to its contractual obligation to contribute to covering this deficit. A provision of £30,778k (2021: £13,966k) was recognised on the group's balance sheet, a provision of £30,514k (2021: £13,870k) was recognised on the charity's balance sheet.

The following table shows the movement in the USS pension provision:

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Brought forward	13,966	14,548	13,870	14,447
Deficit contribution paid	(765)	(667)	(761)	(665)
Unwinding of discount	121	106	121	106
Change in expected contributions	17,456	(21)	17,284	(18)
Balance carried forward	30,778	13,966	30,514	13,870

The deficit contribution paid represents Jisc's contribution to the reduction of the USS pension deficit per annum.

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

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 key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CIP assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus Pre-retirement: 2.75% p.a. Post-retirement: 1.00% p.a.



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:

2020 valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S£PFA for females.
Future improvements to mortality	CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa 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:

	2022	2021
Males currently aged 65 (years)	23.9	24.4
Females currently aged 65 (years)	25.5	25.9
Males currently aged 45 (years)	25.9	26.3
Females currently aged 45 (years)	27.3	27.7

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024 at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.31%	0.87%
Pensionable salary growth	n/a	n/a

The employers' contribution rates are as follows:

Effective date	Rate
1 October 2019 to 30 September 2021	21.10%
1 October 2021 to 31 March 2022	21.40%
1 April 2022 to 31 March 2024	21.60%
1 April 2024 to 30 April 2038	21.40%

Civil Service pensions

Pension benefits, for 4 employees who transferred from HEFCE, are provided through the Civil Service pension arrangements. The statutory arrangements are unfunded with the cost of benefits met by monies voted by parliaments each year. Employee contributions are salary-related and range between 1.5% and 5.9% of pensionable earnings. The rate for employers' contributions range between 18.8% and 21.8% and is charged directly to the SOFA. Increases to employee contributions applied from April 2013.

Group and company contributions to this scheme in 2022 totalled £72k (2021: £77k).



Defined contribution

There is a defined contribution scheme operating within the group for a small number of employees who transferred from Janet. At the balance sheet date there were 2 active members. Group contributions were £16k in the year (2021: £25k).

From 1 May 2021 a new additional defined contribution scheme was introduced for new employees and existing employees wishing to transfer. At the balance sheet date there were 245 active members and contributions within the group were £440k (2020: £81k).

Contributions on these schemes are charged to the SOFA as incurred. This includes an amount of £59k (2021: £17k), outstanding at the balance sheet date. £nil (2021: £2k) of the contributions for these defined contribution plans were funded through restricted funds.

30. Taxation

As a registered charity, Jisc is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried out in the furtherance of its primary objectives.

Neither the group nor charitable company had any deferred tax assets or liabilities (2021: nil).

31. Contingent assets and liabilities

The group has contingent liabilities of £nil (2021: £nil) in relation to grant commitments and £nil (2021: nil) in respect of restructuring liabilities.

The group had contingent assets of £nil (2021: £nil) in relation to capital grants. Grants are recognised when the likelihood of receipt is probable, and all performance-related conditions have been met and the amount can be measured reliably.

As Jisc makes both taxable and exempt supplies with respect to VAT, it applies a partial exemption special method to determine the amount of VAT which can be recovered on its inputs. During 2020-21, Jisc agreed a claim totalling £20,979k, net of professional charges, with HMRC for the recovery of historic input VAT from previous years (see note 32). Based on the advice of their professional advisors, the directors consider that it is not probable that any further contingent asset or liability to VAT will arise.

32. Exceptional Item

The exceptional item in 2021 of £20,929k is an expected refund of input VAT paid in previous years.

HMRC has agreed the claims for the first two years (2012-13 and 2013-14) and £7.8m was received in August 2021. The expected refund for all years under review (2012 – 2021) has been recognised (net of fees payable to external advisors) as the basis of the claim is agreed.



33. Post balance sheet event

On the 4 October 2022, Jisc entered into a transaction with HESA (Higher Education Statistics Agency, a registered charity) which saw them become a single entity. This follows the Bell Review of 2017 which recommended consolidation amongst higher education sector bodies and with the agreement of the Department for Education, the legal status as the higher education's designated data body for England now transfers to Jisc.

The trade and assets of HESA were transferred into Jisc by way of a business transfer agreement at nil value, but due to the date of the transaction and its proximity to the signing of these accounts, management has not yet been able to determine the fair value of assets to bring into Jisc.

34. Financial commitments

At 31 July, the group had the following capital commitments:

	2022	2021
	£'000	£'000
Contracts for future capital expenditure not provided in the financial statements – equipment	4,259	745