

Imperial College
London

ANNUAL REPORT
AND ACCOUNTS

2021-22



Our strategy

FOUNDATIONS

- We will continue to specialise in science, engineering, medicine and business. This is the foundation on which we build our future.
- We will maintain world-class core academic disciplines. All research and education must be underpinned by a deep understanding of the fundamentals.
- We will encourage multidisciplinary research. Only by bringing together expertise from different disciplines can we solve today's global challenges.
- We will embed our educational experience in a vibrant, research-led, entrepreneurial environment. By learning alongside researchers who are experts in their fields our students gain the practical, entrepreneurial and intellectual skills to tackle societal problems.

PEOPLE

- We will build a supportive, inclusive and highly motivated staff community across all disciplines, functions and activities. This will help us to attract and retain the talented and diverse staff we need to achieve our mission.
- We will enrich the student experience. Providing a broad range of activities, services and support for our students beyond their studies helps them to develop wider talents and to be successful.
- We will build strong relationships with our alumni and friends. This lifelong exchange of ideas and support benefits all of us.

PARTNERS

- We will strengthen collaboration with business, academia, and non-profit, healthcare and government institutions across the globe. No university can achieve excellence or realise the full benefits of its work by itself.
- We will inform decision-makers to influence policy. Our excellence, breadth of knowledge, connections and London location allow us to bring together and inform key decision-makers in governments and industries for the benefit of society.
- We will share the wonder and importance of what we do. Collaboration with the public, schools and our local communities fosters a shared passion for and understanding of our work.

ENABLERS

- We will strengthen and diversify our revenues. Delivering our mission requires investment in our staff, students and facilities.
- We will provide professional support, consistent processes and appropriate technology for all of our staff and students. The pursuit of excellence in research and education requires excellence in all that we do.
- We will act courageously and innovatively when pursuing new opportunities. We need to take academic and financial risks to sustain excellence in research and education.

On the cover:
A researcher using the Magnetron Sputtering System in the Royce at Imperial facilities at the White City Campus. Imperial is a partner in the Henry Royce Institute, the UK's national institute for advanced materials research and innovation.

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IMPERIAL IN 2021-22

Imperial students crossing the Queen's Lawn and Dangoor Plaza at the South Kensington Campus.

President’s foreword

It was a great honour to join Imperial College London as President in August 2022. I have admired Imperial from afar over the years, as a world-changing institution with a unique history, magnificent track record of achievements and enormous potential.



Professor Hugh Brady
President of Imperial
College London

To bookend my career at this great institution is also a very personal privilege because I was first inspired to pursue a career as a clinician-scientist in nephrology during a medical student elective at the Hammersmith Hospital, one of Imperial’s clinical partners, in 1981.

Reflecting on the year covered by this Annual Report, I see an institution that has endured ongoing challenges while delivering many significant achievements. My thanks go to the hard work and dedication of the entire Imperial community.

Today Imperial is a global powerhouse that is truly distinctive because of three elements: its focus on business, engineering, medicine and science; its passion for innovation, translation and impact for societal benefit; and its location in one of the world’s greatest cities. This is what

attracted me to Imperial and what continues to attract the brightest minds from across the world.

As I have been meeting staff and students since becoming President, it’s clear they have passion for innovation and want to make the world a better place. And they are doing just that: the Imperial community is generating and harnessing new knowledge and technologies to make our world healthier, smarter, safer and more sustainable.

Even in my first couple of months, it was inspiring to learn more about truly groundbreaking initiatives such as Imperial’s new Institute for Deep Tech Entrepreneurship, our Institute for Security Science and Technology, our new Brahma Vasudevan Institute for Sustainable Aviation, the recently established Institute of Infection, and I-X at White City.

There is much to feel positive about. But I know that recent years have included real challenges. Our community’s efforts to keep Imperial’s education and research activities going during the pandemic were heroic, and during that time the Imperial community proved itself to be both creative and resilient academically, and empathetic, collaborative and supportive.

All these efforts and innovations have been recognised throughout this year in numerous awards and global league tables. We were named University of the Year 2022 and University of Year for Student Experience 2022 by The Times and Sunday Times Good University Guide, awarded a Queen’s Anniversary Prize for our response to COVID-19, ranked first for research

Professor Brady meets staff in the Department of Materials.



Professor Chris Chiu from Imperial’s Department of Infectious Disease and the Institute of Infection is part of the Human Challenge Programme, which studies patients’ responses to COVID-19 infection.



Farewell to Professor Alice P. Gast

On 31 July 2022, Professor Alice P. Gast’s term as President of Imperial College London ended and she was succeeded by the College’s new President, Professor Hugh Brady.

Professor Gast was appointed as President of Imperial in 2014. During her eight-year term, Professor Gast promoted collaboration and societal engagement, and increased Imperial’s visibility and influence around the world. She also developed closer working relationships with government and stakeholders, enhanced alumni relations and philanthropic opportunities, and oversaw the rapid development of the White City Campus. Professor Gast is now Emeritus Professor of Chemical Engineering at Imperial.

quality in the recent Research Excellence Framework and gained prestigious equality, diversity and inclusion charters.

Although Imperial’s recent performance has been outstanding, these successes have raised our ambition. We are acutely aware that Imperial cannot afford to rest on its laurels as the world of higher education and research is changing rapidly, and our global competitors continue to invest and evolve. It is precisely because of the recent shifts in our world that over the next year we will take a fresh look at Imperial’s strategy. Our refreshed strategy will capture our vision and ambition for the decades ahead; establish a roadmap to guide our decision-making and investments; and, very importantly, inspire others to join us, partner with us and invest in us. Imperial’s fundamentals are very strong, and it has extraordinary potential thanks to our dedicated staff, students, alumni and friends.

We have exciting developments ahead. Our White City Campus is a shining example of how a world-class research-intensive university can develop a new precinct that is transformational for its own educational, research and innovation activities and a catalyst for levelling-up, urban regeneration and economic growth.

We will continue to strive for excellence in all areas of our mission and continue to strengthen our position as a world-leading and world-changing university.

Professor Hugh Brady
President of Imperial College London

Imperial’s mission, strategy and vision



Our mission is to achieve enduring excellence in research and education in science, engineering, medicine and business for the benefit of society.

Our strong foundations, great people, engaged partners and enablers are the pillars of our success.

The foundations of our work are our world-class core academic disciplines linked to enable exceptional transdisciplinary research, deliver an excellent educational experience and a vibrant, research-led, entrepreneurial environment.

In our focus on **our people**, we commit to creating an enriching, inclusive environment that supports and motivates staff, students and alumni.

Our partnerships are critical to achieving our goals and we commit to strengthening collaborations – in both research and education – across the globe. We also inform decision-makers to influence policy and strive to empower society through meaningful engagement.

Our enablers help us to deliver our strategy through strengthening and diversifying our revenue streams, providing professional support, consistent processes and appropriate technology for staff and students, and committing to courageous, innovative pursuit of new opportunities.

Our contribution and impact

This year, Imperial’s position as a world-leading university has been confirmed by outstanding results in the Research Excellence Framework and global league tables. Our continued response to the COVID-19 pandemic and commitment to delivering a high-quality education and experience to all our students have been recognised by national awards and underline our value to society.

At the start of the academic year 2021–22, we were named as University of the Year 2022 and University of the Year for Student Experience 2022 by The Times and Sunday Times Good University Guide. This award is testament to the innovative approach and hard work of our community, which came together to deliver a transformative education and student experience in the face of the challenges brought by the pandemic.

We have continued to learn lessons from the pandemic, where collaboration, teamwork and creativity allowed us to quickly adapt to challenging situations. We have invited students to take a greater role in their learning experience and invested over £7 million in our teaching spaces, while also sustaining investment in the wellbeing of our students. We have prioritised the quality of the student experience, something that has been reflected in our most recent results in the National Student Survey (NSS). In 2022, we achieved student satisfaction of 82%, while the College is now ranked first for student satisfaction among London Russell Group universities.

In the results of the Research Excellence Framework (REF) 2021, we ranked top in the UK overall with a greater proportion of 4* “world-leading” research than any other UK university. The results are our best-ever and reaffirm Imperial’s standing as a leading UK institution for academics to pursue their research, with top results for our research environment. This achievement is the result of the College’s commitment to both discovery-led research and the translation of research into tangible benefits for society. Imperial topped the board with the highest research impact of all Russell Group universities.

The impact that our research and teaching has was underlined throughout the pandemic, with Imperial researchers at the forefront of global efforts to understand and tackle the virus – modelling disease spread, pioneering the rapid development of new vaccine technology and accelerating breakthrough treatments to help COVID-19 patients. Our community was recognised for its response in November 2021 with a Queen’s Anniversary Prize, the highest national honour awarded in UK further and higher education in recognition of work that delivers benefit to the wider world and public.

A team led by Professor Jane Davies delivered trials which helped to introduce highly effective treatments for cystic fibrosis. Their research was just one of Imperial’s impressive medical research projects from the last REF assessment period.



Operational Review: Foundations



High-quality transdisciplinary research built upon broad strengths in fundamental science, a world-class educational experience and emphasis on academic excellence are the foundations we commit to in our work.

These commitments link directly to our Academic Strategy which sets out our ambition to deliver transformative impact for benefit on a global scale through four societal themes: healthy, smart, sustainable and resilient. It also sets out our vision for a student experience that prepares our students to be leaders, to innovate and drive change. Our work to achieve these ambitions is at the heart of everything we do.

2021–22 in focus

A transformative education

Since launching our Learning and Teaching Strategy in 2017, we have worked to transform the education we offer at Imperial – delivering programmes that prepare students for a rapidly changing world, foster greater collaboration across our academic disciplines and further embed research into the student experience.

A key part of this work has been the implementation of our new strategy of blended learning, which has opened up an alternative future for pedagogy – where education is focused on the highest value interactions between teachers and students. We are using the latest technological innovations to enhance a sense of collaboration and community between students, and apply interactive teaching techniques.

We are investing in facilities and e-learning technologists to build our capacity to deliver digital teaching, which includes funding new resource-rich learning spaces for staff to explore different teaching techniques. The Digital Learning Hub and Ed Tech teams within our faculties are working with departments and our

students to make the classroom more interactive and collaborative, and increase our ability to reach and engage with more people from a range of backgrounds around the world.

We learned many lessons about innovation in learning as a result of the COVID-19 pandemic and lockdowns. We worked together to rethink our curriculum, involving the whole community in decision-making – decisions that we are now applying to refresh our Learning and Teaching Strategy and build a stronger, more flexible and resilient institution.



Dr Steve Cook from the Department of Life Sciences leads a team-based learning session on cellular biology and genetics with undergraduate students.



We have taken significant steps in recent years to improve the student experience. Alongside the implementation of our blended learning strategy, we have significantly invested in our facilities and student spaces, including the opening of Scale Space at the White City Campus and the launch of new ‘GoStudy’ spaces at the South Kensington Campus, which offer a variety of study spaces to suit students’ needs.

New student spaces in the Blackett Building. Informal learning spaces have been created in the building entrance thanks to a StudentShapers project.

Our students have played an important role in this work. Teams across the College collaborated with students and the Imperial College Union to make decisions. Through the StudentShapers scheme, students have worked with staff from the Centre for Higher Education Research and Scholarship, the Estates team and Disability Advisory Service to redevelop existing study and social spaces around College – making them more inviting, accessible and practical for the students who use them.

We have continued to develop student services as we return to campus. Our Careers Service has modernised how it offers advice to students with online and in-person sessions with Career Consultants. Students with a disability have been offered more flexible

support, while the counselling and mental health support teams have responded to student feedback to offer a blended service, both in-person and online.

Our ambition is to deliver a fully joined-up experience for our students, broadening their horizons and opening up an exciting future career and lifetime of learning. Through engaging outreach activities, including new projects like the Imperial College London Maths School, work to continuously improve our student-centred approach to recruitment and admissions, and our global network of alumni, we are enhancing the experience we offer to all our students.

2021–22 in focus

Healthy Society

As we emerge from the COVID-19 pandemic, our researchers continue to focus on emerging health challenges and improving public health.

In October 2021, Imperial launched a pioneering new Institute to tackle some of the biggest challenges in infectious disease. The Institute of Infection, led by Professor Charles Bangham and Professor Faith Osier, brings together a critical mass of researchers working across infectious disease and unites scientists from a range of fields including life sciences, mathematics, physics and engineering.

Imperial researchers are responding to new infectious disease challenges, such as bird flu and monkeypox. Professor Wendy Barclay, Head of Imperial’s Department of Infectious Disease, is leading Imperial’s contribution to a major new consortium to counter bird flu, which aims to find new ways to contain future outbreaks and strengthen our understanding of the virus’s transmission.

The College remains at the forefront of the response to COVID-19. Researchers from the Faculty of Medicine are working with partners including Queen Mary University of London, UCL and the UK Health Security Agency to explore

immunity in the population to the virus and its variants. Their findings have shown that the Omicron variant provides a poor natural boost of COVID-19 immunity against reinfection and provide important insights into immunity across global populations. The College’s COVID-19 Response Team have continued to publish reports of their research findings, including on the global impact of vaccine booster doses and hospitalisation risks from the Omicron variant.

Meanwhile, Professor Dame Lesley Regan, Professor of Obstetrics and Gynaecology at Imperial, has been appointed as the Women’s Health Ambassador for the first government-led Women’s Health Strategy for England. The strategy aims to tackle the gender health gap and make the health and care system fairer.

Professor Dame Lesley Regan has been appointed as the UK government’s first Women’s Health Ambassador.



2021–22 in focus

Smart Society

We are building our understanding of future information technologies and how they will shape our lives.

From robotics and data-enabled discovery and science, to fintech and the impact of digital transformation on society, our researchers are making a significant contribution to our understanding of the benefits and challenges of a smart society.

Researchers from Imperial’s Institute for Global Health Innovation published a report which highlights the opportunities and barriers for artificial intelligence (AI) to improve the health of the UK’s minority ethnic groups. The report found that AI could inadvertently worsen health inequalities if current challenges such as biased algorithms, poor data collection and a lack of diversity are not urgently addressed and

called for further research and transparency around these technologies used in healthcare.

Imperial scientists are applying data and AI techniques from other sectors to further scientific research. A team from the Department of Life Sciences, working with Vector Space Biosciences, used a method typically used to find hidden connections between stocks and shares to discover and map links between proteins. The method could speed up life sciences research by automatically finding new correlations between genes, proteins and small molecules – many of which are involved in disease and could be targets for new drugs.



Former Prime Minister Tony Blair in conversation with journalist Rachel Sylvester at an event hosted by the Institute of Global Health Innovation in January 2022.

Sustainable Society

We are committed to helping societies become more sustainable by transforming the way we think about resources, manufacturing and consumption.

Imperial researchers have received almost £1 million of funding from the UK government to develop a new modelling approach that will support the large-scale deployment of carbon storage technology in the UK by 2030. The approach, developed by a team from Imperial’s Department of Earth Science and Engineering, UCL and industry partners including BP and Drax Power, is designed to help industry reduce the risks and costs associated with carbon storage.

The College is supporting the development of modern chemical production through the extension of its strategic partnership with BASF, the world’s largest chemical producer. Imperial is collaborating with the company on a range of research projects which includes developing techniques to use energy and materials more sustainably and replace fossil fuels with renewable alternatives.

The transition to zero pollution is a key theme of the Imperial Policy Forum. This year, the programme has partnered with thinktanks including Onward and the Institute for Government to explore how the UK could transition to zero pollution and net zero, hosting events focused on areas including behaviour change and skills development to support new green jobs.

Imperial’s community mobilised its collective expertise to help drive ambition at the UN Climate Change Conference in Glasgow in December 2021. The Grantham Institute hosted a number of events and sent a delegation of 25 staff to the conference. Speaking at the Confederation of British Industry’s conference on net zero in June 2022, Alyssa Gilbert, the Director of Policy and Translation at the Grantham Institute emphasised the need for ‘determination and focus’ to take action on climate change.

A mural painted by artists Globel and Conzo as part of the Grantham Art Prize 2021, organised in partnership with Octopus Energy and UK Youth for Nature. Image credit: Ciaran Globel and Conzo Throb.



Resilient Society

Climate change, food security, epidemics and emerging infectious disease are some of the most pressing challenges of our time. We are maximising the impact of our research to plan for future challenges.

Research by Professor Jason Hallett from the Department of Chemical Engineering is exploring how ionic liquids could be used in the production of biofuels, sustainable chemical feedstocks, vaccine manufacturing and waste recycling.

Imperial is responding to these challenges through the Global Development Hub, which brings together our community and partners across the world. The Hub was introduced as one of the College’s Academic Strategy Projects in April 2022 and builds on our established track record of leading multidisciplinary research collaborations and projects, including the treatment of victims of conflict injuries, vaccine manufacturing and delivery, eradicating malaria and disease diagnostics. It aims to accelerate the global impact of Imperial’s research, education and innovation, engage with the United Nations Sustainable Agenda 2030 and work with some of the most vulnerable and marginalised in societies where multiple acute global challenges are concentrated.

Imperial researchers from the Departments of Bioengineering and Chemistry, working with a network of partners in sub-Saharan Africa and South Asia, have received a \$1 million grant from the Bill & Melinda Gates Foundation to develop low-cost digital sensors that detect viruses in plants and crops, and could prevent disease spread. The sensors are designed to work with a smartphone and the researchers hope they will enable large-scale surveillance of crop disease in low-income regions and around the world.

The UN’s Food and Agriculture Organization joined forces with researchers from Imperial’s Centre for Environmental Policy to map resources, such as water, land use and energy generation, to better understand and pin-point vulnerable areas and support improvements to how natural resources are managed.

Operational Review: People



We aim to build a supportive, diverse and highly motivated staff community that will help us to attract and retain talent.

Our staff are working to enhance our students' experience and foster a secure, communal environment. Through building strong relationships with our alumni and friends, we maintain a mutually beneficial exchange of ideas and provide extra support for research undertaken by our staff.

Achieving true equality, diversity and inclusion across our staff and student communities is a challenge we continue to face, and we have a way to go. Our drive to achieve this is reflected in activities such as our Shifting the Lens series celebrating diversity at Imperial and development programmes such as the Imperial as One Media Academy, which offers specialist training to Black, Asian, Minority Ethnic students and staff.

2021–22 in focus

Promoting a positive culture

A new initiative has been established at Imperial to help drive a positive culture for working and learning.

Through Imperial Together, we aim to develop an environment that promotes kindness and mutual support, as well as enabling open, honest and respectful conversations and interactions.

Imperial Together is underpinned by a new Values and Behaviours framework, developed in consultation with hundreds of staff and students over a two-year period.

“Behaving in a way that creates a positive environment is everyone’s responsibility. Imperial Together reinforces that.”

Professor Ian Walmsley, Provost,
Imperial College London

Understanding our history

As a community, we are working together to deepen our understanding of the College’s past and find new ways to mark the impact of brilliant but undercelebrated people from our history.

In October 2021, the College’s independent History Group – made up of staff, students and external historians – published a report that contained a number of recommendations, including reconsidering the names of some locations on our campuses and new ways to celebrate the contributions of members of our community who deserve greater recognition.

Following the publication of the report, the President and Provost launched a dialogue with the community on the subject, which has been shared online to enable students and staff to engage with the range of views shared. The College has now pledged that Imperial will find ways to mark the impact and contributions of undercelebrated people from our past, which includes Nobel laureate Professor Abdus Salam and engineer Constance Tipper. The College has committed to launch an ambitious project to provide context and clarification surrounding the contributions of historical figures associated with Imperial.



Business School student Selly Shafira photographed as part of the Shifting the Lens series, celebrating staff and students from Minority Ethnic backgrounds at Imperial.

2021–22 in focus



Artworks commissioned as part of the Equality, Diversity and Inclusion Prize on display in the Blyth Gallery.

Representing our diverse community

Alongside the History Group, our Artworks Group is working to address a lack of diversity in the art displayed on Imperial campuses.

The Group's first projects were announced in spring 2021 and included the launch of a new Equality, Diversity and Inclusion Portrait Prize with the Royal College of Art and the development of the Culture Channel, which will curate images and videos showcasing the Imperial community on digital screens across our campuses. The Group will also lead a review of the artworks currently on display at Imperial.

“Everyone should be able to see themselves reflected in the art on our walls and in our public spaces.”

Emeritus Professor Sian Harding, Founding Chair of the Imperial Artworks Group

Race Equality Charter

Imperial has been granted Bronze status by Advance HE's Race Equality Charter.

The five-year award recognises the College's work and commitment to improve the representation, progression and success of Minority Ethnic staff and students, and address racial inequality.

“We have a long road ahead of us and a lot to learn, reflect on and change in order for our minoritised community to see and feel positive changes.”

Anique Varleigh, Co-chair, Race Equality Charter Self-Assessment Team

Scholarships Challenge galvanises student support

More than 1,000 Imperial donors have given nearly £14 million towards scholarships that will support the next generation of Imperial students.

The Scholarships Challenge Campaign launched in June 2021 as part of our wider commitment to provide scholarship opportunities to students from backgrounds traditionally underrepresented at Imperial. By June 2022, 1,098 alumni and friends had donated £13.7 million to support a wide range of scholarships across the College.

“The impact of these scholarships cannot be understated – they are a source of hope, confidence and opportunity for bright young people who might otherwise miss out on an Imperial education.”

Michael Murphy, Vice-President (Advancement)

Alumni return to campus for the annual Alumni Weekend at the South Kensington Campus.

New funds to support refugees

A new scholarship fund totalling almost £250,000, will support students from displaced communities, such as asylum seekers and refugees.

The donor-backed Sanctuary Scholarship Fund provides scholarships at both undergraduate and Master's levels. The College is matching donations received for the fund and aims to award the first scholarships as early as the 2022–23 academic year.

The College will also widen support for PhD students and academics who have been displaced from their home country due to war, political unrest or environmental crisis.



Operational Review: Partners



Through our partnerships, we strengthen our research and education collaboration, and help to inform decision-makers to influence policy.

We give enterprising students and staff a head start to turn innovative ideas into new products and services through our Enterprise Lab and Advanced Hackspace facilities, and we help startups and spinouts grow at our incubation and scale-up spaces. We work with industry to translate innovative ideas into real-world benefits and share the wonder and importance of what we do with the public, schools and local communities.

Despite the pandemic, Imperial sustained and grew its local, national and global connections and collaborations with business, academia and non-profit, healthcare and government institutions. Imperial is one of the world's most international universities. We forged and maintained links across 192 countries, from joint labs and centres to seed funds and student exchanges. This year, we celebrated growing links with partners in India and Vietnam, and strengthened our existing relationships with valued collaborators around the world.

2021–22 in focus

University of Cumbria and Imperial announce new medical school

We are working with the University of Cumbria to launch a new graduate entry medical school in Carlisle. The new school, which aims to enrol its first 50 students in autumn 2025, will train new doctors for Cumbria and north west England and transform healthcare in local communities. The school will be based in an area of England where the recruitment and retention of medical staff is a significant challenge. The partnership is the result of a shared vision to train more medical professionals to serve local communities in regions with the greatest need.



A visualisation of the Citadels at the University of Cumbria in Carlisle, where the new medical school will be based.

“This partnership between Imperial College London and University of Cumbria will help level up opportunity and train more doctors in the North West.”

Sajid Javid MP, Secretary of State for Health and Social Care, June 2021–July 2022

2021–22 in focus



Trailblazing ideas at the Great Exhibition Road Festival

Groundbreaking theory and practice across science and the arts formed the backdrop for the Great Exhibition Road Festival 2022: Trailblazers, which welcomed over 38,000 visitors to South Kensington for the weekend-long festival.

Working with partners including the Science Museum, Natural History Museum, V&A and Royal College of Music, as well as the Goethe-Institut, Royal College of Art, Royal Parks and the Royal Geographical Society, the Great Exhibition Road Festival delivered a unique programme of events, including talks, workshops and performances. The Festival drew on the vast wealth of expertise from the College and our partners, inspiring audiences with innovations in medicine, art, technology, design, chemistry and more.

“The Festival is a special opportunity to engage Londoners with world-leading research happening at Imperial, to get insight from a diverse range of people to help further inform our research and to inspire people of all ages through unique science and arts collaborative events.”

Vicky Brightman, Festival Director and Head of Public Engagement

Visitors learn about science in the Hands-on Families Zone at the Great Exhibition Road Festival.

NATO innovation headquarters join White City Campus

Imperial’s Institute for Security Science and Technology will lead NATO’s innovation headquarters in the UK.

Through the work of the Institute, based at the I-HUB at the White City Campus, Imperial has been selected as the location for one of two global headquarters for NATO’s Defence Innovation Accelerator for the North Atlantic (DIANA).

DIANA will allow NATO allies to accelerate, test, evaluate and validate new dual-use technologies that address both societal challenges and critical national security issues. The headquarters for DIANA were awarded to the UK and Estonia governments following a joint bid, which drew heavily on Imperial’s activities at the I-HUB and in the wider White City Innovation District.

The Institute’s Innovation Ecosystem co-locates major companies alongside government at the White City Campus.



CNRS and Imperial leading the data revolution

Leading British and French scientists will work together to tackle the world’s biggest challenges in a new research centre launched by Imperial and France’s National Centre for Scientific Research (CNRS).

The CNRS–Imperial International Research Centre for Transformational Science and Technology will explore a broad range of research areas and work on major European-funded projects.

Powered by the two institutions’ expertise in mathematics and data science, the Centre supports early-career researcher training, research funding and proposals, and will share facilities, laboratories, infrastructure and data.

“We celebrate the launch of this International Research Center created jointly with Imperial College London. It will be a creative hub of cross-disciplinary collaboration and a solid platform for building new scientific projects between the CNRS and Imperial, addressing major challenges for the benefit of society.”

Antoine Petit, Chairman and Chief Executive Officer of the CNRS

Operational Review: Enablers



Our enablers help us to deliver our strategy.

Our enablers comprise three key elements. The first is diversification of our revenues – a central part of our strategy to achieve financial sustainability. Secondly, we aim to provide professional support, consistent processes and appropriate technology for our staff and students. Thirdly, when pursuing new opportunities, we will engage in outside-the-box thinking, considering possibilities for innovation.

2020–21 in focus

Landmark biomedical engineering hub opens at White City

The Sir Michael Uren Hub, one of the world’s most significant centres for biomedical engineering was officially opened at our White City Campus in December 2021. The state-of-the-art facility was made possible by a £40 million gift from alumnus Sir Michael Uren and his foundation – the most generous gift in the College’s history.

The Hub brings together over 500 engineers, clinicians and scientists to develop new and affordable medical technologies, and provides space for new partnerships and collaborations to tackle biomedical and healthcare problems. The building houses the School of Public Health’s Environmental Research Group, the world’s leading centre for the study of air pollution. Led by Professor Frank Kelly, the Battock Chair in Community Health and Policy, the group’s research covers a wide variety of themes related to environmental pollution and its impact on human health. One of the group’s projects is the West London Healthy Home and Environment Study (WellHome), which follows 100 households in the local community to examine air quality inside and outside the home.



Driving transformative growth

Imperial and the London Borough of Hammersmith and Fulham have launched an ambitious vision for growth in White City. The White City Innovation District is home to some of the world’s most innovative organisations, spanning life sciences, deep tech, media and the creative arts. Working together with the local community, global businesses like Novartis and Airbus are establishing the district as a major economic and cultural hotspot. In March 2022, the District launched the next phase of its ambitious strategy of accelerated expansion with a new digital home, providing a focal point to connect a growing network of more than 100 co-located organisations, residents, businesses, education providers and community groups.

Supporting Deep Tech

Imperial’s Institute for Deep Tech Entrepreneurship is leading an ambitious pilot project to support a vibrant deep tech ecosystem in the UK and beyond. Supported through investment from the College’s Academic Strategy Fund, the Institute aims to tackle the barriers to the successful commercialisation of fundamental science and engineering innovations.

The Institute is a collaboration between Imperial’s four academic faculties and the Enterprise division. Its pilot programme, which began in January 2022, offers targeted support and access to specialist facilities to nine commercial projects, ranging from low carbon concrete to antibiotic discovery.



Above: Researchers in the Living Lab facility at the Dementia Research Institute in the Sir Michael Uren Hub. Left: An aerial view of the White City Innovation District, which incorporates Imperial’s White City Campus.

Operational Review: Sustainability



Sustainability shapes our plans and activities at all levels across Imperial and we are committed to making our campuses as sustainable as possible.

Our Sustainability Strategy 2021–26 outlines how we will address the environmental challenges to create a sustainable university and work to achieve our aim of reaching carbon net-zero by 2040. Our Sustainability Strategy is built around three themes: resource management, academic excellence and engagement.

Resource management

Managing resources responsibly is fundamental to achieving a sustainable, healthy, smart and resilient society. We want our campuses to reflect this to provide a safe, clean and healthy environment that supports the wellbeing of our students and staff.

We are committed to implementing more sustainable practices in procurement, construction and refurbishment, and ensuring College services, such as catering, are environmentally responsible.

Making our estate more sustainable is crucial to this theme. We recognise that there is still much to do to make our existing buildings work better and we are working on plans to help us to meet our goals.

Our new campus at White City gives us a unique opportunity to build world-class research and teaching facilities sustainably. The Molecular Sciences Research Hub, which is home to our Department of Chemistry and opened in 2019, has received BREEAM Excellent Certification for its overall environmental and operational performance. BREEAM sets best practice standards for the environmental performance of buildings through design, specification, construction and operation. This award places the Molecular Sciences Research Hub within the top 10% of UK non-domestic buildings for its operational and environmental performance.

Improving laboratory efficiency

The Laboratory Efficiency Assessment Framework (LEAF) scheme encourages lab managers in academia to drive improvements in laboratory efficiency by identifying practical steps to make their labs more sustainable.

Dismayed at the quantities of chemicals being thrown away and the amount of single-use plastic being used in her lab, Dr Pabitra Shakya Tuladhar from the Department of Chemistry decided to take action. By introducing simple actions such as including sustainability in lab inductions and using equipment more efficiently, Dr Tuladhar was able to reduce waste and save money for the lab, and receive the College's first Gold LEAF status.

PhD student Muhamed Aldarmon is conducting research in power engineering and integrating low carbon technologies in future power networks.



Academic excellence

Our activities are informed by our research and teaching. We can share our learning with the world and demonstrate sustainability in practice.

Imperial at COP26

A delegation of 25 Imperial researchers and students from across the College took part in the UN Climate Change Conference, COP26, held in Glasgow in 2021. With the UK hosting the conference, our community took this opportunity to mobilise its collective expertise to drive ambition, hosting events for decision-makers, businesses and researchers to discuss key climate change and biodiversity-related issues.

The Grantham Institute hosted an official side event at the conference with international partners including York University in Canada, which focused on strengthening connections to help shape biodiversity and climate action. The Grantham Institute also coordinates the COP26 Universities Network, a group of over 70 UK universities who are working together to support ambitious outcomes from COP26 and beyond.

Boosting sustainable aviation

Imperial has established a groundbreaking research institute dedicated to developing clean, safe and sustainable air travel.

The Brahmam Vasudevan Institute for Sustainable Aviation will pioneer the discoveries and technologies needed to support the aviation industry's transition to carbon net zero.

The Institute was established thanks to the generous donation of £25 million by alumnus Brahmam Vasudevan (Aeronautical Engineering 1990) and his wife Shanthi Kandiah. The gift makes Imperial one of the most significant global centres for sustainable aviation research. Taking a multidisciplinary approach, the Institute will mobilise expertise from across the College and focus on

priority areas such as new low and zero pollution propulsion technologies, developments in engines, aerodynamics and control systems.

Head of the Department of Aeronautics Professor Paul Robinson with Shanthi Kandiah and alumnus Brahmam Vasudevan at the opening of the Brahmam Vasudevan Institute for Sustainable Aviation.



Engagement

Our students, staff, local partners and communities each have a stake in sustainability at Imperial. We are committed to working with them to drive change. We know from talking to our community that there are high expectations of what we can achieve, as well as enthusiasm to get involved and take action.

Sustainable investment

The Imperial Strategy 2020–2025 describes the College's Endowment as an enabler to strengthen and diversify our revenues so we can deliver our mission. Our Socially Responsible Investment Policy was launched in 2020 to ensure that the College's investments take into account the same social, environmental and governance concerns as the College and take an active approach to engage with investments in all asset classes.

Through the Policy's Working Group, which draws on the expertise and views of the College community, key stakeholders, Endowment Board members and the College Council, we aim to work with investment partners and influence their behaviour.

We will ensure fossil fuel companies demonstrate that they are actively moving towards meeting the targets defined in the Paris Agreement before approving any College investment in these companies. We can exert influence through our education programmes, research and collaborations and status as a world-leading university and an active shareholder. Our progress in changing companies' behaviour will be measured against the Paris Agreement targets and reported to the Endowment Board.



Sustainability Week

This year's Sustainability Week, organised by Sustainable Imperial and Imperial College Union, celebrated research from the College supporting the transition to zero pollution and explored the action being taken to make our campuses carbon net-zero by 2040. Each day of the week had its own theme – Climate, Oceans, Air, Waste and Biodiversity – corresponding to the *Earthshot Prize: Repairing Our Planet* documentary series, which was screened over the week. Events included talks, recycling and upcycling workshops, clothes swaps and a visit to the College's Secret Garden to explore the biodiversity in South Kensington.

Above: One of the bee hives in Imperial's Secret Garden at the South Kensington Campus. Below: Pond dipping at the annual Birds, Bugs and Beasts Day at the Silwood Park Campus.

Acting on climate emotions

Climate Cares, a programme led by the Institute of Global Health Innovation and The Grantham Institute, has partnered with Common Vision to launch a new website to help young people and environmental scientists better understand and cope with their emotions about climate change. Research has shown that these groups may be more vulnerable to their mental health being impacted by the climate crisis. Called 'Hold this space', the website aims to help users turn their feelings about climate change, such as eco-anxiety, grief and guilt, into effective climate action, while also helping them to develop coping skills and resilience.



Statement of Internal Control

The College’s Internal Control Framework supports the delivery of its Strategy and compliance with its regulatory objectives. The aims of this Framework are to:

- support the effective management of risks that could impact upon the achievement of the College’s objectives;
- provide a system through which to safeguard the assets for which Council is responsible;
- ensure a mechanism exists to record and effectively manage liabilities;
- ensure processes are in place to prevent and detect corruption, fraud, bribery and other irregularities.

It is designed to support effective mitigation of risk rather than the elimination of risk and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

Council is accountable for determining and monitoring the adequacy and effectiveness of the Internal Control Framework. It delegates responsibility to the Audit and Risk Committee and receives regular updates from it throughout the year. The role of the Audit and Risk Committee is to assure Council that the systems in place are robust and Risk Owners are capable of identifying and effectively managing risks.

The Audit and Risk Committee also reviews ‘deep dives’ into different risks and controls conducted by the Internal Audit team, and tracks progress on improvement actions.

KPMG, as the College’s internal auditors, judged that significant assurance with minor improvement opportunities could be taken on the overall adequacy and effectiveness of the College’s framework of governance, risk management and control for the period 1 August 2021 to 31 July 2022. Council considers there were no significant internal control weaknesses requiring disclosure.

PwC, as the College’s external auditors, also consider internal controls relevant to the preparation of the annual financial statements. The audit is not designed to identify all internal control deficiencies but will report any significant deficiencies if required. There were no significant deficiencies in internal control identified.

The Risk Management Framework is an integral part of the Internal Control Framework and is designed to support delivery of the College Strategy and its academic mission and comply with all its regulatory obligations. The core principles of the Risk Management Framework are based on the “three lines of defence” model for the management of risk:

Line of Defence	Responsibility
1st	The first line of defence lies with the faculties, schools, institutes, departments and process owners whose activities create and manage the risks that can facilitate or prevent the College’s objectives from being achieved. This includes taking the right risks. The first line owns the risk, and the design and execution of the College’s controls to respond to those risks.
2nd	The second line of defence is responsible for the design and maintenance of frameworks, policies, procedures and instructions that support risk and compliance to be managed in the first line. It is also responsible for monitoring and judging how effectively the first line is achieving its aims and is more commonly referred to as functional oversight. The second line is directed by management.
3rd	The third line of defence is independent assurance that management operate an effective framework of controls to manage risk and that governance is appropriate around management of risk. The third line is directed by the Audit and Risk Committee and has organisational independence from management.

We consider risks in the short, medium and longer term, to help prioritise and direct management time and investment to the right risks. During 2021–22, monthly deep dive reviews of our principal risks took place at our President’s Board, where through robust discussion, the members considered the risks, interdependencies between risks and the adequacy and effectiveness of existing controls to manage those risks, together with any proposed improvements to the Risk Management Framework.

Principal Risk Dashboard

Our principal risks and approach to responding to them are set out in a Principal Risk Dashboard in the table below.

At the May 2022 and July 2022 Audit and Risk Committee Meetings, the updated College principal risks were reviewed, approved and subsequently shared with Council. Although it is a global risk and not one the College alone can mitigate through the adoption of controls, the impact of climate change is considered at all levels of the organisation and is reflected across our Principal Risks through the actions we are taking to reduce our carbon impact on society and the planet from the emissions we create.

College Risk	Risk management approach
<p>Financial sustainability We are unable to generate sufficient funds, to deliver the College academic mission over the long term.</p>	<p>Demand for our courses remains strong and we continue to see growth in revenue from tuition fees.</p> <p>Management efforts are focused on cost management and efficiencies, given inflationary pressures and the increasing costs to the College of pension schemes.</p> <p>This exercise will become increasingly important if recent increases in energy prices continue over the longer term.</p> <p>We continue to liaise with relevant external bodies so that they are aware of the impact that changes in our operating environment might have.</p>
<p>Income diversification Failure to grow cash generation from our commercial and investment activities and Advancement.</p>	<p>COVID-19 has limited the ability of the Advancement division to hold face-to-face engagement with alumni and other donors, however, it has maintained philanthropic growth in challenging times.</p> <p>The Commercial and Investment Activities team continue to market our commercial real estate and the Enterprise division our Intellectual Property. Different assets and markets are in different stages of recovery but have remained resilient.</p>
<p>Property infrastructure We fail to optimise financial and resource investment in physical infrastructure and/or direct appropriate investment to degrading infrastructure and academic facilities, particularly with our target of carbon neutrality by 2040.</p>	<p>Our infrastructure has been successfully maintained throughout the pandemic enabling essential workers and key research to continue.</p> <p>The Estates Strategy Group (a sub-committee of President’s Board) was set up to help ensure competing investments on our estate are appropriately prioritised. It is the <i>prima facie</i> group that informs the Capital Plan and any amendments to it as a result of external influencing factors.</p>

College Risk	Risk management approach
<p>Education and student experience We fail to innovate and improve the quality of our education. We fail to support our students’ wellbeing and quality of their experience.</p>	<p>The College has offered significant support to students in a wide variety of areas. Hardship and other funds have been put to good use in support of students.</p> <p>Mental health services have been expanded and our accommodation and catering teams have ensured self-isolating residents were comfortable, and assessments have been covered by ‘safety net’ policies to ensure learners have been treated fairly.</p> <p>The mixed-mode education model and the need for us to deliver a positive student experience in the context of the pandemic has continued through this academic year and we have invested heavily to revise the curriculum and develop our digital learning.</p>
<p>Student recruitment and widening participation We fail to attract a share of the best international students from diverse markets. We fail to increase our pool of home students from disadvantaged or under-represented backgrounds, risking intervention from the Office for Students and reputational damage.</p>	<p>The success of our Marketing, Recruitment and Admissions team in collaboration with the faculties has seen a noteworthy increase in applications from under-represented nationalities.</p> <p>We have established a Marketing, Recruitment and Admissions Group, a Scholarships and Studentships Steering Committee and a project board with colleagues across the College who meet regularly to align pre-enrolment priorities and take appropriate action as one.</p> <p>We have invested in widening participation initiatives across the faculties as part of our access and participation plan. Significant progress includes the Imperial College London Maths School – with the application process launched ahead of the planned opening in September 2023 – continued engagement in White City and In2MedSchool, made up of over 2,500 doctors and medical school volunteers, who want to give back and inspire the next generation of medical students.</p>
<p>Managing our people Our approach to pay and benefits and culture, including addressing diversity and inclusion, reduce our ability to recruit and retain high calibre staff. The pandemic has introduced the additional complexity of staff’s increased desire for flexible working.</p>	<p>Pay and benefits are benchmarked annually to facilitate recruitment and retention of all staff. The annual pay review process has been further modified to strengthen pay equity and is underpinned by an Equality Impact Assessment. We continue to publish both our gender and ethnicity pay gap reports.</p> <p>We have introduced an interim Work Location Framework to support managers and staff to determine their work location. The framework will be reviewed in early 2023 to evaluate the impact on delivery of the College mission.</p> <p>A number of initiatives have been introduced to strengthen the working culture, including the introduction of College Values and the Imperial Together action plan.</p>
<p>Transformation of the College’s operating model We fail to deliver targeted benefits from strategic and operational transformation in support of the academic mission and cannot deliver the scale of improvements and change needed to improve the effectiveness and efficiency of our operating model.</p>	<p>Our Professional Services Transformation Programme enabled by significant investment in technology has been approved in principle by the Provost’s Board. Detailed planning is underway to understand the potential cost and impact.</p> <p>The Programme will increase professional service effectiveness, improve data quality and consistency, increase process simplicity, consistency and standardisation, to better support delivery of the Academic Mission.</p>
<p>Research Our Research quality, volume and/or impact does not stay at its current level or fails to keep pace with our peer group.</p>	<p>World-leading research quality and impact is central to the College strategy, and the excellent REF results should feed into our research funding positively.</p> <p>We continue to invest in our physical infrastructure creating highly desirable working spaces to conduct our research. Our pay structures are continually reviewed to ensure we attract the best academic staff to deliver ground-breaking research outcomes.</p>

College Risk	Risk management approach
<p>Regulatory compliance The College fails to comply with its regulatory requirements.</p>	<p>We have established a regulatory compliance function which provides oversight and support of the College’s arrangements for meeting its many statutory and regulatory compliance obligations.</p> <p>As part of the risk management framework, the regulatory compliance function supports the development of additional and modified controls in response to new and developing regulation.</p> <p>Following introduction of the National Security and Investment Act, we established a National Security and Investment (NSI) Act Working Group that considered how compliance with the Act should be managed operationally, and the Scrutiny Committee provides increased governance over this broad category of risks.</p>
<p>NHS Partnerships Changes in the capability of the College’s NHS Partner Trusts impact delivery of the academic mission of the Faculty of Medicine and the College.</p>	<p>The College has multiple linkages with NHS Trusts and other health bodies. These partnerships are fundamental to the fulfillment of the College’s mission in biomedical and health research, education and societal impact across all Faculties, primarily in the Faculty of Medicine.</p> <p>The Imperial College Academic Health Science Centre (AHSC) manages the key relationships between the College and its main acute NHS partners in North-West London. The Dean of the Faculty of Medicine is also a Director of the AHSC.</p> <p>The North-West London NHS sector is aligning delivery of services across organisations through the newly established Integrated Care System, which also includes Local Authorities with responsibility for public health and social care. The Integrated Care System will be key to future delivery of health services in the North-West London NHS sector and the transformation of services envisioned in the NHS Long Term Plan.</p>
<p>Terrorist attack or protestor activity leading to business disruption A serious incident that severely impacts continuity of the College’s critical operations.</p>	<p>Through business impact assessments, the College has developed business continuity plans for its most critical operations. Exercises test these plans and improvements identified are incorporated into updates.</p> <p>When plans are invoked to respond to an incident or event; we subsequently undertake a lessons learned review to improve our future response to similar incidents or events.</p> <p>The College use a specialist third-party provider to monitor planned events in proximity to campus to respond to possible threats from activist groups.</p>
<p>Cyber incident and/or data loss Risk of exposure to, or loss resulting from a cyber-attack or data breach causing significant disruption to the Information Technology environment and products used by the College.</p>	<p>Our research attracts significant external interest and hence we continue to invest substantively in new protective controls to safeguard the security of this valuable work.</p> <p>Human behaviour and non-compliance with the College’s Information Security Policy increases the risk of an information security breach which, depending on the nature of the incident, could be significant to the College. Information Security Awareness training has been made mandatory which also requires the learning to be repeated every two years.</p> <p>We have invested heavily in our network monitoring capabilities, and in case of breach, we have a detailed plan to limit any damage to College operations.</p>
<p>Staff and student health and safety There is an incident or event which compromises staff and/or students and visitors’ safety causing disruption to teaching, research and student experience.</p>	<p>In the main, students have returned to face-to-face tuition, with the College retaining capability to deliver some of the larger events on-line, based on the outcome of risk assessments.</p> <p>With staff returning to campus after long periods of absence there is a focus on safety induction and re-establishing practical skills and competencies.</p>



A researcher working a facility in the Imperial Centre for Quantum Engineering, Science and Technology.

FINANCIAL SUMMARY

Financial foreword

In a year in which we returned to more normal operations on campus, Imperial delivered a sound financial performance.



Dr Tony Lawrence
Acting Chief Financial Officer

At first sight, that might seem an unusual conclusion to draw on the back of a large overall deficit and a big drop in the level of cash flow from operating activities. Both numbers need to be put in context.

The deficit was the result of the need to recognise a large increase in the provision for deficit contributions to the USS pension scheme. This is not a cash item and will unwind as employer contributions are paid over the 18-year recovery period that has been agreed. With another valuation of USS due in March 2023, this is likely to remain a source of volatility in our results in the coming years.

The cash flow from operating activities in 2021–22 was less than half the amount of the previous year, but timing differences impacted this. Positive working capital movements relating to tuition fees and research grant income received in advance had boosted the previous year's figure and adjusting for such year-on-year movements showed the underlying position improved from £71 million to £87 million. The latter was still below the £100 million we have previously identified as a target to ensure we have generated sufficient funds to maintain and develop our physical and digital estate in a way that meets the requirements of our world-class academic mission.

It has been very encouraging to see the pick-up in the level of donations and endowments in 2021–22 and we are always grateful for the generous support of our donors. This type of support, along with occasional one-off government grants that we bid for when the opportunity arises, helps us to accelerate our pace of investment towards the level we aspire to.

As the pandemic struck, we had already started preparing for difficult choices around our rate of growth and managing our cost base to improve the trend in our net cash generation from operations. The need to respond swiftly and decisively to the impact of the pandemic, which we did, meant more immediate events had to take priority over these longer-term considerations. We need to revisit these questions as we adjust to new ways of operating, with the added challenge of doing so in a high-inflation environment.

The increased use of a multi-mode approach blending in-person and online content is one of

the ways in which we believe we are delivering a student experience that is better than ever. However, the cost of delivering a high-quality learning experience is increasing at a time when home undergraduate tuition fees are capped until at least 2024–25.

The hard work and commitment of our staff has helped us achieve a huge amount in recent years and we need to respond to workload pressures they have been experiencing. We have kept staff headcount numbers tightly controlled over the last few years, but this is not sustainable with student numbers targeted to at least remain at the high levels we have seen recently. The hybrid ways of working we are piloting present us with the chance to rethink the way we use our space and optimise the return on our investment in our estate.

Inflation pressures did not impact the financial results for 2021–22 in a significant way but will do in 2022–23. Government support will help mitigate the full impact of energy cost increases to some extent, but we still face a step-change in these running costs following the Russian invasion of Ukraine earlier this year. Our attention is very much on how we manage consumption and reduce our reliance on fossil fuels over the longer-term.

We need to proceed cautiously through a period that seems set to bring continuing volatility. At the same time, we need to keep sight of our long-term vision and remember that periods such as this bring opportunity as well as risk. The strength of our balance sheet provides reassurance that we have capacity to see beyond short-term shocks. Our fantastic recent performance in REF and the continued growth in student applications give us reasons to look forward with confidence. The pandemic showed that Imperial often operates at its best when we work collectively to solve specific challenges. We will need to call on this same approach as we navigate our way through the choices we face over the next couple of years.

Dr Tony Lawrence
Acting Chief Financial Officer

Five-Year Consolidated Summary Of Key Statistics

	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m
Income and expenditure					
Tuition fees and education contracts	423	384	338	313	296
Funding body grants	152	156	154	156	150
Research grants and contracts	368	363	348	368	364
Other income	149	145	152	152	151
Investment income	7	7	6	7	8
Donations and endowments	64	24	28	77	64
Total income	1,163	1,079	1,026	1,073	1,033
Staff costs	603	591	567	537	502
Pension provision	152	5	(72)	117	(4)
Other operating expenses	394	356	364	376	358
Depreciation	91	85	80	79	68
Interest and other finance costs	19	19	22	20	20
Total expenditure	1,259	1,056	961	1,129	944
(Deficit)/surplus before other gains and share of results of JVs and associates	(96)	23	65	(56)	89
(Loss)/gain on investments and disposals of non-current assets	(28)	128	60	19	(6)
Gain on disposal of interest in associates	-	13	-	-	16
Share of results in joint ventures and associates	-	(2)	(2)	(2)	(19)
(Deficit)/surplus for the year	(124)	162	123	(39)	80
Balance sheet					
Non-current assets	2,372	2,419	2,332	2,258	2,188
Net current assets	130	72	14	49	54
Long-term creditors and provisions	(767)	(632)	(649)	(732)	(629)
Net assets	1,735	1,859	1,697	1,575	1,613
Capital expenditure					
Externally funded	34	42	34	34	52
Internally funded	19	51	105	145	135
Total in-year fixed asset additions	53	93	139	179	187
Liquidity					
Cash, cash equivalents and current asset investments	418	409	318	293	311
Loans	(425)	(435)	(447)	(456)	(465)
Finance leases	(87)	(88)	(88)	(89)	(90)
Net debt	(94)	(114)	(217)	(252)	(244)
Cash flow from operating activities	55	135	90	78	112
Student numbers (headcount)					
Full-time students – undergraduates (UG)	11,720	11,279	10,457	10,054	9,767
Full-time students – postgraduates (PG)	9,029	9,169	7,807	7,514	7,287
Part-time students (PG only)	2,042	1,977	1,670	1,603	1,361
Total	22,791	22,425	19,934	19,171	18,415
Number of full-time equivalent staff	7,937	7,967	7,977	7,868	7,608
Staff costs as a percentage of expenditure	60%	56%	52%	58%	53%
Staff costs as a percentage of expenditure excluding pension provision	55%	56%	55%	53%	53%

Financial Review 2021–22

The College’s deficit before other gains and losses was £96.2 million in 2021–22 compared to a surplus in the prior year of £22.9 million. The overall deficit, including gains and losses on investments, was £123.6 million (2021: surplus £161.7 million), with some of the investment gains of the prior year partly reversing in 2021–22. These deficits incorporated a large increase in pension provision (£153.0 million) following the conclusion of the latest USS actuarial valuation. The figures also include capital grant income of £36.1 million (2021: £44.2 million) that is ring-fenced for investment in our asset base and a much higher level of donation and endowment income (£64.4 million) compared to recent years, the vast majority of which has been secured for specific purposes.

The value of the College’s net assets fell year-on-year to £1,735.1 million (2021: £1,858.7 million), again mainly because of the increased pension provision.

Cash from operating activities fell to £54.6 million (2021: £135.3 million). A reduction in the amount of capital investment meant the overall level of cash at the end of the year (£367.8 million) was still £8.0 million higher than at the start.

Income

Tuition fees and education contracts

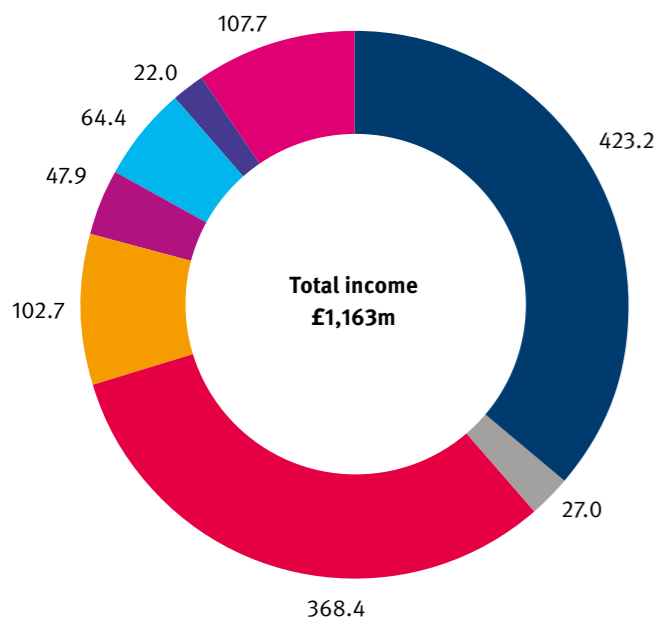
2020–21 had been the first year that tuition fees and education contracts contributed a larger share of income than research grants and contracts and these were the main driver of the increase in income in 2021–22, growing to 36.4% of total income.

Student numbers increased by 2% in 2021–22 as undergraduate intakes remained closer to the levels of the last couple of years rather than reverting to pre-pandemic levels. Although postgraduate student numbers dropped, postgraduate tuition fee income increased by 9.8% as the number of full-time students paying overseas fees was around 25% above the number paying home fees, in the prior year it had been lower. The overall increase in fee income from taught awards was £18.3 million at undergraduate level and £14.4 million at postgraduate level.

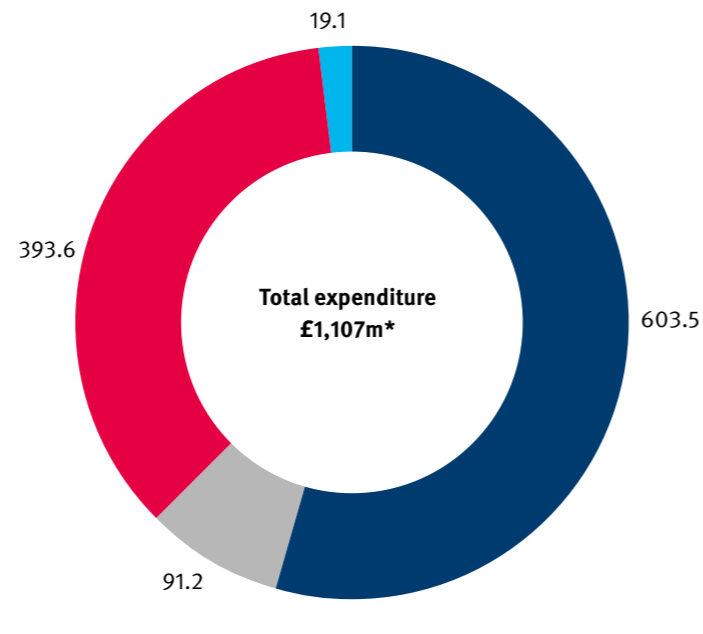
The drop in income from home-fee paying students in 2021–22 was Brexit-related, as many EU-domiciled students were no longer eligible to pay home fees. Enrolment by EU students was down 55% in 2021–22, although EU countries continued to provide us with 20% of our students in 2021–22 and represented four out of the top ten countries by student headcount. These top ten countries provided 77% of our total student population by headcount with the remaining 23% spread across other nationalities.

Demand for undergraduate places continues to rise steadily, with the number of applicants for each first-year place growing to 9.0 in 2021–22 (2021: 7.9). Demand at postgraduate level fell slightly in 2021–22 but was still well above pre-pandemic levels.

Income by source 2021–22 (£ million)

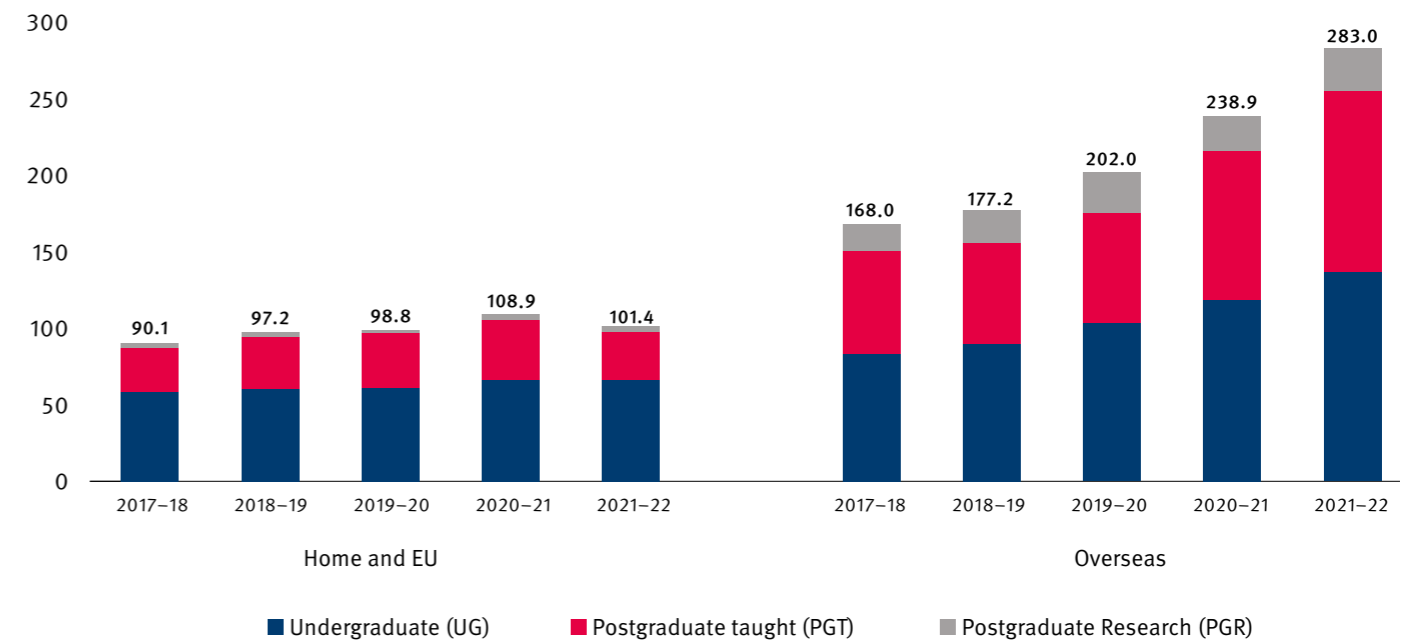


Expenditure by category 2021–22 (£ million)

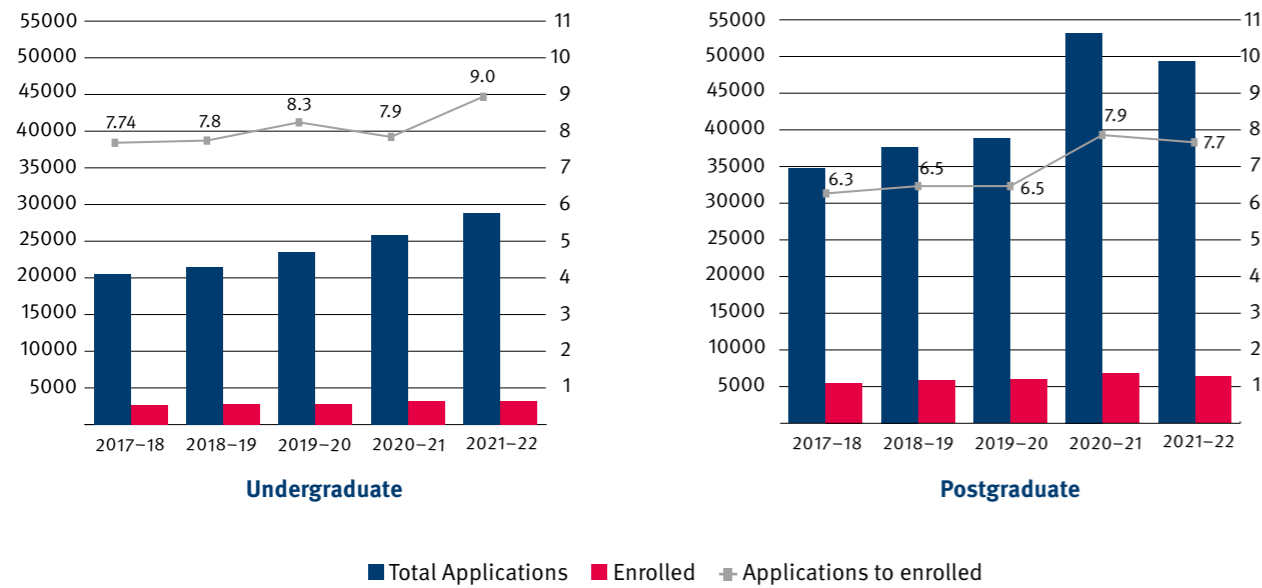


*excluding pension provision

Total tuition fee income (£ million)



Ratio of applications to enrolled student numbers



Funding Body grants

Our Funding Body grants (Office for Students for teaching and UK Research and Innovation for research) amounted to £151.7 million in 2021–22.

Our teaching grant allocations have fallen as the Department for Education has removed additional financing for students attending courses in London. These funds have been redistributed to high-cost subjects and while we offer these courses, the overall impact has been a 2.7% drop (£4.3 million).

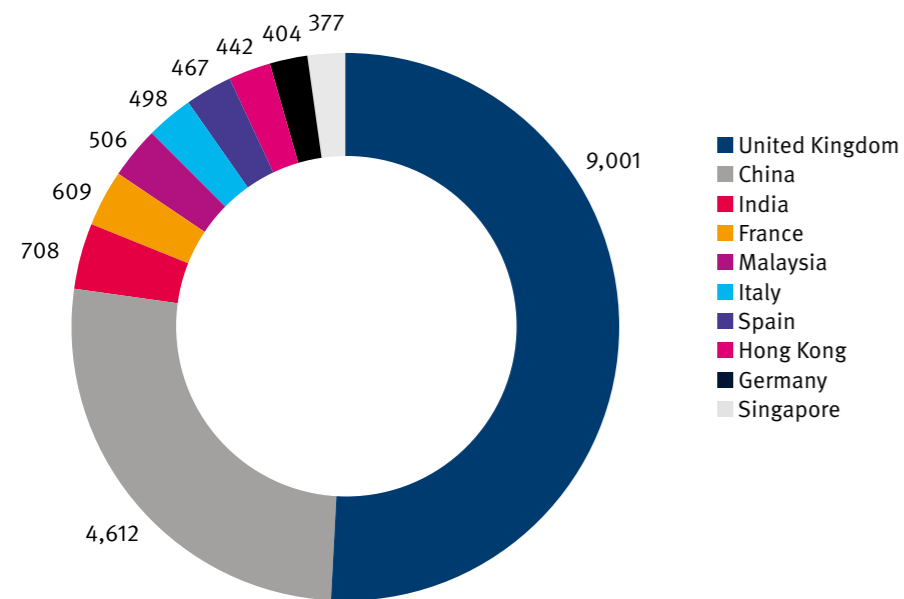
Research grants and contracts

Research grant and contract income of £368.4 million that was recorded in 2021–22 was up 1.5% on the prior year. This figure represents in-year activity and not the value of new awards won in the year, as income from research grants can generally only be recognised when performance-related conditions have been met.

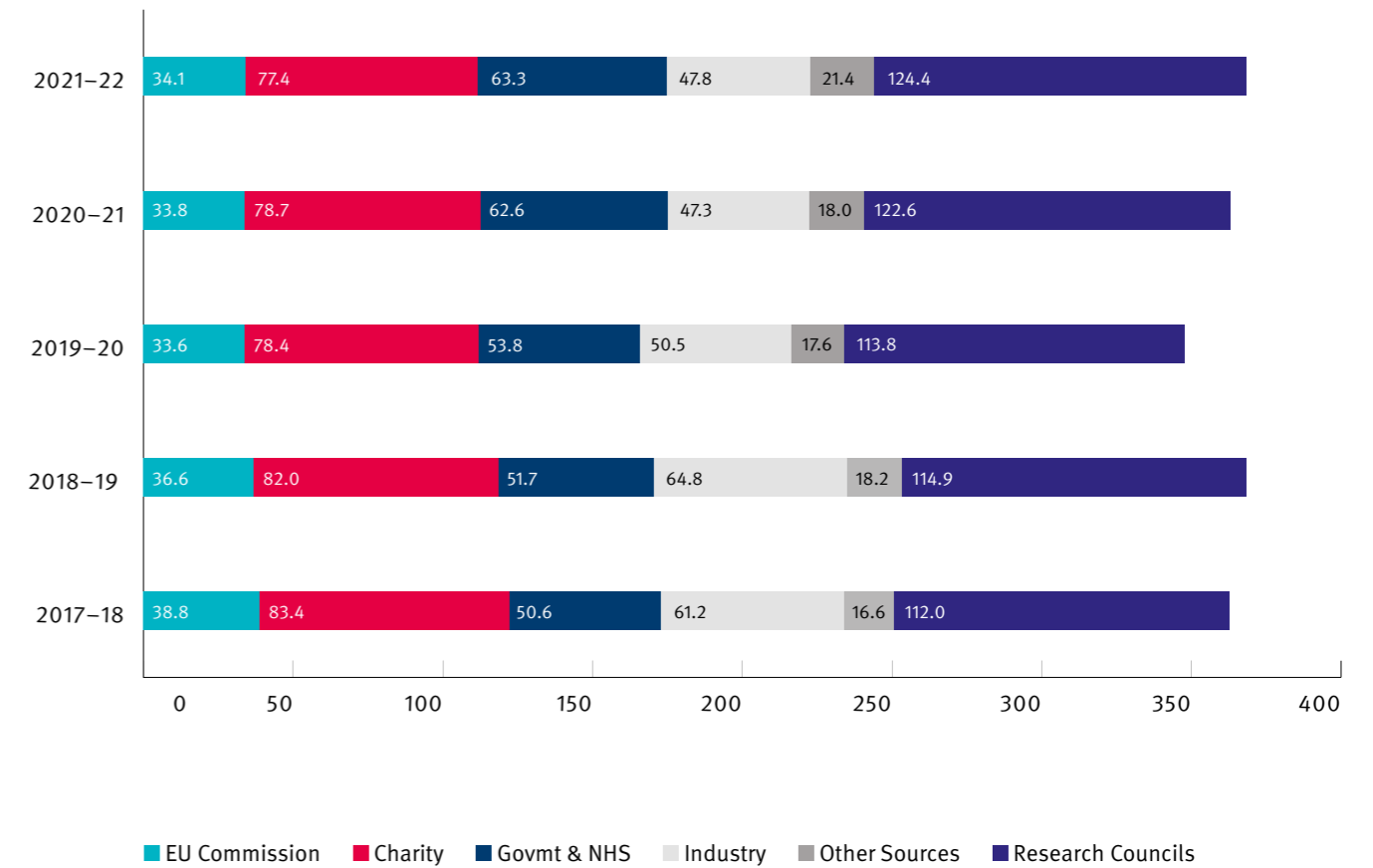
The split of income by funder group was broadly unchanged from the previous year. In terms of new awards won, it was encouraging to see the increased volumes being secured from industrial and charity partners.

The total remaining balance on all research awards won was £797 million at the end of 2021–22, so our order book remains resilient.

Student headcount by country top ten



Research award income by funder type (£ million)



Donations and endowments

Donations and endowments grew to 5.5% (£64.4 million) of total income (2021: 2.2%, £24.0 million). This included £25 million to launch the Brahma Vasudevan Institute for Sustainable Aviation.

Other income

Income from residences, catering and conferences increased by £17.9 million compared to the prior year and represented around a third of Other income. This was mainly a result of the occupancy level in student accommodation recovering to 98% compared to the average of 64% in the prior year when pandemic-related restrictions were still in place.

A further third of Other income is related to provision of scientific services and consultancies, and recharges for the salaries of NHS staff who work for the College. Both income streams are largely offset by related costs. For example, consultancy income was £3.6 million lower in 2021–22 than the prior year because we were not operating the COVID-19 testing programme.

Investment income comprises interest income on cash deposits held and interest and investment income from endowment assets. These all showed small increases as interest rates started to rise.

Expenditure

Staff costs

Staff costs of £603.5 million, excluding the pension provision, represented 54.5% of total expenditure in 2021–22. 36.3% of the staff cost is externally funded (£218.4 million), which predominantly covers Research staff.

Overall staff numbers have stayed broadly unchanged over the last three years, despite the growth in student numbers. This is not a sustainable situation going forwards, particularly as we are planning for further modest growth in student numbers.

The number of Academic, Research, and Learning and Teaching staff is broadly matched by the number of Professional, Technical and Operational Staff.

Non-staff

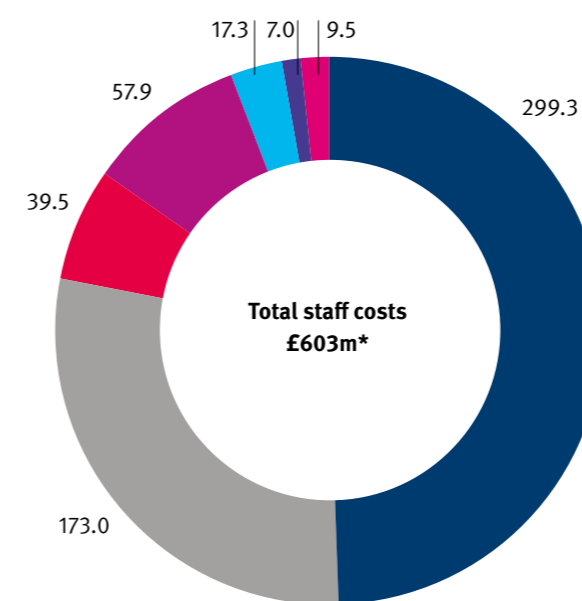
Operating expenditure increased by £37.5 million to £393.6 million in 2021–22. Included within this is an £11.3 million increase in travel costs as field trips and conferences resumed. £16.2 million of the overall increase was on research grants and contracts, and so externally funded.

Premises-related expenditure increased by 6.8% (£9.8 million). Utility costs represent a third of premises cost and rose by £5.8 million year-on-year to £23.6 million, though this had largely been purchased in advance. The impact of the high increase in energy prices in 2022 will be reflected in the 2022–23 results. Managing consumption levels is a priority.

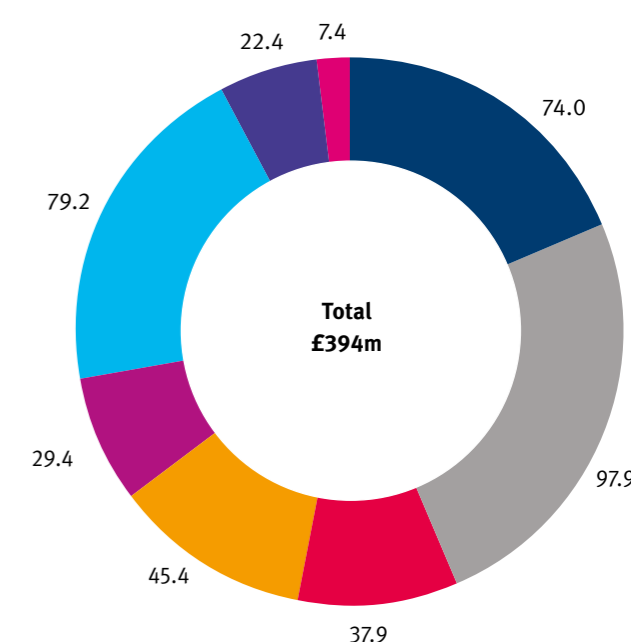
Donations and endowments (£ million)



Staff costs 2021–22 (£ million)



Other operating expenditure by category 2021–22 (£ million)



■ Academic departments ■ Research grants and contracts ■ Academic services ■ Bursaries and scholarships
 ■ Administration and central services ■ Premises ■ Residences, catering and conferences ■ Other expenditure

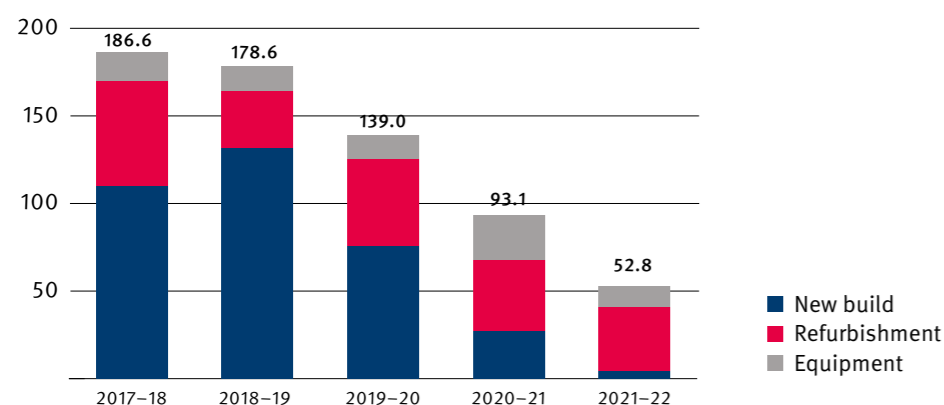
*excluding pension provision

Capital

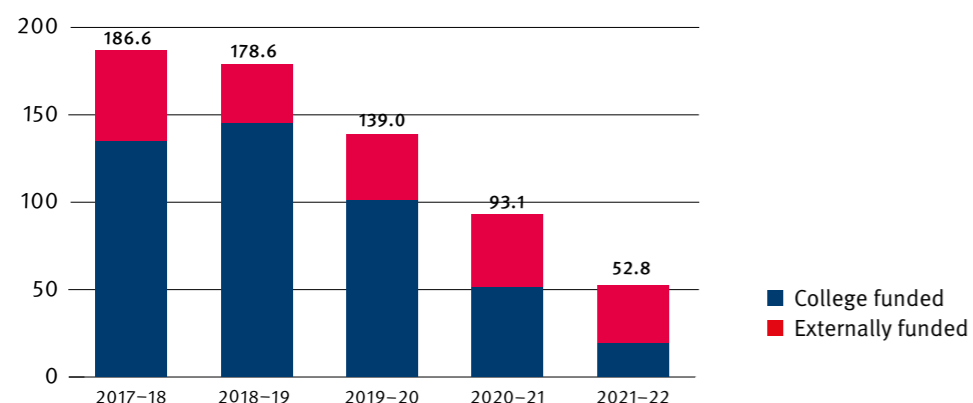
The reported additions to fixed assets of £52.8 million in 2021–22 (2021: £93.1 million) include a favourable VAT rebate of £12 million. Even adjusting for this, capital expenditure was lower last year than for at least a decade as the scale of new building reduced. Further progress was made on the new School of Public Health building at White City (£17 million spent in-year of a total project cost of £57 million), which is due to be ready for the start of the academic year 2023–24.

We have continued to invest in the refurbishment of our core estate to ensure it meets the requirements of our students and staff. This includes supported revised ways of teaching our students in line with our Education Strategy by adjusting the way teaching space is configured.

Capital expenditure by category 2021–22 (£ million)



Capital expenditure by funding type 2021–22 (£ million)



Gains and losses on investments

The College’s endowed assets were valued at £219.6 million at the end of the year boosted by new endowments (2021: £202.1 million). These are managed alongside a portfolio of non-endowed funds retained by the College for long-term investment. The target for the portfolio is to deliver a return of at least CPI +5% on a rolling ten-year basis. Despite the market reversals experienced in 2021–22 of £15.8 million, the performance of the portfolio was in line with the ten-year target.

Cash and Cashflow

With a turnover of over £1 billion and relatively low margins, working capital movements can often distort year-on-year comparisons in cash flow from operating activities. The prior year’s figure (2021: £135.3 million) had been boosted by a high net level of advanced funding for research and a new student system leading to improvements in tuition fee billing efficiency (combined impact £57.8 million). The net payment in advance on research contracts was £16 million lower at 31 July 2022 but still around the same level as in July 2020. Cash flow from operating activities in 2021–22 included advance payments of £17 million in respect of our contribution to the new London Institute of Medical Sciences at the Hammersmith Campus, developed in partnership with the Medical Research Council and due to open during the current academic year.

Interest costs remained largely unchanged year-on-year with no new borrowing and most of the College’s debt being on fixed rate terms.

The lower level of investment in fixed assets and additional cash from new endowments reduced the size of the net cash outflow from investing activity to £28.0 million. This reduction was the reason why the level of cash and cash equivalents was higher at the end of the year than the start despite the lower level of cash generated from operating activities.

Cash movement

	2021–22 (£m)	2020–21 (£m)
Cash and Cash Equivalents at the beginning of the year	359.8	317.4
Cash inflow from operating activities	54.6	135.3
Financing activities	(20.8)	(28.5)
Investing activities	(28.0)	(62.4)
Exchange gains/(losses) on Cash and Cash Equivalents	2.2	(2.0)
Cash and Cash Equivalents at the end of the year	367.8	359.8



CORPORATE GOVERNANCE

A visitor at an Imperial Lates event at the South Kensington Campus.

Corporate Governance



We are regulated by the Office for Students, an organisation independent of Government and higher education establishments.

Its objectives are that all students from all backgrounds who have the ability and desire to undertake higher education:

- 1 Are supported to access, succeed in, and progress from, higher education
- 2 Receive a high-quality academic experience
- 3 Can progress into employment or further study
- 4 Receive value for money

Legal Status

The College is an independent corporation whose legal status derives from a Royal Charter granted under Letters Patent in 1907. Its objects, powers and framework of governance are set out in its Charter and Statutes, which were granted by Her Majesty The Queen in 1998. On 4 April 2007 a Supplemental Charter and Statutes were granted by Her Majesty. This Supplemental Charter, which came into force on the date of the College's Centenary, 8 July 2007, established the College as a university with the name and style of "The Imperial College of Science, Technology and Medicine".

Status as an Exempt Charity

The College is an exempt charity under the laws of England and Wales, by virtue of the Exempt Charities Order 1962 and the Third Schedule to the Charities Act 2011. Each of the College's purposes must be for the public benefit. The Office for Students regulates universities as charities on behalf of the Charity Commission. The Council, as the College's Trustee, sets and reviews its objects and activities. The Charity Commission's guidance on the reporting of public benefit is used as a framework, particularly in relation to the advancement of education and fee charging.

Principles

The College is committed to exhibiting best practice in all aspects of corporate governance. It endeavours to conduct its business in accordance with the seven Principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).

Governance and Internal Control

The College's Council is responsible for overseeing Imperial College London's strategic direction, functions, and activities. They are supported in this by the President and by the Provost, who have direct responsibility for the delivery of the College's core mission in education and research. The Charter and Statutes require the College to have three separate bodies, each with clearly defined functions and responsibilities, to oversee and manage its activities as follows:

The **Council** is the governing body of the College, and is responsible for the finance, investments and general strategic direction of the College, and for oversight of its governance and compliance. There are currently 23 members

of the Council, the majority of whom are external members, including the Chair and Deputy Chair. Also included in its membership are representatives of the staff of the College and of the student body. None of the external members receive any payment, apart from the reimbursement of expenses, for the work they do on the Council. The Council meets at least four times a year.

The **Court** brings together alumni and neighbourhood organisations, to help the College engage with key stakeholders. Alumni members are drawn widely from amongst those who are actively engaged with the College and College activities. Local organisation members come from those organisations with a close link to College life. Its membership also includes representatives from the Council and from the College's senior management. The Court currently has 29 members. Any changes to the College's Charter would require the approval of the Court before they could be submitted to the Privy Council. The Court normally meets once a year.

The **Senate** is the academic authority of the College and draws its membership entirely from the staff and students of the College. Its role is to direct and regulate the teaching work of the College. Chaired by the Provost, there are currently 34 members. The Senate meets at least three times a year.

The principal academic and administrative officer of the College is the President who has responsibility to the Council for maintaining and promoting the efficiency and good order of the College. Under the terms of the Office for Students' Regulatory Framework for Higher Education in England, the President is the designated 'accountable officer' as Head of the Institution. In that capacity they can be summoned to appear before the Public Accounts Committee of the House of Commons. The financial management of the College is prescribed in the Financial Ordinance approved by the Council and conducted in accordance with the terms of registration with the Office for Students, as set out in the Regulatory Framework for Higher Education in England.

The President has ultimate responsibility for the College's strategic direction, functions and activities for the delivery of the College's core mission: education, research and translation.

As chief executive of the College, the President exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments, and the shaping of the

institutional ethos. They are supported in this by a President's Board whose primary function is to plan for and address issues of broad, strategic, and College-wide significance.

The Provost reports directly to the President and is responsible for the delivery of the College's academic mission, overseeing the quality, capacity and efficacy of research, education and innovation and engagement. This includes implementing the overarching academic strategy; the College policies supporting recruitment, development and retention of academic and research staff appointed by the Faculties; attracting students, ensuring their experience is commensurate with the College's stature; and supporting their life and wellbeing across the learning environment. He also has responsibility for delegated budgets and their financial control. From September 2022 the President's Board and Provost's Board have been replaced by the University Management Board (UMB) which brings together the senior leadership of the College to consider its strategy, policy, governance and operations and advise the President and Provost.

The Council has seven standing committees, to which it delegates part of its authority: the Audit and Risk Committee, the Endowment Board, the Finance Committee, the Property Committee, the Nominations Committee, the Remuneration Committee and the Strategy Review Committee. These are formally constituted as committees of the Council with written terms of reference and specified membership, including a significant proportion of external members. All are chaired by external members of the Council. The decisions of these committees are reported formally to the Council.

The **Audit and Risk Committee** meets four times a year with the College's internal and external auditors in attendance. It considers detailed reports together with recommendations for the improvement of the College's systems of internal control and management's responses and implementation plans. It also receives and considers reports from the Office for Students as they affect the College's business and monitors adherence to regulatory requirements. It reviews the College's Risk Register each year as well as considering the College's long-term strategic risks. The Committee reports directly to the Council and has the authority to call for any information from the College officers, from internal and external auditors and from others whom it considers necessary to consult in order

to discharge its responsibilities effectively. Whilst senior officers attend meetings of the Committee, they are not members of it. At least once a year the Committee meets separately with the internal and external auditors on their own for independent discussions. The Audit and Risk Committee receives regular reports from Internal Audit, as well as commissioning reports from senior management. Its role in this area is confined to a high-level review of the arrangements for internal control, value for money, risk management and the arrangements for the management and quality assurance of data submitted to formal funding bodies at the College. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

The **Endowment Board** manages those College assets that are not essential to the core academic mission of the College and that can therefore be managed with a pure investment focus. Its Terms of Reference include an obligation to maintain a diversified portfolio of investments, to have regard to the suitability of the investments within this portfolio and to manage the investments in a way that is appropriate to achieve the Investment Objective set by the Council. The Investment Objective necessitates growth in value of the non-core assets in line with a margin above inflation whilst also providing a regular distribution for the core academic mission of the College. In addition, the College's Socially Responsible Investment Policy is to ensure that any investment decisions take into account the same social, environmental and governance concerns as the College, including pursuing an active approach to engagement with its investments in all asset classes. Within these restrictions, the Endowment Board is authorised to make such investments as it sees fit.

The **Finance Committee** is responsible for providing the Council with a strategic overview of the College's finances, with a focus on the longer-term financial plan and the actions taken to achieve it. It also monitors financial risks related to liquidity, debt, resource allocation and financial contingencies, and reviews various financial measures at each meeting. The Finance Committee is also responsible for approving capital projects with a value of between £10 million and £30 million. Its membership includes one member with cross membership of the Audit and Risk Committee.

The **Property Committee** provides strategic oversight to the academic, undergraduate and investment property portfolios held by the College, and advises on the long-term real estate strategy for the College's consolidated estate. It also leads the development of the strategy to allocate land between the College's property portfolios.

The **Nominations Committee** considers nominations for membership of the Court and Council and for the latter's Committees.

The **Remuneration Committee** reviews and approves the remuneration of the President and the Provost, their senior direct reports. The list of post holders within the remit of the Remuneration Committee as of 31 July 2022 was:

- Professor Martyn Boutelle, Associate Provost (Academic Planning)
- Professor Nigel Brandon, Dean, Faculty of Engineering
- Ms Grainne Brankin, College Secretary and General Counsel
- Mr Harbhajan Brar, Director of Human Resources
- Professor Stephen Curry, Associate Provost (Equality, Diversity and Inclusion)
- Professor Richard Craster, Dean, Faculty of Natural Sciences
- Professor Maggie Dallman, Associate Provost (Academic Partnerships)
- Professor Alice P. Gast, President
- Dr Simon Hepworth, Director of Enterprise
- Dr Tony Lawrence, Acting Chief Financial Officer
- Professor Emma McCoy, Vice-Provost (Education and Student Experience)
- Mr Michael T. Murphy, Vice-President (Advancement)
- Ms Jane Neary, Director of Campus Services
- Ms Zoe Paxton, Director of Communications
- Mr Nicholas Roalfe, Director of Estates
- Professor Mary Ryan, Interim Vice-Provost (Research and Enterprise)
- Professor Francisco Veloso, Dean, Imperial College Business School
- Mr Juan Villamil, Chief Information Officer
- Professor Ian Walmsley, Provost
- Professor Jonathan Weber, Dean, Faculty of Medicine

The Remuneration Committee reviews the College's overall reward strategy to ensure that its remuneration practices are being managed in a fair and equitable way. The Provost and President are invited to participate in discussions on specified agenda items, including recommendations relating to salary reviews of their direct reports. However, they are not members of the Committee and are not present for the discussion of their own salary. The Remuneration Committee is normally chaired by the Chair of the Council, except for proceedings addressing the President's remuneration, which are chaired by the Deputy Chair of the Council. At the July 2021 Remuneration Committee meeting, attendance was extended to the Deans of Faculties and the Business School to review and discuss their action plans, objectives, targets, and activities to address the College gender and ethnicity pay gaps.

The Committee met in November 2021 to receive information on the College's remuneration Strategy, pay and pension benefits, and to review and approve the salary and emoluments for members of the President's and Provost's Boards for the year ended 31 July 2022.

All members of staff whose pay is considered by the Remuneration Committee received the College 2021 local pay award of 1.8% increase. The Committee also undertook a senior staff pay review. Following the review, there were eight recommendations for further adjustments to pay for staff members of Council based on the exceptional contribution of the individual and the external market benchmark.

The Remuneration Committee's review of President Gast's salary considered the President's remuneration compared to all other employees, specifically a multiple of the median pay for all other employees as per Note 8 to the financial statements, and agreed that the local pay award of 1.8% pay should be implemented.

Further details of President Gast's and President Brady's remuneration are included in Note 8 to the financial statements.

During the year, the College Retention of Income from External Interests policy, was reviewed by the Remuneration Committee. The policy encourages a close relationship between staff and industry, professional bodies, commerce, charities, and government departments. It allows staff, subject to prior approval, to be engaged in general paid and

unpaid activities. All staff must disclose the number of days that will be committed to the work, and those who are senior staff must also disclose any personal remuneration that will be received. In reviewing requests, we consider whether the activity could compromise the full performance of the staff duties and how it could serve the interest of the College. Staff engaging in external activities such as directorships is integral to the delivery of our mission, as it enhances collaboration with partners and creates opportunities to influence and inform policy.

In keeping with the College policy on external activities, the President, Professor Alice P. Gast, was granted permission to serve on the Board of Directors of Chevron Corporation, as agreed upon in her acceptance of the offer to serve as Imperial College London President. President Gast's annual compensation from Chevron, which is deferred until retirement from the board, was \$375,000 in the year ended 31 December 2021, comprising \$225,000 in Chevron stock and \$150,000 cash. She receives \$10,000 a year for her work with the Singapore Academic Research Council to cover incidental expenses.

The terms of reference of the Remuneration Committee are as follows:

- To review and approve the application of the College's pay review criteria for the President and the Provost, their senior staff direct reports and members of the Provost's and President's Boards
- To agree, in advance, remuneration packages outside the norm and to consider and decide any severance payments proposed for the staff specified above
- To review the application of the College's reward strategy on an annual basis to ensure that remuneration practices are being managed in a fair and equitable way. This review is to be informed by the following supporting data:
 - Details of the across the board local pay award and any variation to benefits for all staff
 - Summary information on the application of discretionary pay adjustments for all staff
 - The annual gender and ethnicity pay audits (and other specific protected pay audits as published)

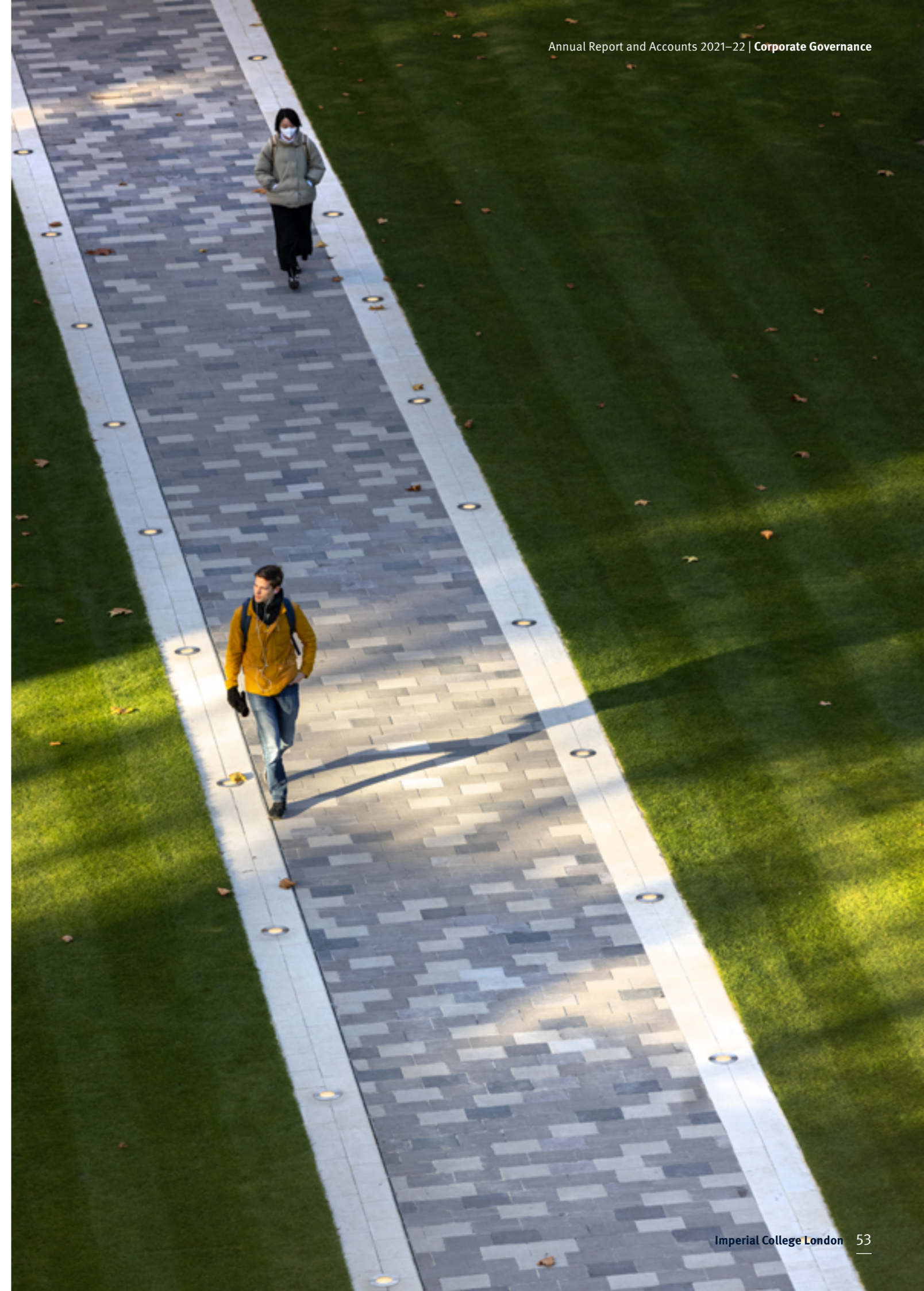
- Pay ratios and relevant comparator information
- Information on numbers of staff earning a total salary of more than £100,000, with trend data on average increases for the previous five years compared to average increases for all staff over five years
- Detail of the individuals earning over £150,000 and the justification for any variation to pay (above the College across-the-board increase) reported on an individual basis and with reference to the College's pay relativity criteria applied to all staff.

The **Strategy Review Committee** oversees the implementation of the College Strategy and sub strategies, where they intersect with the deliverables of the College Strategy.

In 2022 the Council appointed Halpin Partnerships Ltd to conduct a governance effectiveness review of Council. The Council adopted the key findings set out in the report received on 24 September 2022. These included adding more staff and student members to Council to achieve a greater diversity of views.

The College maintains a Register of Interests of members of the Council and of Senior Officers which may be consulted by arrangement with the College Secretary and General Counsel, who is the Clerk to Council. Any enquiries about the constitution and governance of the College should be addressed to them.

Dangoor Plaza provides green space for staff, students and visitors. The transformation of the space in 2021 was funded by a gift from the Dangoor family and The Exilarch Foundation.



Responsibilities of the Council



The Council has adopted the Higher Education Code of Governance published by the Committee of University Chairmen, and accordingly has approved the following Statement of Primary Responsibilities:

- 1 To approve the mission and strategic vision of the College, its long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of the College's stakeholders.
- 2 To safeguard the good name and values of the College.
- 3 To appoint the President as the College's chief executive, and to put in place suitable arrangements for monitoring his/her performance.
- 4 To appoint other executive members of the Council as specified in the Statutes.
- 5 To delegate authority to the President, as chief executive, as advised by the President's Board, for the academic, corporate, financial, estate and human resource management of the College. And to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the President.
- 6 To assess risk to the College and to position its management and mitigation.
- 7 To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls, risk assessment, and procedures for handling internal grievances and for managing conflicts of interest.
- 8 To ensure that processes are in place for regular monitoring and evaluation of the performance and effectiveness of the College against its approved plans and key performance indicators, and that where possible and appropriate, these are benchmarked against other comparable institutions.
- 9 To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
- 10 To be the principal financial and business authority of the College, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the College's assets, property and estate.
- 11 To be the College's legal authority and, as such, to ensure that systems are in place for meeting all the College's legal obligations, including those arising from contracts and other legal commitments made in the College's name.
- 12 In accordance with the College's Charter and Statutes, to act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the College.



- 13 To ensure that the College's Charter and Statutes are adhered to at all times, with appropriate advice available to enable this to happen.
- 14 To be the employing authority for all staff in the institution and to be responsible for establishing the College's human resources strategy.
- 15 To establish processes to monitor and evaluate the performance and effectiveness of the Council itself.
- 16 To appoint a Clerk to the Council and ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.

As set out in the College's Charter and Statutes, the Council has responsibility for the efficient management and good conduct of all aspects of the affairs of the College (including its finances and property). It is required to present audited financial statements for each financial year. As such it is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable it to ensure that the financial statements are prepared in accordance with the Charter of Incorporation, the Statement of Recommended Practice (SORP) on Accounting in Higher Education Institutions and other relevant accounting standards. In addition, and in accordance with the Office for Students' Regulatory Framework for Higher Education in

England, the Council is required to ensure that the College complies with the Office for Students' conditions of registration, and with its accounts direction.

In causing the financial statements to be prepared, the Council has ensured that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- the SORP, applicable accounting standards, and the Office for Students' accounts direction has been followed, subject to any material departures being disclosed and explained in the financial statements;
- the College has adequate resources to continue in operation for the foreseeable future and
- for this reason the financial statements are prepared on a going concern basis.

The Council has taken reasonable steps to:

- ensure that funds from the Office for Students are used only for the purposes for which they have been given and in accordance with any other conditions which the Office for Students may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the College and prevent and detect fraud; secure the economical, efficient and effective management of the College's resources and expenditure.

Visitors to the Great Exhibition Road Festival in July 2022.

Council and Council Committees

The members of the Council are the charity trustees of the College and are listed for the period from 1 August 2021 to 2 December 2022, the date that the Annual Report and Accounts have been approved.

The Council

Chair:

Mr J. Allan CBE

Co-opted External Members

Professor Sir Leszek Borysiewicz
Mr C.D. Brinsmead CBE (until 30 September 2021)
Mr T. Courtauld
Mr J. Cullen (Deputy Chair and Senior Independent Director)
Sir Ron Kalifa OBE
Mr D. Khanna (from 1 October 2021)
Mr. R. Lewis
Dr M. Meaney Haynes (from 26 November 2021)
Sir Jonathan Michael
Ms S.E. Murray OBE
Dr M. Safa (BME Champion)
Professor J.K.M. Sanders CBE FRS
Mr S. Saxena (from 1 October 2021)
Mr C.G. Williams

Ex-Officio:

President:
Professor A.P. Gast FREng (until 31 July 2022)
Professor H. Brady (from 1 August 2022)
Provost:
Professor I.A. Walmsley FRS
Chief Financial Officer:
Mr M. Sanderson (until 22 February 2022)
Acting Chief Financial Officer:
Dr T. Lawrence (from 23 February 2022)

Senior Staff Representatives:

Professor N. Brandon
Professor R. Craster
Professor F. Veloso
Professor J.N. Weber

Elected Staff Member:

Professor J. Mestel

President, Imperial College Union:

Dr L. James (to 31 July 2022)
Ms H. Wong (from 1 August 2022)

Clerk to the Court and Council:

Dr M. Edwards (Interim clerk to 9 January 2022)
Ms G. Brankin (from 10 January 2022)

Audit and Risk Committee

Chair:

Mr J. Cullen

Membership:

Sir Jonathan Michael
Professor J.K.M. Sanders
Mr C. Williams

Secretary:

Mrs R. Knight

Endowment Board

Chair:

Mr C. Williams

Membership:

Professor H. Brady (from 1 August 2022)
Professor A.P. Gast (until 31 July 2022)
Ms L. Patel
Ms A. Rudebeck
Mr M. Sanderson (until 22 February 2022)
Ms A. Shiach
Mr J. Seppala (from 15 July 2022)
Mr F. Varoqui (until 14 January 2022)

Secretary:

Ms J. Soulieux

Finance Committee

Chair:

Dr M. Safa (Chair from 1 October 2021)

Membership:

Professor H. Brady (from 1 August 2022)
Professor A.P. Gast (until 31 July 2022)
Sir Ron Kalifa OBE

Dr T. Lawrence (from 23 February 2022)
Ms A. Rudebeck
Mr M. Sanderson (until 22 February 2022)
Professor I. Walmsley
Mr C. Williams

Secretary:

Mr T. Galer (until 9 November 2021)
Ms P. Gargaro (from 10 November 2021)

Nominations Committee

Chair:

Mr J. Allan

Membership:

Mr C.D. Brinsmead CBE (until 30 September 2021)
Mr J. Cullen
Professor A.P. Gast (until 31 July 2022)
Dr M. Safa
Mr M. Sanderson (until 22 February 2022)
Professor I.A. Walmsley

Secretary:

Dr M. Edwards (until 9 January 2022)
Ms G. Brankin (from 10 January 2022)

Property Committee

Chair:

Mr T. Courtauld

Membership:

Professor N. Alford (until 31 March 2022)
Sir John Armit
Professor M. Boutelle (from 1 April 2022)
Professor H. Brady (from 1 August 2022)
Professor A.P. Gast (until 31 July 2022)
Dr T. Lawrence (from 23 February 2022)
Mr R. Lewis

Dame Alison Nimmo
Mr M. Sanderson (until 22 February 2022)
Professor I.A. Walmsley

Secretary:

Mr D. West (until 30 November 2021)
Mr R. Feasey (from 1 December 2021)

Remuneration Committee

Chair:

Mr J. Allan

Membership:

Mr C.D. Brinsmead CBE (until 30 September 2021)
Mr J. Cullen
Dr M. Safa

Secretary:

Mr H. Brar

Strategy Review Committee

Chair:

Mr J. Cullen

Membership:

Professor H. Brady (from 1 August 2022)
Professor E. McCoy (until 30 September 2022)
Professor N. Jennings (until 31 August 2021)
Professor M. Ryan (from 1 September 2021)
Professor A.P. Gast (until 31 July 2022)
Professor I.A. Walmsley
Sir Ron Kalifa OBE
Dr M. Safa

Secretary:

Dr M. Edwards



INDEPENDENT AUDITORS' REPORT

Dr Cristina Banks-Leite from the Department of Life Sciences at Imperial's Silwood Park Campus. Dr Banks-Leite's research explores how species respond to changing habitats in tropical regions.

Independent auditors' report

Year ended 31 July 2022

Independent auditors' report to the Council of Imperial College of Science, Technology and Medicine ("Imperial College London" or the "College")

Report on the audit of the financial statements

Opinion

In our opinion, Imperial College London's group financial statements and College financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the College's affairs as at 31 July 2022 and of the group's and of the College's income and expenditure, gains and losses and changes in reserves, and of the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been properly prepared in accordance with the requirements of the Office for Students' Accounts Direction (OfS 2019.41).

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise the statement of financial position as at 31 July 2022; the statement of comprehensive income and expenditure, the statement of changes in reserves, and the consolidated statement of cash flows for the year then ended; the statement of principle accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events

or conditions that, individually or collectively, may cast significant doubt on the group's and College's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group and College's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Council is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the Council for the financial statements

As explained more fully in the Responsibilities of the Council, the Council is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Council is also responsible for such internal control as they 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 Council is responsible for assessing the group and College'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 Council either intends to liquidate the group and College or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the College and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the initial and ongoing conditions of registration of the Office for Students, and compliance with the terms of conditions of funding received from both the Office for Students and UKRI (including funding received from Research England), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Office for Students' Accounts Direction (OfS 2019.41) and the College's Charter and Statutes. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the use of journals to manipulate financial performance, management bias when making estimates and the classification of items on the cash flow statement. Audit procedures performed included:

- identifying and testing journal entries using a risk-based targeting approach for unexpected account combinations;
- challenging assumptions and judgements made by management in determining significant accounting estimates (because of the risk of management bias), in particular in relation to the valuation of investment properties, the valuation of the College's investment in its subsidiaries and the calculation of the USS pension provision;
- considering the classification of non-recurring transactions within the cash flow statement; and
- discussions with management, internal audit and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Council as a body in accordance with Statute 11 of the Charters and Statutes of the College – and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinions on other matters prescribed in the Office for Students' Accounts Direction (OfS 2019.41)

In our opinion, in all material respects:

- funds from whatever source administered by the College for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation;
- funds provided by the Office for Students, UK Research and Innovation (including Research England) have been applied in accordance with the relevant terms and conditions.

Under the Office for Students' Accounts Direction, we are required to report to you, if we have anything to report in respect of the following matters:

- The College's grant and fee income, as disclosed in Note 4 to the financial statements, has been materially misstated; or
- The College's expenditure on access and participation activities for the financial year, as disclosed in Note 11 to the financial statements, has been materially misstated.

We have no matters to report arising from this responsibility.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London
8 December 2022

FINANCIAL STATEMENTS

Scientists from the Department of Electrical and Electronic Engineering in the lab.

Statement of comprehensive income and expenditure

Year ended 31 July 2022

	Note	Consolidated		College	
		Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Income					
Tuition fees and education contracts	1	423.2	383.5	423.2	383.5
Funding body grants	2	151.7	156.0	151.7	156.0
Research grants and contracts	3	368.4	363.0	368.4	363.0
Other income	5	148.4	145.3	141.4	138.0
Investment income	6	7.2	7.5	7.5	7.5
Donations and endowments	7	64.4	24.0	64.4	24.0
Total income		1,163.3	1,079.3	1,156.6	1,072.0
Expenditure					
Staff costs	8, 10	603.5	590.6	600.0	587.6
Pension provisions	8, 22	152.1	4.6	152.1	4.6
Other operating expenses	10	393.6	356.1	392.0	352.1
Depreciation	10, 12	91.2	85.5	90.7	85.0
Interest and other finance costs	9, 10	19.1	19.6	19.1	19.6
Total expenditure		1,259.5	1,056.4	1,253.9	1,048.9
(Deficit)/surplus before other gains/(losses) and share of operating results of joint ventures and associates		(96.2)	22.9	(97.3)	23.1
(Loss)/gain on disposal of fixed assets		(11.4)	39.6	(11.4)	39.6
Gain on disposal of non-current investments		2.0	1.9	2.0	8.3
(Loss)/gain on investments	13	(17.9)	86.6	(17.9)	86.6
Gain on disposal of interest in associates	15	-	13.2	-	-
Share of operating (deficit)/surplus in joint ventures		(0.1)	0.3	-	-
Share of operating deficit in associates		-	(2.8)	-	-
(Deficit)/surplus before tax		(123.6)	161.7	(124.6)	157.6
Taxation		-	-	-	-
(Deficit)/surplus for the year		(123.6)	161.7	(124.6)	157.6
Total comprehensive (expenditure)/income for the year		(123.6)	161.7	(124.6)	157.6
Represented by:					
Endowment comprehensive income for the year		17.5	26.1	17.5	26.1
Restricted comprehensive income/(expenditure) for the year		22.7	(0.8)	12.2	1.5
Unrestricted comprehensive (expenditure)/income for the year		(163.8)	136.4	(154.3)	130.0
		(123.6)	161.7	(124.6)	157.6

All items of income and expenditure relate to continuing activities. There are no additional items recognised in other comprehensive income.

Statement of financial position

Year ended 31 July 2022

	Note	Consolidated		College	
		Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Non-current assets					
Fixed assets	12	1,595.1	1,626.7	1,585.3	1,616.3
Investments	13, 16	769.3	786.5	811.9	829.2
Investments in joint ventures	14	7.3	6.2	-	-
		2,371.7	2,419.4	2,397.2	2,445.5
Current assets					
Stock		0.2	0.1	0.2	0.1
Trade and other receivables	17	346.0	303.4	349.4	305.8
Investments	18	49.7	49.4	49.7	49.4
Cash and cash equivalents		367.8	359.8	345.4	338.5
		763.7	712.7	744.7	693.8
Creditors: amounts falling due within one year	19	(633.9)	(641.1)	(621.3)	(628.2)
Net current assets		129.8	71.6	123.4	65.6
Total assets less current liabilities		2,501.5	2,491.0	2,520.6	2,511.1
Creditors: amounts falling due after more than one year	20	(510.8)	(522.3)	(510.8)	(522.3)
Provisions					
Pension provisions	22	(254.9)	(107.9)	(254.9)	(107.9)
Other provisions	22	(0.7)	(2.1)	(0.7)	(2.1)
Total net assets		1,735.1	1,858.7	1,754.2	1,878.8
Restricted Reserves					
Endowment income and expenditure reserve	23	219.6	202.1	219.6	202.1
Restricted income and expenditure reserve	24	107.2	84.5	107.2	95.0
Unrestricted Reserves					
Unrestricted income and expenditure reserve		1,408.3	1,572.1	1,427.4	1,581.7
Total Reserves		1,735.1	1,858.7	1,754.2	1,878.8

The financial statements were approved by the Council on 2 December 2022 and were signed on its behalf on 5 December 2022 by:

Mr John Allan CBE,
Chair of Council

Professor Hugh Brady,
President

Dr Tony Lawrence,
Acting Chief Financial Officer

Statement of changes in reserves

Year ended 31 July 2022

	Income and expenditure account			Total
	Endowment £m	Restricted £m	Unrestricted £m	£m
Consolidated				
Balance at 1 August 2020	176.0	85.3	1,435.7	1,697.0
Surplus from the income and expenditure statement	26.1	13.8	121.8	161.7
Release of restricted funds spent in year	-	(14.6)	14.6	-
Total comprehensive income/(expenditure) for the year ended 31 July 21	26.1	(0.8)	136.4	161.7
Balance at 31 July 2021	202.1	84.5	1,572.1	1,858.7
Surplus/(deficit) from the income and expenditure statement	17.5	43.0	(184.1)	(123.6)
Release of restricted funds spent in year	-	(20.3)	20.3	-
Total comprehensive income/(expenditure) for the year ended 31 July 22	17.5	22.7	(163.8)	(123.6)
Balance at 31 July 2022	219.6	107.2	1,408.3	1,735.1
College				
Balance at 1 August 2020	176.0	93.5	1,451.7	1,721.2
Surplus from the income and expenditure statement	26.1	16.1	115.4	157.6
Release of restricted funds spent in year	-	(14.6)	14.6	-
Total comprehensive income for the year ended 31 July 21	26.1	1.5	130.0	157.6
Balance at 31 July 2021	202.1	95.0	1,581.7	1,878.8
Surplus/(deficit) from the income and expenditure statement	17.5	32.5	(174.6)	(124.6)
Release of restricted funds spent in year	-	(20.3)	20.3	-
Total comprehensive income/(expenditure) for the year ended 31 July 22	17.5	12.2	(154.3)	(124.6)
Balance at 31 July 2022	219.6	107.2	1,427.4	1,754.2

Consolidated statement of cash flows

Year ended 31 July 2022

	Note	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Cash flow from operating activities			
(Deficit)/surplus for the year before taxation		(123.6)	161.7
Taxation		-	-
(Deficit)/surplus for the year after taxation		(123.6)	161.7
Adjustment for non-cash items and working capital movements			
Depreciation	12	91.2	85.5
Loss/(gain) on investments	13	17.9	(86.6)
(Gain) on disposal of interest in an associate		-	(13.2)
(Increase) in stock		(0.1)	-
(Increase) in debtors		(28.0)	(13.1)
(Decrease)/increase in creditors		(4.5)	76.7
Increase/(decrease) in pension provisions		146.1	(0.3)
(Decrease) in other provisions		(1.4)	(5.5)
Share of operating deficit/(surplus) in joint venture		0.1	(0.3)
Share of operating deficit in associate		-	2.8
Unrealised foreign currency (gains)/losses		(2.2)	2.0
Other non-cash items		1.2	1.0
Adjustment for investing or financing activities			
Investment income	6	(7.2)	(7.5)
Interest payable	9	19.1	19.6
Endowment income		(27.3)	(1.8)
Loss/(gain) on disposal of fixed assets and non-current investments		9.4	(41.5)
Capital income		(36.1)	(44.2)
		54.6	135.3
Cash flow from investing activities			
Capital receipts		41.1	49.2
Disposal of fixed assets	12	(9.7)	18.5
Proceeds from sales of investment property		9.4	0.9
Disposal of other non-current investments		16.1	53.9
Investment income		1.6	0.8
Payments made to acquire fixed assets		(57.1)	(93.2)
Payments to acquire joint venture share capital		(1.2)	(0.2)
New non-current investments		(27.9)	(43.8)
New current asset investments		(0.3)	(48.5)
		(28.0)	(62.4)
Cash flow from financing activities			
Interest paid		(13.4)	(14.0)
Interest element of finance lease payments		(4.7)	(4.7)
New endowments		8.4	3.1
Repayments of amounts borrowed		(10.2)	(12.1)
Capital element of finance lease payments		(0.9)	(0.8)
		(20.8)	(28.5)
Increase in cash and cash equivalents in the year		5.8	44.4
Cash and cash equivalents at beginning of the year		359.8	317.4
Increase in cash and cash equivalents in the year		5.8	44.4
Exchange gains/(losses) on cash and cash equivalents		2.2	(2.0)
Cash and cash equivalents at end of the year		367.8	359.8

Statement of principal accounting policies

1. Basis of preparation

These financial statements have been prepared in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”, and applicable law), the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019) and the OfS Accounts Direction (OfS 2019.41).

The College is a public benefit entity and therefore has applied the relevant public benefit requirements of the United Kingdom Generally Accepted Accounting Practice. The financial statements are prepared under the historical cost convention (modified by the revaluation of marketable non-current asset investments and investment properties). The accounting policies have been applied consistently year on year.

The College’s and consolidated forecasts and projections, taking account of reasonably possible changes in performance, including the current high level of inflation and related cost increases, show that the College should be able to operate within the level of its current facilities. In arriving at its assessment, Council have considered a period of not less than 12 months from the date the financial statements were signed. In developing this assessment, Council have noted that the College successfully enrolled a record number of students whilst research income has continued to increase. Council have also noted that the College has significant investment balances that could be liquidated if required to address any liquidity shortfall. Forecasts and projections show that the downside risk to cashflow in a severe but plausible downside scenario is manageable and the risk of breaching covenants imposed by lenders is considered low. No breaches of covenants imposed by lenders have been forecast, but any potential breach would be identified well in advance through covenant testing and appropriate action could be taken. Therefore, Council have a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. The College therefore continues to adopt the going concern basis of accounting in preparing its financial statements.

2. Basis of consolidation

The consolidated financial statements include the College and all its subsidiaries for the financial year to 31 July. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income and expenditure from the date of acquisition, or up to the date of disposal. Intra-group transactions are eliminated on consolidation. In preparing its own financial statements, the College has applied the exemptions available under FRS 102 to disclose neither a cash flow statement, nor related party transactions with wholly owned subsidiaries. Similarly, an exemption has been taken from disclosing details of the College’s financial instruments as the consolidated position is presented in these financial statements.

Associated companies and joint ventures are accounted for using the equity method in the consolidated financial statements. Associated companies are those in which the College has a significant, but not dominant, influence over their commercial and financial policy decisions. Joint ventures represent entities over which the College has joint control with a third party.

3. Income recognition

Income from the sale of goods or services is credited to the consolidated statement of comprehensive income and expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Tuition fee income is stated gross of any expenditure which is not a discount and credited to the consolidated statement of comprehensive income and expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Government grants are credited to the consolidated statement of comprehensive income and expenditure when the College is entitled to the income and any performance related conditions have been met. Where multiple performance conditions exist, the amount of income recognised reflects the income due for performance conditions met.

Income from research grants and contracts is credited to the consolidated statement of comprehensive income and expenditure when the College is entitled to the income and any performance related conditions have been met.

Income received before performance related conditions have been met is deferred on the statement of financial position and released to the consolidated statement of comprehensive income and expenditure in line with such conditions being met. This is ordinarily when the College undertakes research and incurs the related expense.

Funds the College receives and disburses as paying agent on behalf of a funding body are excluded from the consolidated statement of comprehensive income and expenditure where the College is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Donations and endowments (a form of charitable trust retained for the benefit of the College) with donor-imposed restrictions are credited to the consolidated statement of comprehensive income and expenditure when the College is entitled to the income. This income is retained within the restricted reserve, with additional disclosures provided within the notes to the financial statements, until such time that it is utilised in line with such restrictions at which point the reserve is reduced to the extent the income has been consumed or restrictions met. There are four main types of donations and endowments identified within reserves:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.
3. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
4. Expendable endowments – the donor has specified a particular objective and the College has the power to use the capital.

Donations with no restrictions are recognised in the consolidated statement of comprehensive income and expenditure when the College is entitled to the income.

All investment income from deposits and endowments is recorded in income in the period in which it is earned and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund. Investment income from endowments not expended in accordance with the restrictions of the endowment is held within the temporarily or permanently restricted reserve as appropriate until such time that it is utilised in line with such restrictions.

4. Pension schemes

The College participates in three active pension schemes, the Universities Superannuation Scheme (USS), the Superannuation Arrangements of the University of London (SAUL) and the NHS Pension Scheme. The College also participates in the legacy Federated Pension Scheme 1634 (FPS) on behalf of retired members.

The USS, SAUL and NHS schemes are multi-employer schemes, two being defined benefit and one hybrid. Given the mutual nature of the schemes, it is not possible to identify the College’s share of the underlying assets and liabilities. Consequently, the College cannot apply defined benefit accounting and, according to section 28 FRS 102, the schemes are accounted for as defined contribution schemes. Each scheme is valued every three years, apart from the NHS scheme which is valued every four years, by professionally qualified independent actuaries.

The College has entered into an agreement with regards to the USS scheme that determines how each employer within the scheme will fund the overall deficit of the scheme. The College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised in the consolidated statement of comprehensive income and expenditure.

5. Short-term employment benefits

Short-term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any unused benefits, such as holiday entitlements earned but not taken at the reporting date, are recognised as a liability by the College at the undiscounted additional amount the College would expect to pay as a result. Termination benefits are recognised as an expense in the consolidated statement of comprehensive income and expenditure when incurred.

Statement of principal accounting policies *(continued)*

6. Foreign currencies

Transactions denominated in foreign currencies are translated to the respective functional currencies of Group entities at the rate of exchange ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the foreign exchange rate at the reporting date.

The resulting exchange differences are recognised in the consolidated statement of comprehensive income and expenditure.

7. Finance leases

Leases which transfer substantially all of the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired under finance leases, together with the related lease liability, are recorded in the consolidated statement of financial position at the inception of the lease at the lower of their fair value and the present value of the minimum lease payments.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets leased from the College under finance leases are removed from the consolidated statement of financial position and replaced with a receivable at an amount equal to the present value of the sum of the minimum lease payments due and any residual value at the end of the lease term. Deferred lease premiums arising on sale and leaseback transactions are spread over the term of the finance lease.

8. Operating leases

Leases which do not transfer substantially all of the risks and rewards of ownership of the leased asset are classified as operating leases. Operating lease costs and income are recognised in the consolidated statement of comprehensive income and expenditure on a straight-line basis over the relevant lease term. Any lease premiums or incentives are spread over the minimum lease term.

9. Land and buildings

Initially, purchased land and purchased or constructed buildings are stated at cost. Subsequently, freehold land is not depreciated as it is considered to have an indefinite useful life. Leasehold land is depreciated over the life of the lease. Buildings, including service plant, are depreciated over their expected useful lives as follows:

Building works	50 years
Service plant	20 years
Building infrastructure	20 years
IT infrastructure	10 years

Costs incurred in relation to buildings after their initial acquisition or construction are capitalised only to the extent that they increase the expected future benefits beyond the previously assessed standard of performance. The cost of such works are depreciated over 20 years.

Assets under construction are capitalised at cost and not depreciated until they are available for use.

10. Fixtures, fittings and equipment

Fixtures, fittings and equipment, including computers and software, costing less than £50,000 per individual item or group of related items are written off in the year of acquisition. All other items are capitalised. Costs capitalised include those that are required to bring the asset to the location and condition necessary for it to operate in the manner intended.

Capitalised equipment is stated at cost and, once in service, depreciated over their useful economic lives as follows:

Fixture, fittings and infrastructure	20 years
Equipment and IT	5 to 8 years

Equipment acquired for specific research projects is depreciated over its expected useful economic life which ordinarily equates to the remaining life of the project (generally three years up to a maximum of five years).

Where fixtures, fittings and equipment are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grant is recognised in income on entitlement.

11. Reserves

The reserves reflect the accumulated net comprehensive income of the College. This accumulated net income is classified as either restricted or unrestricted depending on whether restrictions were placed on how it was to be spent. Income with such restrictions remains in the restricted reserves until it is spent in line with the restriction, at which point it is transferred to the unrestricted reserve via a reserve transfer.

Endowment funds are a form of charitable trust retained for the benefit of the College. Where the donor prohibits the conversion of the capital into income, these funds are held in a permanent restricted reserve. Otherwise these are held temporarily in restricted reserves.

12. Investment properties

Investment properties are those land and building assets which are held for either their rental income, capital appreciation or both. Investment properties are initially recognised at cost in the statement of financial position and subsequently at their fair value on the basis of an independent valuation at each statement of financial position date. Changes in the fair value of investment properties are recognised within the consolidated statement of comprehensive income and expenditure.

Property held primarily for the provision of social benefit is not classified as investment property (for example student accommodation), in accordance with FRS 102.

13. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another. Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions of the instrument. All financial instruments are basic financial instruments other than the derivatives held.

The non-current investment assets held by the College are not expected to realise their value within the next twelve months from the date of the consolidated statement of financial position. These assets, together with their corresponding treatments, are as follows:

- Listed equity are financial instruments that are traded on a recognised stock exchange. They are held at fair value.

- Non-listed investment are shares that are not traded on a recognised stock exchange. They are held at fair value when regular, reliable valuations are available, for example private equity funds. They are held at cost less any provision for impairment when regular, reliable valuations are not available, including equity holdings in private companies.

The current investment assets held by the College are deposits with banks and building societies with maturity between three and twelve months at the date of acquisition. These are held at their cost less any provision for impairment in their value.

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are available within twenty-four hours without penalty. Cash equivalents are highly liquid investments due within three months, that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in value.

Unsecured loans are liabilities with fixed or determinable payments that are not secured against specific assets. These are held at amortised cost. They are apportioned between 'Creditors: amounts falling due within one year' and 'Creditors: amounts falling due after more than one year'.

Derivatives are contracts whose value is dependent on the value of an underlying asset. The College has not taken up the option to apply hedge accounting to its derivatives and, instead, recognises the fair value of the outstanding derivatives in the consolidated statement of financial position.

Trade receivables and trade payables are recognised at their transaction price in the statements of consolidated financial position and subsequently measured at amortised cost. A provision for bad debts is estimated on the basis that as debts become older, a higher percentage become irrecoverable.

Investments in joint ventures, associated companies and subsidiaries are recognised at cost less any provision for impairment in the College's individual statement of financial position.

Amortised cost is a method used to measure the value of certain financial assets and liabilities after they have been initially recognised. The amortised cost of a financial instrument is the net of the amount the instrument was initially recognised at, less any repayment of the principal, plus or minus the cumulative amortisation of any difference between the amount at initial recognition and the

Statement of principal accounting policies *(continued)*

maturity amount, minus – in the case of financial assets – any reduction for impairment or uncollectability.

Any changes in market value, fair value or resulting from impairment are recognised immediately in the consolidated statement of comprehensive income and expenditure.

14. Taxation status

The College is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The College receives no similar exemption in respect of Value Added Tax (VAT).

The College's subsidiary companies are subject to corporation tax and VAT in the same way as any commercial organisation. The charge for taxation is based on the profit or loss for the year after charging the cost of any Gift Aid payment payable to the College. The charge for taxation also takes into account taxation deferred because of timing differences in the treatment of certain items for taxation and accounting purposes.

15. Heritage assets

Heritage assets are tangible and intangible assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. Assets are held at cost where this is known or can be obtained from historic records, less accumulated impairment losses. Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material.

16. Provisions and contingent liabilities

Provisions are liabilities of either uncertain timing or amount.

Provisions are recognised in the consolidated statement of financial position when:

- (a) the College has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

Where the impact is material, the value of the provision is determined by discounting the expected future cash flows to reflect the time value of money.

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the consolidated statement of financial position as a liability, however disclosure is made unless the possibility of an outflow of resources is remote.

17. Accounting judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are below:

Critical accounting judgements and sources of estimation uncertainty

Investment property – The valuation of the College's investment property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future rental revenues from that particular property. As a result, the valuations the College places on its investment property portfolio are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility

or low transaction flow in the property market. The investment property valuation contains a number of assumptions upon which the College's independent professional valuer has based its valuation of the portfolio. The assumptions on which the property valuation reports have been based include, but are not limited to, matters such as the tenure and tenancy details for the properties, ground conditions at the properties, the structural condition of the properties, prevailing market yields and comparable market transactions.

USS pensions provision – A provision is recognised in the financial statements for future contributions payable to the USS pension scheme that relate to the deficit in the scheme. It arises from the agreement with scheme employers as to how the deficit is funded. The carrying amount of this liability on 31 July 2022 is £254.9 million (see Note 22). Assumptions used in the calculation represent a key source of estimation uncertainty. These assumptions and an analysis of the sensitivity of the provision to changes in these assumptions are also included in Note 22.

Annual holiday accrual – An accrual is recognised in the financial statements for holiday leave that has been accrued by employees but not yet taken as at 31 July 2022, the carrying amount of which is £11.8 million (2021: £16.8 million). There is judgement involved in estimating the number of days owed and an average number of 10 days (2021: 10 days) is applied in some circumstances. Increasing or decreasing the average number used by 2 days would result in a change of £1.1 million to the liability.

Impairment of investments in subsidiaries – Investments in subsidiaries are recognised at cost less any provision for impairment in the College's individual statement of financial position. Where an indication of impairment exists, the College measures the recoverable amount of its investment at the higher of its fair value less costs to sell and its value in use. Where the recoverable amount is lower than the carrying value, an impairment loss is recognised in the Statement of comprehensive income and expenditure. There is significant judgement involved in determining the recoverable amount of a subsidiary as an active market does not always exist. Forecasts of future cashflows are used to calculate a subsidiary's value in use and incorporate a number of assumptions about future performance driven by the unique circumstances of each subsidiary. Where a fair value approach is taken, reference is made to valuations of assets derived in accordance with commonly used industry principles to determine the recoverable amount of

the subsidiary's assets. Impairment indicators were identified for two subsidiaries and an impairment recognised in one case (see Note 13 for further details).

Notes to the financial statements

Year ended 31 July 2022

1. Tuition fees and education contracts

	Registered student numbers		Consolidated		College	
	31 December 2021	31 December 2020	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Full-time students: home/EU fee status						
Undergraduate	7,482	7,407	66.3	66.1	66.3	66.1
Postgraduate	4,010	4,714	25.6	34.1	25.6	34.1
Full-time students: overseas fee status						
Undergraduate	4,238	3,872	136.6	118.5	136.6	118.5
Postgraduate	5,019	4,455	134.4	111.4	134.4	111.4
Part-time students: home/EU fee status	1,267	1,380	9.5	8.7	9.5	8.7
Part-time students: overseas fee status	775	597	12.0	9.0	12.0	9.0
Research Training Support Grants			29.7	29.8	29.7	29.8
Short course fees			9.1	5.9	9.1	5.9
			423.2	383.5	423.2	383.5

Fee income is shown net of discounts and fees remitted.

Research training support grants include £3.6 million (2021: £4.6 million) of tuition fees paid in respect of full-time home and European Union students. The remainder represents grants made by Research Councils and other bodies in support of training research students.

Total numbers of full-time and part-time students are 22,791 in 2022 and 22,425 in 2021 (excluding those on short courses). Tuition fee categories are based on fee status established at the time of initial application.

2. Funding body grants

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Grants from OfS				
Recurrent – teaching	25.0	26.7	25.0	26.7
Capital	2.0	1.6	2.0	1.6
Other	-	0.1	-	0.1
Grants from Research England				
Recurrent – research	102.7	105.1	102.7	105.1
Capital	12.1	14.9	12.1	14.9
Higher Education Innovation Fund	5.7	4.8	5.7	4.8
Other	4.2	2.8	4.2	2.8
	151.7	156.0	151.7	156.0

3. Research grants and contracts

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Research Councils	124.4	122.6	124.4	122.6
Charities	77.4	78.7	77.4	78.7
Government (UK & EU) and health authorities	63.3	62.6	63.3	62.6
European Commission	34.1	33.8	34.1	33.8
Industry and commerce	47.8	47.3	47.8	47.3
Other	21.4	18.0	21.4	18.0
	368.4	363.0	368.4	363.0

Research grants and contracts income includes £11.0 million (2021: £23.2 million) in respect of capital funding and £79.1 million (2021: £75.7 million) in respect of overhead contribution.

UK Government grants and contracts include a grant from the former Department for International Development (DFID) to fund key strategic issues around agricultural transformation, growth, and food and nutrition security. The total amount of funding awarded for this project in 2018 was £1.2 million, with £1.0 million spent to date and £0.1 million recognised in the year.

4. Grant and fee income

	Note	Consolidated		College	
		Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Grant income from the OfS	2	27.0	28.4	27.0	28.4
Grant income from Research England	2	124.7	127.6	124.7	127.6
Grant income from other bodies	3	221.8	219.0	221.8	219.0
Fee income for taught awards		351.4	319.7	351.4	319.7
Fee income for research awards		33.0	28.1	33.0	28.1
Fee income from non-qualifying courses		38.8	35.7	38.8	35.7
		796.7	758.5	796.7	758.5

Grant income from other bodies comprises research awards from Research Councils, government and health authorities, and European Commission (Note 3).

Fee income for taught awards represents fee income for higher education courses and includes undergraduate and postgraduate taught awards. Fee income for research awards represents postgraduate research awards excluding grants made by Research Councils and other bodies in support of the training of research students. Fee income from non-qualifying courses represents fees for non-credit-bearing courses and research training support.

Notes to the financial statements

Year ended 31 July 2022

5. Other income

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Residences, catering and conferences	47.9	30.0	47.9	30.0
Consultancies and scientific services	22.9	26.5	9.2	4.9
Health and hospital authorities	26.3	25.7	26.3	25.7
Rents receivable from commercial property	18.7	17.1	13.6	12.4
Other revenue grants	7.0	11.5	7.1	13.2
Other departmental income	13.5	13.5	19.1	23.4
Other income	12.1	21.0	18.2	28.4
	148.4	145.3	141.4	138.0

Health and hospital authorities income relates to recharges for staff employed by the College where some of their salaries are reimbursed by the NHS for their work at NHS Trusts. The College was awarded £0.4 million through the Turing Scheme, the UK government's programme to provide funding for international opportunities in education and training. As at 31 July 2022, £0.2 million of this funding had been used as part of other revenue grants. Other departmental income includes income related to activities undertaken by academic departments, such as collaborations with other universities and third parties, application fees, marketing and intellectual property income. Other income is received by non-academic departments for a range of services and facilities they provide, for example sport, car parking and Early Years Education Centre, and includes foreign currency exchange gains.

6. Investment income

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Interest and investment income on endowments	1.5	1.2	1.5	1.2
Other investment income	3.6	3.2	3.6	3.2
Interest on cash, cash equivalents and current investments	2.1	3.1	2.4	3.1
	7.2	7.5	7.5	7.5

7. Donations and endowments

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
New endowments	27.3	1.8	27.3	1.8
Donations with performance related conditions	4.9	3.4	4.9	3.4
Research donations	12.6	7.6	12.6	7.6
Capital donations	10.9	5.0	10.9	5.0
Other donations with restrictions	6.5	3.7	6.5	3.7
Unrestricted donations	2.2	2.5	2.2	2.5
	64.4	24.0	64.4	24.0

Where the College has a pledge supported either by a legal deed or a letter, the income is recognised on pledge, apart from donations with performance related conditions where income is only recognised on fulfilment of conditions specified in the gift agreements. College secured total pledges and philanthropic donations of £52.7 million in the year.

8. Staff costs

	Note	Consolidated		College	
		Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Staff costs					
Salaries		476.0	468.4	472.5	465.4
Social security costs		53.6	51.3	53.6	51.3
Other pension costs	31	72.4	69.0	72.4	69.0
Restructuring costs		1.5	1.9	1.5	1.9
		603.5	590.6	600.0	587.6
Pension provisions					
USS	22	152.1	4.6	152.1	4.6
		152.1	4.6	152.1	4.6
		755.6	595.2	752.1	592.2

Staff costs include £5.0 million reduction in accrual for unpaid leave (2021: £1.8 million increase). These changes arise due to a change in the amount of untaken leave at 31 July each year.

	Full-time equivalent (FTE)		Headcount	
	31 July 2022	31 July 2021	31 July 2022	31 July 2021
Staff numbers by major category				
Academic and Research	3,640	3,739	3,925	4,030
Professional services	3,126	3,050	3,290	3,230
Technical services	492	508	507	523
Operational services	316	312	383	344
Learning and Teaching	363	358	499	487
	7,937	7,967	8,604	8,614

The FTE number is based on the headcount but adjusted to include only the pro rata element of part-time staff. The numbers include staff employed by the subsidiary companies.

	Year ended 31 July 2022 £000	Year ended 31 July 2021 £000 Restated
Remuneration of the President – Alice P. Gast		
Basic salary	365	359
Voluntary salary reduction	-	(18)
Payments in lieu of pension contributions	47	47
Pension contributions to USS	20	7
Holiday in lieu	13	-
Total pay and pensions	445	395
Accommodation		
Taxable benefits	153	57
Non-taxable benefits	1	70
College payments for tax on accommodation	115	37
Total accommodation	269	164
Total remuneration	714	559

Notes to the financial statements

Year ended 31 July 2022

8. Staff costs (continued)

	Year ended 31 July 2022	Year ended 31 July 2021 Restated
President's remuneration as multiple of the median pay for all other employees (on a FTE basis)		
Multiple based on basic salary	8.6	8.1
Multiple based on total remuneration excl. accommodation	9.2	8.3
Multiple based on total remuneration	14.7	11.6

Total remuneration

The College is committed to offering all staff, including the President, a total remuneration package that is equitable and appropriately reflects the market in which the College seeks to attract and retain talent. Imperial is one of the world's top ten academic institutions, competing and collaborating globally and the President is the College's most senior executive with ultimate responsibility for the performance, reputation and success of the organisation. A prerequisite of the role is senior leadership experience in similar world-class organisations, a strong academic record and extensive experience in fundraising. The total remuneration offered is set with reference to this global marketplace and is then benchmarked against peers.

Pay and benefits

As a College employee, President Gast was entitled to be a member of the USS pension scheme. From April 2018, President Gast elected to cease the accrual of pension benefits in USS but maintained life assurance and incapacity coverage in the scheme. In line with College policy, the President was given a cash payment in lieu of employer pension contributions. The President was responsible for paying the employee contributions in respect of the remaining life assurance benefits that she received from USS; the pension contributions reported in the table are the associated employer contributions.

In recognition of the impact of the COVID-19 pandemic, President Gast took a voluntary 20% reduction in her pay for three months in 2019–20 and three months in 2020–21. The monies saved were allocated to hardship funds available to staff and students experiencing extreme financial hardship due to the COVID-19 pandemic.

At the end of her contract on 31 July 2022, President Gast had outstanding annual leave which she had been unable to take for which the College remunerated her in accordance with her contract.

Accommodation

As required by the College Ordinances, President Gast lived in College accommodation on campus. As the accommodation is owned by the College, the actual cost of providing this as a landlord was £1,425 (2021: £3,566), which was a non-taxable benefit to President Gast.

Prior to the start of the 2021–22 tax year in April 2021, the accommodation-related benefit was non-taxable and the value reported in the financial statements was based on the estimated market rent of the accommodation (2021: £66,000 for the first 8 months). The benefit became taxable from April 2021 and a value was attributed to the accommodation provided for the purpose of determining the associated tax charge. This is based on estimated market prices provided by a third-party assessment and calculated in line with the established methodology for valuing the taxable benefit. This valued the taxable benefit at £135,335 per annum (2021 restated: £43,381 for the last four months of the year. The restatement increases the estimated value of the benefit in kind reported in the previous year by £3,309 to be consistent with the value agreed with HMRC after the conclusion of the 2021–22 tax year). An additional taxable benefit of £17,343 (2021: £13,894) relates to the cost of providing utilities, cleaning, maintenance and furnishings for the accommodation.

This change in tax treatment of the accommodation benefit created a new tax liability for President Gast. The College agreed to pay the tax charge to maintain the value of President Gast's cash remuneration, as the terms of the provision of accommodation had been agreed prior to the change in tax treatment becoming effective. This has also resulted in the comparative amount for 2020–21 being restated to include the College payment for tax on accommodation for the last four months of the year, as disclosed on page 77.

The College's Remuneration Committee and Council have reflected on the rising tax costs associated with providing accommodation to the President and concluded that it should no longer be a requirement of the role to live in College accommodation. The College's Ordinances have been updated to reflect this change.

New President

Professor Hugh Brady became President at Imperial College on 1 August 2022. His basic pay is £375,000. He has a total remuneration package of £475,000, which includes a housing allowance of £76,690 and employers' pension contributions of £23,310. This remuneration package was agreed by members of the Remuneration Committee, following a review of benchmarking data including UK and international peer institutions. He will be responsible for all relevant taxes on this remuneration and does not live in College accommodation.

Compensation for loss of office

Payments in respect of loss of office comprise termination payments paid directly to individuals in respect of loss of office, plus contributions made towards legal expenses. All compensation in respect of loss of office has been internally funded by the College.

	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Compensation payable recorded within staff costs	1.4	2.8

Payments for compensation for loss of office were payable to 260 employees in 2022 (2021: 364). Of this, a total Nil (2021: £194,173) was paid in severance payments to staff that earned in excess of £100,000 per annum (Nil in 2022, 4 in 2021). The majority of the decrease from 2021 related to the restructures in ICT and Campus Services.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and the Group. Staff costs include compensation paid to key management personnel.

Key management personnel comprises members of the President's Board and the Provost's Board. The Boards had combined membership for the year ended 31 July 2022 standing at 22 FTE (2021: 22 FTE).

	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Group and College key management personnel compensation	6.5	6.1

Trade Union (Facility Time Publication Requirements) Regulations

Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake Trade Union duties and activities as a Trade Union representative. There is a statutory entitlement to reasonable paid time off for undertaking union duties.

The number of College employees who were Trade Union Reps during the period 1 April 2021 to 31 March 2022 was 14 (2021: 14); these were all full-time College employees. The percentage of time spent by them on Facility Time fell in the 1–50% band. The cost of this activity amounts to £140,598 (2021: £123,606) representing 0.02% (2021: 0.02%) of the total pay bill in the relevant period. Of the total paid Facility Time, the proportion of hours spent on paid Trade Union activities (i.e. activities other than the duties for which there is a statutory entitlement to reasonable paid time off) was 1.80% (2021: 2.62%).

Notes to the financial statements

Year ended 31 July 2022

8. Staff costs (continued)	Year ended 31 July 2022 Headcount	Year ended 31 July 2021 Headcount	Year ended 31 July 2022 FTE	Year ended 31 July 2021 FTE
Remuneration of higher paid staff:				
£100,000–£104,999	80	78	70.7	72.8
£105,000–£109,999	64	59	55.4	50.0
£110,000–£114,999	86	69	74.7	58.2
£115,000–£119,999	40	41	35.2	35.4
£120,000–£124,999	27	28	23.5	24.6
£125,000–£129,999	33	31	29.7	24.3
£130,000–£134,999	32	27	27.2	23.3
£135,000–£139,999	19	12	15.4	11.2
£140,000–£144,999	15	15	14.5	14.5
£145,000–£149,999	13	14	11.6	12.3
£150,000–£154,999	10	14	8.2	11.1
£155,000–£159,999	14	6	12.5	4.5
£160,000–£164,999	10	13	7.3	11.6
£165,000–£169,999	4	2	3.6	1.3
£170,000–£174,999	7	5	4.9	4.5
£175,000–£179,999	3	3	3.0	2.2
£180,000–£184,999	1	5	1.0	5.0
£185,000–£189,999	5	6	4.2	4.7
£190,000–£194,999	5	3	4.2	3.0
£195,000–£199,999	6	5	5.6	5.0
£200,000–£204,999	6	6	5.9	5.6
£205,000–£209,999	3	2	2.1	2.0
£210,000–£214,999	1	3	1.0	3.0
£215,000–£219,999	4	1	4.0	1.0
£220,000–£224,999	2	2	2.0	1.3
£225,000–£229,999	5	1	4.3	0.2
£230,000–£234,999	1	-	0.3	-
£235,000–£239,999	-	1	-	1.0
£240,000–£244,999	1	2	1.0	2.0
£245,000–£249,999	-	2	-	2.0
£250,000–£254,999	4	4	3.5	1.5
£255,000–£259,999	1	1	0.1	1.0
£265,000–£269,999	-	1	-	0.2
£270,000–£274,999	1	-	0.2	-
£275,000–£279,999	-	1	-	1.0
£280,000–£284,999	-	1	-	1.0
£285,000–£289,999	1	2	1.0	2.0
£290,000–£294,999	1	-	1.0	-
£305,000–£309,999	1	-	1.0	-
£320,000–£324,999	-	2	-	1.5
£325,000–£329,999	1	-	0.5	-
£330,000–£334,999	-	1	-	1.0
£335,000–£339,999	2	-	2.0	-
£340,000–£344,999	1	1	1.0	1.0
£345,000–£349,999	-	1	-	1.0
£360,000–£364,999	1	-	1.0	-
£365,000–£369,999	1	-	1.0	-
£370,000–£374,999	-	1	-	0.1
£380,000–£384,999	1	-	0.1	-
£405,000–£409,999	-	1	-	1.0
£425,000–£429,999	1	-	1.0	-
£430,000–£434,999	1	1	0.1	0.1
	515	474	446.5	410.0

Remuneration of higher paid staff is the full-time equivalent basic annual salary prior to any adjustment for salary sacrifice. The number of staff is calculated on a full-time equivalent basis. Staff who joined or left part-way through a year but who would have received salary in these bands in a full year are not included unless the salary that they received for the portion of the year they were employed by the College exceeded £100k, in which case they are included in the pay band corresponding to what they received. Where a proportion of the salary is reimbursed by the NHS, only the portion paid by the College is disclosed. Remuneration in 2021 was shown after a voluntary salary reduction which some staff took as a result of COVID-19. The monies saved were allocated to hardship funds to provide one-off payments to staff and students experiencing extreme financial hardship due to the COVID-19 pandemic.

9. Interest and other finance costs

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Loan interest	13.4	13.8	13.4	13.8
Finance lease interest	4.6	4.7	4.6	4.7
Other financing costs	1.1	1.1	1.1	1.1
	19.1	19.6	19.1	19.6

10. Analysis of total expenditure by activity

	Staff costs £m	Depreciation £m	Other operating expenses £m	Interest and other finance costs £m	Consolidated	College
					Total £m	Total £m
2022						
Academic departments	299.3	3.5	74.0	0.6	377.4	377.5
Research grants and contracts	173.0	15.4	97.9	-	286.3	287.0
Academic services	39.5	0.1	37.9	-	77.5	75.5
Bursaries and scholarships	-	-	45.4	-	45.4	45.4
Administration and central services	57.9	2.5	29.4	-	89.8	89.8
Premises	17.3	58.0	79.2	-	154.5	147.4
Residences, catering and conferences	7.0	11.7	22.4	4.6	45.7	45.7
Other expenditure	161.6	-	7.4	13.9	182.9	185.6
Total	755.6	91.2	393.6	19.1	1,259.5	1,253.9
2021						
Academic departments	287.8	2.6	72.6	0.2	363.2	363.3
Research grants and contracts	173.5	10.4	83.8	-	267.7	268.2
Academic services	38.1	0.1	29.1	-	67.3	65.1
Bursaries and scholarships	-	-	43.6	-	43.6	43.6
Administration and central services	56.8	2.5	30.2	-	89.5	89.5
Premises	16.6	56.4	71.7	-	144.7	138.3
Residences, catering and conferences	7.3	13.5	18.2	4.7	43.7	43.8
Other expenditure	15.1	-	6.9	14.7	36.7	37.1
Total	595.2	85.5	356.1	19.6	1,056.4	1,048.9

Other staff costs expenditure includes an increase in USS pension provision of £152.1 million in 2022 (2021: £4.6 million) as disclosed in Notes 8 and 22.

Notes to the financial statements

Year ended 31 July 2022

10. Analysis of total expenditure by activity (continued)

	Year ended 31 July 2022 £000	Year ended 31 July 2021 £000
Other operating expenses include:		
External auditors' remuneration in respect of audit services	437	340
External auditors' remuneration in respect of prior year audit services	21	52
External auditors' remuneration in respect of non-audit services	58	90

11. Access and Participation expenditure

Consolidated and College

	Year ended 31 July 2022			Year ended 31 July 2021		
	Staff Costs £m	Other operating expenses £m	Total £m	Staff Costs £m	Other operating expenses £m	Total £m
Access investment	1.6	0.6	2.2	1.3	0.3	1.6
Financial support	0.1	9.1	9.2	0.1	8.0	8.1
Disability support	0.9	0.4	1.3	0.8	0.5	1.3
Research and evaluation	0.3	-	0.3	0.2	-	0.2
	2.9	10.1	13.0	2.4	8.8	11.2

All universities wishing to charge full fees to domestic undergraduate students have to produce Access and Participation Plans which set out how they will improve equality of opportunity for underrepresented groups to access, succeed in and progress from higher education. These must be approved by the Director for Fair Access and Participation at the OfS. The access and participation expenditure stated above includes that related to the delivery of the College's approved plans. Support for disabled students includes expenditure delivered through targeted College activities and services only, such as the Disability Advisory Service, which supports all students at all levels of study. Disabled students also receive support through other College services not included here as it is not possible to disaggregate these.

Staff costs above are already included in the overall staff costs figures reported in these financial statements (see Note 8).

The College's Access and Participation plan, which does not form part of the audited financial statements, is published on the College's website:

www.imperial.ac.uk/media/imperial-college/administration-and-support-services/registry/academic-governance/public/academic-policy/admissions/20-entry/ImperialCollegeLondon_APP_2020-21_V1_10003270.pdf

12. Fixed assets

	Freehold land and buildings £m	Leasehold land and buildings £m	Fixtures, fittings and equipment £m	Assets in the course of construction £m	Total £m
Consolidated					
Cost					
At 1 August 2021	1,229.0	881.5	383.3	64.8	2,558.6
Additions	(11.7)	0.3	7.6	56.6	52.8
Transfer from investment property	8.8	-	-	-	8.8
Transfers between classes	18.8	18.5	12.9	(50.2)	-
Disposals	(2.7)	-	(2.9)	(0.3)	(5.9)
At 31 July 2022	1,242.2	900.3	400.9	70.9	2,614.3
Accumulated depreciation					
At 1 August 2021	247.0	397.5	287.4	-	931.9
Charge for the year	29.0	32.5	29.7	-	91.2
Disposals	(1.0)	-	(2.9)	-	(3.9)
At 31 July 2022	275.0	430.0	314.2	-	1,019.2
Net book value					
At 31 July 2022	967.2	470.3	86.7	70.9	1,595.1
At 31 July 2021	982.0	484.0	95.9	64.8	1,626.7
College					
Cost					
At 1 August 2021	1,228.3	866.1	383.3	64.7	2,542.4
Additions	(11.7)	0.3	7.6	56.6	52.8
Transfer from investment property	8.8	-	-	-	8.8
Transfers between classes	18.8	18.5	12.9	(50.2)	-
Disposals	(2.7)	-	(2.9)	(0.2)	(5.8)
At 31 July 2022	1,241.5	884.9	400.9	70.9	2,598.2
Accumulated depreciation					
At 1 August 2021	246.3	392.2	287.6	-	926.1
Charge for the year	29.0	32.0	29.7	-	90.7
Disposals	(1.0)	-	(2.9)	-	(3.9)
At 31 July 2022	274.3	424.2	314.4	-	1,012.9
Net book value					
At 31 July 2022	967.2	460.7	86.5	70.9	1,585.3
At 31 July 2021	982.0	473.9	95.7	64.7	1,616.3

At 31 July 2022, freehold land and buildings included £199.2 million (2021: £199.2 million) in respect of freehold land which is not depreciated.

During 2020–21, the College disposed of the Centre House building at White City and Heston Sports Ground, recognising a gain in the year of £39.5 million. The College made an overage payment of £9.8 million this year to the previous owner that reduced the gain and this has been reflected in the gain on disposal of fixed assets in the Statement of comprehensive income and expenditure.

Transfer from investment property relates to a building which was previously rented as commercial office space but is now used by the College.

The reported additions to fixed assets of £52.8 million in 2021–22 (2021: £93.1 million) include a favourable VAT rebate of £12 million.

Notes to the financial statements

Year ended 31 July 2022

12. Fixed assets (continued)

As noted on page 27 of the Annual Report, the College has an aim to reach carbon net-zero by 2040 as part of its strategy to make the estate more sustainable. The College's specific plans for its estate are at an early stage of development and as a result no indicators of either impairment or a need to change asset useful economic lives have been identified. This will be kept under review as plans are further developed.

Consolidated and College leasehold land and buildings include assets held under finance leases as follows:

	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Cost	95.6	95.6
Accumulated depreciation	(20.4)	(18.3)
Charge for year	(2.1)	(2.1)
Net book value	73.1	75.2

Griffon Studios, the 566 postgraduate student apartment block, is held under a 45 year finance lease following its sale to and leaseback from Legal and General Pensions Ltd in 2012. Included in land and buildings under finance leases is also the land belonging to the Trustees of the Charitable Funds for the Charing Cross, Hammersmith and Queen Charlotte's Hospitals. The Trustees have leased the land to Imperial on a 125 year lease which is held at a value of £1.7 million.

Included at cost within land and buildings for the College and Group as at 31 July 2022 is a heritage asset, being the nineteenth-century built Queen's Tower. It has negligible carrying value and is currently insured at a value of £16.2 million (2021: £15.4 million). The College owns other works of art, with negligible cost when acquired and insured at a value of £0.5 million, which are not included above.

13. Non-current investments

	Marketable investments £m	Investment property £m	Non-listed investments £m	Subsidiary companies	Total £m
Consolidated					
At 1 August 2021	432.1	282.0	72.4	-	786.5
Additions	29.9	-	9.0	-	38.9
Transfer to fixed assets	-	(8.8)	-	-	(8.8)
Disposals	(18.9)	(8.1)	(1.6)	-	(28.6)
(Loss)/gain on market movements	(15.8)	(3.2)	1.1	-	(17.9)
Impairment	-	-	(0.8)	-	(0.8)
At 31 July 2022	427.3	261.9	80.1	-	769.3
College					
At 1 August 2021	432.1	282.0	74.9	40.2	829.2
Additions	29.9	-	14.0	4.5	48.4
Transfer to fixed assets	-	(8.8)	-	-	(8.8)
Disposals	(18.9)	(8.1)	(1.6)	-	(28.6)
(Loss)/gain on market movements	(15.8)	(3.2)	1.1	-	(17.9)
Impairment	-	-	(0.8)	(9.6)	(10.4)
At 31 July 2022	427.3	261.9	87.6	35.1	811.9

Marketable investments as at 31 July 2022 comprise £398.0 million listed equity (2021: 375.1 million), £18.3 million cash and bonds (2021: £40.4 million), and £11.0 million of listed alternative investments (2021: £16.6 million).

Non-listed investments as at 31 July 2022 comprise £38.5 million unlisted equity (2021: £38.7 million), of which £35.4 million (2021: £36.2 million) is in The Francis Crick Institute Ltd, and £41.6 million (2021: £33.7 million) in private loans, including £36.8 million (2021: £29.0 million) due from Scale Space LLP (see Note 14).

Impairment indicators were identified for two subsidiaries as a result of their performance being loss-making during the year. Following the completion of impairment assessments, an impairment provision of £9.6 million (2021: Nil) has been recognised in respect of one subsidiary company. The value of impairment has been derived from an estimate of the fair value less costs to sell the subsidiary since this is higher than its value in use. The impairment expense has been recognised in other operating expenses in the College's Statement of comprehensive income and expenditure.

14. Investments in joint ventures

Imperial College Thinkspace Limited has invested £1.2 million this year (2021: £0.2 million) in Scale Space LLP, a joint venture partnership with Accelerate Property Feeder Ltd (a subsidiary of Blenheim Chalcot LTF Limited), with up to a further £1.1 million committed. Total investment in the joint venture is £8.7m (2021: £7.5m). The joint venture is constructing business innovation space at our White City Campus. At 31 July 2022 the College has a loan of £33.7 million outstanding with the joint venture (2021: £27.0 million). A further £3.1 million of interest on the loan provided has been capitalised (2021: £2.0 million). Scale Space LLP is accounted for on the equity basis with the College's share of net assets of £7.3 million as at 31 July 2022 (2021: £6.2 million) and a share of losses relating to ongoing operations of £0.1 million (2021: gain of £0.3 million).

15. Investments in associates

Associates are consolidated using the equity method.

During 2020–21 the College sold its 25% interest in Twig Rights Limited. At time of sale, the College held the investment at £10.2 million and the carrying amount of this associate in the consolidated financial statements was £3.4 million. The College has no other investments in associates.

16. Subsidiary undertakings

As at 31 July the subsidiary companies, all of which are registered in England and are wholly-owned by the College, were as follows:

Company	Principal activity	Holding %
Burlington Danes Construction Ltd	Construction and property services	100
I C Consultants Ltd	Consultancy and scientific services	100
Imperial Activities Ltd	Commercial property services	100
Imperial College Developments Ltd	Development of building projects	100
Imperial College Innovations Ltd	Commercialising & supporting spinout companies	100
Imperial College London Ltd	Dormant	100
Imperial College Projects Ltd	Provision of scientific services	100
Imperial College ThinkSpace Ltd	Provision of facilities to spinout companies	100
Imperial MBA Ltd	Dormant	100
One Portal Way Ltd	Dormant	100
Wye Foundation Trust	Charitable Trust	100

All of the subsidiary companies noted above have their registered address at the Faculty Building, Imperial College London, London, SW7 2AZ.

Notes to the financial statements

Year ended 31 July 2022

17. Trade and other receivables

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Research grants and contracts – receivables	20.2	25.2	20.2	25.2
Research grants and contracts – work in progress	83.0	75.5	83.0	75.5
Other trade receivables	112.0	104.6	107.2	97.7
Prepayments, accrued income and other receivables	130.8	91.0	126.1	87.2
Derivatives	-	7.1	-	7.1
Amounts due from subsidiary companies	-	-	12.9	13.1
	346.0	303.4	349.4	305.8
Amounts due after more than one year included above	63.9	46.9	65.4	48.4

The derivatives relate to forward contracts for gas and electricity entered into to mitigate the effect of adverse market energy prices, which were held at fair value using quoted market energy rates as at the year-end. In 2021 we recognised derivatives of £7.1 million. Following a review of the accounting treatment and the entering of new energy supply contracts, these are no longer held at fair value, resulting in an equivalent reduction to the Statement of comprehensive income and expenditure during the current year. Such contracts are now treated as standard executory contracts where the purchase price is accrued in line with energy consumption without being revalued at year end.

Included within Other trade receivables are invoices totalling £93.2 million (2021: £84.3 million) in respect of tuition fees for courses starting in the next financial year with the income deferred on the balance sheet until the start of the course.

18. Current investments

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Deposits	49.7	49.4	49.7	49.4

Deposits included here are those held with banks and building societies with more than three months' maturity at the balance sheet date.

At 31 July 2022 the weighted average interest rate of these fixed rate deposits was 0.56% per annum. The fair value of these deposits was not materially different from their book value.

19. Creditors: amounts falling due within one year

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Unsecured loans	10.2	10.2	10.2	10.2
Obligations under finance leases	1.0	0.9	1.0	0.9
Deferred lease premiums	0.3	0.3	0.3	0.3
Research payments received on account	278.3	283.6	278.3	283.6
Trade payables	25.7	27.1	23.6	23.0
Social security and other taxation payable	1.2	15.1	2.5	15.9
Accruals, deferred income and other creditors	317.2	303.9	302.2	289.6
Amounts due to subsidiary companies	-	-	3.2	4.7
	633.9	641.1	621.3	628.2

Deferred income

Included within accruals and deferred income are the following items of income which have been deferred.

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Income with performance related conditions	29.8	42.5	29.8	42.5
Tuition fee income in respect of courses starting in the next financial year	156.9	130.2	156.9	130.2
Other income	35.0	32.1	29.7	27.4
	221.7	204.8	216.4	200.1

Notes to the financial statements

Year ended 31 July 2022

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

	Consolidated		College	
	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m	Year ended 31 July 2022 £m	Year ended 31 July 2021 £m
Obligations under finance lease	85.8	86.8	85.8	86.8
Deferred lease premiums	10.4	10.7	10.4	10.7
Unsecured loans	414.6	424.8	414.6	424.8
	510.8	522.3	510.8	522.3

The maturity profile of the carrying amount of the Group's and College's liabilities at 31 July was as follows:

	Lease premiums £m	Bank loans £m	Finance leases £m	2022 £m	2021 £m
Due within one year or on demand (Note 19)	0.3	10.2	1.0	11.5	11.4
In more than one year but no more than two years	0.3	6.4	1.0	7.7	11.4
In more than two years but no more than five years	1.0	19.1	3.3	23.4	23.3
In more than five years	9.1	389.1	81.5	479.7	487.6
Total unsecured loans and finance lease obligations	10.7	424.8	86.8	522.3	533.7
Less than one year	(0.3)	(10.2)	(1.0)	(11.5)	(11.4)
Due after more than one year	10.4	414.6	85.8	510.8	522.3

The bank loans comprise the following unsecured sterling borrowing facilities:

Lender	Outstanding amount drawn £m	Original amount £m	Interest rate %	Date drawn	Term Years
Private Placement	50.0	50.0	5.39	Mar-03	30
Private Placement	50.0	50.0	4.84	Jul-06	50
EIB	3.9	50.0	floating	May-08	15
EIB	57.3	70.0	2.87	Dec-14	25
EIB	63.6	70.0	2.50	Nov-16	25
Private Placement	30.0	30.0	2.47	Jan-17	33
Private Placement	71.0	71.0	2.47	Jan-17	35
Private Placement	99.0	99.0	2.44	Jan-17	40
	424.8	490.0			

The unsecured sterling borrowing facilities are subject to financial covenants which monitor the College's ability to service debt from operating cash flows and income, as well as the College's level of indebtedness in comparison to the assets it holds. Such covenants are tested annually and were met at 31 July 2022.

21. Reconciliation of net debt

	Consolidated			
	1 August 2021 £m	Cash flows £m	Other changes £m	31 July 2022 £m
Cash in hand	359.8	5.8	2.2	367.8
Current investments	49.4	0.3	-	49.7
Debt due within one year	(10.2)	10.2	(10.2)	(10.2)
Debt due after more than one year	(424.8)	-	10.2	(414.6)
Finance leases due within one year	(0.9)	0.9	(1.0)	(1.0)
Finance leases due after more than one year	(86.8)	-	1.0	(85.8)
Net debt	(113.5)	17.2	2.2	(94.1)

Other changes comprise foreign exchange gains/(losses) on cash in hand and non-cash movements.

22. Provisions for liabilities

	Obligation to fund deficit on USS pension £m	Corporate £m	Decommissioning of Engineering facility £m	Total other £m
Consolidated and College				
At 1 August 2021	107.9	1.6	0.5	2.1
Utilised in the year	(6.0)	(1.2)	(0.4)	(1.6)
Movement in the year	153.0	0.2	0.1	0.3
Unused amounts reversed in the year	-	(0.1)	-	(0.1)
At 31 July 2022	254.9	0.5	0.2	0.7

USS deficit

The obligation to fund the past deficit on the USS pension scheme arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. A new deficit recovery plan was put in place as part of the 2020 valuation, which extended the period of contribution by 10 years from 31 March 2028 to 31 March 2038. The plan requires payment of 6.2% of salaries over the period 1 April 2022 to 31 March 2024 and 6.3% over the period 1 April 2024 to 31 March 2038. During 2021–22 the contribution rate was 2% until 30 September 2021 and no contributions were required between that date and 31 March 2022.

There has been a £153.0 million increase in the value of the deficit recovery provision from last year, £152.1 million of which is driven by the increase in contribution rates as well as the extended period of payments, in addition to a finance charge of £0.9 million relating to the unwind of the provision. Key assumptions are set out below.

The major assumptions used to calculate the obligation are:

	2022	2021
Discount rate	3.31%	0.87%
Salary growth	3.0%–4.0%	2.9%–3.0%
	3% long term rate	2.97% long term rate
USS membership growth	Nil	Nil

The methodology for the USS membership growth assumption looks at both historic College USS membership trends and expected future growth of USS eligible staff. Membership has been stable this year and the College has decided to maintain a year-on-year growth of 0% for the duration of the deficit recovery period.

Notes to the financial statements

Year ended 31 July 2022

22. Provisions for liabilities (continued)

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

Change in assumptions at 31 July 2022	Estimated impact
0.5% pa decrease in discount rate	+£10.2m
1% pa increase in salary inflation in each year of the deficit recovery period	+£21.6m
1% increase in scheme membership each year of the deficit recovery plan	+£22.3m
1% increase in deficit contributions	+£40.5m
One year increase in deficit recovery period	+£15.8m

Other

The decommissioning provision fell to £0.2 million (2021: £0.5 million). The Corporate provision includes £0.4 million (2021: £1.4 million) set aside for remedial cladding works related to one of our student halls. Overall, this provision has reduced as these works move closer to completion.

23. Endowment reserves

Consolidated and College restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £m	Unrestricted permanent endowments £m	Total permanent endowments £m	Expendable endowments £m	2022	2021
					Total endowments £m	Total endowments £m
Balances at 1 August						
Capital	123.3	15.6	138.9	95.6	234.5	206.1
Accumulated income/(expenditure)	(5.4)	(0.1)	(5.5)	(26.9)	(32.4)	(30.1)
	117.9	15.5	133.4	68.7	202.1	176.0
New endowments	23.8	-	23.8	3.5	27.3	1.8
Investment income	1.5	0.2	1.7	0.7	2.4	2.1
Expenditure	(2.4)	(0.1)	(2.5)	(3.2)	(5.7)	(4.4)
	(0.9)	0.1	(0.8)	(2.5)	(3.3)	(2.3)
Realised gain on sale of investments (Decrease)/increase in market value of investments	0.3 (4.4)	- (0.4)	0.3 (4.8)	0.2 (2.2)	0.5 (7.0)	0.5 26.1
At 31 July	136.7	15.2	151.9	67.7	219.6	202.1
Represented by:						
Capital	143.0	15.2	158.2	97.1	255.3	234.5
Accumulated income/(expenditure)	(6.3)	-	(6.3)	(29.4)	(35.7)	(32.4)
	136.7	15.2	151.9	67.7	219.6	202.1

23. Endowment reserves (continued)

	2022	2021
	Total £m	Total £m
Analysis by asset		
Non-current investments	166.5	170.3
Accrued income	20.1	0.2
Current liabilities	(0.2)	(0.2)
Cash and cash equivalents	33.2	31.8
	219.6	202.1

Included within endowments are a number of permanent funds with a deficit of accumulated income as at 31 July 2022. Within unrestricted permanent endowments there are 3 funds with a combined deficit balance of £0.1 million (2021: three funds with a deficit totalling £0.1 million). Within restricted permanent endowments there are 88 individual funds with a total combined deficit of £9.5 million (2021: 87 funds with a total combined deficit of £8.3 million).

24. Restricted reserves

Reserves with restrictions are as follows:

	Capital £m	Research £m	Other £m	2022	2021
				Total £m	Total £m
Consolidated					
Balances at 1 August	26.4	46.4	11.7	84.5	85.3
New Funding body grants	14.1	-	-	14.1	16.5
New income/donations	10.9	14.1	8.5	33.5	21.7
Expenditure	(15.6)	(12.1)	2.8	(24.9)	(39.0)
	9.4	2.0	11.3	22.7	(0.8)
At 31 July	35.8	48.4	23.0	107.2	84.5
College					
Balances at 1 August	26.4	46.4	22.2	95.0	93.5
New Funding body grants	14.1	-	-	14.1	16.5
New income/donations	10.9	14.1	8.5	33.5	24.0
Expenditure	(15.6)	(12.1)	(7.7)	(35.4)	(39.0)
	9.4	2.0	0.8	12.2	1.5
At 31 July	35.8	48.4	23.0	107.2	95.0

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Year ended 31 July 2022

25. Capital and other commitments

Provision has not been made for the following capital commitments at 31 July:

	Consolidated		College	
	2022 £m	2021 £m	2022 £m	2021 £m
Capital commitments for major building projects contracted for at 31 July	67.1	29.5	66.8	29.0
Capital commitments for property purchase	17.9	17.9	17.9	17.9
Total capital commitments	85.0	47.4	84.7	46.9

The commitments relate to committed capital projects on the South Kensington (£12.3 million), White City (£46.6 million) and Hammersmith Campuses (£8.2 million) and are expected to be completed over the next 18 months. Also included in the capital commitments is the amount the College has contracted to pay in respect of future purchase of property. The estimated cost is expected to be £17.9 million and is going to be incurred in 2025–26 and 2026–27.

26. Contingent liabilities

The College is engaged in a number of matters for which the outcomes are uncertain and the likelihood of occurrence is considered remote or the potential outflows are not material to the College and Group.

27. Lease payables

	Consolidated		College	
	2022 £m	2021 £m	2022 £m	2021 £m
Total rentals payable under operating leases:				
Future minimum lease payments due:				
Not later than one year	7.4	7.3	7.2	7.3
Later than one year and not later than five years	28.6	27.7	27.7	27.1
Later than five years	120.4	118.8	118.6	116.9
Total lease payments due	156.4	153.8	153.5	151.3

Lease payments recognised as an expense in the year totalled £7.3 million (2021: £7.5 million).

28. Lease receivables

	Consolidated		College	
	2022 £m	2021 £m	2022 £m	2021 £m
Total rentals receivable under operating leases:				
Future minimum lease payments due:				
Not later than one year	13.2	15.5	9.0	10.8
Later than one year and not later than five years	33.3	39.1	23.1	24.7
Later than five years	46.3	52.0	40.2	43.3
Total lease payments due	92.8	106.6	72.3	78.8

These operating leases comprise leases on both residential and commercial properties to third parties of varying lengths.

29. Related party transactions

The College maintains a Register of Interests of all Council members, academic and professional services staff. Policies incorporated within the College's Financial Ordinances require an individual to declare an interest and withdraw from any commercial discussions should a conflict of interest potentially arise. Written assurances have been obtained from Council members and senior officers of the College in respect of themselves and their close family that for the year to 31 July 2022 they have not unduly influenced any transaction between the College and a related party, as defined by FRS 102.

Commercial relationships with companies or other organisations that might be regarded as related parties have been reviewed. Transactions of a similar nature are aggregated unless, in the opinion of the College, separate disclosure is necessary to understand the effect of the transactions on the financial statements. The College has taken advantage of the exemption given by FRS 102, Related Party Disclosures, from disclosing transactions with its wholly owned subsidiaries. During the year, the College purchased goods and services amounting to £4.1 million (2021: £3.4 million) and invoiced receivables amounting to £41.2 million from related parties (2021: £3.8 million). At the year end £0.1 million was outstanding and included in debtors (2021: £0.06 million). Purchases of £3.5 million (2021: £2.9 million) and invoiced receivables of £2.1 million (2021: £1.2 million) relate to the transactions with companies in which the key management personnel (see Note 8) declared interest. Invoiced receivables include £7.8 million from Cancer Research UK where Sir Leszek Borysiewicz, external member of the Council, is Chairman and Trustee. Cancer Research UK has detailed guidelines and controls, contained within its Articles of Association, which require that Trustees must withdraw from any discussion or decision making regarding any matter where there may be a conflict of interest. Invoiced payables include £0.07 million and invoiced receivables include £28.6 million from Wellcome Trust where Lisha Patel, an external member of the Endowment Board, is Managing Director of Investments. The investment policy of Wellcome Trust is set by a sub-committee of the Board of Governors, the Investment Committee, which also supports and oversees their investment work. Lisha Patel is not a member of the Investment Committee and therefore is not involved in their decision making process.

A number of College employees hold positions in the Imperial College Healthcare NHS Trust. In common with many universities, senior members of the College sit on Research Councils, other NHS Trust boards and other grant awarding bodies which have their own internal procedures to avoid potential conflicts of interest. Transactions with these entities are not included in the aggregate numbers above but are included in Notes 3 and 5.

The College has close relationships with a number of West London NHS Trusts with whom the College shares sites and facilities. College staff work closely with those Trusts particularly in the clinical service areas.

Scale Space LLP, as a joint venture between Imperial College ThinkSpace Limited and Accelerate Property Feeder Ltd, is also a related party to the College. Further details of transactions between the College and Scale Space LLP can be found in Note 14.

No Council member, who are trustees for the purpose of charity law, has received any remuneration or waived payments from the College during the year in respect of their services as a trustee (2021: Nil).

The total expenses paid to or on behalf of five trustees were £4,340 (2021: £995 to three trustees). This represents travel and subsistence expenses incurred in attending Council, Committee meetings and charity events in their official capacity.

30. Connected charitable institutions

A number of charitable institutions are administered by, or on behalf of, the College and have been established for its general or special purposes. As a result, under paragraph 28 of Schedule 3 to the Charities Act 2011, these connected institutions are exempt from registration with the Charity Commission. The College has no connected charities with income of £100,000 and above to disclose. Aggregate figures for connected charities with income below this threshold are disclosed below.

Funds where individual income for the year was under £100,000	Opening reserves £000	Income and donations received £000	Expenditure and outgoing resources £000	Capital growth/diminution £000	Closing reserves £000
Consolidated					
Prize Funds (two funds)	442	-	(8)	(9)	425
Research support (two funds)	2,767	-	(1)	(65)	2,701
Student support (one fund)	3,711	5	(139)	(92)	3,485
	6,920	5	(148)	(166)	6,611

Notes to the financial statements

Year ended 31 July 2022

31. Pension schemes

The College participates in four separate, independently managed, defined benefit occupational pension schemes, which were contracted out of the State Second Pension (S2P) until 31 March 2016. Each is valued triennially by professionally qualified and independent actuaries, except the NHS Scheme which is valued quadrennially. The Universities Superannuation Scheme (USS), the Superannuation Arrangements of the University of London (SAUL) and NHS pension schemes are multi-employer schemes and it is not possible to identify the College's share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis. Hence, as required by Section 28 of FRS 102, contributions to the schemes are accounted for as if they were defined contribution schemes. This means the amounts charged to the statement of comprehensive income and expenditure represent the contributions payable to the schemes in respect of the accounting period. For both USS and SAUL, in the event of the insolvency of any of the participating employers, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer may be spread across the remaining participant employers and reflected in the next actuarial valuation. The College also participates in the Federated Pension Scheme (FPS).

USS

Staff paid on academic and academic-related scales (who are otherwise eligible), can acquire pension rights through USS, which is a national scheme administered centrally for UK universities. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members) as well as defined contribution benefits, above a threshold amount of salary. The assets of the scheme are held in a separate fund administered by the Trustee.

The total cost for the College for the year ended 31 July 2022 was £53.7 million (2021: £51.8 million). Since the institution cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole. The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2020 ("the valuation date"), which was carried out using the projected unit method. 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. The assets were therefore sufficient to cover 83% of the benefits which had accrued to members, after allowing for expected future increases in earnings. As at 31 March 2022 the funding level has increased from 84% to 96% under FRS 102 due to the substantial rise in scheme's assets since the valuation date.

The overall position of the scheme, calculated on a basis consistent with the requirements of FRS 102, is presented below. The defined benefit liability numbers for the scheme have been produced using the following assumptions:

	31 March 2022	31 March 2021
Life expectancy:		
Males (females) currently aged 65 (years)	23.9 (25.5)	24.7 (26.1)
Males (females) currently aged 45 (years)	25.9 (27.3)	26.7 (27.9)
Existing scheme's benefits:		
Scheme assets	£88.9bn	£80.6bn
FRS 102 liabilities	£92.9bn	£95.5bn
FRS 102 deficit	£4.0bn	£14.9bn
FRS 102 funding level	96%	84%

Note that the FRS 102 funding level is based on accounting rules. This is not the driver for the benefit and contribution decisions for the scheme.

SAUL

The College participates in SAUL, which 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 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 will 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, positive market movements were experienced following the valuation date 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 time, no deficit contributions were required. However, the Trustee and the employers have agreed that the ongoing employer's 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.

NHS

Staff who have pension rights in the NHS Pension Scheme, on taking up a post within the College, may remain in membership of that scheme which is the nationally administered scheme for the NHS. The NHS Pension Scheme is an unfunded defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales.

The Scheme is subject to a full valuation every four years. The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016. A valuation of the scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership and financial data and are accepted as providing suitably robust figures for financial reporting purposes. The Scheme Regulations allow contribution rates to be set by the Secretary of State for Health, with consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

Current employer contributions are set at 14.38%. The results of the latest actuarial valuation completed as at 31 March 2016 set the employer contribution rate payable from April 2019. The Department of Health and Social Care (DHSC) laid Scheme Regulations confirming that the employer contribution rate increased to 20.6% of pensionable pay from this date. Under transitional arrangements, the College will be required to pay additional 1.8% (2021: 1.8%) contributions, with the remaining 4.5% (2021: 4.5%) being settled by DHSC and NHS making central payments directly to the scheme. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders. Given that none of the contributions relate to funding a deficit in the scheme, no provision is recognised for future contributions to the scheme.

The 2020 actuarial valuation is ongoing.

Federated Pension Scheme (FPS)

FPS is the scheme of St Mary's Hospital Medical School, operated for non-academic staff prior to 1 August 1988 when it was closed to new entrants. Two thirds of the membership elected to transfer into SAUL at that time and there are now no contributing members. A full actuarial valuation was carried out as at 31 March 2019 by a qualified independent actuary.

Work in connection with the 31 March 2022 scheme funding assessment and the data for this has been used in projecting the preliminary results of this funding assessment forward to 31 July 2022 using approximate methods. The present value of the defined benefit obligation was measured using the projected unit credit method. Imperial College London has agreed a funding plan with the Trustee body following the 31 March 2019 funding assessment, whereby it was expected that no contributions would be required for the five year period commencing 1 July 2020. The disclosures set out below are based on calculations carried out as at 31 July 2022 by an independent qualified actuary.

Notes to the financial statements

Year ended 31 July 2022

31. Pension schemes (continued)

The results of the calculations and the assumptions adopted are shown below:

	2022	2021
	£m	£m
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	(5.2)	(5.2)
Interest cost on obligation	(0.1)	(0.1)
Administration costs	(0.1)	(0.1)
Remeasurement gains and (losses) – Actuarial gains and (losses)	0.5	(0.2)
Benefits paid including expenses	0.4	0.4
Closing defined benefit obligation	(4.5)	(5.2)
	2022	2021
	£m	£m
Changes in the fair value of scheme assets		
Opening fair value of assets	6.8	7.2
Interest income	0.1	0.1
Remeasurement gains and (losses) – Return on scheme assets excluding interest income	(0.5)	(0.1)
Benefits paid including expenses	(0.4)	(0.4)
Closing fair value of scheme assets	6.0	6.8
	2022	2021
	£m	£m
Total expense recognised in income and expenditure		
Administration expenses	0.1	0.1
Major categories of scheme assets as a percentage of total scheme assets		
Gilts	71.9%	64.0%
Corporate bonds	19.9%	15.5%
Insured annuity contracts	5.8%	9.0%
Cash	2.4%	11.5%
Total	100.0%	100.0%

The pension scheme has not invested in any of Imperial College London's own financial instruments, nor in properties or other assets used by Imperial College London. The assets are all quoted in an active market with the exception of the insured annuity contracts.

	2022	2021
	£m	£m
Reconciliation of the present value of scheme liabilities and fair value of assets to the asset recognised in the balance sheet		
Fair value of assets	6.0	6.8
Value of liabilities	(4.5)	(5.2)
Funded status	1.5	1.6
Unrecognised pension asset	1.5	1.6
	2022	2021
	£m	£m
Total amounts recognised in other comprehensive income		
Actual return on scheme assets – gains and (losses)	(0.4)	-
less: amounts included in net interest on the net defined benefit liability	(0.1)	(0.1)
Remeasurement gains and (losses) – Return on scheme assets excluding interest income	(0.5)	(0.1)
Remeasurement gains and (losses) – Actuarial gains and (losses)	0.5	(0.2)
Surplus restriction	-	0.3
Other comprehensive income gains/(losses)	-	-
	2022	2021
	£m	£m
Assumptions		
Discount rate	3.2%	1.5%
Aggregate long-term expected rate of return on assets (net of expenses)	3.2%	1.5%
Retail Prices Index (RPI) Inflation	3.4%	3.4%
Consumer Prices Index (CPI) Inflation	2.7%	2.6%
Future statutory revaluation of pensions in deferment	2.7%	2.6%
Pensions in payment, increasing by CPI capped at 5% p.a.	2.7%	2.6%
Post retirement mortality assumption	S3PXA	S3PXA
Scheme contributions		
	2022	2021
	£m	£m
The pension costs for the College and its subsidiaries under FRS 102 were:		
Contributions to USS	53.7	51.8
Contributions to SAUL	19.7	17.5
Contributions to NHS	5.0	4.6
Total contributions payable	78.4	73.9
Contributions towards USS deficit	(6.0)	(4.9)
Total contributions recognised in staff costs	72.4	69.0

Notes to the financial statements

Year ended 31 July 2022

32. Financial instruments

The Group holds the following financial instruments at fair value:

		2022	2021
Financial assets measured at fair value through income and expenditure	Note	£m	£m
Marketable non-current investments	13	427.3	432.1
Derivatives	17	-	7.1
		427.3	439.2

33. Events after the reporting period

Since the end of the reporting period, there has been increased market volatility in interest rate and inflation forecasts. This increases the uncertainty over the valuation of a number of balances on the statement of financial position, including the USS pension deficit provision and marketable investments.

34. Financial Responsibility US Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the College is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedule have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets;
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition);
- presented in pounds sterling.

The schedule sets out how each amount disclosed has been extracted from the Group financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio

Statement/ Note	Line item/related disclosure		Year ended 31 July 2022	Year ended 31 July 2022	Year ended 31 July 2021	Year ended 31 July 2021
			£m	£m	£m	£m
Expendable Net Assets						
SOFP	Statement of financial position – Unrestricted income and expenditure reserve	Net assets without donor restrictions		1,408.3		1,572.1
SOFP	Statement of financial position – Endowment income and expenditure reserve plus Restricted income and expenditure reserve	Net assets with donor restrictions		326.8		286.6
14, 29	Notes to the financial statements – Note 14: Investments in joint venture (amount disclosed as loan to the joint venture) plus Note 29: Related party transactions (amount disclosed as outstanding at year-end within debtors)	Secured and Unsecured related party receivable	36.8		27.1	
14, 29	Notes to the financial statements – Note 14: Investments in joint venture (amount disclosed as loan to the joint venture) plus Note 29: Related party transactions (amount disclosed as outstanding at year-end within debtors)	Unsecured related party receivable		36.8		27.1
12, 13	Notes to the financial statements – Note 12: Fixed assets (Consolidated total net book value) less Note 12: Fixed assets (Net book value of Consolidated and College leasehold land and buildings include assets held under finance leases)	Property, plant and equipment, net (includes Construction in progress)	1,522.0		1,551.5	
n/a	Schedule analysing property, plant and equipment and long-term debt for long term purposes (see below)	Property, plant and equipment – pre-implementation		1,040.8		1,101.0
n/a	Schedule analysing property, plant and equipment and long-term debt for long term purposes (see below)	Property, plant and equipment – post-implementation with outstanding debt for original purchase		-		-
n/a	Schedule analysing property, plant and equipment and long-term debt for long term purposes (see below)	Property, plant and equipment – post-implementation without outstanding debt for original purchase		410.3		385.7

34. Financial Responsibility US Supplemental Schedule (continued)

Statement/ Note	Line item/related disclosure		Year	Year	Year	Year
			ended	ended	ended	ended
			31 July	31 July	31 July	31 July
			2022	2022	2021	2021
			£m	£m	£m	£m
		Expendable Net Assets				
12	Notes to the financial statements – Note 12: Fixed assets (Consolidated asset under construction net book value)	Construction in progress		70.9		64.8
12	Notes to the financial statements – Note 12: Fixed assets (Net book value of Consolidated and College leasehold land and buildings include assets held under finance leases)	Lease right-of-use asset, net	73.1		75.2	
12	Notes to the financial statements – Note 12: Fixed assets (Net book value of Consolidated and College leasehold land and buildings include assets held under finance leases)	Lease right-of-use asset pre-implementation		73.1		75.2
n/a	n/a	Lease right-of-use asset post-implementation		-		-
n/a	n/a	Intangible assets		-		-
22	Notes to the financial statements – Note 22: Provisions for liabilities (Obligation to fund deficit on USS pension)	Post-employment and pension liabilities		254.9		107.9
19, 20	Notes to the financial statements – Note 19: Creditors: amounts falling due within one year (Unsecured loans) plus Note 20: Creditors: amounts falling due after more than one year (Unsecured loans)	Long-term debt – for long term purposes	424.8		435.0	
n/a	Schedule analysing property, plant and equipment and long-term debt for long term purposes (see below)	Long-term debt – for long term purposes pre-implementation		424.8		435.0
n/a	Schedule analysing property, plant and equipment and long-term debt for long term purposes (see below)	Long-term debt – for long term purposes post-implementation		-		-
n/a	n/a	Line of Credit for Construction in process		-		-
19, 20	Notes to the financial statements – Note 19: Creditors: amounts falling due within one year (Obligations under finance leases) plus Note 20: Creditors: amounts falling due after more than one year (Obligations under finance lease)	Lease right-of-use asset liability	86.8		87.7	

Statement/ Note	Line item/related disclosure		Year	Year	Year	Year
			ended	ended	ended	ended
			31 July	31 July	31 July	31 July
			2022	2022	2021	2021
			£m	£m	£m	£m
		Expendable Net Assets				
19, 20	Notes to the financial statements – Note 19: Creditors: amounts falling due within one year (Obligations under finance leases) plus Note 20: Creditors: amounts falling due after more than one year (Obligations under finance lease)	Pre-implementation right-of-use leases		86.8		87.7
n/a	n/a	Post-implementation right-of-use leases		-		-
n/a	n/a	Annuities with donor restrictions		-		-
n/a	n/a	Term endowments with donor restrictions		-		-
n/a	n/a	Life income funds with donor restrictions		-		-
23	Notes to the financial statements – Note 23: Endowment reserves (Total permanent endowments)	Net assets with donor restrictions: restricted in perpetuity		151.9		133.4
		Total Expenses and Losses				
SOCIE 23, 24	Statement of comprehensive income and expenditure: Total expenditure less gain on pension provision, less Notes to the financial statements – Note 23: Endowment reserves (Expenditure) less – Note 24: Restricted reserves (Expenditure)	Total expenses without donor restrictions – taken directly from Statement of Activities		1,228.9		1,013.0
SOCIE	Statement of comprehensive income and expenditure: Investment income plus Gain on disposal of non-current investments plus Loss on disposal of fixed assets plus Share of operating deficit in joint ventures plus Share of operating deficit in associates plus (Loss)/gain on investments	Non-Operating and Net Investment (loss)		20.2		-
SOCIE	Statement of comprehensive income and expenditure: Investment income plus Gain on disposal of non-current investments plus (Loss)/gain on investments	Net investment losses		8.7		-
n/a	n/a	Pension-related changes other than net periodic costs		-		-

34. Financial Responsibility US Supplemental Schedule (continued)

Equity Ratio		Year ended 31 July 2022	Year ended 31 July 2022	Year ended 31 July 2021	Year ended 31 July 2021
Statement/ Note	Line item/related disclosure	£m	£m	£m	£m
Modified Net Assets					
SOFP	Statement of financial position – Unrestricted income and expenditure reserve		1,408.3		1,572.1
SOFP	Statement of financial position – Endowment income and expenditure reserve plus Restricted income and expenditure reserve		326.8		286.6
n/a	n/a		-		-
14, 29	Notes to the financial statements – Note 14: Investments in joint venture (amount disclosed as loan to the joint venture) plus Note 29: Related party transactions (amount disclosed as outstanding at year-end within debtors)	36.8		27.1	
14, 29	Notes to the financial statements – Note 14: Investments in joint venture (amount disclosed as loan to the joint venture) plus Note 29: Related party transactions (amount disclosed as outstanding at year-end within debtors)		36.8		27.1
Modified Assets					
SOFP	Statement of financial position: Total of Non-current assets plus Total of Current assets		3,135.4		3,132.1
12	Notes to the financial statements – Note 12: Fixed assets (Net book value of Consolidated and College leasehold land and buildings include assets held under finance leases)		73.1		75.2
19, 20	Notes to the financial statements – Note 19: Creditors : amounts falling due within one year (Obligations under finance leases) plus Note 20: Creditors: amounts falling due after more than one year (Obligations under finance lease)		86.8		87.7
n/a	n/a		-		-

Equity Ratio		Year ended 31 July 2022	Year ended 31 July 2022	Year ended 31 July 2021	Year ended 31 July 2021
Statement/ Note	Line item/related disclosure	£m	£m	£m	£m
Modified Net Assets					
14, 29	Notes to the financial statements – Note 14: Investments in joint venture (amount disclosed as loan to the joint venture) plus Note 29: Related party transactions (amount disclosed as outstanding at year-end within debtors)	36.8		27.1	
14, 29	Notes to the financial statements – Note 14: Investments in joint venture (amount disclosed as loan to the joint venture) plus Note 29: Related party transactions (amount disclosed as outstanding at year-end within debtors)		36.8		27.1
Net Income Ratio					
SOCIE	Statement of comprehensive income and expenditure: Unrestricted comprehensive (expenditure)/income for the year		(163.8)		136.4
SOCIE 23, 24	Statement of comprehensive income and expenditure: Total income plus Non-Operating and Net Investment gains less Notes to the financial statements – Note 23: Endowment reserves (New endowments) less Note 23: Endowment reserves (Investment income) less Note 24: Restricted reserves (New Funding body grants) less Note 24: Restricted reserves (New income/donations)		1,078.8		1,175.9

34. Financial Responsibility US Supplemental Schedule (continued)

The implementation date for determining pre-/post-implementation amounts for Property, plant and equipment, net and Long-term debt – for long term purposes is 31 July 2019. All finance lease (capital lease) have been disclosed separately as lease right-of-use lease balances and are treated as pre-implementation as the entity has not and is not required to adopt ASU 2016-02.

	Year ended 31 July 2022	Year ended 31 July 2021
Schedule analysing property, plant and equipment and long-term debt for long term purposes	£m	£m
Property, plant and equipment – pre-implementation	1,040.8	1,101.0
Property, plant and equipment – post-implementation with outstanding debt for original purchase	-	-
Property, plant and equipment-post implementation without outstanding debt for original purchase	410.3	385.7
Construction in process	70.9	64.8
Property, plant and equipment, net (includes Construction in progress)	1,522.0	1,551.5
Long-term debt for long term purposes – pre-implementation	424.8	435.0
Long-term debt for long term purposes – post-implementation	-	-
Long-term debt – for long term purposes	424.8	435.0

