



The Association
of Commonwealth
Universities

Annual Report and Financial Statements July 2022





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1 Introduction from our Chair

The year covered by this report saw the world emerge from a period defined by Covid-19. Our office doors reopened to staff and visitors, students on our scholarship programmes were able to come together in person, and cross-border travel cautiously resumed.

Particularly significant for us were a series of major international summits – from the UN Climate Change Conference in November to the Commonwealth Heads of Government Meeting in June – some of which had been postponed for several years. The gravity of the agenda for these events was a reminder that while the pandemic put the brakes on our ways of life, the challenges facing the world gathered at speed – from the accelerating climate crisis to growing gaps in wealth, opportunity, and healthcare.

Higher education's pivotal role in the search for solutions to these challenges underpinned our clarion call to world leaders, education ministers, and global stakeholders throughout the year. On behalf of our international community of members, we called for far greater recognition of universities' vital contribution to sustainable development and for improved access to – and investment in – higher education. And we are proud of what we achieved: a closing statement issued by the Conference of Commonwealth Education Ministers, for example, directly recognised for the first time higher education's contribution to social and economic development and the urgent need to widen access to the opportunities that universities provide.

It was also a year for the ACU and our members to consolidate what we have learned from the pandemic to become more resilient and agile, including ongoing opportunities for virtual collaboration and exchange, a series of webinars exploring the ways in which university librarians can reconnect with their users, and a 'new ways of working' framework for our staff. Meanwhile, our pioneering PEBL programme for online and blended learning – which proved invaluable to many universities during the pandemic – launched a new

partnership in west Africa to improve access to higher education in regions where demand outstrips supply.

At the heart of these activities, and the many examples outlined in this report, is our belief that international cooperation elevates everything that is vital and valuable about higher education. To this end, the Commonwealth continues to provide a crucial framework for the interchange of people, knowledge, and ideas – from collaborative research to opportunities for students to live and learn in a diverse range of countries and cultures.

This belief in the Commonwealth as a force for good is one we were proud to share with our late Patron, Her Majesty The Queen, whose death in September brought with it not just expressions of sadness but of deep respect and admiration for her life of service. The ACU are proud custodians of the Queen Elizabeth Commonwealth Scholarships, which were named after Her Majesty in 2019 in honour of her commitment to the Commonwealth and longstanding dedication to education and youth. In Her Majesty's name, these unique scholarships will continue to bring students from all over the Commonwealth to study at universities in low and middle income countries, helping to ensure the two-way exchange of knowledge that characterises the Commonwealth's open, autonomous, and valuable network of nations.

With the modern Commonwealth and its ideals as a cornerstone of our work – and the passion and commitment of our staff, scholars, and member universities – we look forward to a new year of connections, collaboration, and opportunity.

Professor Cheryl de la Rey
Chair of the Council



2 Who we are

The ACU is an international organisation dedicated to building a better world through higher education.

We believe that international collaboration is central to this ambition. By bringing universities together from around the world – and crucially the people who study and work within them – we help to advance knowledge, promote understanding, broaden minds, and improve lives.

We champion higher education as a cornerstone of stronger societies, supporting our members, partners, and stakeholders as they adapt to a changing world.

Our Mission

**To build a
better world
through higher
education**

Our Vision

**A world in which higher
education transcends borders,
strengthens societies, fosters
innovation, and lifts the lives of
people throughout the
Commonwealth and beyond**

Our values

- Quality – We strive to excel in all we do, and continuously reflect on our work to find new ways forward
- Collaboration – We believe that cooperation and sharing ideas makes us stronger
- Innovation – We encourage people to think differently, be curious, and explore new ideas
- Respect – We treat others in the way we would like to be treated – with fairness, integrity, and generosity
- Inclusion – We value difference, and encourage and celebrate the diverse voices of our colleagues and partners

Our strategic priorities

- To champion the power of higher education to improve lives
- To support the long-term vitality of universities
- To engage and connect universities across borders, and promote collaboration among them
- To deliver educational opportunities that make a positive and lasting difference
- To uphold the ACU's reputation for excellence and demonstrate its impact

The road to 2030

Universities make a critical contribution to sustainable development across the Commonwealth and beyond.

Our strategic plan – 'The road to 2030' – reinforces our fundamental belief that global challenges can only be solved through international collaboration, and our collective commitment to achieving the UN Sustainable Development Goals through higher education.



3 Review of the year

This section summarises our performance against the five objectives outlined in our strategic plan.

1. To champion the power of higher education to improve lives

1.1 Promote, at the highest levels, the value of universities to society, and their role in sustainable development

1.2 Present a powerful collective voice for universities on a global stage

1.3 Lead debate and dialogue around key issues in international higher education

Our accredited status and global partnerships enable us to influence policymaking in higher education and raise the profile of universities' contribution to building a better world. Updates from 2021-22 include:

The **26th United Nations Climate Change Conference (COP26)** in November 2021 was the focus for a [series of activities](#) profiling the vital role that universities play in delivering climate action. These included:

- An ACU delegation was the [voice for higher education in the Commonwealth](#) at a number of high-level meetings and events at COP26 in Glasgow, engaging with government representatives and civil society leaders to advocate the importance of higher education in meeting government commitments to addressing the climate crisis.
- A [panel discussion](#) at the conference highlighted how universities are contributing to Antigua and Barbuda's shift to a Blue Economy, reducing overreliance on tourism and supporting sustainable and resilient economic development.

- Members of the ACU's [Commonwealth Futures Climate Research Cohort](#) – a group of rising-star climate researchers from across the ACU's membership – presented their research to a global audience.
- Our [#UnisForOurPlanet campaign](#) showcased the ways in which universities across the Commonwealth are spearheading efforts to tackle the climate crisis, and highlighted the work of ACU [grant recipients](#), [network members](#), and [scholars](#).
- Over 130 international alumni from three of the ACU-managed scholarship schemes came together for a [Climate Change Policy Hackathon](#), working in teams to devise a series of inventive policy proposals over 24 hours. Meanwhile the [#OurClimatePledge](#) campaign saw more than 2,000 scholars, fellows, and alumni pledge specific action to protect the planet.

In January 2022, the ACU and British Council published a [major new report](#) on the role of international higher education partnerships in contributing to the UN Sustainable Development Goals (SDGs). The [report](#) showed that international higher education partnerships are highly effective both at devising and delivering solutions to global challenges and harnessing the potential of multisectoral and multidisciplinary partners, as well as adding value to donor investment. 185 attendees joined an [online launch event](#), which featured an expert panel discussion on the findings. The report's recommendations were also presented at external events, such as The PIE Live and the 'Future of Internationalisation' conference at the University of Glasgow.

In March 2022, as part of our ongoing partnership with the Government of Antigua and Barbuda and the University of the West Indies to support the development of a [Centre of Excellence for Oceanography and the Blue Economy](#) in the region, the ACU and partners joined a scoping visit to Antigua. The ACU made a presentation to the Cabinet of Antigua and Barbuda, who endorsed the project and its progress to date. The ACU's Secretary General joined a post-Cabinet press briefing on national television and gave interviews to various media outlets on the project's development.



In April 2022, the ACU represented Commonwealth and global higher education at the [Conference of Commonwealth Education Ministers](#) (CCEM) in Kenya. Highlights included:

- Following consultation with university leaders across our membership, we produced and submitted [a series of policy recommendations](#) to government education ministers, including improved and equitable access to higher education, action to address the digital divide, and greater recognition of higher education's contribution to all 17 SDGs.
- The final ministerial statement from the summit endorsed a number of these policy proposals and marked the first time that Commonwealth education ministers have directly recognised the essential role that higher education plays in sustainable development.
- We also [reported](#) to ministers on the impact of the [Commonwealth Scholarship and Fellowship Plan](#) (CSFP) of which the ACU are custodians, renewing our call for Commonwealth governments to actively support the growth and continued future of the CSFP through investment and by hosting scholarships in their countries and institutions.

In May 2022, the ACU took part in the [UNESCO World Higher Education Conference](#), representing our members and advocating the key role that higher education plays in achieving sustainable development. ACU members were also able to join the event online. The ACU's [contributions](#) to the conference fed into UNESCO's resulting roadmap for higher education, and included:

- [A joint submission](#) with our partners the International Association of Universities (IAU) and Agence Universitaire de la Francophonie (AUF) outlining how international university networks support the development of higher education partnerships to accelerate progress towards the SDGs
- '[International aid for higher education: global trends and future talks](#)' – a roundtable discussion with international higher education organisations and funders

- '[Transformative changemakers in higher education](#)' – a roundtable event, co-hosted with ACU member the University of Victoria
- '[Higher education's role in securing the future](#)' – a panel discussion with leaders from UNESCO, the IAU, and other global organisations

In June 2022, the ACU attended the [Commonwealth Heads of Government Meeting](#) (CHOGM) in Rwanda, championing higher education's critical contribution to sustainable development, outlining policy priorities for higher education, and shaping the agenda on behalf of our members. Highlights included:

- An address to the Foreign Ministers Roundtable on policy priorities for higher education
- A high-profile joint launch event for the ACU-led [Partnership for Enhanced and Blended Learning West Africa](#) project (*see also 2.1*) with the Australian Government's Department of Foreign Affairs and Trade
- A side event on the [Commonwealth Sustainable Cities](#) initiative, of which the ACU is a partner, leading to a formal [declaration](#) by heads of government to prioritise sustainable urbanisation
- A panel session at the Commonwealth Business Forum exploring the future of work and skills
- An interactive workshop on strengthening the contribution of university research to climate change mitigation and adaption, featuring research and input from members of the ACU's Commonwealth Futures Climate Research Cohort

In July 2022, we played an active part in the [UN High-Level Political Forum](#) – the main United Nations platform reviewing progress towards the Sustainable Development Goals. Highlights included:

- An [online workshop](#), hosted with partners including the AUF and IAU, titled 'Transformative education, digital learning, and partnerships towards a more sustainable and equitable future'



- The virtual award ceremony of the International Green Gown Awards, which celebrate university sustainability initiatives, and for which the ACU was a judge and sponsor

July also saw the ACU join forces with the UK Department for International Trade to lead a high-profile event at UK House in Birmingham to coincide with the 2022 Commonwealth Games. Titled '**International collaboration for global challenges – translating university expertise into action**', the event brought Commonwealth leaders, policymakers and researchers together to explore how universities can work with governments, industry, and civil society to translate knowledge into action on food security, climate change, biodiversity loss, and more. In an opening address, the Commonwealth Secretary General, Baroness Scotland, endorsed the ACU's work and praised our programmes bridging academic expertise and policymaking.

The ACU continued to call attention to the importance of sustainable urbanisation in tackling climate change through the [Commonwealth Sustainable Cities Initiative](#), alongside partners such as the Commonwealth Association of Architects, the Commonwealth Association of Planners, and the Commonwealth Local Government Forum. The collaboration aims to raise the profile of sustainable urbanisation in the Commonwealth political agenda and to generate new initiatives to address to climate-related challenges. Updates from 2021-22 include:

- A [high-level discussion](#) with His Majesty The King (formerly The Prince of Wales) and key Commonwealth partners in November, drawing on universities' responses to the ACU's joint [Call to Action](#) on Sustainable Urbanisation across the Commonwealth
- The launch of the [Commonwealth Youth for Sustainable Urbanisation Network](#) in March
- A dedicated Commonwealth Sustainable Cities event at the Commonwealth Heads of Government Meeting in June, leading to a formal [declaration](#) by heads of government to prioritise sustainable urbanisation

A series of **thought leadership articles** in the media and beyond continued to highlight higher education's vital contribution to society and the issues that matter to ACU members. These included:

- [Bridging divides for a fairer future](#), published in '*Perspectives on the challenges to access and equity in higher Education across the world in the context of COVID*' as part of World Access to Higher Education Day
- [Why global challenges call for collaborative leadership](#) (*IAU Horizons* magazine)
- [The Turing Scheme: new horizons for international student mobility](#) (*The Pie News*)
- [International partnerships drive SDG progress – how do we support them?](#) (*Times Higher Education*)
- [How to help researchers make the connections that matter](#) (*University World News*)
- [Blended learning is the key to boosting HE participation in Africa](#) (*Times Higher Education*)

The ACU Review, our online and print magazine, is a meeting place for ideas and diverse perspectives from across the Commonwealth. Each issue explores a different topical theme, chosen to highlight the value of higher education to society, and to reflect the diversity and shared challenges that characterise the ACU's global network. In the period covered by this report:

- Two issues were published. The first, published in December 2021, was titled [\(Re\)thinking nature](#) and explored how humankind can rethink its relationship with the natural world. This was followed in July 2022 by an issue on [sport's role in promoting peace and reconciliation](#).
- The two issues featured academics from 23 universities in 12 Commonwealth countries.



The magazine's online platform received 36,839 unique page views over this financial year, with readers from over 150 countries, and attracted 28,676 new users to our website.

2. To support the long-term vitality of universities

2.1 Support the development of the core human and institutional resources that underpin the university mission

We continued to lead and manage a range of innovative projects and platforms that connect universities across borders to help meet demand, enable vital research, and strengthen higher education systems across the Commonwealth: [The Climate Impacts Research Capacity and Leadership Enhancement \(CIRCLE\)](#) programme worked to strengthen climate change research in sub-Saharan Africa through an innovative dual approach: supporting individual researchers to develop relevant local solutions, while working with universities to strengthen their capacity to support research. The programme was funded by the UK Foreign, Commonwealth and Development Office (FCDO) and formally ended in 2022. Updates include:

- A project report published in March highlighted a wide range of learnings and recommendations gathered over the nine years of the project. These findings will feed into proposals to strengthen climate research capacity across Africa and Asia Pacific as part of the UK Government's Climate and Resilience Framework (CLARE) programme.
- A set of indicators developed by the CIRCLE project team aim to provide a clearer picture of climate change research capacity in sub-Saharan African universities, with a view to supporting capacity strengthening initiatives in the region. A series of [focus groups](#) and an extensive survey

sought to interrogate and validate the proposed indicators with stakeholders and experts.

The [Commonwealth Futures Climate Research Cohort](#) supported 26 rising-star researchers across ACU member universities to bring local knowledge to a global stage in the lead-up to the 26th UN Climate Change Conference (COP26). In the period covered by this report, the ACU, alongside partners the British Council, continued to support the Cohort to share their [research and ideas](#) with governments and policymakers, including at COP26 in November, the British Council Climate Summit in March, and the Commonwealth Heads of Government Meeting in June. In addition:

- The 26 researchers finalised their five collaborative [research-to-action projects](#) and led a series of science-policy dialogues focused on nature-based solutions, food systems, youth engagement, energy access, and ocean sustainability.
- The ACU and British Council agreed to launch a new Commonwealth Futures Climate Research Cohort programme, which will run from 2022-2025.

The [LEAP4FNSSA](#) project aims to establish a platform for research collaboration between European and African institutions to support research and innovation in the fields of food and nutrition security and sustainable agriculture. Throughout this financial year, the ACU continued to be a task lead in monitoring, evaluation, and impact assessment of the AU (African Union) and EU (European Union) [Partnership on Food and Nutrition Security and Sustainable Agriculture](#) and contributed to the overall programme strategy.

The [Partnership for Enhanced and Blended Learning](#) (PEBL) was designed in response to the challenges reported by a number of African universities in meeting demand for higher education as a result of academic staff shortages and soaring student numbers. PEBL aims to rapidly and sustainably scale-up capacity in the design and use of blended learning – a combination of face-to-face and digital learning – through expert-led training, collaboration, and the development of quality assured, credit-bearing blended courses that can be shared between institutions. Updates from 2021-22 include:



- **PEBL West Africa** began in September 2021, with support from the Australian Department of Foreign Affairs and Trade. The programme is working with 12 university partners in Ghana and Nigeria to build sustainable capacity for blended learning.
- **PEBL East Africa** drew to a close in December 2021, with at least 223 departments across participating universities developing or delivering modules and sharing teaching content with each other. Outcomes and learnings from the project were shared through an [external evaluation report](#) and public webinar (*see also 2.3*).

Physics research and innovation in sub-Saharan Africa, and the challenges affecting its growth and development, were the theme of a [new study](#) published by the ACU in partnership with the Institute of Physics. Drawing on the experiences of more than 50 universities and research facilities in sub-Saharan Africa, as well as interviews and focus groups, the report argues that investment in physics in the region – including strengthened training, research, and infrastructure – would help create the conditions for the discipline to thrive and deliver innovative solutions to global challenges.

2.2 Improve equity, inclusion, and access, which are critical to the future of higher education

ACU Gender Grants fund initiatives that boost gender equity on campus. The grants, which are awarded annually to member universities, can be used to support a range of projects, workshops, and events. In 2021-22:

- Ten grants were awarded to member institutions in Bangladesh, Canada, Eswatini, Ghana, Malaysia, Nigeria, South Africa, the UK, and Zimbabwe.
- This year's grants will support initiatives on themes such as embedding transgender policies on campus, supporting women in STEM, and promoting gender inclusive research.

The **Martha Farrell Memorial Fellowships** offer specialist training and practical support to tackle sexual harassment on campus and are hosted by the Martha Farrell Foundation in India. In 2021-22, three virtual fellowships were awarded.

Aligned with our ongoing work to promote [equitable research partnerships](#) in higher education, the ACU and International Association of Universities led a joint webinar in November 2021 on **Language-based equity in African health research**, exploring the extent to which the use of English as the dominant language of science contributes to wider structural inequalities within health science research.

On **International Women's Day** in March 2022, [a live online event](#) on our social media channels brought a group of female leaders working in higher education together to discuss how to 'break the bias' in higher education and beyond.

2.3 Share learning from local and regional initiatives to deliver wider impact

In October 2021, a **PEBL webinar**, open to all, shared achievements and lessons learned from the Partnership for Enhanced and Blended Learning (**PEBL project in East Africa**), drawing on an [external evaluation report](#) of the project's impact. Meanwhile, 26 credit-bearing [online learning modules](#) developed as part of the project remain available for universities around the world to download and use, covering topics in ICT, health and applied sciences, education, and business.

Between April and August 2022, the ACU worked with partner institutions to conduct an **impact analysis** of research projects funded by the African Union and European Union in the field of food and nutrition security and sustainable agriculture. The findings of this analysis – which was conducted in partnership with the Association for Strengthening Agricultural Research in Eastern and Central Africa, the International Institute of Tropical Agriculture, and the



University of Greenwich – will support and guide the design and funding of future research and innovation programmes.

A guide to **best practice in mentorship**, produced by participants of the ACU's CIRCLE programme (see 2.1) was shared with members of the ACU's Supporting Research Community.

3. To engage and connect universities across borders, and promote collaboration

3.1 Strengthen and grow our international network of universities to extend our global reach

ACU member universities are a vibrant global community with a shared commitment to building a better world through higher education.

- As at the 31 July 2022, the ACU had 490 member universities
- The ACU welcomed 16 new members over the year

3.2 Create forums through which institutional knowledge and resources can be shared and multiplied

The ACU's five thematic networks and communities of practice enable universities to collaborate on joint initiatives, share best practice, and come together to influence policy agendas within and beyond the sector. 69% of all members across 40 countries are now represented in our networks and communities, which are as follows:

The **ACU Commonwealth Climate Resilience Network** brings universities together to share practical expertise and experience of building resilience to climate change and natural disasters and contribute to policymaking in this area. Updates from 2021-22 include:

- Four [Commonwealth Climate Resilience Challenge Grants](#) were awarded to member universities in Guyana, Malaysia, Mauritius, and South Africa, to fund projects that advance the aims and priorities of the network.
- This year's funded initiatives include a project to improve mechanisms to monitor coastlines at risk of the adverse effects of climate change and a project to promote climate action strategies co-created by and for local communities.
- Two member universities, Fiji National University and University of Canterbury, co-hosted an international webinar on 'Climate Change, Security and Sustainability of Ocean States' in May.
- As of 31 July 2022, the Commonwealth Climate Resilience Network has 364 individual members at 153 member universities.

The **ACU Higher Education and the SDGs Network** is a forum for staff at ACU member universities who are directly engaged with the Sustainable Development Goals agenda, including integrating sustainable development into their teaching, research, operations, and strategies. Updates from 2021-22 include:

- Five [Higher Education and the SDGs Challenge Grants](#) were awarded to member universities in Australia, Kenya, Nigeria, Sri Lanka, and the UK, to fund projects that advance the aims and priorities of the network
- [This year's funded initiatives](#) include the University Living Lab project, which builds partnerships between students and organisations working on sustainable development to solve real-world challenges, and a project to integrate sustainable development into legal training in south Asia.
- The network contributed to new research on the role of international higher education partnerships in addressing the SDGs (*see section 1*).



- As of 31 July 2022, the Higher Education and the SDGs Network has 538 individual members at 207 member universities.

The **ACU HR in HE Community** is a forum for staff working in university human resources. The Community champions the strategic importance of HR professionals in universities and their unique contribution to the university's mission. Updates from 2021-22 include:

- Two HR in HE Community Challenge Grants were awarded to universities in Barbados and Mauritius to promote the sharing of best practice and international collaboration in university human resources.
- A series of online workshops will explore how university HR practitioners are re-imagining the world of work in the wake of COVID-19, bringing network members together to share ideas, compare experiences, and hear expert insights. The first event – 'Emerging from the pandemic: shaping the future world of work' – took place in July 2022.
- As of 31 July 2022, the HR in HE Community has 415 individual members at 201 member universities.

The **ACU Peace and Reconciliation Network** is an interdisciplinary collective of academics, researchers and professional staff working in the fields of peace, justice, truth-telling, and reconciliation. Updates from 2021-22 include:

- Four Commonwealth Peace and Reconciliation Challenge Grants will be offered in September 2022 to fund projects which advance the aims and priorities of the network.
- As of 31 July 2022, the Peace and Reconciliation Network has 180 individual members at 114 member universities.

The **ACU Supporting Research Community** is a forum for all staff at ACU member universities involved in supporting the research process – including research management and administration, research impact and uptake, and library services. Updates from 2021-22 include:

- A virtual international conference in September 2021 – 'Conversations about the journey of change: a new normal' – explored challenges and solutions to delivering university library services in a fast-changing and increasingly online context, held in partnership with the University of Johannesburg, South Africa.
- Also in September, a webinar shared the findings of Wellcome Trust study on research leadership, and the pathways towards it, in India and 25 African countries.
- Members of the Supporting Research Community took part in the ACU Ambassadors Summit on Creating and assessing research impact in October.
- In May 2022, the ACU again partnered with the University of Johannesburg Library to host Reconnect: Embracing the changing shape of the world and how we work together – a virtual conference exploring how libraries can reconnect with their users post-pandemic.
- Community members helped to shape the refreshed ACU Measures benchmarking survey (*see 3.3*).
- As of 31 July 2022, the Supporting Research Community has 589 individual members at 225 member universities.

3.3 Deepen our engagement with member universities to identify areas of shared interest and remain responsive to their needs

ACU Ambassadors are nominated points of contact within member universities. They help us to deepen our engagement with member institutions by improving the flow of communication and opportunities and by disseminating information to relevant people in their institution. Updates from 2021-22 include:

- Our ongoing drive to recruit ACU Ambassadors at member universities continued to be successful, with the total number increasing to 247.



- Our annual ACU Ambassadors' Summit was attended by 85 Ambassadors and delivered at two different times to accommodate multiple time zones. The theme was 'Creating and assessing research impact'.

The **ACU's seven regional committees** continued to ensure that the ACU responds to the differing regional needs of its members. The committees oversee regional activity, give feedback on membership priorities, inform the ACU's policy work, and provide a window to broader regional developments. There is one committee for each of the following regions: East & Southern Africa, East Asia, South Asia, West Africa, Europe, the Pacific, and the Caribbean & Americas. Regional committees meet twice a year, and in 2021-22, an ACU delegation met with Pacific regional committee members in person in Canberra, with support from our regional office at the Australian National University.

ACU Measures, our flagship member benchmarking service, was relaunched in March 2022 following a wholesale review. This valuable service enables member universities across the world to compare practices and policies with their peers in non-competitive and confidential way, promoting the exchange of expertise and good practice between members and supporting institutional planning and decision-making. The first survey looked at how universities are **supporting research in their institutions, with a 20% response rate to date**. Bespoke reports using aggregated and analysed data collected from the survey will be shared with universities from September 2022.

4. To deliver educational opportunities that make a positive and lasting difference

4.1 Run prestigious scholarship schemes that build enduring international connections, understanding, and engagement

The ACU is committed to delivering educational opportunities that make a positive and lasting difference. One of the ways we do this is through the management of world-class international scholarship schemes that build enduring international connections and understanding between individuals, institutions, and nations. We manage the UK government's three major scholarship programmes: Chevening, Commonwealth, and Marshall Scholarships, as well as the Queen Elizabeth Commonwealth Scholarships, and are custodians of the Commonwealth Scholarship and Fellowship Plan. In late 2021, we also became a lead delivery partner in the Turing Scheme. This section provides updates on all the above.

Chevening is the UK government's flagship international awards programme aimed at developing global leaders. Funded by the Foreign, Commonwealth and Development Office and partner organisations, and administered by the ACU, Chevening enables tomorrow's leaders to study in the UK and join a global community of professionals who are creating positive change. Updates from 2021-22 include:

- 58,000 applications were submitted for Chevening Scholarships and Fellowships.
- 1,635 scholars from over 140 countries and territories were welcomed to 114 universities in the UK.
- 24 new funding partnerships were established for the academic year 2022-23, including 20 secured by British embassies and high commissions. India has made new arrangements worth over £350k with HSBC, Pearson, TATA, and Hindustan Unilever.
- Chevening hosted its first large-scale in-person event since 2019, bringing together over 1,400 scholars and fellows for a Chevening Summit in March 2022.

The ACU continued to be custodians of the **Commonwealth Scholarship and Fellowship Plan (CSFP)** – a unique international framework through which Commonwealth countries offer university scholarships and fellowships to citizens of other member nations, forging lasting links across the Commonwealth and creating valuable opportunities for cultural and academic exchange. The



Commonwealth Scholarship Commission and the Queen Elizabeth Commonwealth Scholarships – *both detailed below* – operate within this framework. In April 2022, a [report on the CSFP](#) was presented to the Conference of Commonwealth Education Ministers in Kenya – *see 4.3*.

The [Commonwealth Scholarship Commission in the UK](#) (CSC) is the main UK government scholarship scheme led by international development objectives. Sponsored by the Foreign, Commonwealth and Development Office and managed by the ACU, the CSC combines sustainable development with UK national interests by supporting innovators and leaders of the future from across the Commonwealth and attracting outstanding talent to Britain's universities. Updates from 2021-22 include:

- The Commission funded 714 scholarships and fellowships for the 2021-22 academic year, with over 1,700 scholars from 40 countries on award in total. This included 82 split-site scholarships, which support collaboration between UK and other Commonwealth universities.
- A full events programme was delivered, including a Development Training Programme (23 workshops in total), an in-person 'Connect and Collaborate' event (enabling our latest cohort of scholars both to meet and share how they intend advance the sustainable development goals post-award), and a networking event for departing scholars. The Regional Network Coordinators led a total of 34 events for scholars in their respective regions.
- The Commission delivered a time-limited programme in girls' education, offering professional development opportunities to 29 fellows working in the area.
- The Commission showcased how its scholars and alumni are working to tackle the climate crisis through a Climate Action Webinar series, a themed issue of its magazine *Common Knowledge*, and the launch of a new time-limited programme on the theme of 'Clean Energy, Air, and Oceans'.
- The CSC's ongoing alumni engagement activities included its ['Development in Action' webinar series](#) (through which scholars and

alumni can share their work) and [Research Impact Awards](#) (which recognise how research conducted by CSC scholars and alumni is supporting sustainable development). The Alumni Community Engagement Fund, which supports alumni in raising awareness of development issues at the community level, focused on climate action and girl's education during 2021-22.

[Marshall Scholarships](#) enable young Americans of high ability to study for a degree in the UK. As future leaders, Marshall Scholars strengthen the enduring relationship between the British and American peoples, their governments, and their institutions. Marshall Scholarships are mainly funded by the Foreign, Commonwealth and Development Office and overseen by the Marshall Aid Commemoration Commission, administered by the ACU. Updates from 2021-22 include:

- The Commission approved the allocation of 41 awards for the 2022 application cycle. 987 endorsed applications were received, and the selection committees interviewed 154 candidates.
- Although live scholar events were still affected by COVID-19 restrictions, in-person events included a Welcome Orientation and reception, cultural activities, and a dinner for departing scholars.

The [Queen Elizabeth Commonwealth Scholarships \(QECS\)](#) offer the chance to study for a two-year Master's degree in a low or middle income Commonwealth country. Funded by Commonwealth governments, the scholarships are aimed at students who are committed to creating change in their communities. Updates from 2021-22 include:

- 21 scholars were selected for study across 15 countries. For the first time, the percentage of female scholars outweighs male scholars.
- In September 2021, QECS scholars took part in an [innovative online course](#): 'Creating a Sustainable World: 21st Century Challenges and the Sustainable Development Goals'. The course, created in partnership with the University of Manchester, brought students from different academic disciplines together to devise practical solutions to global challenges.



- A group of QECS scholars travelled to Rwanda to take part in Youth Forum at the Commonwealth Heads of Government Meeting in June 2022.
- QECS scholarship certificates were signed by Her late Majesty The Queen.

The [Turing Scheme](#) is the UK's global programme for studying, working, and living abroad. In November 2021, the ACU was appointed principal partner in the scheme, leading on the assessment of applications and supporting with monitoring and evaluation. A new team was in place to deliver these activities in time for applications opening in early 2022.

4.2 Seek to create and expand educational opportunities

In addition to government-funded schemes, the ACU's own range of grants and fellowships continue to support the interchange of students and staff between member universities. We also work actively to increase the number of such opportunities available.

The ACU's **Challenge Grants**, now in their second year, are specifically for members of the ACU's five thematic networks and communities of practice. These networks enable universities to share best practice, collaborate on joint activities, and influence policy agendas in areas of strategic importance. The grants – *detailed under 3.2* – fund projects that further the networks' aims and promote collaboration between their members.

The ACU supports **early career researchers** at its member universities through two types of grant:

- **Early Career Conference Grants** are awarded to individual academics to enable them to attend international conferences in their area of expertise, helping them to share their research, learn about new developments, and build professional networks. 27 grants were awarded in 2021-22.

- **Early Career Researcher Training Grants** are awarded to member universities to support the delivery of training that equips emerging researchers with the skills required to succeed in their research careers. In 2021-22, ten grants were awarded, supporting training in areas such as proposal writing, fundraising, communicating impact, and how to engage non-academic stakeholders in research.

ACU Fellowships promote the exchange of knowledge, skills, and ideas between universities and countries of the Commonwealth. Available to both academic and professional staff, the Fellowships enable collaborative research and partnership-building, as well as opportunities to observe and exchange different techniques and practice. The 2021-22 Fellowships will be announced in October 2022.

The **Medical Student Virtual Mobility Grants** aim to widen medical students' knowledge of global health and build their intercultural skills. The grants fund virtual mobility projects delivered in partnerships between medical schools in different countries. In 2021-22, two grants were awarded to member institutions in Sri Lanka and India.

The **Routledge/Round Table Commonwealth Studentships** support PhD research projects on Commonwealth-related themes. Two successful applicants will be awarded grants in September 2022.

The **ACU Summer School** brings Commonwealth students together to discuss global challenges through a dynamic programme of workshops, field trips, and group work. Bursaries are offered to enable students from all parts of the Commonwealth to take part, with each year hosted by different country – including Botswana, Cameroon, Canada, Ghana, Hong Kong, Malaysia, Mauritius, Rwanda, and the UK to date. Updates from 2021-22 include:

- The 2021 ACU Summer School was held in partnership with Tata Institute of Social Sciences, India, on the theme of '[Urban disasters: vulnerability and resilience in a pandemic](#)'.
- Due to the continuing impact of Covid-19, this year's event was creatively adapted into an interactive online experience.



- Over 12 days, 50 students from 14 countries across the Commonwealth came together online to explore how socioeconomic inequality affects communities' resilience to urban disasters.
- The Summer School's expert speakers shared their research through the ACU's website, alongside the [students' group projects](#), including '[Four ways universities can drive solutions to housing problems](#)' and why disaster management calls for transdisciplinary approaches.

Our **Virtual Mobility Project Grants** provide funding for ACU member universities to deliver a virtual mobility project – such as an online summer school – in partnership with another member university. In 2021-22, four grants were awarded to universities in India, Malaysia and the UK for projects aimed at enhancing students' intercultural skills and global knowledge without the need for physical travel. This year's grants will fund projects such as a collaborative student initiative to help students develop their digital skills and a virtual event on education for sustainable development.

4.3 Demonstrate the impact of international educational experiences and initiatives

In April 2022, we presented a [report](#) to ministers at the Conference of Commonwealth Education Ministers on the impact of the [Commonwealth Scholarship and Fellowship Plan \(CSFP\)](#) of which the ACU are custodians, renewing our call for Commonwealth governments to support the growth and continued future of the CSFP through investment and by hosting scholarships in their countries and institutions.

5. To uphold the ACU's reputation for excellence and demonstrate its impact

5.1 Create and sustain a high-performance culture by delivering efficient core services to support our people

Our work to enhance our standing as an employer of choice, and to attract, develop, and retain the best talent continued, including:

- **ACU Together**, launched in March 2021, was a change programme aimed at bringing together our wide organisational expertise to make the ACU more connected and innovative while creating more opportunities for career development. After seven months of consultation with task groups across the organisation, ACU Together became part of standard working practice from October 2021, with all former departments amalgamated into five new collaborative directorates and a new senior leadership team in place.
- Our **New Ways of Working** framework seeks to modernise working practices to align with new working norms post-pandemic. The framework, which combines the best of office and remote working, aims to encourage flexibility, autonomy and trust, and promote efficient and effective working practices with a more flexible approach to where, how, and when we work. The programme includes a focus on upgrades to our technology and office space to support this.
- Our activities to promote **wellbeing and inclusivity in the workplace** across the year included transgender awareness training, the establishment of a new Wellbeing Committee, and the upskilling of several colleagues to become mental health first aiders. The ACU also developed new guidance designed to help and inspire staff to [live our organisational values](#). The guidance aims to help colleagues translate these values into workplace behaviours.
- We implemented a new **pay, reward and recognition structure** aimed at ensuring a fair and equitable approach to pay and reward that supports the ACU's goals while continuing to be affordable. A review of the proposals took place between April and June 2022, with a new structure implemented on 1 August 2022.

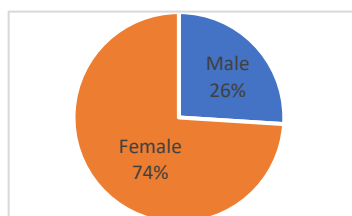
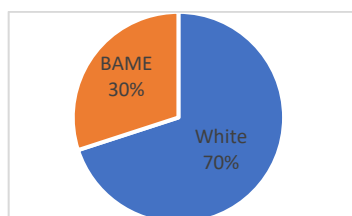


- We designed a **leadership development programme** to help support a high performing leadership team with the skills to ensure we can deliver on our strategy, create an inspiring workplace, and achieve our future ambitions. A series of masterclasses was also introduced to help staff learn more about how their behaviours and ways of working contribute to a thriving workplace.
- We created a **central compliance function**, building on strong foundations, to support teams in ensuring best practice is embedded throughout the organisation, reducing risk and promoting a positive compliance culture.

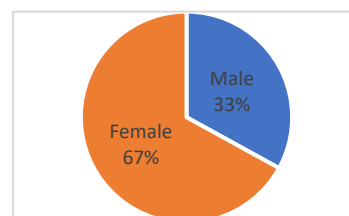
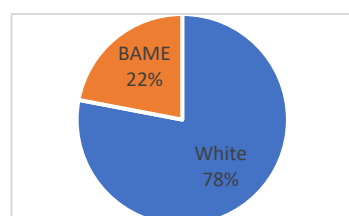
To continue to attract the most suitable candidates, we updated our recruitment processes and procedures, including streamlining recruitment and selection through digitised processes, the creation of a hiring managers guide, and updates to the ACU's ['Work with Us'](#) web page. We also launched an ACU LinkedIn page.

We remain committed to having a **diverse workforce**:

Our colleagues



Our Leadership Team

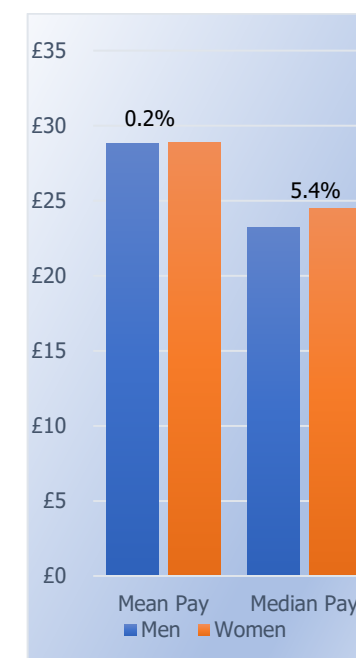


- As part of wider inclusion and organisational strategies, the ACU is committed to reviewing recruitment and retention practices as well as driving forward projects linked to flexible and agile working.

Gender pay gap

The ACU employs fewer than 250 staff and is therefore not required by law to publish an annual gender pay gap report. However, the ACU voluntarily provides this information.

At 5 April 2022, the ACU mean and median hourly pay gap was 0.2% and 5.4% respectively with females earning more than males on both measures. National gender pay gap among all employees was 15.4% in 2021.





5.2 Tell our story in compelling new ways and show evidence of our impact

Established in 2021, the ACU's new **Research and Insight** directorate monitors and evaluates the full range of the ACU's work to show how it is having an impact and helping to build a better world through higher education. Highlights from 2021-22 include:

- In autumn 2021, and as part of the ACU Together change programme, staff involved in the long-running monitoring and evaluation of ACU-managed scholarship schemes joined the Research and Insight directorate, helping the ACU to deliver a pan-programmatic view of its scholarships activities and pool skills and knowledge from across the organisation.
- Research and Insight staff were trained in the use of Power BI software, helping them to visualise data in a clear, compelling way and share insights and analysis with internal and external audiences.

5.3 Forge alliances with strategic partners to further our mission and achieve our objectives

Our belief in the **value of collaboration** extends to every aspect of our work. Working with [organisations](#) whose values and aspirations align with our own helps us to share knowledge and ideas, extend our reach, and achieve common goals. Highlights from 2021-22 include:

- In November, the ACU signed an [MOU with the Commonwealth Games Federation](#) to improve collaboration around higher education and sport in the Commonwealth, leading to a survey on how member universities are promoting equality, inclusivity, and sustainable development through sport.

- We continued to strengthen and build on our [global coalition](#) with the **International Association of Universities** (IAU) and **Agence Universitaire de la Francophonie** (AUF), launched in July 2020. The partnership brings our three global associations together to advocate for higher education and its contribution to sustainable development at the highest levels and on the widest international scale. Highlights from the past year included a strategy meeting in October to map-out the next stage of our partnership, [a joint submission](#) to the UNESCO World Higher Education Conference in May, and a joint workshop at the United Nations' annual High-Level Political Forum (*see 1.1/1.2*).
- We continued to work with our partners the **British Council**, building on a [Memorandum of Understanding](#) signed by our two organisations in 2018. Highlights from the past year included the launch of a joint study on higher education's contribution to the SDGs (*see 1.1/1.2*) and ongoing work with the Commonwealth Futures Climate Research Cohort (*see 2.1*).



4 Financial Review

Financial Performance Review

The ACU aims to generate a small surplus from its unrestricted general activities and this year achieved a surplus of £12k before actuarial gains and transfers between funds. Unrestricted funds at 31 July 2022 stands at £5,994k.

The Statement of Financial Activities (SOFA) for the year is set out on page 28. A summary of the activities and the financial results is given below.

Unrestricted Funds - General

Membership fee income has increased by £28k (2%) to £1,215k. In 2021/22, in recognition of the impact on COVID-19 on our members, we maintained our fee at the 2019/20 level. We welcomed 19 new members in the year with the overall membership total increasing by 2.

External administration fees increased by £565k to £7,257k. In late 2021, we also became a delivery partner in the T2 phase of the Turing Scheme and would welcome an opportunity to participate in the next phase of the program.

Investment income declined by £4k to £403k. Market value of investments declined by £360k. Growth in the early part of the year was reversed with a resulting decline due to the interest-rate increases and the war in Ukraine. This has been partly offset by a £217k realised gain on disposal.

Total resources expended increased by £603k to £8,945k, mainly relating to the new sources of income. This has been offset by the increased income from external administration.

Employment costs for unrestricted activity increased by £157k to £6,356k. The average headcount charged to General Funds has decreased by 6 to 116.

Other costs increased by £446k to £2,589k.

	2021/22 £'000	2020/21 £'000
Membership income	1,215	1,187
External administration	7,257	6,692
Investment income / interest	403	407
Other Income	82	70
Total Income	8,957	8,356
Total Expenditure	8,945	8,342
Net operating income as per SOFA	12	14
(Loss) / Gain on investments	(143)	1,408
Actuarial gains on defined benefit pension schemes	66	36
Net movement in funds	(65)	1,458
Funds brought forward	6,669	6,411
Transfer to Designated Funds	(610)	(1,200)
Funds carried forward	5,994	6,669



Unrestricted Funds - Designated

The Trustees have set aside two Designated Funds:

- 1) Depreciation of the capital cost of reconfiguring the office in 2015/16. Closing balance is £299k (2021: £386k).
- 2) *The Road to 2030*, an ambitious programme which builds on the ACU 2020 plan and incorporates a refreshed vision, mission and strategic priorities. The ACU Council endorsed *The Road to 2030* and a budget of £4.3m for implementation over three years. Council have approved the transfer of a further £0.6m to this fund supporting the ACU Together Programme to deliver *The Road to 2030*. ACU Together is the ACU's change management programme consisting of restructuring leadership, strengthening our values and developing new ways of working including implementing shared services. Closing balance is £1,851k (2021: £2,408k).

Closing balance of Designated funds is £2,150k (2021: £2,794k). Note 11 shows the movements during the year in each fund.

Restricted Funds

The range of Restricted Funds administered by the ACU is shown in note 13. Note 15 provides an analysis where applicable of the value and number of scholarships and grants awarded from Restricted Funds.

Endowment Funds

The Permanent and Expendable Endowment Funds along with associated Restricted Funds generated £561k (2021: £529k) of investment income during the year. All the endowment income was credited to the relevant Restricted Funds. The market value of investments reduced by £341k to £25,699k. Note

15 lists the amount awarded in grants.

In the year £100k was received from the estate of Francis & Philip Turner. This is being used to support the CSFP Scholarships.

The value of the Permanent Endowments stood at £17,608k (2021: £17,813k). The value of Expendable Endowments stood at £7,766k (2021: £7,868k).

Closing balance of the endowment funds is £25,374k (2021: £25,681k).

Investment Policy and returns

Investment objectives

The investment objective of the ACU's portfolio is to seek long term real growth without taking undue risks, consistent with a reasonable level of income. The specific investment objective of the fund invested with Newtons is to maximise returns through capital growth and income. The specific investment objective of the funds invested with CCLA is to achieve an average annual total return of inflation plus 5% over the long term and control volatility to 75% of that of the UK equity market.

Investment Performance

Note 8 has an analysis of movements in investment values. The net cumulative return from the average charity (ARC Charity Indices Steady Growth) was (2.7%) for the 12 months to 31 July 2022.



The ACU has 9 investment portfolios.

Fund / Purpose of Fund	Permanent / Expendable	Investment Manager	Value at 31 July 22 £'000	Actual Performance %
CSFP Anniversary Queen Elizabeth Commonwealth Scholarships	Permanent	Newton	10,742	(1.3%)
CSFP Anniversary Queen Elizabeth Commonwealth Scholarships	Restricted	Newton	372	(1.3%)
QECS Scholarships Queen Elizabeth Commonwealth Scholarships	Expendable	Newton	6,137	(1.3%)
QECS Frances & Philip Turner Queen Elizabeth Commonwealth Scholarships	Permanent	Newton	614	(1.3%)
ACU Main fund Investment of ACU reserves	Permanent	CCLA	8,236	(1.6%)
ACU Endowment ACU Development Fellowships	Permanent	CCLA	5,940	(1.6%)
Edward Boyle Edward Boyle medical electives	Permanent	CCLA	154	(1.6%)
Annenberg Marshall Aid Commemoration Commission scholarships	Permanent	CCLA	739	(1.6%)
Marshall Sherfield Post-doctoral fellowship for US students	Expendable	CCLA	1,003	(1.6%)



5 Governance and Structure

Structure

The Association of Commonwealth Universities (ACU) was founded in 1913 and is a registered charity (number 314137 in England & Wales), regulated by the Charity Commission. It is controlled by its member institutions through an elected Council.

The ACU was granted its Royal Charter in 1963 and is governed by the Royal Charter, Bye-Laws and Regulations dated 17 June 1963 and last amended on 13 October 2010.

Governance and management

Nominations to the Council are made by Executive Heads of member institutions in four constituencies representing all regions of the Commonwealth. There are up to 20 elected Council members who may co-opt two further members if they conclude this is desirable to ensure balanced geographical and gender representation of the Council. An additional member may be co-opted if the Honorary Treasurer is not appointed from the elected Council members.

Council members are the Trustees of the ACU under UK charity law. Trustees are introduced to the role by briefings on UK charity governance and accounting, investment management and the diverse work of the ACU. The Council meets face-to-face twice each year, with any additional business conducted electronically in between meetings as necessary. During the year both meetings were held virtually. The officers and committees of the ACU report to the Council. The Council is responsible for approving new members, electing the ACU's office bearers, appointing members of the Executive Committee, amending the Charter and Statutes, making and amending Byelaws, setting policy and strategic direction, and overseeing their implementation. Between Council meetings the other powers of Council are delegated to its Executive Committee.

The ACU's committees, which are established by Council, are the Executive Committee, the Audit and Risk Committee and the Remuneration Committee.

The Executive Committee is elected by the Council and consists of the Chair, the Vice-Chair, the Honorary Treasurer, and up to five other Members of Council. The Chair of the Executive Committee has the power to co-opt an additional member should the need arise.

The Audit and Risk Committee met twice in 2021/22. It consists of five members, four (including the Chair) of whom are serving members of Council. The fifth place is filled by an independent member. The Honorary Treasurer is also in attendance for the finance related agenda items. The Chair of the Audit and Risk Committee is appointed by Council, from its members, and has the power to co-opt additional members should the need arise.

The Remuneration Committee consists of the Honorary Treasurer (Chair), two Vice-Chancellors from UK member institutions and one independent member with UK professional human resources knowledge.

The Trustees comply with the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The Charity conducts triennial reviews of its governance arrangements, with the next review planned for 2023. This will involve external expert advice in how best to apply the principles within the code. The Council will then address any issues raised where required.

The ACU had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Risk management

The Trustees have responsibility for risk management. Risks are identified by the Senior Executive Team and reviewed, assessed and appropriate action incorporated as part of the annual budget and planning process. Thus, risk is an integral part of the budget and plan reviewed and approved by the Trustees.



The principal risks and uncertainties facing the charity are:

- Governance, given the ACU's status as a UK charity with international trustees; mitigated by comprehensive introductory Trustee training and use of independent professional advice
- Breach of legal and regulatory requirements; mitigated by regular reviews and updating of policies and procedures
- Dominance of scholarship administration income; mitigated by actively seeking new projects and partnerships, engaging with members and other funders to develop new income streams

A series of systems operate to identify and mitigate risk. These systems include:

- regulation by the Charity Commission
- annual external audit or inspection of administration activities
- Audit and Risk Committee review
- financial procedures
- strategic plan and annual budget (including risk assessment) process
- handbook for staff detailing practices, policies and procedures
- a low risk environment in terms of health and safety, which is a standing item on Senior Leadership Team (SLT) and Staff Committee agendas and is subject to annual inspection by an external expert
- comprehensive insurance cover (Business Interruption, Employer's Liability, Public Liability, Professional Liability and Personal Accident and Business Travel)
- Increased staff awareness of risk

Unrestricted Reserves Policy

The ACU's reserves policy is to hold free reserves (unrestricted general funds minus fixed assets) equivalent to 4 to 6 months unrestricted expenditure. Free reserves of £5.7m (2021: £6.7m) is £1.2m (2021: £2.5m) above the upper limit.

The Trustees recognise we are holding reserves above our upper limit. The Trustees will approve further drawdown for investment activity.

Public Benefit

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit. In broad terms, the people of the Commonwealth (and other countries) benefit from the ACU's support for the extension, improvement, and strengthening of higher education through our member institutions and through our activities. Our charitable objects for the public benefit – as expressed in our Royal Charter – and the activities which achieve them are summarised in the Review of the Year.

With around 500 members in 50 countries, we are expanding to be fully representative of the range of public and private universities throughout the Commonwealth. Our universities share Commonwealth values, including freedom of expression, a common language and many similarities in organisation and management. The ACU forms an extensive network to facilitate internationalisation and for a sharing of problems, solutions and best practice across a variety of higher education environments.

ACU Trading Limited

ACU Trading Limited (Company number: 9119389) is a wholly owned subsidiary of ACU and its results for the period have been consolidated into Group Financial Statements of ACU. The principal activity of ACU Trading Limited is the provision of staff services to the ACU.



Council Members

Professor Cheryl de la Rey	University of Canterbury, New Zealand
Professor Colin Riordan	Cardiff University, UK
Professor Feridun Hamdullahpur	Formerly the University of Waterloo, Canada
Professor Amanda Broderick	University of East London, UK
Dr Rhonda Lenton	York University, Canada
Professor Md. Akhturazzmaan	University of Dhaka, Bangladesh
Professor Wim de Villiers	Stellenbosch University, South Africa
Professor Pal Ahluwalia	University of the South Pacific, Fiji
Professor Shalini Bharat	Tata Institute of Science and Technology, India
Professor Suhas Raghunath Pednekar	University of Mumbai, India
Professor Sandeep Sancheti	SRM University, India
Professor Francis W. O. Aduol	Technical University of Kenya, Kenya
Professor Tawana Kupe	University of Pretoria, South Africa
Professor Barnabas Nawangwe	Makerere University, Uganda

New member (from 01/08/2022)

Professor Abiodun H. Adebayo	Covenant University, Nigeria
Professor Sir Hilary Beckles	The University of the West Indies, Jamaica
Professor Barney Glover AO	Western Sydney University, Australia
Snr. Professsor Sudantha Liyanage	University of Sri Jayewardenpura, Sri Lanka

Professor Wendy Thomson	University of London, UK
Professor Dato' Ir Dr. Mohd Hamdi Abd Shukor	University of Malaya, Malaysia

Departing members (to 31/07/2022)

Professor Deep Saini	Dalhousie University, Canada
Professor Ahmed Bazai	Balochistan University of Information Technology, Engineering and Management Sciences, Pakistan
Professor Mamokgethi Phakeng	University of Cape Town, South Africa
Professor Dhanjay Jhurry	University of Mauritius, Mauritius
Professor Gabriel Ayem Teye	The University for Development Studies, Ghana
Professor Suhas Pednekar	University of Mumbai, India

Audit and Risk Committee

Amanda Broderick
Wim de Villiers
Graeme Appleby
Engr Ahmed Farooq Bazai
Professor Dhanjay Jhurry
Professor Tawana Kupe

Remuneration Committee

Feridun Hamdullahpur
Julia Buckingham
Alison Johns
Shearer West



Trustee Training

Council members are the Trustees of the ACU under UK charity law. Trustees are introduced to the role by briefings on UK charity governance, from the ACU and its professional advisers; including Charity Trustee responsibilities; the Charity Governance Code; safeguarding and serious incident reporting; investment management; risk management, budgets and management accounts; and the ACU's mission, vision, values and strategic priorities.

Day to day management

The Senior Executive Team (SET) is responsible for the day-to-day running of the ACU under authority delegated to the CEO by the Trustees. The SET is supported by the Senior Leadership Team (SLT) which comprises of six Directors.

The SET members are:

Chief Executive and Secretary General	Dr Joanna Newman MBE FRSA
Chief Finance Officer	Caroline Harrison
Chief Operating Officer	Sharon Memis

COVID-19 Disclosure

The COVID-19 pandemic has had a significant impact on the ACU's operations, which we have adapted to, in order to reduce the impact. The SET are constantly monitoring the situation and have considered the following risks and mitigation:

- Membership income – we anticipate member universities will face financial challenges for at least 2-3 years. To help our members, we have maintained the membership fee at the 2019/20 level and have expanded our membership offering online, launching *ACU Digital Now*
- External administration income – in 2020/21 we administered fewer

scholars coming to the UK with some studying remotely. Working closely with our partners at the Foreign, Commonwealth and Development Office (FCDO) and our scholarship teams, we will continue to support our scholars during these unprecedented times, maintaining the excellent levels of service for which the ACU is known

- Investment income – market value has recovered in 2021 to pre-COVID-19 levels. Investment income in the form of dividends has also increased year on year. In 2020, the Council approved changing our investment focus to more ethical considerations with income generation. This focus will continue to support our scholarships and grants to individuals.
- Employment costs – there was a 1% pay award in 2021/22. The ACU Together Programme was launched which is a change management programme consisting of restructuring leadership, strengthening our values and developing new ways of working including implementing shared services. This programme was embedded in 2021/22.

The Trustees have reviewed the three year budget plan. Taking into account the balance sheet position and the impact of market volatility, the Trustees remain of the opinion that the going concern assumption remains appropriate and the financial statements continue to be prepared on this basis.



Legal and administrative details

Principal place of business:

Woburn House
20-24 Tavistock Square
London WC1H 9HF

www.acu.ac.uk

Bankers

National Westminster Bank plc
PO Box 83
Tavistock House
Tavistock Square
London WC1H 9XA

Investment Managers:

Newton Investment Management
160 Queen Victoria Street
London EC4V 4LA

CCLA
85 Queen Victoria Street
London EC4V 4ET

Auditors

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW



6 Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity 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 charity and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' Confirmatory Statement

The Trustees confirm that these Accounts comply with current statutory requirements, the requirements of the ACU's governing document and the requirements of the Statement of Recommended Practice – Accounting and Reporting by Charities.

These Annual Report and Accounts were approved by the Council and are signed on their behalf by

Professor Cheryl de la Rey
Chair of the Council

23rd November 2022



7 Independent Auditor's Report to the Trustees of the Association of Commonwealth Universities

Opinion

We have audited the financial statements of the Association of Commonwealth Universities ('the charity') and its subsidiaries ('the group') for the year ended 31 July 2022 which comprise the Group Statement of Financial Activities, the Group and Charity Balance sheets, the Group Cash Flow Statement and notes to the financial statements, including 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 the parent charity's affairs as at 31 July 2022 and of the group's 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 Charities Act 2011.

Basis for opinion

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

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of



this other information, we are required to report that fact.
We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.



We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), employment legislation and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition and classification of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition,

as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London,
EC4M 7JW

Date 21 February 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



Group Statement of Financial Activities – year ended 31 July 2022

		Unrestricted Funds		Restricted	Endowment	Total	Total
	Note	General	Designated	Funds	Funds	2022	2021
		£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:							
Grants & donations	2	8	-	815	100	923	993
Membership income		1,215	-	-	-	1,215	1,187
External administration	3	7,257	-	-	-	7,257	6,692
Investment income/interest	4	403	-	561	-	964	936
Other		74	-	-	-	74	61
Total Income		8,957	-	1,376	100	10,433	9,869
Expenditure on charitable activities:							
Project grants		-	-	899	-	899	1,026
Membership engagement		1,202	611	-	-	1,813	2,193
Scholarships, grants and awards		127	7	660	100	894	677
External and fund administration		7,514	636	-	-	8,150	6,761
Expenditure on other activities:							
Investment management		102	-	181	-	283	264
Total Expenditure	5	8,945	1,254	1,740	100	12,039	10,921
Net income / (expenditure) before gains / (losses) on investments		12	(1,254)	(364)	-	(1,606)	(1,052)
(Losses) / Gains on investments	8	(143)	-	(35)	(307)	(485)	4,968
Net (expenditure) / income before transfers		(131)	(1,254)	(399)	(307)	(2,091)	3,916
Transfers between funds	11	(610)	610	-	-	-	-
Net income before other recognised gains and losses		(741)	(644)	(399)	(307)	(2,091)	3,916
Actuarial gains on defined benefit pension schemes	20	66	-	-	-	66	36
Net movement in funds		(675)	(644)	(399)	(307)	(2,025)	3,952
Funds brought forward		6,669	2,794	688	25,681	35,832	31,880
Funds carried forward	11 – 13	5,994	2,150	289	25,374	33,807	35,832

None of the above activities were acquired or discontinued during the year.



Group and Charity Balance Sheet as at 31 July 2022

		Group		Charity	
	Note	2022	2021	2022	2021
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	7a	148	296	148	296
Tangible assets	7b	299	388	299	388
Investments	8	33,935	35,419	33,935	35,419
Total Fixed Assets		34,382	36,103	34,382	36,103
Current assets					
Debtors	9	591	992	588	991
Cash at bank and in hand		1,627	2,208	1,517	1,944
Total Current Assets		2,218	3,200	2,105	2,935
Liabilities					
Creditors amounts falling due within one year	10	(2,424)	(3,036)	(2,311)	(2,771)
Net Current (Liabilities) / Assets		(206)	164	(206)	164
Net assets excluding pension liability		34,176	36,267	34,176	36,267
Defined benefit pension scheme liability	20	(369)	(435)	(369)	(435)
Total Net assets		33,807	35,832	33,807	35,832
Funds					
Unrestricted funds: General	11	5,994	6,669	5,994	6,669
Designated	11	2,150	2,794	2,150	2,794
Endowment funds	12	25,374	25,681	25,374	25,681
Restricted funds	13	289	688	289	688
Total funds		33,807	35,832	33,807	35,832

These financial statements were approved and authorised for issue by the Council on 23rd November 2022 and signed on their behalf by:

Professor Cheryl de la Rey
Chair of the Council

Dr Joanna Newman MBE
Secretary General



Group Cash Flow Statement for the year ended 31 July 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash used in operating activities		(2,645)	(1,520)
Cash flows from investing activities:			
Investment Income and Interest	4	964	936
Purchase of tangible assets	7	-	(96)
Proceeds from sale of investments		1,000	1,021
Net cash provided by investing activities		1,964	1,861
Cash flows from financing activities:			
Receipt of endowment		100	-
Net cash provided by financing activities		100	-
Change in cash and cash equivalents in the reporting period		(581)	341
Cash and cash equivalents at the beginning of the reporting period		2,208	1,867
Cash and cash equivalents at the end of the reporting period		1,627	2,208

Reconciliation of cash flows from operating activities:

	2022 £'000	2021 £'000
Net (expenditure) / income for the reporting period	(2,025)	3,952
Adjustments for:		
Amortisation and depreciation charge	237	281
Losses / (Gains) on investments	485	(4,968)
Investment income received	(965)	(936)
Decrease / (Increase) in debtors	401	(598)
(Decrease) / Increase in creditors	(612)	785
Pension changes	(66)	(36)
Receipt of endowment	(100)	-
Net cash used in operating activities	(2,645)	(1,520)

ANALYSIS OF CASH AND CASH EQUIVALENTS

	Opening balance £'000	Cash Flow £'000	Closing balance £'000
Cash at bank and in hand	2,208	(581)	1,627
	2,208	(581)	1,627



9 Notes to the financial statements year ended 31 July 2022

1. Accounting policies

(a) Accounting convention

ACU is a Public Benefit Entity registered as a charity in England and Wales on 26 November 1965 (charity number 314137). Its registered office is: Woburn House, 20-24 Tavistock Square, London, WC1H 9HF.

The consolidated financial statements have been prepared in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice on Accounting and Reporting applicable to charities preparing their accounts in accordance with FRS 102 ("The Charities SORP 2015").

The accounts consolidate those of the Charity and its wholly owned trading subsidiary ACU Trading Limited.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of certain assets including investments.

The functional currency of the Group is GBP, the currency of the primary economic environment in which it operates.

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

- bad debt provision for membership subscriptions is 100% of debt outstanding at the year end
- scholarship administration income is accounted for monthly with some exceptions for significant activity that occurs once a year
- Actuarial gains / (losses) on defined benefit pension schemes are recognised at the year end and based on information provided by the pension schemes. Further information is provided in Note 1(l) and Note 20.

(b) Income

All incoming revenues are included in the SOFA when the ACU is legally entitled to the income and the amount can be measured with reasonable certainty. Income is deferred only when the ACU has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

(c) Expenditure

All expenditure has been accounted for on an accruals basis and has been classified under headings which are consistent with the activities of the ACU. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of the resource. Central overheads



such as accommodation, IT, Communications, HR and Finance have been allocated on usage or staffing basis. Irrecoverable VAT is charged to the relevant grant or project, or to central overheads if not an eligible cost for a grant.

(d) Termination Payments

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. ACU recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(e) Grants

ACU makes grants in line with funders' and donors' aims and wishes. This contributes to ACU's objective of facilitating the interchange of students and teachers between Commonwealth universities and between them and the universities of foreign countries.

(f) Governance costs

These represent costs incurred by the Secretary General's office and other key management which are attributable to the management of the ACU's assets, organisational administration and compliance with constitutional and statutory requirements. Governance costs have been allocated to charitable activities as a separate component of support costs on the same basis as noted in (c) above.

(g) Intangible and tangible assets – capitalisation, depreciation and amortisation

All assets costing more than £7,500 are capitalised. Depreciation is provided on all tangible fixed assets at rates calculated to write-off the cost on a straight-line basis over their expected useful lives as follows:

Leasehold property	- Over the life of the lease.
Computer equipment	- 3 years
Office equipment	- 3 years
Furniture and fixtures	- 5 years
Computer software (intangible)	- 3 years

(h) Investments

Investment assets are valued at market value at the balance sheet date. Gains on investment assets are the net of realised gains and losses and unrealised gains and losses. Realised gains and losses on investments are arrived at by comparing the net sale proceeds with the market value at the end of the previous financial year or cost if acquired in the year; unrealised gains and losses represent the difference between the market value of investments still held at the end of the financial year with their value at the beginning of the year or with their cost if purchased subsequently.

Investment income from cash at bank is accrued at the year end. Income generated from investments and cash held by Fund Managers is credited to income as received.



(i) Fund accounting

Funds held by the ACU:

General Funds

Unrestricted funds comprising accumulated surpluses and deficits after transfer to or from designated funds.

Designated Funds

Unrestricted funds set aside out of general funds and designated for specific purposes by the Trustees.

Restricted Funds

Funds which are subject to donor-imposed conditions as to their use.

The Permanent Endowment Funds

Generate income which is transferred to the ACU Development Fellowship Fund, Queen Elizabeth Commonwealth Scholarship and Fellowship Plan, the Edward Boyle (Medical Electives) Fund and the Annenberg Foundation Scholarship Fund, which are Restricted Funds. The capital of these funds must be retained.

The Expendable Endowment Funds

Generate total returns which fund the Queen Elizabeth Commonwealth Scholarship, Marshall Sherfield postdoctoral fellowships. The capital of these funds will be retained until the Trustees choose to spend the capital. There is currently no such intention.

(j) Operating leases

The rents payable under operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the SOFA as incurred. Where there are rent free periods, the cost is spread over the period to the first rent review.

(k) Financial Instruments

ACU has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised as:

- a) Financial assets measured at amortised cost comprise cash, and all debtors excluding prepayments
- b) Financial liabilities measured at amortised cost are all liabilities excluding tax and social security, estimate accruals, provisions and deferred income
- c) Financial assets at fair value include investments and gains on forward contracts open at year end.

(l) Pension schemes

The ACU participates in both the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL).

USS

Significant accounting policies

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying



assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Critical accounting judgements

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 directors 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 these financial statements.

Key sources of estimation uncertainty

The USS liability is based on a deficit recovery plan to 30 April 2038, a deficit contribution rate averaging 6.3%, staff salary inflation 2.0%, and a discount rate of 3.31%.

SAUL

The ACU participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and was contracted out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education. Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings ("CARE") basis.

The ACU is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding Policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new



accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2021 and are due to be reviewed at SAUL's next formal valuation in 2023.

At the 31 March 2020 valuation SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience up to 30 April 2021. As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and the Employers have agreed that the ongoing Employers' contributions will increase from a rate of 16% of CARE Salaries to 19% of CARE salaries from 1 April 2022 and to 21% of CARE Salaries from 1 January 2023.

Accounting Policy

The ACU is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets at 31 March 2020 was £3,612 million representing 94% of the liabilities. The market value of SAUL's assets at 30 April 2021 was £4,369 million representing 109% of the estimated liabilities.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The ACU accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

As there was a Technical Provisions deficit at 31 March 2020, allowing for post valuation experience to 30 April 2021, SAUL had a Technical Provisions surplus. Therefore, no deficit contributions were required following the 2020 valuation and there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by ACU.

See note 20 for more details.

(m) Foreign currencies

Transactions are translated on the date of transaction and balances on the year end date with any gain or loss taken to finance support costs.

(n) Going Concern

The ACU meets its ordinary working capital requirements through its cash held in the bank. The Senior Executive Team (SET) prepare 3 year budgets and annual forecasts in order to ensure sufficient cash balance to meet medium term requirements.

Based on ACU's 3 year budgets, reserve levels, cashflow and investment levels, the SET believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.



2. Grants and donations received

	2022 £'000	2021 £'000
Grants from UK Government		
Foreign, Commonwealth and Development Office – CIRCLE	146	187
Foreign, Commonwealth and Development Office – PEBL SPHEIR Project	308	518
Foreign, Commonwealth and Development Office – Digital Africa	-	39
Foreign, Commonwealth and Development Office – COP26	43	149
	497	893
Grants from other Agencies		
Australian Government - Department of Foreign Affairs and Trade	259	-
European Commission – L4F	27	50
Other	8	20
	294	70
Legacies and Grants from charitable foundations		
Marshall Sherfield Fellowship Foundation	32	25
F&P Turner Endowment	100	-
	132	25
Donations		
Other	-	5
	-	5
	923	993

3. External administration fees

	2022 £'000	2021 £'000
Chevening Scholarships	4,030	4,058
Commonwealth Scholarship award schemes	2,436	2,243
Marshall Scholarship scheme	237	240
Staff & Educational Development Association	108	128
Turing Scheme	422	-
Other schemes	24	23
	7,257	6,692

4. Investment income and interest

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Investment income	402	561	963	936
Bank interest	1	-	1	0
	403	561	964	936



5. Analysis of total resources expended

	Staff costs £'000	Grants Paid £'000	Direct Costs £'000	Support costs £'000	Total £'000
Charitable activities:					
Project grants	294	49	556	-	899
Membership services	617	17	350	829	1,813
Scholarships, grants and awards	127	706	61	-	894
External and fund administration	4,468	6	893	2,783	8,150
Fundraising activities:					
Investment management costs	-	-	283	-	283
	5,506	778	2,143	3,612	12,039

Support Costs

	Membership Services £'000	External and fund admin £'000	Total £'000
Staff Costs	437	1,468	1,905
Consultants	96	324	420
Office and Facilities	188	630	818
IT	89	299	388
Governance	5	15	20
Other	14	47	61
	829	2,783	3,612

Where appropriate direct expenditure, including staff costs, has been allocated to the above activities. Support costs which could not be directly allocated, have instead been allocated on the following bases:

- Membership services: basis of staff engaged on activity
- External and fund administration: basis of staff engaged on activity
- Scholarships, grants and awards: direct allocation based on staff engaged on activity

Net incoming resources for the year are stated after charging:

	2022 £'000	2021 £'000
Audit fees – ACU	17	16
Audit fees – ACU Trading Ltd	3	3
Other non-audit work	4	0
Council Meetings	0	0
Depreciation and amortisation	238	281



6. Staff costs

(a) Staff costs

	2022 £'000	2021 £'000
Wages and salaries	5,417	5,439
Social security costs	631	567
Pension costs	669	635
Agency staff	520	166
Recruitment	176	64
Training and welfare	122	81
	7,535	6,952

Realigning the ACU's staff structure to meet the requirements of the Road to 2030 strategy has resulted in termination payments funded from Designated Funds. All off the £116k (2021: £110k) expensed in the year has been paid.

The Senior Executive Team (SET) are regarded as the Charity's key management personnel. The total earnings, including benefits, employer pension and employer NI contributions received by SET members totalled £460k (2021: £453k).

The number of employees whose total earnings in the year (including benefits and termination payments but, excluding employer pension contributions) fell into the bands below were:

	2022* Number	2021 Number
£60,001 to £70,000	2	3
£70,001 to £80,000	-	-
£80,001 to £90,000	1	1
£90,001 to £100,000	1	
£100,001 to £110,000	2	2
£110,001 to £120,000	-	1
£140,001 to £150,000	1	1
	7	8

* Includes 1 members who received termination payments

Of the above higher paid employees, 4 (2021: 3) were accruing benefit during the year, and 3 at the end of the year, in respect of membership of a defined benefit pension scheme.

The average headcount during the year was 130 (2021: 133).

(b) Trustees remuneration and expenses

No Trustee received any remuneration in the year (2021: £nil). No Trustees, or their institutions, were reimbursed for travel expenses incurred during the year (2021: £nil).



7. Group and Charity Assets

In 2019-20 the majority of the computer software assets were under construction and included in Tangible Assets. On completion these assets have been transferred to Intangible Assets.

a) Intangible Assets

	Computer software £'000
Cost	
At 31 July 2021	668
At 31 July 2022	<u>668</u>
Amortisation	
At 31 July 2021	372
Charge for year	<u>148</u>
At 31 July 2022	<u>520</u>
Net book value	
At 31 July 2022	148
At 31 July 2021	296

b) Tangible Assets

	Computer equipment £'000	Office Re- configuration £'000	Total £'000
Cost			
At 31 July 2021	131	787	918
At 31 July 2022	<u>131</u>	<u>787</u>	<u>918</u>
Depreciation			
At 31 July 2021	129	401	530
Charge for year	<u>2</u>	<u>87</u>	<u>89</u>
At 31 July 2022	<u>131</u>	<u>488</u>	<u>619</u>
Net book value			
At 31 July 2022	-	299	299
At 31 July 2021	2	386	388

At 31 July 2022 there were no capital commitments.



8. Group Investments

a) Movements in quoted investments

	Unrestricted funds		Restricted & Endowment funds	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Market value, 1 August	9,379	8,971	26,040	22,501
Disposals at opening market value	(1,000)	(1,000)	-	(21)
Unrealised (losses) / gains on revaluation	(143)	1,408	(341)	3,560
Market value, 31 July	8,236	9,379	25,699	26,040
Cost, 31 July	6,371	7,154	11,250	11,250

b) Analysis by type

	Unrestricted funds	Restricted funds	Endowment funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000
Quoted investments	8,236	340	25,359	33,935	35,419
Cash held for investment purposes	-	-	-	-	-
	8,236	340	25,359	33,935	35,419

9. Debtors and prepayments

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	432	864	432	864
Sundry debtors	9	20	6	19
Accrued Income	15	-	15	-
Prepayments	135	108	135	108
	591	992	588	991



10. Creditors: amounts payable within one year

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	174	246	167	235
Deferred income	1,476	1,755	1,476	1,755
Income Tax and NI contributions	168	153	35	35
Value Added Tax	280	417	280	417
Sundry creditors	58	58	8	12
Accruals	268	407	134	273
Amounts due to ACU Trading Limited	-	-	211	44
	2,424	3,036	2,311	2,771

Deferred income

	Opening Balance £'000	Released in year £'000	Deferred in year £'000	Closing Balance £'000
Membership Income	8	(8)	7	7
DFAT	1,083	(259)	-	824
External administration fee	643	(643)	611	611
Other	21	(21)	34	34
	1,755	(931)	652	1,476

11. Designated and General Funds

2022	Brought Forward £'000	Income £'000	Expenditure £'000	Gains £'000	Transfers £'000	Carried forward £'000
ACU office	386	-	(87)	-	-	299
Road to 2030	2,408	-	(1,167)	-	610	1,851
Designated Funds	2,794	-	(1,254)	-	610	2,150
General Funds	6,669	8,957	(8,879)	(143)	(610)	5,994
	9,463	8,957	(10,133)	(143)	-	8,144

Council approved a further transfer of £0.6m from General Funds to Designated Funds to support a minor office refurbishment and an innovation fund to support the Business Development Team.



2021	Brought Forward £'000	Income £'000	Expenditure £'000	Gains £'000	Transfers £'000	Carried forward £'000
ACU office	463	-	(77)	-	-	386
Road to 2020	65	-	(65)	-	-	-
Road to 2030	1,870	-	(662)	-	1,200	2,408
Designated Funds	2,398	-	(804)	-	1,200	2,794
General Funds	6,411	8,356	(8,306)	1,408	(1,200)	6,669
	8,809	8,356	(9,110)	1,408	-	9,463

12. Endowment funds

2022	Opening funds £'000	Income £'000	Expenditure £'000	Gains on investment £'000	Closing funds £'000
Permanent endowments					
CSFP Anniversary	10,884	-	-	(108)	10,776
ACU	6,028	-	-	(85)	5,943
Edward Boyle	152	-	-	(2)	150
Annenberg Foundation	749	-	-	(10)	739
	17,813	-	-	(205)	17,608
Expendable endowments					
Queen Elizabeth Commonwealth Scholarships	6,228	-	-	(79)	6,149
Marshall Sherfield	1,017	-	-	(15)	1,002
F&P Turner	623	100	(100)	(8)	615
	7,868	100	(100)	(102)	7,766
Total endowments	25,681	100	(100)	(307)	25,374

The CSFP Anniversary and the Queen Elizabeth Commonwealth Scholarships endowments enable people from around the Commonwealth to study in low and middle income countries at ACU member institutions. The F&P Turner endowment is a legacy grant with no restrictions. Together, the three funds support the Queen Elizabeth Commonwealth Scholarship awards.



The ACU Endowment funds ACU Development Fellowships.

Income from the Edward Boyle (Memorial) Endowment funds the Medical Elective Bursaries for UK students.

The Annenberg Endowment funds Marshall scholarships, its income being transferred to the Marshall Aid Commemoration Commission.

The Marshall Sherfield Endowment funds post-doctoral fellowships for US students. Funds are drawn down from the Endowment as required, up to a maximum of 5% of the original investment per year and are supplemented by grants from the Marshall Sherfield Fellowship Foundation in the US.

2021	Opening funds £'000	Expenditure £'000	Gains on investments £'000	Closing funds £'000
Permanent endowments				
CSFP Anniversary endowment	9,434	(13)	1,463	10,884
ACU endowment	5,174	-	854	6,028
Edward Boyle endowment	130	-	22	152
Annenberg Foundation endowment	643	-	106	749
	15,381	(13)	2,445	17,813
Expendable endowments				
Queen Elizabeth Commonwealth Scholarships endowment	5,392	-	836	6,228
Marshall Sherfield endowment	873	-	144	1,017
F&P Turner Endowment	539	-	84	623
	6,804	-	1,064	7,868
Total endowments	22,185	(13)	3,509	25,681



13. Restricted Funds

2022

	Opening Balance £'000	Total Income £'000	Expenditure £'000	Gains on investment £'000	Closing Balance £'000
ACU Development Fellowships ¹	290	242	(281)	-	251
CSFP Anniversary Fund ¹	161	151	(383)	(35)	(106)
Queen Elizabeth CSR ¹	-	83	(83)	-	-
F&P Turner ¹	16	8	(8)	-	16
Marshall Sherfield Fellowships ¹	76	72	(51)	-	97
Annenberg ¹	7	30	(34)	-	3
Edward Boyle (Medical Electives) ¹	8	6	(2)	-	12
HW Paxton Legacy	94	-	-	-	94
Symons Medal	7	-	-	-	7
Climate Impacts Research Capacity and Leadership Enhancement ²	9	146	(151)	-	4
Partnership for Enhanced & Blended Learning (East Africa) ³	(118)	309	(191)	-	-
Partnership for Enhanced & Blended Learning (West Africa) ³	-	259	(341)	-	(82)
Waitrose & Partners - Blue Charter Marine Plastic ⁴	33	-	(33)	-	-
LEAP ⁵	23	27	(59)	-	(9)
Digital Africa - British Council	(17)	-	17	-	-
Climate Cohort - COP26 ⁶	93	43	(140)	-	(4)
Commonwealth Futures – British Council	5	-	-	-	5
Mzuzu University, Malawi	1	-	-	-	1
	688	1,376	(1,740)	(35)	289

1: See note 15 for explanation of purpose of fund.

2: Seeks to address the shortfall in the proportion of climate change research currently produced by African scientists.

3: Designed to address the critical academic staff shortages many universities are currently facing. It will enable universities to share scarce teaching resources through quality assured, credit-bearing degree courses, delivered through blended learning. Government Funded: East Africa – UK; West Africa – Australia.

4: Aims to map the current status of research into marine plastics pollution across Commonwealth universities and funds fellowships to support research and innovation in the area of marine plastics pollution.

5: Support implementation of EU-Africa Research and Innovation Partnership on (1) Food and Nutrition Security & Sustainable Agriculture; (2) Renewable Energy

6: Commonwealth Futures Climate Research Cohort - work towards solutions for climate-vulnerable regions through developing skills in research leadership, international collaboration, and translating research into action.

Funds with negative balance: costs are reimbursed by the funder in arrears.



2021	Opening Balance	Total Income	Expenditure	Gains on investment	Transfer between funds	Closing Balance
	£'000	£'000	£'000	£'000		£'000
ACU Development Fellowships ¹	228	233	(171)	-		290
CSFP Anniversary Fund ¹	169	142	(430)	51	229	161
Queen Elizabeth CSR ¹	180	78	(29)	-	(229)	-
F&P Turner	11	8	(3)	-		16
Marshall Sherfield Fellowships ¹	67	64	(55)	-		76
Annenberg ¹	11	28	(32)	-		7
Edward Boyle (Medical Electives) ¹	6	6	(4)	-		8
HW Paxton Legacy	94	-	-	-		94
Symons Medal	7	-	-	-		7
Climate Impacts Research Capacity and Leadership Enhancement ²	(1)	187	(177)	-		9
Partnership for Enhanced & Blended Learning ³	(103)	518	(533)	-		(118)
Waitrose & Partners - Blue Charter Marine Plastic ⁴	180	-	(147)	-		33
LEAP ⁵	7	61	(45)	-		23
Digital Africa - British Council	-	39	(56)	-		(17)
Climate Cohort - COP26 ⁶	-	149	(56)	-		93
Africa-UK Physics	12	-	(12)	-		-
Commonwealth Futures – British Council	13	-	(8)	-		5
Mzuzu University, Malawi	5	-	(4)	-		1
	886	1,513	(1,762)	51	-	688

Funds with negative balance: costs are reimbursed by the funder in arrears.



14. Analysis of Group assets between Funds

2022	Pension and other liability £'000	Fixed assets £'000	Investments £'000	Net current assets / (liabilities) £'000	Total £'000
Endowment Fund	-	-	25,359	15	25,374
Restricted Fund	-	-	340	(51)	289
Unrestricted Designated Fund	-	534	-	1,616	2,150
Unrestricted General Fund	(369)	2	8,236	(1,875)	5,994
	(369)	536	33,935	(295)	33,807

2021	Pension and other liability £'000	Fixed assets £'000	Investments £'000	Net current assets / (liabilities) £'000	Total £'000
Endowment funds	-	-	25,700	(19)	25,681
Restricted funds	-	-	340	348	688
Unrestricted Designated Fund	-	682	-	2,112	2,794
Unrestricted General funds	(435)	2	9,379	(2,277)	6,669
	(435)	684	35,419	164	35,832

15. Grants, awards and scholarships awarded from Endowments

	£'000	Awards
CSFP Anniversary Fund	481	69
ACU Development Fellowships	160	74
Marshall Sherfield Fellowship Scheme	40	1
Funded by Endowments	681	144
Climate Impacts Research Capacity and Leadership Enhancement	19	18
Funded by Restricted Funds	19	18
	700	162

Grants are paid to individuals and the higher education institutions to which they are connected. As at 31 July 2022, ACU had grant commitments of £620k, payable over the next 2 years (2021: £184k).



16. Administration of External Funds

The ACU runs a number of schemes for which it receives a management fee (Note 3). The table below shows the bank balances and the value of transactions processed by ACU.

	Opening bank balance £'000	Incoming Resources £'000	Resources Expended £'000	Closing bank balance £'000
Chevening Scholarship Scheme	2,594	59,155	(60,057)	1,692
Commonwealth Scholarship Scheme	1,552	28,525	(28,347)	1,730
Marshall Aid Commemoration Commission	1,693	2,550	(3,234)	1,009
Staff and Educational Development Association	231	289	(287)	233
Heads of Educational Development Group	4	24	(8)	20
Total Third Party Funds	6,074	90,543	(91,933)	4,684

17. Future financial commitments

At 31 July 2022 the ACU had commitments under operating leases as set out below:

	2022 Land and buildings £'000	2022 Office equipment £'000	2021 Land and buildings £'000	2021 Office equipment £'000
Within one year	340	2	340	2
After one year but within five years	821	-	1,161	-
Charged to SOFA during the year	340	2	340	2

18. ACU Trading Ltd

ACU Trading Limited (ACUT) is a wholly owned subsidiary of ACU and its results for the period ended 31 July 2022 have been consolidated into Group Financial Statements of ACU. The principal activity of ACUT is the provision of staff services to the ACU. The results of ACUT for the period ended 31 July 2021 are as follows:

	2022 £'000	2021 £'000		2022 £'000	2021 £'000
Turnover	5,332	4,990	Debtors	3	1
Cost of sales	5,009	4,813	Cash at bank	110	264
Gross Profit	323	177	Current assets	113	265
Administration	323	177	Creditors	113	265
Net profit	-	-	Total Net assets	-	-
Net assets	-	-	Reserves	-	-



19. Related Parties

	2022 £'000	2021 £'000
Balances owed to ACU Trading Ltd	211	43
Payable to ACU Trading Ltd for services	5,332	4,990
Receivable from ACU Trading Ltd for services	178	144

20. Pension Commitments

(a) Universities Superannuation Scheme (USS)

The total cost charged to the profit and loss account is £252k (2021: £280k)

Deficit recovery contributions due within one year for the institution are £56K (2021: £66K).

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

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

The 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 (uss.co.uk/about-us/valuation-and-funding/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%)	CPI 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 assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females



The current life expectancies on retirement at age 65 are:

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

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	2.00%	2.00%

(b) Superannuation Arrangements of the University of London (SAUL)

The ACU participates in the Superannuation Arrangements of the University of London, a centralised defined benefit scheme for all qualified employees with the assets held in separate Trustee-administered funds.

The total SAUL pension cost charged to the Statement of Financial Activities is £6K (2021: £10K). This includes nil (2021: nil) outstanding contributions at the balance sheet date, and £nil deficit contributions (2021: nil).


21. Legacies

In 2018/19 the ACU has received £500k from the Frances Elizabeth Turner legacy and this has been invested with Newtons. In 2021/22 a further £100k was received. Income from this legacy will be used to fund scholarships along with the Queen Elizabeth Commonwealth Scholarship and CSFP Anniversary Scholarships. As at July 2022 a further £76k is expected on closure of the Estate Accounts.



The Association
of Commonwealth
Universities



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For the lives we can lead