



The Association
of Commonwealth
Universities



Annual Report and Financial Statements 2022-2023



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1 Introduction from our Chair

The 12 months covered by this report saw the ACU continue to deliver on its core ambition: to build a better world through international collaboration in higher education. We delivered life-changing international opportunities to thousands of students, brought universities together to exchange knowledge and forge new partnerships, supported world-class research on global challenges, and much more.

Like everything we do, these activities reflect our fundamental belief that higher education plays a pivotal role in building a fairer, more sustainable future for the Commonwealth and beyond. But we are also acutely aware that universities often reflect the unequal world in which they operate. Tackling these inequalities – on campus, in research, and in accessing opportunities to learn – therefore remains a key priority as we convene universities around our common interest in principles of fairness, equity and social justice.

In July, we brought together higher education stakeholders at our Canada symposium to explore how universities can move beyond rhetoric to tackle systemic inequities on campus and beyond, with practical ideation on embedding approaches in university strategic action plans and curriculum development.

We continued to design and deliver transformative programmes that strengthen the capacity of individuals and institutions and unlock learning opportunities for thousands of students. The PEBL programme trained hundreds of lecturers across west Africa in the design and delivery of online learning, and our new award-nominated Commonwealth Virtual Exchange expanded the benefits of international experience to a far wider group of students than would otherwise be possible.

Meanwhile, we found new ways to equip our member universities with practical tools and resources to drive equity and fairness in global higher education partnerships. Supporting the establishment and advancement of fairer north-south and south-south research relationships was at the forefront of the Equitable Research Partnerships Toolkit, which itself was a collaborative project with stakeholders across the Commonwealth.

We take great pride in our longstanding dedication to scholarships as a means to enhance access to higher education. The Chevening and Marshall programs will now transition to a new provider from 1 September 2022 following the UK Government's tender process during 2022-23. We have collaborated closely with both the Foreign, Commonwealth and Development Office (FCDO) and the new provider to facilitate a seamless handover of these programs.

Having secured the endorsement of Commonwealth governments for a series of far-reaching policy recommendations – including improved access to higher education, greater recognition of universities' contribution to sustainable development, and increased investment in the sector – a priority for this year has been working with stakeholders across the Commonwealth to realise and sustain these vital commitments ahead of the next Commonwealth Heads of Government Meeting in 2024.

We look forward to continuing to champion our members in our role as the voice of higher education in the Commonwealth while working with UK and Commonwealth Governments on our wider mobility portfolio which includes the Commonwealth Scholarship programme, Queen Elizabeth Commonwealth Scholarships, and others.

In September we welcomed Professor Colin Riordan CBE, previously Vice-Chancellor of the Cardiff University after we farewelled Dr Joanna Newman who moved onto a new role in the sector.



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INTRODUCTION

We look forward to another busy, dynamic and collaborative year ahead, where we will be strengthening our offer for members including launching new thematic dialogues and preparing for the re-introduction of our Vice Chancellor's conference in 2025.

Professor Cheryl de la Rey
Chair of the Council





2 About us

The Association of Commonwealth Universities is a global network with a shared commitment to building a better world through international collaboration in higher education.

Founded in 1913, the ACU connects institutions, people, and partners to provide educational opportunities, strengthen the capacity of universities, and advance higher education's contribution to sustainable development.

Its aim is to create a strong and connected higher education community that works across borders and boundaries to build a fairer, more sustainable world.

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 2022-23 include:

In September 2022, we attended, alongside our international partners, the **UN Transforming Education Summit**, which aimed to elevate education to the top of the global political agenda.

In October 2022, we took part in a panel at the **Association for Development of Education in Africa Triennale**, alongside the Commonwealth Secretariat and representatives from the Kenyan and Mauritian ministries of education, where we discussed the delivery of a series of higher education policy recommendations made by the ACU at the Conference of Commonwealth Education Ministers in April 2022.

In November 2022, we joined the **27th United Nations Climate Change**

Conference (COP27) to profile the vital role that universities play in delivering climate action. Highlights included:

- Supporting a group of 22 early career climate researchers from the [Commonwealth Futures Climate Research Cohort \(see 2.1\)](#) to take part in the event and share their research with a global audience.
- An [official side event](#) exploring the role and importance of youth engagement in climate policymaking. The event enabled a solution-focused and intergenerational dialogue between law-makers and young leaders on questions such as how bridge the science-policy divide, improving access to climate finance, and the barriers to youth engagement and agency in climate issues.

In April 2023, we drew on the results of our most recent [ACU Measures](#) survey (see 3.3) to highlight stark inequalities in university research funding and other research-related support, particularly in lower income countries. Through coverage across key target media, we were able call attention to the longstanding disparities that continue to shape the research ecosystem.

In May 2023, we joined a meeting of the Commonwealth Accelerated Development Mechanism (CADME) at the Education World Forum, where we presented our proposal for the **Commonwealth Higher Education Working Group**, a new initiative led by the ACU to build on the positive commitments made by government ministers at the 2022 Conference of Commonwealth Education Ministers (CCEM). This group enables us to work closely with the Commonwealth Secretariat and Commonwealth Education Ministers between CCEM meetings to shape policy implementation, and will actively contribute to shaping and delivering the next CCEM in close collaboration with the host government and ACU regional committees. Our proposal for the working group was endorsed by the Commonwealth Education Ministers Action Group.

In May 2023, we also welcomed the Higher Education Minister of The Gambia to our offices to discuss governmental plans for higher education and the wide range of opportunities for collaboration afforded by the ACU network. In the same



month, we attended the Conference of Commonwealth Health Ministers Meeting to highlight universities' contribution to universal health coverage.

In July 2023, we hosted a delegation from the Presidential Unit of the Government of Togo to discuss how international collaboration in higher education can contribute to their development plans.

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 climate-related challenges. In July 2023, members of the initiative announced a [new partnership with UN-Habitat](#) which aims to increase capacity of urban stakeholders in Commonwealth countries to tackle the challenges raised by rapid urbanisation.

In July 2023, we attended the **UN High Level Political Forum**, where we represented the interests of higher education as part of our tripartite partnership with the International Association of Universities and Agence Universitaire de la Francophonie. This included exploring a new partnership with the Education and Academia Stakeholder Group. In a roundtable held by Sustainable Development Solutions Network, the International Science Council, UN DESI, and others, we also fed into discussions on supporting science for the SDGs, to be included in ministerial communique at September's UN SDG Summit.

Also in July 2023, we presented an award at **International Green Gown Awards**, which recognise exceptional sustainability initiatives undertaken by universities. Steering committee members from our Higher Education and the SDGs Network and Commonwealth Climate Resilience Network were also judges. 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:

- [Universities are the perfect fora for debating the Commonwealth's future](#) (*Times Higher Education*)
- [Linking politics and research has never been more necessary](#) (*University World News*)
- [Commonwealth's diversity is made for collaboration](#) (*Research Fortnight*)
- [The clock is ticking for the SDGs](#) (*IAU Horizons Magazine*)
- [A fairer future for higher education](#) (*Commonwealth Education Report 2023*)

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. The latest issue, published in July 2023, explored how university humanities contribute to meeting the UN Sustainable Development Goals, featuring 12 academics in ten countries.

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: **Climate Adaptation and Resilience (CLARE)** is a UK-Canada framework research programme on climate adaptation and resilience, aiming to enable socially inclusive and sustainable action to build resilience to climate change and natural hazards in Africa and Asia-Pacific. The ACU provides consultancy-style services to the UK Foreign, Commonwealth and Development Office and Canada's



International Development Research Centre to support the design of research capacity-strengthening activities within the programme. Projects conducted include:

- A global mapping of institutions delivering research capacity-strengthening initiatives within the CLARE priority regions
- A mapping of capacity-strengthening activities within the successful proposals of the first CLARE research cohort, including emerging trends, possible synergies, potential gaps, outstanding examples, and recommendations

The **Commonwealth Futures Climate Research Cohort** programme, funded by the British Council, is designed to support a pipeline of early career researchers from Commonwealth countries, with the capacities to contribute to climate action research. With a focus on climate change mitigation and adaptation, an applied training programme supports these researchers to co-create a research project with the active participation of policy and/or practice stakeholders.

- In November 2022, the first iteration of this programme concluded, culminating in 22 early career researchers from 15 countries and 20 universities travelling to Egypt to take part in the 27th UN Climate Change Conference (COP27).
- In May 2023, the [second ACU Climate Research Cohort](#) was launched, including:
 - Recruitment of 20 early career researchers
 - Recruitment of seven partner institutions to provide specific support
 - Delivery of the first phase of the training programme, including three virtual training workshops and associated applied learning activities
 - Dissemination of seed grants to the 20 early career researchers to conduct initial stakeholder engagement and research scoping activities

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 year, the ACU continued to be a task lead in monitoring, evaluation, and impact assessment of the African Union and 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) is 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. [PEBL West Africa](#) began in September 2021, with support from the Australian Department of Foreign Affairs and Trade, and is working with 12 university partners in Ghana and Nigeria to build sustainable capacity for blended learning. Multiple milestones were reached in the second year of the project, including:

- 12 high-quality blended courses were developed and made available on OER Africa. to over 100 academics in partner universities.
- Successful trainings on pedagogy, quality assurance, open education resources, and gender mainstreaming were provided by Staff and
- Successful trainings on online facilitation and the use of the Learning Management System were provided by technical partners at the National Open University of Nigeria Educational Development Association, the Commonwealth of Learning, the University of New South Wales, and INASP respectively.
- [Cascade trainings](#) are currently under way to facilitate a multiplier effect at partner universities. To date, PEBL West Africa has trained more than 1,800 academics and 3,000 students through these cascades.



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

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

April 2023 saw the launch of the [ACU Equitable Research Partnerships Toolkit](#) - a collection of practical resources to assist analysis and action to address equity in research partnerships. Supporting the establishment and advancement of fairer north-south and south-south research relationships was at the forefront during its creation, which was informed by substantial research conducted with a range of ACU members from across the Commonwealth, as well as equitable research partnership stakeholders and experts. The toolkit looks to stimulate critical thinking and dialogue about what equity means, and what it might 'look like' in a research partnership, as well as suggesting practical actions to strengthen this. The toolkit was shared and explored through a series of activities including:

- A virtual [launch event](#) in April 2023, showcased the toolkit's resources.
- A virtual [interactive workshop](#) in May 2023 engaged participants in discussion and analysis on what equity is and how it might be achieved in global north-south dynamics.
- A [hybrid event in May 2023](#), held in partnership with the University of Pretoria, explored 'Imagining and understanding equitable research impact tools'.

The ACU's [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 2022-23, three virtual fellowships were awarded.

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 international collaboration in higher education.

As of the 31 July 2023, the ACU had 502 member universities, having welcomed 17 new members over the year. A new membership fee structure was introduced from 1 August 2023, which is based upon a formula related to the UN Human Development Index (HDI), and divided ACU members into three groups: low, medium, and high. Within these groups, the new subscription brackets are based on an individual institution's recurrent income as stated for the most recent financial year. This new model of redistributive membership subscription provides all universities in the Commonwealth with an affordable option to join the ACU. It is worth noting that the introduction of the new subscription fee model, along with more efficient debt management practices, may temporarily result in a decrease in membership numbers in early 2023/24.

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

In March 2023, the [ACU India Roundtable](#) series explored the future of higher education in India and across the Commonwealth. Hosted in partnership with three member universities in India, the events were a forum for universities across the Commonwealth to discuss issues of common relevance and [forge new partnerships](#) within and beyond India. More than 200 staff from 46 universities in



India, Australia, Bangladesh, Fiji, and the UK took part, as well as representatives from the University Grants Commission, the Association of Indian Universities, AusTrade, and the British Council.

In May 2023, we partnered with the Council for Education in the Commonwealth, the University of Nicosia, and the Foundation for the Management of European Lifelong Learning Programs on a three-day conference exploring '[Digital transition and inclusion in education: an agenda for action](#)'. The event, which took place at the University of Nicosia, Cyprus, looked at how digital transformation can contribute to greener and more inclusive societies.

In July 2023, the [ACU Canada Symposium](#) explored how universities are tackling inequity: the distinct and shared challenges they face and how international collaboration can support their efforts. Hosted in partnership with York University, Canada, the event brought university leaders together to discuss issues around access and inclusion, decolonisation, and higher education's social impact.

Throughout the year, the ACU's [five thematic networks and communities of practice](#) enabled 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 2022-23 include:

- In March 2023, two collaborative and interactive online events – titled '[Climate resilient researchers: essential skills to work with wicked problems](#)' – explored approaches to research into climate resilience and adaption. Both events were aimed at supporting early career researchers and fostering Commonwealth connections between them.

- The network ran a peer forum for early career researchers working in climate resilience, to share knowledge and build connections.
- The network sponsored staff exchanges between member institutions, to enable university staff working in climate resilience to share knowledge and experience.
- As of 31 July 2023, the Commonwealth Climate Resilience Network has 519 individual members at 196 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 2022-23 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.
- A [virtual event](#), hosted by Newcastle University, UK, and the University of Pretoria, South Africa, explored the role of equitable international partnerships in meeting the UN Sustainable Development Goals.
- As of 31 July 2023, the Higher Education and the SDGs Network has 729 individual members at 273 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 2022-23 include:

- This year's [HR in HE Community Challenge Grant](#) was awarded to the



University of Ghana to support a project to strengthen the capacity of university HR Officers in performance management systems and HR analytics, and share learnings with the wider ACU.

- [Planning for the new flexible world of work: Insights from across the Commonwealth](#) was an online workshop in September 2022, exploring how university HR practitioners continue to re-imagine the world of work in the wake of COVID-19.
- The work of members of the HR in HE Community in tackling systemic inequalities was showcased at the ACU Canada Symposium.
- As of 31 July 2023, the HR in HE Community has 518 individual members at 225 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 2022-23 include:

- Network members helped shape and design the content for the 2023 ACU Summer School on the theme: 'Truth and reconciliation: from apartheid to transitional justice'
- As of 31 July 2023, the Peace and Reconciliation Network has 206 individual members at 130 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 2022-23 include:

- Ten Early Career Researcher Training Grants were awarded to universities in Uganda, India, Ghana, Nigeria, Pakistan, New Zealand, and Mauritius.
- Three training sessions for early career researchers, funded by the ACU Early Career Researcher Training Grants, were made available to community members.

- The network funded 11 ACU members to attend the International Network of Research Management Societies (INORMS) Congress in South Africa in May 2023, and provided reduced registration rates to two more members.
- As of 31 July 2023, the Supporting Research Community has 968 individual members at 297 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 2022-23 include:

- Our ongoing drive to recruit ACU Ambassadors at member universities continued to be successful, with the total number increasing to 279.
- Our annual ACU [Ambassadors' Summit](#) took place in October 2022, delivered at two different times to accommodate multiple time zones. It was attended by 86 representatives.

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 2022-23, ACU delegations met with African, European and Canadian regional committee members in person in Pretoria, Nicosia and Toronto, respectively.

ACU Measures, our flagship member benchmarking 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.

- In April 2023, we [announced the results](#) of our inaugural survey, which looked at how universities across the Commonwealth are supporting research within their institutions. 95 universities in 29 countries took part, with the results highlighting unequal access to research funding and research support mechanisms in lower income countries.
- Media coverage of the survey (see Section 1) and our own articles about its findings enabled us to draw attention to the stark inequalities in university research funding and other research-related support, evidenced by the survey findings.
- In May 2023, we shared survey findings at the International Network of Research Management Societies (INORMS) Congress in South Africa.

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.

In 2022-23, we managed the UK government's three major scholarship programmes: Chevening, Commonwealth, and Marshall Scholarships, as well as the Queen Elizabeth Commonwealth Scholarships. In late 2022, the UK

government opened a competitive tender for Chevening and Marshall programmes, and in March 2023, we were informed that these programmes will be moving on to another provider, which resulted in a transition programme at the ACU.

We continue to be 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 until 31 August 2023, Chevening enables tomorrow's leaders to study in the UK and join a global community of professionals who are creating positive change. Updates from 2022-23 include:

- Over 72,000 applications were submitted for Chevening Scholarships and Fellowships.
- 1,394 scholars from over 140 countries and territories were welcomed to 105 universities in the UK.
- 311 scholars were supported by Chevening partner organisations, including UK universities, making up 22% of the cohort.
- Chevening delivered a programme of 45 cultural and academic events for scholars throughout the year, returning to in-person events in many cases and using the virtual model developed during the pandemic to allow wider access to other events.

[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. 40 Scholarships were awarded in 2023.

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.

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 2022-23 include:

- The Commission funded 671 scholarships and fellowships for the 2022-23 academic year, with around 1,700 scholars from 38 countries on award in total. This included 61 split-site scholarships, which support collaboration between UK and other Commonwealth universities.
- A full events programme was delivered, including a Development Training Programme (18 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 40 events for scholars in their respective regions.
- The Commission delivered a time-limited programme in clean energy, air and oceans, offering professional development opportunities to 19 fellows working in the area.
- 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 clean energy, air and oceans and sports for development during 2022-23.

The [**Ocean Country Partnership Programme \(OCP\) Scholarships**](#) were [launched](#) in September 2022. Funded through the UK's [Blue Planet Fund](#), these create unique opportunities for students to undertake a fully-funded Master's or PhD programme in marine science. The pilot cycle took place in 2022-23, offering postgraduate scholarships to 14 students from the Solomon Islands and Vanuatu to study at the University of the South Pacific. Further scoping is underway to extend the scholarship offer to further OCPP priority countries.

The [**Queen Elizabeth Commonwealth Scholarships \(QECS\)**](#) offer opportunities 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 2022-23 include:

- 15 scholars accepted their awards to study across 13 countries.
- There are currently 37 QECS scholars studying across 24 institutions, with subject areas ranging from Public Health to Youth Gender and Development.
- In September 2022, a further cohort of QECS scholars took part in the University of Manchester's online course on 'Creating a Sustainable World: 21st Century Challenges and the Sustainable Development Goals'. The course brought students from different academic disciplines together to devise practical solutions to global challenges.
- Scholars shared their experiences of engaging in local events, embracing the local cultures, and working on projects that benefit their host



communities. Examples include a menstrual hygiene awareness programme for secondary school students in Papua New Guinea and the formation of an international students association at a scholar's host university in Sri Lanka.

The [Turing Scheme](#) is the UK's global programme for studying, working, and living abroad. In the year covered by this report, the ACU continued to lead the assessment of grant applications for outward mobility funding for schools, further education/vocational education, and training and higher education, working with Capita as the scheme's delivery partner.

4.2 Seek to create and expand educational opportunities

4.3 Demonstrate the impact of international educational experiences and initiatives

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 and promote the value of international experiences more widely. Activities in this area include:

The ACU's **Challenge Grants** are specifically for members of the ACU's 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 grants:

- **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. As of 31 July, grantees are currently being selected for this year, with grants due to be awarded in October 2023.

- **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. These grants are attached to our Supporting Research Community, detailed under 3.2.

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. As of 31 July, the selection process for this year's awards is underway, with Fellowships due to be awarded in October 2023.

The [Commonwealth Virtual Exchange](#), launched in October 2022, is an eight-week virtual exchange programme linked to the UN Sustainable Development Goals. The programme, designed by senior specialists at member institutions, is designed to help students develop valuable skills such as leadership, teamwork, and entrepreneurial skills. Free for students to join and delivered entirely online, the initiative aims to ensure that a wider range of students have access to the benefits that international study experiences can bring. In the period covered by this report, 40 students from ten member universities took part in the pilot programme and the initiative was nominated for a global education award – The [PIEoneer Awards 2023](#) – for promoting diversity, equity and inclusion.

The **Routledge/Round Table Commonwealth Studentships** support PhD research projects on Commonwealth-related themes. In 2022-23, two grants were awarded to students in Nigeria and Australia. Funded projects included research interrogating how voters in Nigeria respond when their elected politicians change political parties and research examining the symbiotic relationship between politics and masculinities in Fiji.



The [ACU Summer School](#) brings Commonwealth students together to explore multidisciplinary, global issues 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 co-hosted by a different ACU member university. Locations to date have included Botswana, Cameroon, Canada, Ghana, Hong Kong, India, Malaysia, Mauritius, Rwanda, and the UK. Held annually, two Summer Schools fell within the period covered by this report:

- In August 2022, the [ACU Summer School 2022](#) was held in partnership with Leeds Trinity University, UK, on the theme of 'Sports and regeneration: Driving sustainability, community and wellbeing'. 30 students from 14 countries across the Commonwealth came together to explore sport's contribution to sustainable development – from financial sustainability within the global sport sector through to the role of physical activity in supporting healthy, inclusive communities.
- In July 2023, the [ACU Summer School 2023](#) was hosted at Stellenbosch University, South Africa, on the theme: 'Truth and reconciliation: from apartheid to transitional justice'. 40 students from 18 countries came together to learn about the political, social and economic forces that shaped 20th century South African politics. As well as lectures and debate, students were immersed in South African culture and visited the Desmond and Leah Tutu Foundation Exhibition to gain a deeper understanding of transitional justice.

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 2022-23, five grants were awarded to universities in Malawi, Kenya, UK, India and Nigeria for projects aimed at enhancing students' intercultural skills and global knowledge without the need for physical travel.

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

The ACU underwent an organisation-wide restructure, with the new structure being implemented from 1 September 2023. These changes will support the ACU's financial sustainability and result in a matrix way of working that will significantly contribute to achieving strategic priorities and enable the ACU to respond to the external opportunities and the challenges ahead.

As a result of not retaining the Chevening and Marshall contracts, we have been managing the TUPE transfer process for those staff members who worked on Chevening and Marshall. The transfer took place on 1 September 2023 to the new provider.

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

- **Strategies:** We have been developing a new People strategy and Equity, Diversity and Inclusion strategy to enhance our organisational capabilities, culture and people experience. We will begin implementing both of these strategies towards the end of 2023.
- **Culture:** We have continued to implement our new Centres of Excellence, with a new business partnering approach now in operation across the organisation.
- **Performance management:** The ACU carried out an extensive review of our performance management framework which was completed in July with changes to strengthen our approach being implemented from September 2023.
- Our activities to **promote wellbeing and inclusivity in the workplace**



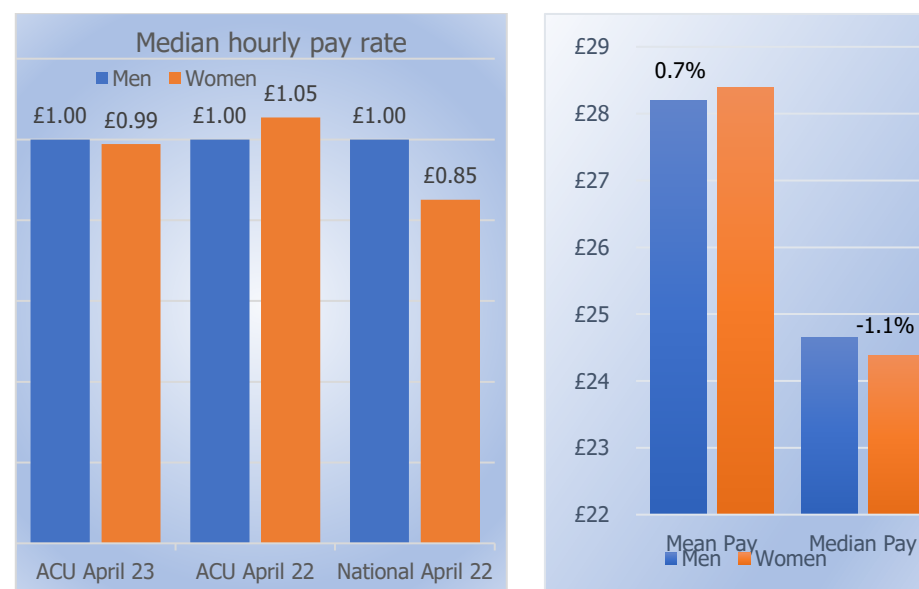
continued across the year, including menopause awareness training, neurodiversity awareness for staff and training for managers, initiatives led by the Wellbeing Committee such as mental health awareness week, and a push to improve the collection of diversity data from staff to improve policies and processes and help with monitoring purposes. We have also updated the EDI statement on our '[Work with Us](#)' web page and we are trialling using more diverse websites for advertising vacancies.

- **Compliance:** Since the implementation of this function, the ACU has developed a due diligence process to ensure the ACU only contracts with reputable third parties, therefore minimising risk especially in relation to financial crime. A compliance support network for all departments within the ACU has been established. Training in the form of e-learning has also been put in place and departments can now access a dedicated compliance page on the ACU intranet.
- **New Ways of Working framework:** We have continued to embed our New Ways of Working framework to combine office and remote working, encouraging flexibility, autonomy and trust, and promote efficient and effective working practices with a more flexible approach to where, how, and when we work.
- **Centres of Excellence:** Work has continued to embed the new approach to a shared services model of working, with 'Centres of Excellence' collectively delivering monitoring, evaluation, and learning and strategic communications activities for all scholarship and mobility programmes at the ACU (Chevening, CSC, Marshall, OCPP, QECS, and Turing), and for the ACU itself.

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 2023, the mean pay gap was 0.7% with females earning more than males and the median pay gap was 1.2% with males earning more than females. National median gender pay gap among all employees was 14.9% in 2022 with males earning more than females.



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

The ACU's **Research and Insight team** continued to monitor and evaluate 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 2022-23 include:

- The team undertook training in R programming, helping them to create



efficiencies in data importing/exporting, cleaning, wrangling and analysis to support the delivery of multiple areas of work across the ACU.

- The team created and circulated a series of 'dashboards' using Power BI software, which visualise data in a clear, compelling way and share insights and analysis. These enabled the team to synthesise and report on data in key areas of ACU activity – such as member engagement, prospective country penetration and membership rates, grants and networks engagement, etc – creating valuable internal analytics for enhancing member engagement.

In July 2023, we launched a [redesign of the ACU's website](#), including changes to the navigation and categorisation to improve the user experience and provide a better representation of who we are and what we do.

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 2022-23 include:

- We became an impact and knowledge exchange partner for [Climate U](#), a three-year research study focusing on the role of universities in combating climate change, enabling us share calls for participating universities and researchers with our network of members.
- 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.

- 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 ongoing work with the Commonwealth Futures Climate Research Cohort (see 2.1) and participation in the Going Global Asia Pacific 2022 conference in November 2022.
- We signed a refreshed Memorandum of Understanding with the **Commonwealth Enterprise and Investment Council** (CWEIC) and came together for a roundtable discussion on the future of university-industry collaboration, drawing on the results of our ACU Measures survey.
- We **signed** a Memorandum of Understanding with the **Institute of Commonwealth Studies** under the leadership of their new Director and have begun to explore areas of shared interest including climate action and developing the next generation of leaders in sustainable development. We signed a Memorandum of Understanding with **United Nations Human Settlements Programme** (UN Habitat) and other partners, to further advocate for the implementation of the Sustainable Development Goals (SDGs), in particular, Goal 11 of "Making cities and human settlements inclusive, safe, resilient and sustainable".





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 £10k before actuarial gains and transfers between funds. Unrestricted reserves at 31 July 2023 stand at £5,396k.

The Statement of Financial Activities (SOFA) for the year is set out on page 27. A summary of the activities and the financial results is given below.

Unrestricted Funds - General

During the year we took the tough decision to reinstate our policy of suspending members who hadn't paid their membership fees for the last two years. This led to a drop in our income and our provision for bad debt. On a positive note, we welcomed 16 new members. We increased the 2022/23 membership fee by 4%. The net effect of this was a £7k decrease in income to £1,208k.

Our external administration fees increased by £600k to £7,857k. This increase was primarily due to hosting events such as the Chevening farewell and orientation. We are delighted to announce our collaboration with the Centre for Environment, Fisheries and Aquaculture Science (Cefas) on the Ocean Country Partnership Programme (OCP). This programme, focused on the research themes of marine pollution, sustainable seafood and marine biodiversity, is part of the UK Government's Blue Planet Fund.

Investment income declined by £55k to £348k. This decline was a result of us selling £1m worth of investments to support our cashflow and a £243k drop in market value of investments.

Total resources expended increased by £652k to £9,597k. This increase was driven by several factors, including the costs associated with hosting events like

the Chevening farewell and orientation, holding an in-person Council meeting, increased travel expenses to support our membership and the Chevening selection process, and higher employment costs.

Employment costs for unrestricted activity increased by £102k to £6,476k. The average headcount charged to General Funds has increased by 1 to 117.

	2022/23 £'000	2021/22 £'000
Membership income	1,208	1,215
External administration	7,857	7,257
Investment income / interest	348	403
Other Income	194	82
Total Income	9,607	8,957
Total Expenditure	9,597	8,945
Net operating income as per SOFA	10	12
(Loss) / Gain on investments	(243)	(143)
Actuarial gains on defined benefit pension schemes	59	66
Net movement in funds	(174)	(65)
Funds brought forward	5,994	6,669
Transfer to Designated Funds	(424)	(610)
Funds carried forward	5,396	5,994



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 £212k (2022: £299k).
- 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 £0.4m to support income generating opportunities and an innovation fund to support business development. Closing balance is £1,288k (2022: £1,851k).

Closing balance of Designated funds is £1,500k (2022: £2,150k). 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 £636k (2022: £561k) of investment income during the year. All the endowment income was credited to the relevant Restricted Funds. Investment worth £250k were sold to support cashflow relating to endowment funded activities. The market value of investments reduced by £33k to £25,417k. Note 15 lists the amount awarded in grants.

The value of the Permanent Endowments stood at £17,499k (2022: £17,608k). The value of Expendable Endowments stood at £7,803k (2022: £7,766k).

Closing balance of the endowment funds is £25,302k (2022: £25,374k).

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 +0.83% for the 12 months to 31 July 2023.



The ACU has 9 investment portfolios.

Fund / Purpose of Fund	Permanent / Expendable	Investment Manager	Value at 31 July 23 £'000	Actual Performance %
CSFP Anniversary Queen Elizabeth Commonwealth Scholarships	Permanent	Newton	10,840	+0.90%
CSFP Anniversary Queen Elizabeth Commonwealth Scholarships	Restricted	Newton	130	+0.90%
QECS Scholarships Queen Elizabeth Commonwealth Scholarships	Expendable	Newton	6,193	+0.90%
QECS Frances & Philip Turner Queen Elizabeth Commonwealth Scholarships	Permanent	Newton	620	+0.90%
ACU Main Fund Investment of ACU reserves	Permanent	CCLA	6,993	(2.6%)
ACU Endowment ACU Development Fellowships	Permanent	CCLA	5,786	(2.6%)
Edward Boyle Edward Boyle medical electives	Permanent	CCLA	150	(2.6%)
Annenberg Marshall Aid Commemoration Commission scholarships	Permanent	CCLA	720	(2.6%)
Marshall Sherfield Post-doctoral fellowship for US students	Expendable	CCLA	977	(2.6%)



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 on 30 May 1963 and is governed by the Royal Charter, Byelaws 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 2022/23. 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 regular reviews of its governance arrangements, with the next review planned for the second half of 2024. 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 Leadership 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 £5.2m (2022: £5.7m) is £0.4m (2022: £1.2m) 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 450 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 (Chair)	University of Canterbury, New Zealand
Professor Feridun Hamdullahpur	Formerly 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 Pal Ahluwalia	University of the South Pacific, Fiji
Professor Sandeep Sancheti	Marwadi University, India
Professor Barnabas Nawangwe	Makerere University, Uganda
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. Professor Sudantha Liyanage	University of Sri Jayewardenpura, Sri Lanka
Professor Wendy Thomson CBE	University of London, UK
Professor Dato' Ir Dr. Mohd Hamdi Abd Shukor	University of Malaya, Malaysia

New members (from 01/08/2023)

Professor Simone Buitendijk	The University of Leeds, UK
Professor Ms Hina Tayyaba Khalil	Pakistan Institute of Fashion and Design, Pakistan

Professor Sasmita Samanta	Kalinga Institute of Industrial Technology (KIIT), India
Professor Kabiru Aderemi Adeyemo	Lead City University, Nigeria
Professor Sibongile Muthwa	Nelson Mandela University, South Africa

Departing members (to 31/07/2023)

Professor Wim de Villiers	Stellenbosch University, South Africa
Professor Colin Riordan	Cardiff University, UK
Professor Shalini Bharat	Tata Institute of Science and Technology, India
Professor Francis W. O. Aduol	Technical University of Kenya, Kenya
Professor Tawana Kupe	University of Pretoria, South Africa

Audit and Risk Committee

Professor Amanda Broderick (Chair)
Mr Graeme Appleby
Professor Feridun Hamdullahpur
Professor Wendy Thomson (to 31/07/2023)
Professor Sir Hilary Beckles

Remuneration Committee

Professor Feridun Hamdullahpur
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 Leadership Team is responsible for the day-to-day running of the ACU under authority delegated to the CEO by the Trustees. The Leadership Team consists of the CEO, CFO and four Directors.

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

Investment Managers:

Newton Investment Management
160 Queen Victoria Street
London EC4V 4LA

Auditors

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

Bankers:

National Westminster Bank plc
Chancery Lane
Holborn
London WC2A 1AE

CCLA
85 Queen Victoria Street
London EC4V 4ET





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

29 November 2023





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 2023 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 2023 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
Statutory Auditor
55 Ludgate Hill
London, EC4M 7JW

Date 21 December 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 2023

	Note	Unrestricted Funds		Restricted Funds	Endowment Funds	Total 2023	Total 2022
		General	Designated				
		£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:							
Grants & donations	2	-	-	876	-	876	923
Membership income		1,208	-	-	-	1,208	1,215
External administration	3	7,857	-	-	-	7,857	7,257
Investment income/interest	4	348	-	636	-	984	964
Other		194	-	11	-	205	74
Total Income		9,607	-	1,523	-	11,130	10,433
Expenditure on charitable activities:							
Project grants		-	-	851	-	851	899
Membership engagement		1,412	517	-	-	1,929	1,813
Scholarships, grants and awards		186	-	597	-	783	894
External and fund administration		7,929	557	-	-	8,486	8,150
Expenditure on other activities:							
Investment management		70	-	159	-	229	283
Total Expenditure	5	9,597	1,074	1,607	-	12,278	12,039
Net income / (expenditure) before gains / (losses) on investments		10	(1,074)	(84)	-	(1,148)	(1,606)
(Losses) / Gains on investments	8	(243)	-	39	(72)	(276)	(485)
Net (expenditure) / income before transfers		(233)	(1,074)	(45)	(72)	(1,424)	(2,091)
Transfers between funds	11	(424)	424	-	-	-	-
Net (expenditure) / income before other recognised gains and losses		(657)	(650)	(45)	(72)	(1,424)	(2,091)
Actuarial gains on defined benefit pension schemes	20	59	-	-	-	59	66
Net movement in funds		(598)	(650)	(45)	(72)	(1,365)	(2,025)
Funds brought forward		5,994	2,150	289	25,374	33,807	35,832
Funds carried forward	11 – 13	5,396	1,500	244	25,302	32,442	33,807

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



Group and Charity Balance Sheet as at 31 July 2023

		Group		Charity	
	Note	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fixed assets					
Intangible assets	7a	-	148	-	148
Tangible assets	7b	211	299	211	299
Investments	8	32,409	33,935	32,409	33,935
Total Fixed Assets		32,620	34,382	32,620	34,382
Current assets					
Debtors	9	454	591	454	588
Cash at bank and in hand		2,235	1,627	2,098	1,517
Total Current Assets		2,689	2,218	2,552	2,105
Liabilities					
Creditors amounts falling due within one year	10	(2,557)	(2,424)	(2,421)	(2,311)
Net Current (Liabilities) / Assets		132	(206)	131	(206)
Net assets excluding pension liability		32,752	34,176	32,751	34,176
Defined benefit pension scheme liability	20	(310)	(369)	(310)	(369)
Total Net assets		32,442	33,807	32,441	33,807
Funds					
Unrestricted funds: General	11	5,396	5,994	5,396	5,994
Designated	11	1,500	2,150	1,500	2,150
Endowment funds	12	25,302	25,374	25,302	25,374
Restricted funds	13	244	289	244	289
Total funds		32,442	33,807	32,442	33,807

These financial statements were approved and authorised for issue by the Council on 29th November 2023 and signed on their behalf by:

Professor Cheryl de la Rey
Chair of the Council

Professor Colin Riordan
Secretary General



Group Cash Flow Statement for the year ended 31 July 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities:			
Net cash used in operating activities		(1,626)	(2,645)
Cash flows from investing activities:			
Investment Income and Interest	4	984	964
Proceeds from sale of investments	8(a)	1,250	1,000
Net cash provided by investing activities		2,234	1,964
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		608	(581)
Cash and cash equivalents at the beginning of the reporting period		1,627	2,208
Cash and cash equivalents at the end of the reporting period		2,235	1,627

Reconciliation of cash flows from operating activities:

	2023 £'000	2022 £'000
Net (expenditure) / income for the reporting period	(1,365)	(2,025)
Adjustments for:		
Amortisation and depreciation charge	236	237
Losses / (Gains) on investments	276	485
Investment income received	(984)	(965)
Decrease / (Increase) in debtors	137	401
(Decrease) / Increase in creditors	133	(612)
Pension changes	(59)	(66)
Receipt of endowment	-	(100)
Net cash used in operating activities	(1,626)	(2,645)

ANALYSIS OF CASH AND CASH EQUIVALENTS

	Opening balance £'000	Cash Flow £'000	Closing balance £'000
Cash at bank and in hand	1,627	608	2,235
	1,627	608	2,235



9 Notes to the Financial Statements year ended 31 July 2023

1. Accounting policies

(a) Accounting convention

ACU is a Public Benefit Entity registered as a charity in England and Wales on 5 March 1963 (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 2019").

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 provide by the pension schemes. Further information is provided in Note 1(I) and Note 20.

(b) Income

Income is included in the SOFA once entitlement has been met, the amount can be reasonably measured, and there is probability of receipt. Specifically:

- Membership income is recognised in the subscription year which starts on 1 August. The fee is an annual subscription and therefore income is not deferred.
- External administration income is recognised in the month the service is provided, in line with the contract with the scholarship funder.

Performance related grants are recognised when the conditions under the agreement have been met for the specific milestones and requirements set by the donor.



(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 Trustees have reviewed the three-year budget that looks at the strength of the income and expenditure statement, balance sheet and cashflow. In addition, the Trustees have considered potential challenges, including the impact of reduced income from external administration fees and a decrease in income from government grants.

While uncertainties exist regarding future funding from Commonwealth governments, the Trustees wish to emphasize that these uncertainties do not represent a material concern that would cast doubt on the Charity's ability to continue as a going concern.

The Trustees therefore consider that it is entirely appropriate to prepare the financial accounts on a going concern basis.



2. Grants and donations received

	2023 £'000	2022 £'000
Grants from UK Government		
Foreign, Commonwealth and Development Office – CIRCLE	160	146
Foreign, Commonwealth and Development Office – PEBL SPHEIR Project	-	308
	160	454
Grants from other Agencies		
Australian Government - Department of Foreign Affairs and Trade	607	259
European Commission – L4F	-	27
Other	76	51
	683	337
Legacies and Grants from charitable foundations		
Marshall Sherfield Fellowship Foundation	33	32
F&P Turner Endowment	-	100
	33	132
	876	923

3. External administration fees

	2023 £'000	2022 £'000
Chevening Scholarships	4,440	4,030
Commonwealth Scholarship award schemes	2,506	2,436
Marshall Scholarship scheme	298	237
Staff & Educational Development Association	123	108
Turing Scheme	321	422
Ocean Country Partnership Programme	160	-
Other schemes	9	24
	7,857	7,257

4. Investment income and interest

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
Investment income	343	636	979	963
Bank interest	5	-	5	1
	348	636	984	964



5. Analysis of total resources expended

	Staff costs £'000	Grants Paid £'000	Direct Costs £'000	Support costs £'000	Total £'000
Charitable activities:					
Project grants	243	83	525	-	851
Membership services	667	32	434	796	1,929
Scholarships, grants and awards	160	551	72	-	783
External and fund administration	4,532	(5)	1,057	2,902	8,486
Fundraising activities:					
Investment management costs	-	-	229	-	229
	5,602	661	2,317	3,698	12,278

Support Costs

	Membership Services £'000	External and fund admin £'000	Total £'000
Staff Costs	440	1,607	2,047
Consultants	61	222	283
Office and Facilities	190	693	883
IT	71	261	332
Governance	21	77	98
Other	12	43	55
	795	2,903	3,698

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:

	2023 £'000	2022 £'000
Audit fees – ACU	20	17
Audit fees – ACU Trading Ltd	3	3
Other non-audit work	3	4
Council Meetings	75	-
Depreciation and amortisation	236	238



6. Staff costs

a) Staff costs

	2023 £'000	2022 £'000
Wages and salaries	5,744	5,417
Social security costs	625	631
Pension costs	646	669
	7,015	6,717

During the year £139k termination payment was made. A further payment of £90k is outstanding at year end (2022: £116k).

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 £503k (2022: £460k).

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:

	2023* Number	2022 Number
£60,001 to £70,000	3	2
£70,001 to £80,000	2	-
£80,001 to £90,000	-	1
£90,001 to £100,000	-	1
£100,001 to £110,000	1	2
£110,001 to £120,000	1	-
£130,001 to £140,000	1	-
£140,001 to £150,000	1	1
	9	7

* Includes 4 members who received termination payments

Of the above higher paid employees, 3 (2022: 4) were accruing benefit during the year, and 2 at the end of the year, in respect of membership of a defined benefit pension scheme.

The average headcount during the year was 134 (2022: 130).

b) Trustees remuneration and expenses

No Trustee received any remuneration in the year (2022: £nil). Trustees or their institutions were reimbursed £34k for travel expenses incurred during the year (2022: £nil).



7. Group and Charity Assets

a) Intangible Assets

	Computer software £'000
Cost	
At 31 July 2022	668
At 31 July 2023	668
Amortisation	
At 31 July 2022	520
Charge for year	148
At 31 July 2023	668
Net book value	
At 31 July 2023	-
At 31 July 2022	148

b) Tangible Assets

	Computer equipment £'000	Office Re- configuration £'000	Total £'000
Cost			
At 31 July 2022	131	787	918
At 31 July 2023	131	787	918
Depreciation			
At 31 July 2022	131	488	619
Charge for year	-	88	88
At 31 July 2023	131	576	707
Net book value			
At 31 July 2023	-	211	211
At 31 July 2022	-	299	299

At 31 July 2023 there were no capital commitments.



8. Group Investments

a) Movements in quoted investments

	Unrestricted funds		Restricted & Endowment funds	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Market value, 1 August	8,236	9,379	25,699	26,040
Disposals at opening market value	(1,000)	(1,000)	(250)	0
Unrealised (losses) / gains on revaluation	(243)	(143)	(33)	(341)
Market value, 31 July	6,993	8,236	25,416	25,699
Cost, 31 July	5,547	6,371	11,049	11,250

b) Analysis by type

	Unrestricted funds	Restricted funds	Endowment funds	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
Quoted investments	6,993	129	25,287	32,409	33,935
Cash held for investment purposes	-	-	-	-	-
	6,993	129	25,287	32,409	33,935

9. Debtors and prepayments

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors	269	432	269	432
Sundry debtors	2	9	2	6
Accrued Income	81	15	81	15
Prepayments	102	135	102	135
	454	591	454	588



10. Creditors: amounts payable within one year

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade creditors	189	174	189	167
Deferred income	1,138	1,476	1,138	1,476
Income Tax and NI contributions	151	168	25	35
Value Added Tax	294	280	295	280
Sundry creditors	495	58	444	8
Accruals	290	268	166	134
Amounts due to ACU Trading Limited	-	-	164	211
	2,557	2,424	2,421	2,311

Deferred income

	Opening Balance £'000	Released in year £'000	Deferred in year £'000	Closing Balance £'000
Membership	7	(7)	4	4
Programme Delivery	824	(607)	342	559
External administration fee	611	(611)	551	551
Other	34	(34)	24	24
	1,476	(1,259)	921	1,138

11. Designated and General Funds

2023	Brought Forward £'000	Income £'000	Expenditure £'000	Gains £'000	Transfers £'000	Carried forward £'000
ACU office	299	-	(87)	-	-	212
Road to 2030	1,851	-	(987)	-	424	1,288
Designated Funds	2,150	-	(1,074)	-	424	1,500
General Funds	5,994	9,607	(9,538)	(243)	(424)	5,396
	8,144	9,607	(10,612)	(243)	-	6,896

Council approved a further transfer of £0.4m from General Funds to Designated Funds to support income generating opportunities and an innovation fund to support business development.



2022	Brought Forward	Income	Expenditure	Gains	Transfers	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'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

12. Endowment funds

2023	Opening funds	Gains on investment	Closing funds
	£'000	£'000	£'000
Permanent endowment			
CSFP Anniversary	10,776	67	10,843
ACU	5,943	(153)	5,790
Edward Boyle	150	(4)	146
Annenberg Foundation	739	(19)	720
	17,608	(109)	17,499
Expendable endowment			
Queen Elizabeth Commonwealth Scholarships	6,149	57	6,206
Marshall Sherfield	1,002	(26)	976
F&P Turner	615	6	621
	7,766	37	7,803
Total endowments	25,374	(72)	25,302

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.



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



NOTES TO THE ACCOUNTS

13. Restricted Funds

2023

	Opening Balance £'000	Total Income £'000	Expenditure £'000	Gains on investment £'000	Closing Balance £'000
ACU Development Fellowships ¹	251	247	(185)	-	313
Queen Elizabeth Commonwealth Scholarship ¹	(106)	315	(475)	39	(227)
F&P Turner ¹	16	11	(11)	-	16
Marshall Sherfield Fellowships	97	73	(53)	-	117
Annenberg	3	29	(29)	-	3
Edward Boyle (Medical Electives)	12	6	(1)	-	17
HW Paxton Legacy	94	-	-	-	94
Symons Medal	7	-	-	-	7
Climate Impacts Research Capacity and Leadership Enhancement ²	4	160	(157)	-	7
Partnership for Enhanced & Blended Learning (West Africa) ¹	(82)	606	(558)	-	(34)
LEAP ³	(9)	-	(26)	-	(35)
Climate Cohort - COP26 ¹	(4)	-	4	-	-
Commonwealth Futures Climate Research Cohort ⁴	-	76	(116)	-	(40)
Commonwealth Futures – British Council	5	-	-	-	5
Mzuzu University, Malawi	1	-	-	-	1
	289	1,523	(1,607)	39	244

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

4: Aims to equip rising star researchers at ACU member universities with the relevant skills needed to effectively engage non-academic audiences with research and enhance the capability of cohort members to inform policy and practice within the context of COP.

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



NOTES TO THE ACCOUNTS

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

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



14. Analysis of Group assets between Funds

2023	Pension and other liability £'000	Fixed assets £'000	Investments £'000	Net current assets / (liabilities) £'000	Total £'000
Endowment Fund	-	-	25,287	15	25,302
Restricted Fund	-	-	129	115	244
Unrestricted Designated Fund	-	299	-	1,201	1,500
Unrestricted General Fund	(310)	-	6,993	(1,287)	5,396
	(310)	299	32,409	44	32,442

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



15. Grants, awards and scholarships awarded from Endowments

		Total value £'000	Number awarded
Queen Elizabeth Commonwealth Scholarship	The CSFP Anniversary, Queen Elizabeth Commonwealth Scholarships and F&P Turner endowments support the Queen Elizabeth Commonwealth Scholarship awards which enables people from around the Commonwealth to study in low and middle income countries at ACU member institutions.	402	63
ACU Development Fellowships	The ACU's own endowment income is used to support small scale collaboration between member universities through bursaries.	87	60
Marshall Sherfield Fellowship Scheme	Funds post-doctoral fellowships for US students and are supplemented by grants from the Marshall Sherfield Fellowship Foundation in the US.	37	1
Endowment funded awards		526	124
Climate Cohort- Group (COP26)	Funded by the British Council, it supports early career researchers from around the Commonwealth to enhance their skills in engaging policy makers and practitioners in their research findings.	39	26
Ocean Country Partnership Programme	Funded by the Department for Environment, Food & Rural Affairs under the auspices of the UK Government's Blue Planet Fund. It supports Master's and PhDs focused on the research themes of marine pollution, sustainable seafood and marine biodiversity.	161	19
Grant funded awards		200	45
TOTAL		726	169

In addition to the above, nearly 6,000 scholars benefitted from training provided by the Australian government funded Partnership for Enhanced & Blended Learning (West Africa) programme. The programme is 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.



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	1,692	56,628	(55,738)	2,582
Commonwealth Scholarship Scheme	1,730	31,526	(28,452)	4,804
Marshall Aid Commemoration Commission	1,009	3,712	(3,105)	1,616
Staff and Educational Development Association	233	277	(251)	259
Heads of Educational Development Group	20	28	(26)	22
The Centre for the Environment, Fisheries and Aquaculture Science	0	725	(321)	404
Total Third Party Funds	4,684	92,896	(87,893)	9,687

17. Future financial commitments

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

	2023 Land and buildings £'000	2023 Office equipment £'000	2022 Land and buildings £'000	2022 Office equipment £'000
Within one year	340	-	340	2
After one year but within five years	482	-	821	-
Charged to SOFA during the year	340	-	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:

	2023 £'000	2022 £'000		2023 £'000	2022 £'000
Turnover	5,842	5,332	Debtors	3	1
Cost of sales	5,599	5,009	Cash at bank	110	264
Gross Profit	243	323	Current assets	113	265
Administration	243	323	Creditors	113	265
Net profit	-	-	Total Net assets	-	-
Net assets	-	-	Reserves	-	-



19. Related Parties

	2023 £'000	2022 £'000
Balances owed to ACU Trading Ltd	164	211
Paid to ACU Trading Ltd for services	5,842	5,332
Received from ACU Trading Ltd for services	205	178

20. Pension Commitments

(a) Universities Superannuation Scheme (USS)

The total cost charged to the profit and loss account is £199k (2022: £252k)

Deficit recovery contributions due within one year for the institution are £48k (2022: £56k).

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
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The current life expectancies on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

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:

	2023	2022
Discount rate	5.52%	3.31%
Pensionable salary growth	3.00%	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 £5K (2022: £6K). This includes nil (2022: nil) outstanding contributions at the balance sheet date, and £nil deficit contributions (2022: nil).