Universities UK

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Principle 2 – leadership

The Board is led by the President, supported by a Board Advisory Committee. Across the Board and Committee there are robust debates leading to an agreed direction for the officers and staff to follow. 2020–21 was the second year of the President's two-year term, and elections took place in the year for President and other vacant Board posts as members come to the end of their terms. The President has oversight of CEO performance.

Principle 3 - integrity

Board and Board Advisory Committee members declare all conflicts of interest at every meeting and will absent themselves from discussions as required. Through its sub-committee structures the Board has oversight of issues such as finances, HR practices, procurement, data security and integrity, safeguarding and remuneration to make sure that the charity operates responsibly in line with its own ethics and values.

Principle 4 – decision making, risk and control

The Board have oversight of finance, performance and risk through its sub-committee structure and Board meeting agendas. The Audit and Risk Committees considers risk at each meeting. The Board are presented with the strategic risk registers at every meeting and have a full discussion on risk once a year, or more often if significant changes occur. All sub-committees have Terms of Reference established which are approved by the Board. As a result of the Covid-19 crisis, the Board has met more frequently through the year as required and established several subgroups to work on specific issues.

Principle 5 – Board effectiveness

15 out of 21 Board members are elected from the membership by the membership. There are agreed lengths of time for Board members to serve, and they are subject to re-election when those terms expire. It is unusual for terms to exceed nine years, but possible if members are elected to different roles on the Board or they have specific expertise or responsibilities relevant to the Board's deliberations and the organisation's strategic priorities.

By 31 July 2021, Professor Dame Janet Beer DBE (President and chair of the Board from 2017-19) had served 12 years in a number of different elected roles and is now elected by the membership for a further 3-year term starting 1 August 2020 as Policy Lead for International. The average length of service among Board members is 3.5 years.

Principle 6 – equality, diversity and inclusion

Much of the Board (15 members) are elected from and by the membership, therefore there is a limit to the number and diversity of potential candidates. The remaining positions are 'nominated members' identified by the Governance and Nominations Committee and approved by the Board. The nominated positions are selected using a matrix of skills, experience, knowledge, background and institution. The Governance Effectiveness review found that "... as far as it can within the constraints of an elected Board, Universities UK takes reasonable steps to ensure that diversity in its widest sense is prioritised and implemented".

Principle 7 – openness and accountability

The Board and Executive team make every effort to engage with the full membership and give all members opportunities to participate in the setting the direction of work for the charity through regular member meetings, roundtable events, VC dinners with the senior team and task and finish groups. The Chief Executive host monthly Teams calls for groups of 15-20 members, to which all members are invited, to discuss current issues. Members of the senior team also regularly speak one-to-one with members and visit universities, meeting with members of their senior teams.

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Strategic aims

Activities for members – England, Northern Ireland, UK wide and International

Our activities include policy research, analysis and development, relationship building, lobbying and advocacy, communications with the media, public and stakeholders and development and delivery of services to our members.

Members are at the heart of our work and keeping members informed, connected with their peers and stakeholders and campaigning and lobbying on their behalf are priorities. Engagement with members stepped up signi□cantly as we supported them with the implications of Covid-19. This included brie□ng emails from the CEO to members, emails to senior institutional teams with a roundup of developments, over 60 group calls (via Microsoft Teams) led by the CEO with Vice-Chancellors (typically in groups of c20) to update and seek feedback on developing issues and more than 100 electronic updates. On an individual basis we matched Vice-Chancellors in mentoring relationships and supported mid-term and new Vice-Chancellors coming into role during the year through peer-to-peer learning and support.

Following a comprehensive Governance Review in 2018, we have now completed the implementation of all its recommendations. The changes to the Articles were agreed at the December 2020 AGM, a new subcommittee structure (including a new governance and nominations committee) and other governance e□ectiveness enhancements are in place and the Board has now been reduced from 24 to 21 members. Throughout the Covid-19 crisis the Board and Board Advisory Committee has met more frequently to respond e□ectively to the volatile situation.

Universities UK has secured a signi□cant amount of parliamentary engagement in the year with 174 written and oral questions in parliament on issues of interest to our members and 81 positive references

Free speech and academic freedom

Free speech and academic freedom continue to feature on the political agenda. Universities UK has convened an Advisory Group to help shape our response to the Free Speech (Higher Education) Bill.

Placing universities at the heart of recovery, skills, knowledge and opportunity

Universities have played a key role in helping the nations, economy and communities respond to the immediate challenges of Covid-19, building upon and deepening local partnerships. The publication of an ambitious and compelling vision for UK higher education places universities at the heart of e□orts to create a more equal, healthier, and sustainable future. In September 2020 Universities UK published a report commissioned by the Industrial Strategy Council illustrating the contribution of further and higher education to the UK's prosperity.

Value

Publication of a progress review on behalf of the UK Standing Committee for Quality Assessment on universities' e□orts to protect the value of their quali□cations. Formation of a Universities UK advisory group to develop a charter to demonstrate the sector's commitment to consistency and transparency in processes to tackle low value courses.

Supporting creative arts

The work supporting the small and specialist institutions continues with the Specialist Institutions Forum (SIF) and Conservatoires UK continuing to meet and tailoring policy responses and the Covid-19 response to their speci□c needs.

- Through a successful joint lobbying e□ort, the specialist institution forum and Conservatoires UK were able to ensure Creative art students were part of the □rst tranche to return to in person tuition in April.
- SIF members have been able to work collectively across all disciplines (art, science and business) on a variety of programmes including the Universities UK's quality and standards charter and Universities UK's Harassment Guidance.
- This past year Conservatoires UK have been involved in Universities UK's Mission Group sharing good practice and raising issues in relation to DfE guidance on Covid.

Research and innovation

- In□uenced the regulatory landscape being applied to universities during the pandemic.
- Identi□ed and addressed Covid challenges for international students including the organisation of charter □ights and responding to concerns around international student hardship.

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In 2020–21 our work included production of evidence-based outputs on the most signi□cant issues facing the higher education sector, to in□uence policy making, support universities to enhance positive impact, share e□ective approaches to common challenges and to help our members to achieve their overall missions and objectives. These outputs included:

- **Managing risks in Internationalisation: Security related issues** - guidance to support institutional leaders to better protect themselves, their sta□, and students from security-related risks. The guidance assists them to protect the values of UK higher education while better understanding and managing risks associated with international partnerships.
- **Fair Admissions Review recommendations** - following an 18-month independent review and comprehensive analysis of the evidence involving extensive polling and consultation with students, schools, colleges, recent graduates, employers and education sector groups.
- **#2020MadeUs** - Universities UK launches campaign to boost con□dence among

- **Transnational routes to on-shore UK higher education** – helping the UK education sector better understand the progression of overseas students from programmes delivered overseas onto first degree programmes delivered in the UK.
- **Building the global reputation and delivery of UK transnational online higher education** – summary of recommendations from a transnational education task and finish group.
- **Post-Brexit immigration rules in Europe** – a report commissioned to help universities' international offices in their work of sending students abroad, as well as researchers who have to visit these counties for their research.
- **Supporting international student financial hardship: guidance for universities** – points to consider when dealing with international student hardship and examples of best practice already undertaken within higher education institutions.
- **Internationalisation at home: developing global citizens without travel** – showcasing impactful programmes, benefits and good practice.
- **Two years on: ongoing impact of the 2018/19 Rutherford Fund Strategic Partner Grants**
- **Short-term mobility, long-term impact: inclusive international opportunities of less than four weeks** – supported by case studies and focus groups drawn from universities across the UK, this report reviews impact and benefits of short-term mobility programmes and identifies models of good practice.

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Universities Scotland represents the Principals and Directors of Scotland's 19 higher education institutions, developing higher education policy and campaigning on issues where members have a shared interest. 2020–21 was another extraordinary year for Universities Scotland, dominated by continued management of the Covid emergency and positioning universities as a force that will drive post-pandemic recovery.

Key achievements over the year include:

- Ensuring that universities could operate as far as was consistent with the Scottish Government's very cautious approach to management of Covid risks: this required continued intensive engagement to inform successive iterations of Scottish Government guidance to institutions.
- Intensive media relations work to represent the sector's interests during controversy about the impact of the pandemic on student welfare.
- A Scottish Budget outcome representing a £123.2m (11.4%) increase in Scottish Government funding for higher education.
- Influence on manifestos before the Scottish parliament elections, leading to election of a Scottish Government with a specific manifesto commitment to sustainable funding for higher education.
- Post-election building of relationships with new Ministers and opposition higher education spokespeople.
- Further progress in widening access to higher education, through publication of a joint report with Colleges Scotland on action to develop learners' pathways from college to university, and creation of a joint university/ college group to drive this forward.
- A new campaign, 'Skills+', to promote the ways in which universities develop graduates with a wide range of skills and attributes for success in the future economy.
- A strong Scottish front in the Universities UK 'Getting Results' campaign, positioning Scotland's universities as key drivers of post-pandemic recovery.

- Profound in□uence on the Scottish Funding Council's review of higher education, leading to publication of a report that strongly a□rms universities' contribution to the recovery and challenges government to support that.

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As well as supporting Welsh universities throughout the pandemic and working collaboratively with Welsh Government in tackling the challenges posed by Covid-19, Universities Wales also delivered across a range of priorities including the 2021 election, international activity, research collaboration and civic mission.

- Welsh Parliament election 2021: Ahead of the Welsh Parliament election in May 2021, Universities Wales delivered the **Building Wales' Future** campaign which set out universities' aims for Wales and the

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The Council of Deans of Health

As in 2019–20, the sector's response to Covid heavily influenced the Council's policy work, with key achievements in the following areas:

- Securing significant new public capital investment for simulation to support education: following sustained lobbying by the Council, in March the Department of Health and Social Care (DHSC) announced up to £15m of new funding to support simulation in education. In the same month and following a successful proposal by our members in Scotland, Scottish Government allocated £3.8m to develop and support simulated healthcare placements, with additional funding earmarked to support student supervision in practice.
- Creating a simple and inclusive method of allocation for new simulation funding: in an unprecedented step, the Council partnered with Health Education England (HEE) to allocate public funding to our members. We were also able to ensure all healthcare faculties received a meaningful amount of funding whilst allocating more to larger providers and ensuring allied health student numbers were taken into consideration in a scheme originally designed for nursing. This approach has been popular with members and HEE, who commended us for our involvement in this work.
- Negotiating the redeployment of students in England to support Covid: in January, the Council was able to draw on lessons learnt during Spring and Summer 2020 to co-design a system that provided local and regional flexibility as well as student choice within a university-led model. Our negotiations were based on a clear position statement approved by our members following internal consultation. Members and students have reported fewer problems with this round of deployment. January's policy and engagement activities were dominated by these important operational developments.
- Achieving regulatory flexibility for our members: working with the Nursing and Midwifery Council (NMC), we secured renewed flexibility in the student support and supervision regulations, which has helped to ease pressure on practice during the second wave of the pandemic. We successfully lobbied for an increased use of simulation in practice education. An additional recovery standard, which allows for 300 extra hours of simulation, was introduced.

On the 1 August 2021, Council of Deans of Health successfully completed the transition to be an independent organisation. The trustees of Universities UK wish the Council every success as an independent organisation.

Medical Schools Council (MSC)

The academic year 2020–21 was marked by the continued societal upheaval caused by the Covid-19 pandemic. MSC has been widely praised for the leadership it provided to the sector and the extremely effective guidance it provided to protect patients, students and staff. Last year's annual report documented the range and effectiveness of the activities undertaken by the MSC team at the height of the crisis. Such work continued into this academic year through repeated lockdowns and issues created by the disruption to the admissions' system.

The year was also marked by extensive work with the GMC around the Medical Licensing Assessment. The proposal submitted by the MSC on behalf of all the UK medical schools was accepted by the GMC Council in June 2021. The medical schools will collectively set and administer a common test of applied knowledge to be regulated by the GMC. Plans are in hand to pilot the process over the next three years with a commitment to go live for those graduating in the academic year 2024–25.

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Universities UK has a legal responsibility to represent employers within the USS pensions scheme. This year saw work to progress the 2020 valuation process. This included sector-wider formal consultation with USS Employers on a range of issues and reform options.

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As an employer of c145 sta, we prioritised the support for sta to work at home in the year and wellbeing, making o ces available to access when possible in line with local restrictions. Financially this has been a challenging year with the loss of the covenant from Woburn House Conference Centre, so there were vacancy freezes in place and cuts to non-pay budget lines. The sta group have proved themselves resilient and exible despite the challenges and the rapidly changing work priorities and the trustees and wider membership are grateful for their hard work and commitment. In July 2021 there was a sta survey, among the highlights include a 98% positive response to the question 'this organisation cares about its employees' and 92% of respondents recommending Universities UK as a good place to work.

L 2021 22

2021–22 will be the penultimate year of Universities UK's Strategic Plan 2018-23: World Leading Impact. The long term, strategic objectives for the next ve years are as outlined on in the strategic report. Support for the sector around Covid-19 recovery will continue, other priorities for the year ahead are:

Promote what universities do for the economy and recovery:

- Understanding of value of universities to society and individuals
- Address the perception of universities being elitist of little bene t to some people, local communities, and jobs prospects.

Student focus

- Student voice
- Student experience
- Learning
- Mental health and wellbeing
- Graduate opportunities

The strategic role of universities in sustainability and climate change

International strategy

- Position of UK post Brexit
- International student recruitment during the pandemic recovery period

Quality of universities

- Champion high quality and tackle low quality.
- Focus on achieving good outcomes.
- Role of MERs
- Improve public and political con dence in quality of degrees and quality assurance.

Spending review outcomes

- Protect unit of resource.
- Support for universities to drive economic growth – skills, exports, jobs.
- Develop Universities UK 'asks' which align universities with government's strategic priorities.
- Post-18 reforms, including development of the Lifelong Loan Entitlement
- Creating the conditions to be a research and innovation superpower.

Creating the conditions to be a research and innovation superpower.

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Review of position at the end of the year

The statement of financial activities for the year is set out on page 25 and the balance sheet on page 26 of the financial statements.

Consolidated income and expenditure for the year and position at the end of the year are summarised in the table below.

	Unrestricted activities
Income	8,337

A consolidated surplus of £394,000 is reported for the financial year ended 31 July 2021 of which £277,000 is unrestricted. £112,000 of this unrestricted surplus related to a credit movement on the pension deficit recovery plan provision and £28,000 to credit movements on the annual leave accrual (FRS 102 adjustments). Excluding these items, the unrestricted surplus for the year ended 31 July 2021 stood at £137,000.

- There was a recruitment freeze during the year and no annual pay award in order to manage anticipated reductions in Woburn House Conference Centre revenue.
- Savings in excess of budget were made in travel and meetings costs due to Covid-19.
- Savings in excess of budget were made in establishment costs as staff worked from home for the majority of the year.

Unrestricted income in 2021 was down £712,000 year-on-year at £8,337,000 (2020: £9,049,000).

- Woburn House Conference Centre Ltd saw income (net of internal charges) decrease by £760,000, from £851,000 to £91,000.
- Unrestricted subscription income increased by £52,000 and included the addition of three new members.
- The conference and events programmes saw income broadly maintained raising £576,000 compared to £550,000 in 2020.

Restricted income of £5,363,000 was higher than the 2020 level of £5,014,000.

The organisation's net assets were £6,573,000 at 31 July 2021 (2020: £6,179,000). A high proportion of these are represented by cash.

Principal funding sources
Membership subscriptions provides 74% of the

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The trustees (who are also directors of Universities UK for the purposes of company law) are responsible for preparing the Trustees’ report and the nancial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare nancial statements for each nancial year which give a true and fair view of the state of a airs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these nancial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the nancial statements; and
- prepare the nancial statements on the going concern basis unless it is inappropriate to

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

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

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

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

- adequate accounting records have not been kept by the parent charitable company; or
- the group and charitable company nancial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration speci ed by law are not made; or
- we have not received all the information and explanations we require for our audit.

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As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the nancial statements and for being satis ed that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of nancial statements that are free from material misstatement, whether due to fraud or error.

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

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Our objectives are to obtain reasonable assurance about whether the nancial 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

Based on our understanding of the group and the environment in which it operates we considered the extent to which non-compliance might have a material e□ect on the □nancial statements. We also considered those laws and regulations that have a direct impact on the preparation of the □nancial statements such as include the Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the □nancial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the □nancial 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.

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31 J 2021

Income and expenditure	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
Income from:					
Donations	2	973	-	973	982
Charitable activities	3	7,119	5,324	12,443	12,055
Other trading activities	4	197	39	236	945
Investments		31	-	31	65
Other income		17	-	17	16
Total		8,337	5,363	13,700	14,063
Expenditure on:					
Raising funds		366	37	403	591
Charitable activities		7,696	5,207	12,903	13,116
Total	7	8,062	5,244	13,306	13,707
Net income		275	119	394	356
Transfers between funds	20	2	(2)	-	-
Net movements in funds		277	117	394	356
Total funds at 1 August 2020		2,788	3,391	6,179	5,823
Total funds at 31 July 2021	20	3,065	3,508	6,573	6,179

All activities are continuing. There are no gains or losses other than those disclosed in the consolidated statement of financial activities.

The notes on pages 28 to 52 form part of these nancial statements.

B 31 J 2021

	Notes	The Group 2021 £'000	The Group 2020 £'000	Universities UK 2021 £'000	Universities UK 2020 £'000
Fixed assets					
Intangible □xed assets	12	126	26	111	9
Tangible □xed assets	13	327	394	289	346
Investments	14	600	600	600	600
		1,053	1,020	1,000	955
Current assets					
Debtors					
- due within one year		1,758	1,868	1,661	2,086
- due after more than one year		750	750	900	750
	15	2,508	2,618	2,561	2,836
Investments – short term deposits		5,587	5,152	3,987	3,552
Cash at bank and in hand		2,199	2,332	943	897
		10,294	10,102	7,491	7,285
Liabilities					
Creditors: amounts falling due within one year		(3,136)		(2,716)	
Funds and reserves					
Restricted funds		3,508	3,391	1,071	921
Unrestricted funds		3,066	2,742	3,066	2,742
Non-charitable trading funds		(1)	46	-	-
Total funds	20	6,573	6,179	4,137	3,663

Gross income for the parent charity was £11,742,000 and gross expenditure was £11,268,000, resulting in a surplus of £474,000 (2020: surplus of £795,000).

Approved by the Board of Directors and authorised for issue on 5 November 2021.

Signed on their behalf:

	2021 £'000	2020 £'000
Net income for the year	394	
Interest income	(31)	
Depreciation and amortisation charges		
Cash flows from operating activities	449	

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31 J 2021

1. Principal accounting policies

The nancial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (e ective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Universities UK meets the de nition of a public bene t entity under FRS 102. It is a company limited by guarantee and is incorporated in the UK. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The consolidated nancial statements incorporate the results of Universities UK and its subsidiaries, Woburn House Conference Centre Limited, Medical Schools Council and MSC Assessment. No separate Universities UK statement of nancial activities has been prepared, as permitted by Section 408 of the Companies Act 2006.

a. Critical accounting judgements and estimates

In preparing these nancial statements, management has made judgements, estimates and assumptions that a ect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the nancial statements. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The liability in respect of the pension de cit recovery plan has been calculated using key assumptions concerning future payroll growth and the discount rate (see note 24).

b. Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees have considered the impact of the Covid-19 pandemic, reviewed nancial position, reserves levels and future plans and this has given the trustees con dence that the charity remains a going concern into the future.

c. Income

Income from donations and grants (including government grants) is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Subscriptions are recognised over the period to which they relate.

Conference fee and other trading income is recognised on an accruals basis.

Investment income is credited in the period in which it is earned.

d. Expenditure

All expenditure is accounted for on an accruals basis and has been classi□ed under headings that aggregate all costs relating to that category. Where costs cannot be directly attributable to a particular heading, they have been allocated to activities on a basis consistent with the use of the resource.

Direct costs, including directly attributable salaries, are allocated on the basis of time to the key strategic areas of activity.

Overheads and other salaries are allocated between activities on the bases of usage, ie the same basis as expenditure incurred directly in undertaking the activity.

Governance costs are those incurred in connection with the management of Universities UK's assets, the organisation's administration and compliance with constitutional and statutory requirements.

Unconditional grants payable are charged to the statement of □nancial activities in the year in which they are communicated to the recipient as at that time a valid expectation has been created that the grants will be paid. Conditional grants are charged on a similar basis when conditions fall outside the control of the charity. Any unpaid amounts are shown as liabilities at the balance sheet date.

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6. Grants and contracts

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000
Higher Education Funding Council for Wales *	-	1,174	1,174	-	1,046	1,046
Health Education England *	-	508	508	-	441	441
Research England *	-	440	440	-	370	370
British Council *	180	8	188	198	100	298
Scottish Funding Council *	-	107	107	-	123	123
Department for Business, Energy & Industrial Strategy *	-	94	94	63	166	229
HMRC *	86	-	86	38	-	38
O□ce for Students *	-	75	75	-	71	71
Department of Health & Social Care *	-	70	70	-	49	49
Burdett	-	62	62	-	62	62
All Party Parliamentary University Group	42	4	46	42	6	48
Conservatoires UK	14	29	43	12	23	35
Scottish Government *	-	41	41	-	42	42
UK Research and Innovation *	-	30	30	-	-	-
NCUK	-	15	15	-	25	25
European Commission	-	16	16	-	21	21
UPP Foundation	-	-	-	-	24	24
Other organisations	21	88	109	29	15	44
	343	2,761	3,104	382	2,584	2,966

* Grants from government and government agencies.

8. Support costs allocations

Trading activities: costs of goods sold and other costs	
Charitable activities	
Core	
Conferences	
Medical and health	

Other direct costs include:	Total 2021 £'000	Total 2020 £'000
Auditor's remuneration:		
For audit services	27	26
For other services	8	6
Prior year fees: other services	-	-
Operating lease rentals:		
Land and buildings	977	1,033
O□ce and equipment	8	10

10. Trustees' emoluments and emoluments of other key management personnel

No trustees received any remuneration for their services.

During the year no travel and accommodation expenses were reimbursed to trustees (2020: one trustee - £120).

The total employee benefits of the Senior Leadership Team who are considered to be key management personnel (in addition to trustees) was:

	2021 £'000	2020 £'000
Wages and salaries	764	750
Social security costs	87	85
Other pension costs	161	155
	1,012	990

The Senior Leadership comprises the Chief Executive and Directors of Policy, Member Services, Universities UK International, Communications and External Affairs, Operations, Universities Scotland and Universities Wales.

11. Taxation

The charity is exempt from corporation tax under Sections 466-497 of the Corporation Taxes Act 2010 as all its income is applied to charitable purposes.

12. Intangible fixed assets

Website development and software	Group £'000	Universities UK £'000
Cost		
At 1 August 2020	376	249
Additions	147	133
At 31 July 2021	523	382
Depreciation		
At 1 August 2020	350	240
Charge for year	47	31
At 31 July 2021	397	271
Net book value		
At 31 July 2021	126	111
At 31 July 2020	26	9

14. Investments held as fixed assets

Group and Universities UK	Total 2021 £'000	Total 2020 £'000
CVCP Properties plc ordinary shares of £1 each	50	50
CVCP Properties plc preference shares of £1 each	550	550
Total	600	600

CVCP Properties plc is an unquoted company and the shares are stated at cost.

15. Debtors

	Group		Universities UK	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors	378	380	160	213
Amounts due from subsidiary undertakings	-	-	305	441
Other debtors	994	1,002	994	1,002
Prepayments and accrued income	386	486	352	430
Loan	750	750	750	750
	2,508	2,618	2,561	2,836

The £750,000 loan is due for repayment after more than □ve years, but no later than 25 November 2026. The loan is secured by way of a □xed charge over the Woburn House building. Interest is payable on the loan at 3% above National Westminster Bank plc base rate.

16. Creditors: amounts falling due within one year

	Group		Universities UK	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors	480	583	281	468
Amounts due to subsidiary undertakings	-	-	3	-
Taxation and social security	265	235	265	235
Other creditors	148	153	148	153
Accruals	954	893	851	656
Deferred income	1,289	1,174	1,168	1,160
	3,136	3,038	2,716	2,672

At the year end outstanding pension contributions amounted to £147,956 (2020: £149,948).

17. Deferred income

	Group		Universities UK	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Brought forward	1,174	1,510	1,160	1,449
Released in the year	(1,109)	(1,503)	(1,095)	(1,442)
Deferred in the year	1,224	1,167	1,103	1,153
Carried forward	1,289	1,174	1,168	1,160

18. Creditors: amounts falling due after more than one year

Group and Universities UK	Total 2021 £'000	Total 2020 £'000
Pension de□cit funding payments in relation to USS	1,638	1,905

See note 24 for further details regarding these liabilities.

19. Operating lease commitments

The group and company have the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Group and Universities UK	Total 2021 £'000	Total 2020 £'000
Land and buildings:		
Within one year	413	1,056
Between one and □ve years	78	475
After □ve years	6	27
O□ce equipment:		
Within one year	6	7
Between one and □ve years	8	13
	511	1,578

20. Movement in funds

	At 1 Aug 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2021 £'000
Unrestricted funds					
Investment fund	600	-	-	-	600
Universities Scotland / Universities Wales	579	1,182	(1,608)	431	584
General funds	1,563	6,995	(6,247)	(429)	1,882
	2,742	8,177	(7,855)	2	3,066
Restricted funds					
Medical Schools Council	1,227	641	(606)	(5)	1,257
University Hospital Association	267	63	(123)	(1)	206
Dental Schools Council	123	88	(52)	-	159
Pharmacy Schools Council	84	76	(69)	-	91
Association of Dental Hospitals	22	21	(25)	-	18
Summer School	164	407	(489)	-	82
MSC Assessment	581	513	(466)	(5)	623
Council of Deans of Health	427	915	(771)	(6)	565
Universities UK International	-	515	(515)	-	-
SIEM	-	15	(15)	-	-
Short-term mobility	53	7	(60)	-	-
BEIS ODA	7	94	(90)	-	11
Global Wales II	156	1,123	(1,135)	-	144
Universities Wales International	85	20	-	15	120
WIN	-	153	(23)	-	130
US International	105	89	(107)	-	87
Scotland is Now	-	60	(60)	-	-
Pensions reform	-	396	(396)	-	-
Civic Mission	22	14	(36)	-	-
Algorithms	13	-	(13)	-	-
KE Concordat	41	29	(70)	-	-
Research development Concordat	-	30	(30)	-	-
Student MH partnerships	-	32	(32)	-	-
OFS – Analytics	-	7	(7)	-	-
Other	14	55	(54)	-	15
	3,391	5,363	(5,244)	(2)	3,508
Non-charitable trading funds	46	160	(207)	-	(1)
Group – total funds	6,179	13,700	(13,306)	-	6,573

	At 1 Aug 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 July 2020 £'000
Restricted funds					
Medical Schools Council					1,227
University Hospital Association					267
Dental Schools Council					123
Pharmacy Schools Council					84
Association of Dental Hospitals					22
Summer School					164
MSC Assessment					581
Council of Deans of Health					427
Universities UK International					-
Outward mobility					-
SIEM					-
Short-term mobility					53
BEIS ODA					7
Global Wales II					156
Universities Wales International					85
Vietnam Partnership					3
South Africa					-
US International					105
Pensions reform					-
Business Readiness Fund					-
Welsh Governance					-
Civic Mission					22
Algorithms					13
KE Concordat					41
Student MH partnerships					-
OFS-Analytics					-
Other					11
					3,391
Non-charitable trading funds					46
Group – total funds					

Transfers during the year between funds relate to contributions made from unrestricted monies to restricted funds for speci□c projects, where there are insu□cient restricted funds available to meet expenditure or where the charity is committed to contributing towards projects from its own resources.

Background information on each of the restricted funds is set out below:

- The **Medical Schools Council** represents the interests and ambitions of UK Medical Schools as they relate to the generation of national health, wealth and knowledge through biomedical research and the profession of medicine.
- The **University Hospital Association** promotes the unique interests of university hospitals across the UK. Its role is to represent the unique tripartite – service, teaching and research – interests of UK University Hospital Trusts in partnership with other national bodies.
- The **Dental Schools Council** represents the interests and ambitions of the UK's Dental Schools as they relate to the generation of national health, wealth and knowledge acquisition through research and the profession of dentistry.
- The **Pharmacy Schools Council** is building on the work of the Council of UK Head of Pharmacy and has bene□ted from being able to access increased resources through being hosted by a secretariat which also supports equivalent groups for other healthcare professionals.
- The **Association of Dental Hospitals** represents the voices of dental hospitals across the UK and Ireland.
- The **Summer School** programme is HEE funding to deliver summer schools for students from a widening participation background.
- **MSC Assessment** is a subsidiary of the Medical Schools Council set up to run medical assessment activities.
- The **Council of Deans of Health** represents the UK's university faculties engaged in education and (EMduALang (en-[(r) (x3as 47.0m1763 Tm[Irip[Ir 4041 ṁ[(pr)20 (ogr)25 (amme is HEE funding to deliver summer0 12s0o

- The **Wales Innovation Network (WIN)** will support Welsh Universities in increasing research competitiveness. A new team, hosted by Universities Wales will streamline the creation of new collaborations in research and innovation, secure additional investment through the development of collaborative bids, and raise the pro□le of Wales' research and innovation capabilities. WIN will receive funding over three years from HEFCW and network members (the Welsh Universities).
- The **Universities Scotland International Unit** develops and implements policy and research on international issues on behalf of the Scottish higher education sector. This supports the 'Connected Scotland' initiative with Scottish Government, Scottish Funding Council and others for targeted international promotion of Scottish higher education.
- **Scotland is Now** is joint sector funding that supports targeted paid-for social media campaign activities in a set of focus countries to support the recruitment of international students, to increase the sector's positioning and awareness, and to extend its focus on being welcome and open.
- A restricted subscription was raised from members towards the **pensions reform** programme following from our statutory role as the employers' representative in the USS pension scheme.
- The **Brexit Readiness Fund** provided a grant to assist Universities UK in helping universities understand the implications of, and prepare for, a potential no-deal Brexit in October 2019.
- The Review of **Governance** in **Welsh** Universities was funding to support an independent review of governance in Welsh universities, to critically examine the current arrangements, and to assist the development of a charter and revised guidance for governors.
- **Civic Mission** & Community Engagement in Wales is a one year programme (running between January 2020 and December 2020) funded by HEFCW, to identify and develop key success factors in civic mission and community engagement work in Universities in Wales and support promotion of this work to stakeholders.
- **Algorithms** covers match-funding agreed through the UK Standing Committee for Quality Assessment from the UK funders and regulators (OfS, SFC, HEFCW and DfE-NI) to undertake work on e□ective practice in algorithm design and a progress review of sector action on degree algorithms and wider grade in□ation activity.
- The **Knowledge Exchange Conco(W)33 N/oL en-GB**

21. Allocation of net assets between funds

The net assets held for various funds are as follows:

	Restricted funds £'000	Unrestricted funds £'000	Non-charitable trading funds £'000	2021 Total £'000
Fixed assets			39	453
Investments			-	600
			39	1,053
Current assets			172	10,294
Current liabilities			(62)	(3,136)
Net assets				8,211
Long-term liabilities				(1,638)
Group total				6,573

22. Subsidiaries

Woburn House Conference Centre Limited

The charity owns 100% of the share capital of Woburn House Conference Centre Limited, a company limited by shares (company number 03031467). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HQ.

The £2 cost of the investment has been written down to zero in the accounts of the parent company. The trading activity of Woburn House Conference Centre Limited is the management of the conference centre and meeting rooms at Woburn House. The results and financial position of Woburn House Conference Centre Limited are consolidated with those of Universities UK in preparing the consolidated accounts.

A summary of the trading results for the year ended 31 July 2021 and 2020, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown. Audited accounts have been filed with the Registrar of Companies.

	Total 2021 £	Total 2020 £
Turnover		995,894
Cost of sales		(422,103)
Gross profit		573,791
Administration costs		
Staff costs		
Operating (loss) / profit		
Interest receivable		
(Loss) / profit on ordinary activities before taxation		
Taxation		
(Loss) / profit on ordinary activities after taxation		
Gift aid payment to Universities UK		
Retained losses carried forward		

Medical Schools Council

Universities UK is also the holding member of the Medical Schools Council, a company limited by guarantee (company number 8817383) and registered with the Charity Commission (number 1155370). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of the Medical Schools Council are to promote, encourage and develop medical schools in the UK and thereby advance education for the public bene t, in particular (but without limitation) medical education, research and training.

A summary of income and expenditure for the year to 31 July 2021 and 2020, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year are shown below. Audited accounts have been led with the Registrar of Companies.

Unrestricted funds and free reserves at 31 July 2021 were £1.3m (2020 free reserves: £1.2m) which is equal to 25 months of unrestricted expenditure (2020: 29 months). This is in line with the organisation's reserves policy.

Income and expenditure account:	Total 2021 £	Total 2020 £
Income	1,296,282	1,235,290
Expenditure	(1,369,999)	(1,434,529)
Deficit	(73,717)	(199,239)

Balance sheet:	Total 2021 £	Total 2020 £
Assets	2,216,667	2,183,121
Liabilities	(402,492)	(295,229)
Net assets	1,814,175	1,887,892

MSC Assessment

The Medical Schools Council is the parent of MSC Assessment, a company limited by guarantee (company number 8578576) and registered with the Charity Commission (number 1153045). The company is incorporated in the UK and registered at Woburn House, 20 Tavistock Square, London, WC1H 9HD.

The objects of MSC Assessment are to advance medical education for the bene□t of the public including, without limitation, by the preparation, validation, accreditation, conduct and administration of any tests, examinations or other systems of assessing, evaluating and recording any aspect of medical education and training.

A summary of the income and expenditure for the year to 31 July 2021 and 2020, and the aggregate amount of the assets, liabilities, share capital and reserves as at 31 July of each year is shown below. Audited accounts have been □led with the Registrar of Companies.

Income and expenditure account:	Total 2021 £	Total 2020 £
Income	512,921	840,290
Expenditure	(471,404)	(1,115,300)
Surplus / (deficit)	41,517	(275,010)

Balance sheet:	Total 2021 £	Total 2020 £
Assets	737,423	758,849
Liabilities	(114,335)	(177,278)
Net assets	623,088	581,571

23.

24. Pension

Universities Superannuation Scheme

The appointment of directors to the Board of USS is determined by USS's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the Board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

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 to 30 April 2021. As SAUL was in surplus on its Technical Provisions basis at that date, no de□cit contributions were required. However, the Trustee and the Employers have agreed that the ongoing Employers' contributions will increase from a rate of 16%.

At 31 March 2021, SAUL had 68,714 (2020: 65,202) members.

	USS	SAUL
Group contributions for the year to 31 July 2021	£1,321,947	£318,105
Active members at 31 July 2021	82	55
Group contributions for the year to 31 July 2020	£1,277,942	£325,581
Active members at 31 July 2020	81	52

25. Financial instruments

	2021 £	2020 £
Financial assets measured at amortised cost:		
Trade debtors	378	380
Cash	7,786	7,484
	8,164	7,864
Financial liabilities measured at amortised cost	3,120	3,534

Financial assets measured at amortised cost comprise trade debtors and cash.

Financial liabilities measured at amortised cost are creditors.

26. Related party transactions

Related party transactions are disclosed for CVCP Properties plc, Advance HE, Higher Education Statistics Agency, Universities and Colleges Admissions Service and Quality Assurance Agency.

Universities UK owns all 550,000 preference shares in CVCP Properties plc and 50,000 (1%) of its ordinary shares. Universities UK is the original subscribing member of the other organisations and members of Universities UK contribute to governance oversight through Board membership and other involvement.

	Year ended 31 July 2021		As at 31 July 2021	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	911,644	996,489	1,772,591	-
Advance HE	-	42,584	-	-
Quality Assurance Agency	-	6,000	-	-
	911,644	1,045,073	1,772,591	-

	Year ended 31 July 2020		As at 31 July 2020	
	Purchases from / payments to related parties £	Income from related parties £	Amounts due from related parties £	Amounts due to related parties £
CVCP Properties plc	913,248	1,008,376	1,773,391	694
Advance HE	12,075	55,529	-	-
Universities and Colleges Admissions Service	-	336	-	-
Quality Assurance Agency	5,177	3,549	-	-
	930,500	1,067,790	1,773,391	694

27. Members

The charity is incorporated as a private company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 July 2021 there were 140 members (2020: 137).

28. Post balance sheet event

On the 1 August 2021, the assets, liabilities and activities of the Council of Deans of Health restricted fund were transfer

29. Income and expenditure by fund

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Principal and Registered Office
Woburn House
20 Tavistock Square
London
WC1H 9HQ

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

Solicitors
Bates Wells & Braithwaite
10 Queen Street Place
London
EC4R 1AG

Auditors
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Universities UK also has two regional o□ces:

Universities Scotland
Holyrood Park
106 Holyrood Road
Edinburgh
EH8 8AS

Universities Wales
2 Caspian Point
Caspian Way
Cardi□ Bay
Cardi□
CF10 4DQ