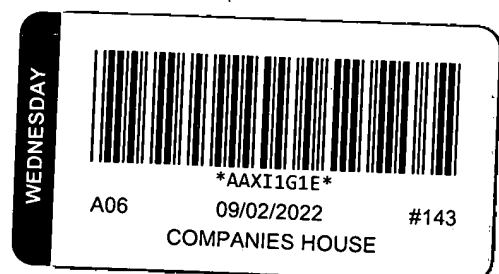


**Company Number: 0977818**

**UNIVERSITY OF WESTMINSTER  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**



UNIVERSITY OF WESTMINSTER  
Introduction from our Vice Chancellor and President

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## UNIVERSITY OF WESTMINSTER

### Introduction from our Vice Chancellor and President

We have achieved so much together in our Westminster community over the past year, building on our Being Westminster Strategy – our guiding light, helping us to clarify and strengthen our reputation, to retain and to recruit students and colleagues and to become strong and resilient financially. We have continued to act with health and wellbeing as our top priority, connected closely to our priorities on equality, diversity and inclusion, and against the sustainable development goals.

We entered the 2020/21 year in financial good shape with strong student recruitment in response to our ongoing reshaping and development of our portfolio, designed to ensure our students leave our University with the skills needed to be responsible global citizens and graduates fit for the future.

For a second year, we have weathered the challenges presented to us all by the ongoing global coronavirus (COVID-19) pandemic and we have shown imagination, responsiveness and resilience to ensure another successful year for our community. I commend and thank most strongly my colleagues and our students for the incredible compassion, care and effort made to find our way through together.

When we welcomed our new and returning students at the start of the first semester through our online Welcome Festival, we had planned for optimal time on campus together. In response to the UK Government's COVID-19 guidance and subsequent lockdowns, we needed to flex our academic delivery for a second year with the safety, health and wellbeing of our community and high-quality delivery of our academic programmes at the heart of our planning and response.

Where possible and permissible over the year we continued to provide practical programme delivery and study space on campus – alongside this we found creative ways to develop our digital delivery, building on all we had learned from our initial seamless move online to our digital twin of our University in the previous year.

Our innovative approach to online teaching has ensured our students continue to receive a high-quality academic experience. Our delivery of our fashion programmes, for example, attracted high profile media coverage and inspired a film showcasing our enterprising students and their creative response. We showed our creative edge and energy in London Fashion Week and other major exhibitions across our portfolio, with our architecture students showing their designs at OPEN 2021. We held our fifth consecutive Difference Festival and our animation students produced the title slides for the 2020 Royal Institution Christmas Lecture Series.

Our dedicated response teams on the Student Hub (Hub Chat) and our library services team (Lib Chat) provided access to student support round the clock and access to our impressive array of online journal and study resources. Personal tutors provided responsive support on academic matters and the Quintin Hogg trustees and major donors were on hand to provide financial support and bursaries where needed.

We completed our Research Excellence Framework (REF) 2021 submission with so much work of international standing and real world significance contributed by our research communities in Arts, Communication and Culture; Diversity and Inclusion; Health Innovation and Wellbeing; and Sustainable Cities and the Urban Environment.

We forged new partnerships, launching new ventures such as the Centre for Nutraceuticals, which is the first of its kind in Europe and serves as a catalyst for improving human health and wellbeing guided by research and innovation - it launched with a high-profile partnership with elite athletes Mathieu Flamini and Mesut Özil to develop a range of health supplements for their brand UNITY.

As the first university in London to be awarded the Social Enterprise Gold Mark, in our Westminster Business School we launched our Social Impact Hub and an industry-backed Social Enterprise MSc with international social enterprise accreditation authority. We illustrated our commitment to making a difference and shared this through our partnership with ITN Productions Industry News and the Chartered Association of Business Schools (Chartered ABS), creating a video in the Business Schools for Good series as a business school dedicated to bringing benefit to society through our pioneering research, teaching and engagement.

As London's most diverse and most international university, we worked through our Equality, Diversity and Inclusion ('EDI') Committee and through regular meetings between our senior management team and Colleague Networks to stand by our 15 commitments to deliver equity and inclusivity and to eradicate racism. We launched our Black History Year and supported – through listening to our networks and communities – change in response to our colleagues' needs and wishes.

## UNIVERSITY OF WESTMINSTER

### Introduction from our Vice Chancellor and President

We shared our skills and knowledge to help combat COVID-19 too. Our brilliant Biomedical Sciences BSc Honours alumnus Dr Mustapha Bittaye, a Postdoctoral Scientist at the University of Oxford, was one of the core team of scientists who worked on the production and rollout of the Oxford-AstraZeneca COVID-19 vaccine. We joined a research consortium to evaluate 'Tuition Partners', a government project to help disadvantaged students during the coronavirus outbreak. We helped our own students through refunds for rent in our halls of residence and hardship funds for those who needed financial support.

Working closely with UWSU (our University of Westminster Students' Union) we provided opportunities for our students to give feedback directly to our senior team through live Q&A sessions and through student voice surveys. We have listened carefully to their feedback about experiences during another challenging year of lockdown and have captured good suggestions that came from those responses. We have used this knowledge to start our development for ongoing alternative curriculum delivery, harnessing all of the positive aspects of digital learning to give our returning and future students more flexibility in the way their future studies are delivered.

Throughout the year our Estates Team worked hard to keep our buildings COVID-19 secure and to prepare for our full return to campus in the 2021/22 academic year. We have added new social and study spaces, refurbished our halls of residence, refreshed our heating and ventilation sources and upgraded more of our seminar, tutorial and lecture spaces and have been planning for our new enterprise space, our physical Student Hub and the makeover of our Soho Poly Theatre.

We celebrated the achievements of our Class of 2021 with an online graduation celebration and we cannot wait to congratulate each of our graduates in person at Graduation Ceremonies in the year ahead.

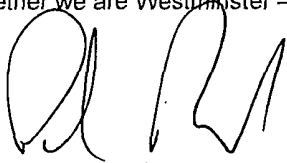
We are so grateful for the support of our Court of Governors, our supporters and benefactors – all of whom have given so freely and so generously of their time.

We care about the impact we have on our local and global communities. We are developing our curriculum to meet the opportunities of the digital age and the responsibilities we all have today on the sustainability of our global environment for tomorrow.

We are a truly international campus and community in the heart of London with a deep social conscience.

Together we have enjoyed another successful year at Westminster – one with ongoing external challenges to which we have responded in our progressive, compassionate and responsible way – true to our values. Together we have emerged successfully and with much to build on and look forward to in the years ahead.

Together we are Westminster – students, colleagues, alumni, partners and supporters.



**Dr Peter Bonfield**  
Vice-Chancellor and President

## UNIVERSITY OF WESTMINSTER

### Statement from our Chair to the Court of Governors

I am delighted to present to you the University of Westminster's Annual Report for 2020/21, which outlines the third year of delivery of our University Strategy: Being Westminster 2018-23.

During 2020/21, the Court of Governors re-confirmed our commitment to our Code of Conduct and to demonstrating our values - being progressive, compassionate and responsible - through our activities and decisions. In June 2021, we adopted revised Articles of Association that strengthen the student voice at the Court and confirmed changes to Academic Council that enhance the membership through diversity and quality. Building on the work of our 2019 effectiveness review, we adopted the revised Higher Education Code of Governance (September 2021), the Charity Code of Governance for large organisations and the Committee of University Chairs Higher Education Audit Committees Code of Practice during the period.

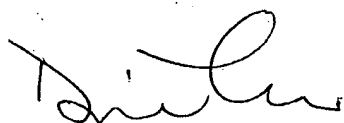
We were very proud in July 2021 to approve our first EDI Strategy. We shall monitor its impact in the years to come and look forward to considering early in 2021/22 the progress the University has made in delivering an actively anti-racist, inclusive and safe environment for all of us to study and work in. We continue to work very actively on diversity in the membership of the Court, re-engaging in the Board Apprentice scheme in 2020/21 and placing diversity at the heart of the recruitment process for governors and committee members.

The COVID-19 pandemic continued to impact on our activities throughout this year and the safety and wellbeing of our students and colleagues has remained at the forefront of our discussions and decisions. All governors have been kept up to date throughout with regular updates on the University's response and plans from the Being Safe, Feeling Safe Steering Group and the Vice-Chancellor. We extend our thanks to all our colleagues and students for their continued resilience and commend efforts to enable students to progress and complete their studies while maintaining our academic standards. Our response to the pandemic is one example of the strong partnership working between our University and the University of Westminster Students' Union. Our thanks go to the 2020/21 Sabbatical team, led by student governor UWSU President Padamjeet Mehta, and we warmly welcome new UWSU President Zahra Butt, who is joined by UWSU Vice-President (Activities) Olivia Ponsford as our student governors from 1 July 2021.

We worked in partnership with the University Executive Board on our Strategy mid-term review, reflecting critically on progress to date and lessons learned, identifying priorities for the final two years of the Being Westminster strategy and began the conversation about a refreshed strategy for the following five years. There have been, and will continue to be, many changes in our internal and external environment and we now have a shared understanding of how these changes may impact our plans. Through the autumn of 2021 we will continue to work with the executive team and listen to feedback from our colleagues and students about what is most important to them and how we can sustain and exceed the achievements of Being Westminster.

I am very pleased to announce that we have appointed my successor as Chair of the Court of Governors and Pro Chancellor. Professor Lynne Berry became a Governor in April 2021 and will take on the role of Chair in October 2021. As I prepare to step down and pass the baton to Lynne, I have been reflecting on my time at the University. I am confident that I shall leave it in a much healthier state than when I became Chair thanks to the outstanding team of Governors and University Executive Board members we now have. I have particularly appreciated the close partnership that the Vice Chancellor and I have forged, and which has been key to our success.

I wish Lynne, my fellow Governors and everyone in our University community the very best for the adventures and challenges ahead. I shall miss you enormously.



**Diane Yeo**  
**Former Chair of the Court of Governors and Pro Chancellor**

UNIVERSITY OF WESTMINSTER  
Statement from our Chair to the Court of Governors

I am honoured to follow in Di Yeo's distinguished footsteps as Chair of the Court of Governors and Pro Chancellor for Westminster.

Di has brought her deep experience of governance, her commitment to inclusion and a passion for the way education can change lives to all she has done.

She has led the Court through the challenging period of the pandemic and, in partnership with the Vice Chancellor, Executive Board and Students' Union, reinforced our commitment to creating a great and safe student experience where every student matters and can feel supported.

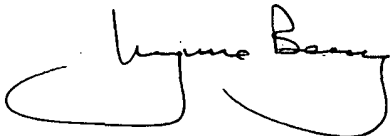
Di has supported the development of fundraising and built vital partnerships both internally and with external stakeholders who share our values.

During her thirteen years as a Governor, as Deputy Chair and latterly as Chair of the Court of Governors and Pro Chancellor, she has served on all the major Committees of the Court and brought her gimlet eye and extensive knowledge of governance, strategy and accountability to ensuring we are inclusive, progressive, compassionate and responsible.

A particular jewel in our crown is the Regent Street Cinema. Having started her career in the arts and media, it's not surprising that Di has championed its redevelopment and headed up its renovation. Its present glory is very much her legacy.

I intend to build on other parts of her legacy too, particularly her commitment to inclusion and her absolute focus on good governance. With the other Governors and with the Vice Chancellor we'll work to refresh the Being Westminster strategy, we'll make employability for our students a vital part of our plans and partnerships a hallmark of how we work.

None of this would be possible without the strong foundations that Di has laid. On behalf of the Court of Governors, I'd like to thank her and wish her well in the many charitable interests that are so important to her.

A handwritten signature in black ink, appearing to read 'Lynne Berry', with a large, stylized flourish underneath.

Professor Lynne Berry  
Chair of the Court of Governors and Pro Chancellor

## ABOUT THE UNIVERSITY OF WESTMINSTER

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### *Who we are*

We, the University of Westminster, are a diverse and dynamic international education institution situated in the heart of London with more than 20,000 students from 170 different nations.

We have our origins as London's first polytechnic, founded in 1838 to educate the working people of London. Since then we have developed into an institution that combines both metropolitan and cosmopolitan dimensions, and which is closely involved in business, professional and academic life within London, as well as overseas. We have become known for the many ways in which we help our students to realise their full potential, regardless of background. Many of our achievements are ground-breaking, yet we are also compassionate and caring.

As a place to study or to work, we strive to strengthen our reputation as a welcoming and inclusive organisation. We promote a dynamic synergy between our Colleges: Design, Creative and Digital Industries; Liberal Arts and Sciences; and the Westminster Business School. Our teaching is practical, relevant and contemporary. Our research has impact in the world, is internationally recognised and informs our teaching.

The University of Westminster is incorporated under the Companies Act as a charity and company limited by guarantee and not having any share capital. The University is also an exempt charity in accordance with the Charities Act.

The objects for which the University is established are recorded in the Articles of Association and reproduced in the Statement of Corporate Governance and Internal Controls.

The Charity's beneficiaries, as reflected in the objects, are the students enrolled at the University and the public at large who stand to benefit through the impact of our teaching, research, and enterprise activity.

## CELEBRATING SUCCESS

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### *College of Design, Creative and Digital Industries*

#### **Queen's Birthday Honours List**

A number of Westminster alumni and colleagues have been recognised in the Queen's Birthday Honours list for their achievements and service, including Peter Barber and Sumita Singha (Architecture) for their services to architecture.

#### **Undercover exhibition**

The Westminster Menswear Archive's major exhibition *Undercover – From Necessity to Luxury: The Evolution of Face Coverings During COVID-19* premiered online, showcasing 52 unique face coverings to reveal how they have evolved in response to the COVID-19 pandemic over 12 months.

#### **Students produce Royal Institution Christmas Lecture titles**

Animation students produced the title sequence for the 2020 Royal Institution Christmas Lectures hosted by the BBC as part of our Lumiere 125 scheme.

#### **Academic receives €700,000 grant for transport research**

Dr Enrica Papa (Transport) received approximately €700,000 for two research projects investigating methods to improve urban mobility, traffic management and planning which was made possible by seed funding from our Sustainable Cities and the Urban Environment research community.

#### **Fashion Design BA students show at London Fashion Week**

For the fourth year running, 35 final year students from the Fashion Design BA course debuted their latest collections alongside some of our notable alumni at London Fashion Week.

#### **Academics exhibit projects at Venice Biennale**

Academic colleagues co-produced three different installations that were exhibited at the Venice Biennale which responded to the theme 'How will we live together?', including the *Three British Mosques*, a pavilion produced by Shahed Saleem (Architecture) in collaboration with the V&A museum.

## CELEBRATING SUCCESS (continued)

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### **OPEN 2021**

The School of Architecture and Cities hosted their annual student exhibition OPEN 2021, which went virtual this year as an exhibition of projects to showcase the emerging talent from our Architecture and Interiors courses. It featured the works of more than 750 students, with highlights including digital drawings, models, films and prototypes in a virtual setting.

### **Soho Poly receives funding from National Lottery Heritage Fund**

The Soho Poly was awarded £88,300 from the National Lottery Heritage Fund to preserve the history of this nationally important and radical theatre. The project will involve working with diverse and under-represented young people to recover, preserve and disseminate the heritage of the theatre.

*College of Liberal Arts and Sciences*

### **Legal Advice Clinic triples its service provision**

The University of Westminster Legal Advice Clinic's recent expansion, which was funded by the Quintin Hogg Trust (QHT), has allowed the Clinic to more than triple its services to the community, assisting around 140 clients per year free of charge.

### **Launch of online mental and self-harm support website**

Dr Nina Smyth, Dr Jay-Marie Mackenzie, Dr Tina Cartwright and Laura Culshaw (Psychology) launched 'CHERISH', a website providing free resources and information for those supporting university students who self-harm.

### **Alumnus works on Oxford COVID-19 vaccine production**

Biomedical Sciences BSc Honours alumnus Dr Mustapha Bittaye, a Postdoctoral Scientist at the University of Oxford, was one of the core team of scientists who worked on the production and rollout of the Oxford-AstraZeneca COVID-19 vaccine.

### **The Difference Festival**

The fifth annual Difference Festival took place virtually in February 2021 and attracted record numbers. The event featured a range of talks, readings and discussions focused on difference including an online play reading and a discussion about the global emergence of superbugs.

### **Queering Public Space project**

Professor Pippa Catterall (History) partnered with global engineering and design firm Arup to produce a report exploring the relationship between queer communities and public spaces. The report was covered by a range of publications including Architects' Journal, The Conversation and Architects' Newspaper.

### **Academic named UK Ambassador for Clean Growth**

Royal Academy of Engineering Visiting Professor Yewande Akinola MBE was appointed to the role of UK Ambassador for Clean Growth and Infrastructure under the UK's innovation agency 'Innovate UK'.

### **Student receives NHS Employers Award**

Applied Biomedical Science BSc apprentice and Trainee Biomedical Scientist Donna Morris was awarded an NHS Employers Award for outstanding achievement by an allied health professional (AHP) for her work on point-of-care testing for COVID-19.

*Westminster Business School*

### **Major grant for project on student support during COVID school closures**

Dr Veruska Oppedisano and Professor Richard Dorsett (Economics) won a bid to be part of a research consortium to evaluate 'Tuition Partners', a government project to help disadvantaged students during the coronavirus outbreak.

### **Social Impact Hub**

The School of Organisations, Economy and Society launched the Social Impact Hub which partners students with ethical organisations to help tackle social and global challenges through their projects and by contributing to the community in positive ways.



## CELEBRATING SUCCESS (continued)

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### **Business Schools for Good**

We partnered with ITN Productions Industry News and the Chartered Association of Business Schools (Chartered ABS) to create a video for their series 'Business Schools for Good' which explores the notable contribution that UK business schools deliver through their pioneering research, teaching and engagement for the benefit of society.

### **First industry-backed Social Enterprise MSc**

Following our official recognition as a social enterprise, a new Social Enterprise MSc was launched. Ours is the first UK course to achieve endorsement from the Social Enterprise Mark CIC, an international social enterprise accreditation authority.

### **Postgraduate Student Experience Survey results**

We received excellent results in the Postgraduate Student Experience Survey. Overall student satisfaction was up to 83.3% in 2021 compared to 63.3% in 2020. The International Business Management MSc scored particularly well at 95.8% student satisfaction.

### **International Building Challenge**

Students took part in the International Building Challenge 2021, an interdisciplinary territory development project where students gain experience in solving real cases in the direction of their training. The projects centred on the investigation and resolution of complex, real world problems focused on UK building regulations and energy efficiency requirements.

### **Chartered Association of Building Engineers accreditation**

We achieved Chartered Association of Building Engineers accreditation for its new apprenticeship degree in Building Control Surveying.

### **Indian Institute of Management Nagpur partnership**

We signed a formal Memorandum of Understanding with top-rated management school the Indian Institute of Management Nagpur to collaborate on research, teaching, field visits and immersion programmes.

### *Professional Services*

### **SMART working guidelines**

We have developed new SMART working principles and guidelines to help colleagues to determine how their work can best be delivered. The adoption of SMART working principles supports and furthers our commitment to wellbeing and our equality, diversity and inclusion aims.

### **THE Impact Rankings**

We have been recognised as one of the top 20 universities in the world for supporting gender equality according to this year's Times Higher Education (THE) Impact Rankings. We also rank in the top 25 globally for supporting reduced inequalities.

### **UHR Award for Organisational Development and Culture Change**

We were awarded the Universities Human Resources (UHR) Award for Organisational Development and Culture Change. The submission drew together work that has been done across the University to improve how we work together, how we communicate with one another and how we feel at the University.

### **Milkround diversity campaign**

We collaborated with Milkround as part of their 'Beyond the Buzzword' campaign and roundtable event. We served as a case study of a model institution that champions diversity through its employability schemes that boost prospects of students from all backgrounds.

### **Green Dot reaches 1,000 trainees milestone**

Green Dot, our active bystander training programme which focuses on sexual abuse, domestic abuse and harassment reached a milestone of 1,000 student and colleague trainees.

### **University Mental Health Charter**

We have joined a new University Mental Health Charter programme as part of our commitment to improve support for colleague and student mental health. Led by Student Minds, the programme brings together 32 universities committed to making mental health and wellbeing a university-wide priority.

## CELEBRATING SUCCESS (continued)

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### *Students' Union (UWSU)*

#### **Report and Support portal**

Working with Student and Academic Services and external agency Culture Shift, UWSU has launched a new Report and Support portal to allow students to report experiences of bullying, harassment, sexual misconduct, racism and hate crime. The portal also provides resources and articles to students on a wide range of topics and support services.

#### **Dragons sports hijabs**

UWSU launched their Dragons sports hijabs to increase the inclusive nature of physical activity at Westminster while also aiming to boost female participation in sport.

#### **Elite Athlete Programme**

Santander pledged their support to the UWSU Elite Athlete Programme, which supports athletes from widening participation groups who excel in sport, competing at regional, national or international level with the support and resources to help make them the best athletes they can be.

#### **NUS Green Impact Award**

UWSU achieved 'Excellent Gold' in the NUS (National Union of Students) Green Impact programme, which is designed to support environmentally and socially sustainable practice in an organisation. UWSU received this award with the help of student groups such as the Environmental Society, as well as for their food waste campaign to encourage students to use up items in their home to avoid food waste.

#### **New student social space at Cavendish Campus**

A brand new social space at Cavendish Campus has been opened for students with the support of the Quintin Hogg Trust. The space will allow for students at the central London site to have a more relaxed space to socialise and work in groups on campus.

#### **Black Lives Matter commitments**

UWSU has been working hard on achieving its Black Lives Matter commitments, and has currently achieved 70% of its commitments to our students.

## STRATEGIC OBJECTIVES

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Being Westminster: Our Strategy 2018-23 ('Being Westminster') identifies four objectives that will be our focus for the period:

#### **Learning and Teaching**

To be a leading, high performing and transformative learning organisation which excels in providing an exceptional student experience and exceeds sector benchmarks for student satisfaction; to continually review and improve our portfolio of courses, and to be a TEF Silver with over 70% of our students in subject areas at Silver or Gold.

#### **Research and Knowledge Exchange**

To develop our research activity and its impact in our areas of excellence to double income from research grants and ensure that 70% of all REF publications are at 3\*/4\* level.

#### **Employability**

To offer opportunities for employability-enhancing learning and engagement with employers and industry to all our undergraduate students.

#### **International**

To raise the international reputation and reach of the University, such that the percentage of overseas fee paying undergraduates rises to 30% and postgraduates to 50% of the total number of students taught.

## STRATEGIC OBJECTIVES (continued)

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To achieve these objectives, we will focus on:

### **People, culture and inclusion**

To create a positive place and culture so all our people are supported and encouraged to realise their ambition.

### **Physical environment**

To create a physical place that inspires learning, and that meets current and future needs.

### **Digital environment**

To take full advantage of the opportunities the digital environment offers in driving the education and learning of all our students and the working experience of our colleagues.

To achieve the following outcomes:

### **Reputation**

With focused work through our people, place and technology we will grow our already distinctive reputation so that we are widely respected as a strong university, recognised for what we do and our commitment to making a difference.

### **Financial sustainability**

Our financial sustainability that meets current and future investment needs is achieved through the delivery of our objectives, creating an inclusive, inspiring and high-performing learning environment that attracts students to study here and colleagues to work here.

Visit our website for more details on our 2018-23 strategy: [westminster.ac.uk/about-us/our-university/our-purpose-mission-and-values](https://westminster.ac.uk/about-us/our-university/our-purpose-mission-and-values)

## BEING WESTMINSTER: PERFORMANCE AND IMPROVEMENTS 2020/21

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### *Learning and Teaching*

The entirety of this year's National Student Survey (NSS) took place during the pandemic, with students providing feedback on an unprecedented year (survey dates of 25 January – 30 April 2021 at Westminster). In this context, NSS 2021 shows a downward drift at the sector level in student satisfaction in all sections of the NSS, but our results this year show more pronounced drops than the sector downturn.

Following last year's increased levels of satisfaction amongst our final year undergraduates in four of the five Teaching Excellence and Student Outcomes Framework (TEF) categories, our results in these categories have dropped to a greater degree than the sector at large this year.

Furthermore, we are now performing below our relevant subject-sector benchmarks in all sections of NSS except Organisation and Management, thus failing to meet the minimum required to be on par with NSS results from all comparable institutions. Our latest results show the following variance from the relevant sector-subject benchmark in the TEF categories: Academic Support (-3.9 pp); Teaching on my course (-3.8 pp); Learning resources (-3.0 pp); Assessment and feedback (-2.1 pp); Student Voice (-1.8 pp).

These results demonstrate the work needed to achieve the objectives in Being Westminster to provide an exceptional student experience and we will continue to work towards student satisfaction scores that are above sector benchmarks in all NSS categories.

Our Personal Tutoring Policy, launched in 2018/19, is fully operational and our Student Engagement monitoring tools have now been accessed 18,337 times by 895 of our colleagues who deliver the academic and pastoral support our students require to help them to excel whilst at Westminster. The tools allow Personal Tutors to access live data on student engagement across several metrics including attendance, use of the Virtual Learning Environment and assessment performance to identify students who are at risk of disengagement. This is supplemented by information that helps Personal Tutors to put student engagement in context, for example by highlighting commuter students who face particular challenges.

## BEING WESTMINSTER: PERFORMANCE AND IMPROVEMENTS 2020/21 (continued)

We are now meeting our first-year student continuation rate KPI target, with 88.6% of first year undergraduate students starting courses in 2019/20 continuing in to 2020/21. This is a great achievement considering the impact of the pandemic on students during the latter part of the 2019/20 academic year and the beginning of 2020/21. Foundation Year student continuation rates have significantly improved, contributing to this overall improvement to target for our continuation KPI. 81% of our foundation entrants from 2019/20 continued in to 2020/21 which is an improvement of 11.3 percentage points from the 69.7% of foundation year entrants who continued from the 2016/17 cohort. During this time, foundation year entrant numbers have grown from 122 to 796 which has played a fundamental role in contributing to our financial sustainability.

### *Research*

The Research Excellence Framework (REF) is the main way that the sector measures and benchmarks the quality of research outputs. This only runs every seven years, so we ran our own internal 'mini-REF' exercise in 2018, which rated 51% of our research outputs as of 3\* (internationally excellent) or 4\* (world-leading) quality, against a target for REF2021 of 70%.

Three years on and our REF submission has been made (31 March 2021), comprising research work by 440 academic staff (396 FTE) up from 249 in 2014 (210 FTE) returned to 13 academic Units of Assessment, including 41 impact case studies as well as reports on our research environment. The preparation process included extensive internal and external peer review. Of the 985 research outputs submitted, 22.1% were deemed to be of 4\* quality (18.6% in 2014) and 65.2% of 3\* quality (42.2% in 2014), meaning that over 80% of our research outputs have been considered above the threshold quality level (70% KPI). Although it is likely that internal review errs on the side of optimism and that 3\* outputs will not lead to Quality-related Research (QR) income post-REF-2021, this is a positive outcome.

Postgraduate research student satisfaction is measured through the Postgraduate Research Evaluation Survey and we have a target for overall satisfaction of 81.6%. The latest year's results (2020/21) indicate 82.3% overall satisfaction, exceeding the KPI for the five-year period and up from 79% satisfaction in 2018/2019 and 74.62% in 2017/18.

### *Knowledge Exchange*

In 2021, for the first time, universities have been assessed on their knowledge exchange performance through the Knowledge Exchange Framework (KEF), which aims to increase efficiency and effectiveness in the use of public funding for knowledge exchange and to further a culture of continuous improvement in universities. How well we perform on each perspective is compared against other broadly similar higher education institutions (HEIs). Within our cluster, we were rated in the top 40% for skills, enterprise and entrepreneurship; local growth and regeneration; and intellectual property/commercialisation.

### *Employability*

Surveying for the second year of the Graduate Outcomes survey took place between December 2019 and September 2020, covering graduates who completed a course at Westminster between August 2018 and July 2019.

From March 2020, this survey period coincided with the UK lockdowns resulting from the COVID-19 pandemic. Although the survey for 2018/19 graduates was not for the cohort of students who graduated directly into the pandemic, they will have felt the impact of the pandemic on the early stage of their career. We can see from recently released figure from the Higher Education Statistics Agency (HESA) that unemployment among 2018/19 graduates (including those due to start work or study) accounted for 7% of responses, up 2 percentage points (pp) on the 2017/18 dataset.

From the survey of 2018/19 graduates, 86% of our UK, Full-time, Undergraduate leavers were classified as 'in work or in study' (excluding the category classified as 'Other' e.g. retired, taking time out to travel), a drop of 7 pp from last year's baseline figure. We now rank joint-eighth amongst the group of eleven London comparator providers in this metric. 57% of our UK, Full-time, Undergraduate leavers employed in the UK were working in 'highly skilled' employment, a drop of 4 pp from last year's baseline figure. We now rank ninth amongst the group of eleven London comparator providers in this metric, a drop of two ranks from last year.

## BEING WESTMINSTER: PERFORMANCE AND IMPROVEMENTS 2020/21 (continued)

A key University-wide initiative to increase rates of graduate employability is our work-based and placement learning (WBPL) project, which is aiming to embed 35 hours of WBPL and a minimum of 35% of student assessment to be linked to employability in every course. By June 2021, 96% of our courses have WBPL activities embedded within them, with 42% meeting the standards of the project. All courses will be brought up to standard before the end of 2023.

### *International*

International fee-paying students now account for 52.7% of our total postgraduate taught (PGT) population, up from 41.1% in 2016/17, which demonstrates strong progress having achieved and surpassed our Being Westminster target of 50% for this cohort. At Undergraduate level, the level of international fee-paying students has also increased, to 25.5% from 15% in 2016/17. Our target for this cohort is 30%, so, whilst we are still below target, the direction of travel is positive. The impact of COVID-19 on the number of international students we could recruit was significantly less than the worst-case scenario planning on which our budgets for 2020/21 were based. However, the impact of Brexit is more significant and, as of July 2021, we have seen a 52.5% year-on-year decrease in European Union (EU) undergraduate applicants and a 4% decrease at postgraduate level.

In addition to international students studying with us in the UK, we also had 6,882 international students studying for Westminster awards overseas during 2019/20, an increase of 1,595 since 2018/19, and preliminary analysis of 2020/21 data suggests this number has increased further to around 7,500. Of the 156 UK-based universities offering this provision, we rank 17th in terms of volume of off-shore students.

## STRATEGIC FOCUS 2020/21

### *Learning and Teaching*

The COVID-19 pandemic continued to influence learning and teaching throughout the year. Apart from practical activities, almost all teaching was online, and examinations were replaced with online timed assessments in most cases. Academic and Professional Services colleagues worked hard to ensure students could still engage and progress satisfactorily and it was positive that student engagement with online learning remained high, that the proportion of students receiving good degrees remained broadly stable and that student continuation and retention improved over the last twelve months (now 88.1% and 0.5pp below the 2023 target). Nonetheless it is clear that students have faced significant challenges, and as noted above our NSS results, while still not significantly different from benchmark in most areas, showed a reduction in most sections of the survey, most notably in the areas of learning resources and overall satisfaction. It was positive however, that scores in the Postgraduate Taught Experience Survey (PTES) recovered significantly from the previous year.

Despite the pandemic, this year has seen considerable action to implement the Education Strategy and the work of Academic Council included significant developments in learning and teaching. To enable an ambitious portfolio that ignites the passions of students and meets the needs of employers, a new, intensive, course development process with stakeholder engagement at its heart was agreed. In May 2021, Academic Council approved replacement of many examinations with more authentic assessments<sup>1</sup>. These will give students confidence and competence in the workplace on graduation. Building on learning from the pandemic, we also committed to a more blended learning and teaching mode going forward, which will focus on provision of excellent, practical and active teaching on campus combined with quality online learning.

The Centre for Education and Teaching Innovation (CETI) extended its support for all aspects of learning and teaching this year, working with Colleges to lead bespoke training and development. In March 2021, Dr Andy Pitchford was appointed as new Head of CETI and a new post of Director of Curriculum Development was created; this increased capacity to support all aspects of course and curriculum development. A programme of professional development and support for online learning and teaching was delivered by the Learning Innovation and Digital Engagement (LIDE) team. During the year twelve new Westminster graduates, working as Graduate Digital Learning Assistants (GDLAs) worked in the Colleges, supported by the LIDE team, to

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<sup>1</sup> Authentic assessment demonstrates students' knowledge of a subject in a given area and the ability to apply that knowledge, for example by completing a written or oral test or interview. So, our assessments must also tell us if students can apply what they have learned in authentic situations

## STRATEGIC FOCUS 2020/21 (continued)

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further enhance the quality of online learning and teaching. The GDLA project (funded by the QHT) will continue over the next two years.

Finally, progress towards our equality, diversity and inclusion education commitments (decolonising and diversifying the curriculum and eliminating awarding gaps between different groups of students) was a key focus in learning and teaching during the year. We established a new EDI (Education) Steering Group with CETI supporting and co-ordinating the work ongoing in Colleges. While there is still much to do, it was pleasing to note that awarding gaps reduced during the pandemic. It is likely that this is due in part to measures taken to support students over this period and research in the School of Social Sciences is seeking to enable us to build on this progress across our University.

### *Research*

Following extensive but collegial preparation, we submitted our return to the 2021 REF on 31 March. The REF exercise runs every seven years and determines the amount of QR income we receive from Research England. Our impact case studies provide an excellent snapshot of the value of the work we do and will be showcased on our website.

We are now into the next REF cycle and this year launched our Researcher Development Programme, providing training in impact and engagement; accessing funding; publishing, data, ethics and integrity; and career development. We have also announced a researcher development award programme to recognise and advance our future stars.

Our four research communities have been running for 18 months, and in June 2021 were subject to a review of their impact to ensure that they provide maximum benefit as we enter the final two years of Being Westminster. Professor Johan Woltjer has been succeeded by Professor Andrew Smith as Lead for the Sustainable Cities and Urban Environment community, and all involved in the communities have worked hard during the pandemic to ensure they remain a strong force for engagement across our University.

Our vibrant body of PhD researchers is growing both in number and in excellence with enrolments increasing from 458 in 2018 to 489 in the current academic year. Applications have increased from 611 to 738 in the same period, suggesting that the appetite for postgraduate research study is buoyant and that our offer is attractive. The recent national Postgraduate Experience Survey run by Advance HE reported an overall satisfaction score amongst our PhD students of 82% against a sector benchmark of 79%, putting us in 18<sup>th</sup> place nationally. We are launching a 10-year review of the Graduate School to ensure that it can go from strength to strength.

As we embark on the next REF period, the academic year 2020/21 has seen several reviews of processes and structures. To better integrate research and knowledge exchange, we have repurposed our committees with a new Research and Knowledge Exchange Steering Group (chaired by the Pro Vice-Chancellor for Research) that oversees committees focusing on research, business engagement, public and community engagement, and ethics. We have also made important changes to how research time is allocated and have introduced a new policy on research sabbaticals.

Despite the very real impact on research and researchers from the COVID pandemic, pioneering work has continued and grant income to the University in 2020/21 has been just under £5 million. Although colleagues have been inevitably focused on the delivery of teaching and student support, 143 new bids have been submitted this year with a total potential value of £32.4 million. Notable new awards this year include: the UKRI Future Leaders Fellowship on Decolonising Sexual and Gender Based Violence in Higher Education in the Schools of Social Sciences and Media and Communications (£939,000); the £635,000 award by Sabanci University Nanotechnology Research and Application Center on Breath Analysis and Smart Wound Dressing to Professor Izzet Kale; and the EU Horizon 2020 Research Grant worth £401,000 on Plasmasphere Ionosphere Thermosphere Integrated Research Environment and Access services to Dr Gabriele Pierantoni and Professor Tamas Kiss.

## STRATEGIC FOCUS 2020/21 (continued)

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### *Knowledge Exchange*

We continue to deliver a growing range of knowledge exchange activities and services that bring significant social and economic benefit to businesses, public services, charities and our communities. We deliver advanced thinking and technologies to support businesses, and the public and third sector, through contract research, industry-led collaborative research and consultancy services. We educate and train our students in enterprise skills and facilitate the incubation and development of new business start-ups. We deliver an extensive programme of social, community and cultural initiatives to enrich the education, development and experiences of our various communities.

Within our KEF cluster, we were rated in the top 40% for skills, enterprise and entrepreneurship; local growth and regeneration; and intellectual property/commercialisation. The new KEF has brought new reporting requirements and in 2020/21 we also submitted our HEIF fund-allocation plans for the next five years to Research England, new accountability statements and a detailed action plan for knowledge exchange as part of the development year for the new Knowledge Exchange Concordat (July 2021).

We appointed a new Director of Business Engagement in the Autumn of 2020, to direct and coordinate a more proactive interaction with businesses, public sector and other community organisations for the benefit of the student experience and our local and regional community. We also restructured to bring relevant functions together in a new Directorate (including Short Courses and Apprenticeships). In May 2021, the Director presented the first Business Engagement Strategy to the University Executive Board ('UEB'), setting out how partnership development would be pursued over the planning period. In readiness for a significant increase in enterprise education activity across the University, several new posts were created to support anticipated growth. Our new Knowledge Exchange Leads are also now all in place in the Colleges and Schools and efforts have begun in earnest to plan new and enhanced knowledge exchange activity. This work is supported by a new integrated governance structure for research and knowledge exchange which will be effective from August 2021, and includes new committees focused on Business Engagement and Public and Community Engagement.

Our knowledge exchange activity was significantly affected by the COVID pandemic in 2020/21. Our focus inevitably shifted to finding ways we could directly respond to the pandemic, and this included new areas of research activity, partnerships and new ways of delivering knowledge exchange and enterprise support.

In our enterprise support activities, a highlight of the year was our Graduate Venture Accelerator Programme, providing business support for graduates with viable start-up concepts or post-revenue businesses. The programme accelerates the entrepreneurial development of the founders and growth of their businesses through monthly mentoring, exclusive workshops and expert advice, designated co-working space and membership of a network of mentors and like-minded peers on similar entrepreneurial journeys. In short-courses, our extensive portfolio shifted entirely online, and we retained many of our existing customers and developed valuable online delivery capabilities in the process. In some areas of professional skills provision, for example Project Management, our services continued to be in high demand right through the pandemic.

A major success story for knowledge exchange at Westminster in 2021 was the launch of Europe's first Centre for Nutraceuticals in association with partners and elite athletes. It will serve as a catalyst for improving human health and well-being guided by research and innovation. Consumers are shifting towards nature based and 'clean label' products particularly in nutraceutical, functional food and cosmetics markets. The new Centre will use its world-leading expertise to meet this demand and will provide a much needed independent, credible and trustworthy source for scientifically validated information to better inform governments, regulatory bodies, the industry and consumers. It launched with a high-profile partnership with elite athletes Mathieu Flamini and Mesut Özil to develop a new range of health supplements for their brand UNITY that will help people reach their performance goals.

### *Global engagement*

In 2020/21 we refreshed our Global Engagement framework and our commitment to being an internationalised community of colleagues and students; to supporting the international experience of our students; and to enhancing our partnership connections across the globe remain central to it.

## STRATEGIC FOCUS 2020/21 (continued)

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The international market has continued to grow since we launched Being Westminster, with key markets in South and South East Asia expanding as their economic development continues. Our number of newly recruited students per annum has grown consistently over the last five years and has been driven by recruitment both from London and overseas. China and India provide 45% of our total overseas cohort. However, our overall reliance on these markets has been reduced: China constituted 28% of our overseas enrolments in 2020/21 (32% in 2019/20) and India 17% (14% in 2019/20), which is broadly in line with UK sector averages.

In addition to substantial growth from India and China, we are seeing success in smaller overseas markets including Cambodia; Morocco; Algeria; Egypt; Iran; Albania; and Lebanon. All these have moved into our top 30 markets in 2020/21.

Whilst entailing small numbers compared to many other UK HE providers, we have doubled applications coming through progression partnerships with overseas academic partners in the last three years, especially with Chinese partners linked to the College of Design, Creative and Digital Industries (DCDI).

Outward mobility has increased steadily since 2017. Students have participated in exchanges, short-term traineeships, volunteering opportunities and summer schools. Our Student Mobility team actively promotes "go abroad" opportunities, supporting students throughout their international journey. A steady increase has been witnessed in widening participation too. Since 2018, for instance, Westminster Working Cultures (WWC) International, led by our Alumni Relations team, has run eight employability-based student visits to six global destinations, supporting 143 students from across the University, 89% of whom self-identified as coming from a disadvantaged or underrepresented group.

In 2019/20, we bid for the first time to Erasmus+ Key Action 107, a scheme providing funding for mobility from non-EU countries and the bid won funding in 2020/21 for Albania, Belarus, Ukraine and Malaysia. In total we were awarded 838,220 Euros, the fifth highest award of all UK institutions. We were also awarded 583,171 Euros under Erasmus+ Key Action 103, covering student and staff mobility within the EU. With a recent project extension, this means that Erasmus+ funding, and thus European mobility funding for students and colleagues, remains in place until the end of the 2022/23 academic year.

We have seen a 45% rise in the number of students registered on our trans-national education (TNE) programmes between 2018/19 and 2020/21, with growth at both the Informatics Institute of Technology (IIT) and the Westminster International University in Tashkent (WIUT), our key TNE partners. Both have had successful programme revalidations and have extended their portfolio of University of Westminster validated/franchised programmes. IIT and our German TNE partner, Macromedia, work with us to deliver WWC International and WWC Professional. Our IIT connection fuels our employer engagement activity. We delivered our first CPD course with WIUT this academic session, supporting the internationalisation of our business engagement activity. We have grown joint research activities with WIUT, increased the number of WIUT staff taking University of Westminster research degrees and launched the Westminster Forum for Uzbek and Silk Road Studies.

### *Employability*

Employability is a key driver of our student-facing work. Our primary objective is to offer opportunities for employability-enhancing learning and engagement with employers/industry to all undergraduate students. This guides our employability work and is being implemented purposefully. However, as recent Graduate Outcomes results demonstrate, significant challenges remain.

In 2020/21 we initiated our Work Based and Placement Learning Project (WBPL), which embeds mandatory short-term WBPL in the curriculum at levels 4/5 and adds an optional year in industry and/or abroad. Our Westminster Employability Award (WEA) has seen over 750 completions in 2020/21 and nearly 3,000 registrations since Autumn 2018.

Our Spring into your Future offer supported the class of 2021 and graduates from the class of 2020 to prepare for the world of work and be 'fit for the future' during the pandemic crisis.



## STRATEGIC FOCUS 2020/21 (continued)

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The new Business Engagement directorate, established in 2020, encompasses our Creative Enterprise Centre (CEC, transforming into our Student Enterprise Centre) and our Alumni Relations, Short Courses and Apprenticeship teams. Through its creation and development, we have ensured a coordinating and galvanising approach to areas such as:

- our award-winning mentoring programme, whose expansion into new mentoring models and rigorous growth targets have both been achieved this session;
- our highly successful Westminster Working Cultures programme, which targets students from disadvantaged backgrounds and has recently added UK-based and in-country professional engagement strands to the international work-based offer; and
- our high profile Student Enterprise Journey, run by the CEC, which affords students opportunities to grow their enterprise and entrepreneurial skills in a labour market where career trajectories are ever more likely to include freelance activity.

During the COVID crisis, we have had to ensure the virtual delivery of employability-related learning, including virtual introductions to organisations; soft skills workshops; Ask A Mentor sessions; and sessions on confidence building and virtual work experience. This has proved highly successful and significantly more students have been involved in employability activities than prior to the pandemic. Virtual Skills Academy sessions have engaged three times as many attendees, virtual work experience and internship opportunities have proved highly popular with students, and virtual internships have been embedded into courses as part of WBPL.

### *Wellbeing*

The University has continued its progress towards achieving a whole-University approach to promoting student wellbeing.

Throughout 2020/21 our two-year collaborative project with UWSU: Developing Confidence and Competence in Responding to Student Wellbeing, funded by the QHT, has successfully delivered training and interventions across a range of activities that will enable us to develop organisational competence in fostering psychological and emotional growth. These included: Mental Health Awareness and Mental Health First Aid training for colleagues across the University; Student Minds' 'Look After Your Mate' peer support training for students, to facilitate compassionate interventions; partnering with the Student Minds charity to develop and implement a mental health literacy and capacity programme for UWSU senior leaders, staff, officers and volunteers; and developing Sexual Violence Liaison Officer capability.

Training interventions were successfully migrated from in person to online delivery, improving the reach and engagement of activities.

In July 2021 the University celebrated the milestone of having trained over 1,000 colleagues and students in the Green Dot Active Bystander Intervention training and is proud to be the only UK university delivering this programme.

Through continued partnership with UWSU, we have committed to be one of 32 UK universities that will work towards achieving a University Mental Health Charter award over the coming two years. Universities on the Charter Programme form part of a UK-wide practice sharing network with access to events and opportunities to come together to improve their approach to student and colleague mental health. Programme members can also work towards the Charter Award, an accreditation scheme which recognises universities that demonstrate excellent practice.

In February 2021, our Student and Academic Services - in conjunction with UWSU and external agency Culture Shift - introduced a 'Report and Support' platform for students to report bullying, harassment, hate crime and sexual misconduct incidents. The system provides resources and referral links for students to report incidents of concern and the opportunity to receive direct support from our trained advisers. Through a collaboration with external agency Limeculture, we have trained five colleagues as Sexual Violence Liaison Officers to provide casework support for students who disclose sexual misconduct.

## STRATEGIC FOCUS 2020/21 (continued)

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In conjunction with UWSU, we have started work on exploring options for evaluating the intercultural sensitivity of our key student-facing services to ensure equitable access and outcomes for students in the delivery of this support. Informed by a Critical Race Theoretical perspective, the intention is to develop an evaluation approach that we would apply to a pilot set of services in the 2021/22 academic year.

We introduced and delivered a range of financial support interventions to address emerging student need because of the impact of the pandemic. This included the disbursement of more than £1.2 million in COVID-19 Financial Support Schemes, funded by the QHT and the Office for Students (OfS).

We offered flexible contract starts in residences for students who could not take up their places at the start of the 2020/21 year for COVID-19 related reasons. We also waived residential fees instalments (for University owned and nominated accommodation provision) for students who moved away because of the COVID-19 response.

Colleague wellbeing is vital for the health and happiness of the individual. It is also key for ensuring positive relationships, engagement, productivity, learning communities and boosting the overall student and colleague experience.

The Wellbeing Sub-Committee continues to support work to embed the principles of PAS3002: Improving Health and Wellbeing in an Organisation and consolidating the University's strategies and efforts around wellbeing to provide the best possible environment for all, promote wellbeing and the synergy between wellbeing and equality, diversity and inclusion.

The COVID-19 pandemic introduced a range of new challenges and issues for colleague wellbeing which were the focus of our Colleague Wellbeing Survey in July 2021. The survey will be carried out on a bi-annual basis. We have continued to map levels of general wellbeing and we have maintained positive levels of wellbeing with over two thirds of colleagues in this range.

Our wellbeing platform, Juice, a key element of our support for colleague wellbeing brings the University's health and wellbeing offer together in one place, promoting a range of health, wellbeing, and engagement activities facilitated by and for colleagues.

During the current pandemic we have continued to add value for colleagues and the University by bringing activities online and we have seen a significant increase in engagement as a result:

- 1050 Colleagues are signed up to Juice, an increase of 340 on October 2020
- 1120 activities provided since August 2019, an increase of 490 on October 2020
- 5120 bookings as at 20 October 2021, an increase of 3090 on October 2020
- 1090 online reviews – Average score for activities 4 ½ out of 5 maintained with an additional 500 reviews

Key actions for the remainder of 2021 are the review and update of our Wellbeing Action Plan and the development and implementation of a Report and Support platform for colleagues to report bullying, harassment, hate crime and sexual misconduct incidents, in line with our student platform.

### *Education for all*

During the year The Quintin Hogg Trust ('QHT') has provided funding of £3.2m for an array of projects to improve the virtual student experience and our teaching capabilities. They also funded several innovative programmes to support our students' and recent graduates' employability and give them the best possible chance of securing work in the challenging job market caused by the pandemic. The QHT also launched a pilot funding pot to enable colleagues and students as co-creators to try and test new ideas and initiatives in the virtual environment, delivering projects that benefited a wide range of students.

The Development and Fundraising Team were delighted to receive pledges which were committed totalling £816k for a range of projects benefiting our students. £718k of this was received for scholarships and bursaries for underrepresented groups, student hardship, community engagement activities, The 125 Fund and the Soho

## STRATEGIC FOCUS 2020/21 (continued)

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Poly project. A further £98k was received in-kind from the Unite Foundation, supporting accommodation scholarships for care experienced and estranged students and £50k was also received from QHT, to match fund part of the donation income received for the 125 Fund.

We were delighted to secure significant funding from large organisations for scholarships supporting black students and underrepresented groups. This included support from Sony Interactive Entertainment who will fund 264 students from 2021 to 2025, including prospective students and current undergraduates and postgraduates at our University. The Portal Trust is also supporting scholarships for 45 young care leavers to enable them to reduce paid working hours during their pre-finals revision period, so they can focus entirely on their studies and attain higher degree awards. Finally, the Aziz Foundation agreed to support an annual scholarship programme for Muslim students at Westminster.

Our annual telephone campaign ran for three weeks in November 2020 and saw 40 student callers speaking to just under 1,000 alumni to raise funds for our COVID Response fund. This vital campaign raised over £110k to support vulnerable students suffering financial hardship caused by the pandemic and ensure they stood the best possible chance of continuing their studies with us. It was wonderful to see an increase in the number of younger alumni supporting our current students.

We also continued to raise funds for the 125 Fund, raising just under £120k for projects and activities to enhance our students' employability and professional development. For the first time, we also opened the fund up to graduates from the class of 2020, providing them with the opportunity to apply for funding for digital upskilling, to attend conferences, or to develop a business idea. The fund supported some 100 students and graduates.

Finally, we launched our project to restore the Soho Poly Theatre with a lead donation of £88k from The National Lottery Heritage Fund. Due for completion in Spring 2022, the theatre will bring arts back into people's lives, creating an accessible, vibrant performance venue and a hub for student and community engagement.

### *Access and participation*

Since our founding as London's first polytechnic in 1838, we have provided an environment, culture and education that has supported a hugely diverse and international community of students. Our diversity is a significant strength and something that we are incredibly proud of. We are home to more than 20,000 students from 170 countries and 58% of our students are from Black and Minority Ethnic ('BME') backgrounds.

Our approved Access and Participation Plan 2020-25 demonstrates our commitment to improving equality of opportunity for all our students and acknowledges the areas in which we need to improve to make this a reality. We set ambitious targets for eliminating gaps in continuation rates, degree completion and awarding of good honours degrees for students from underrepresented groups and achieving these targets is a key objective of our Education Strategy.

We have made significant progress against a number of these targets, with the gap in continuation rates of students declaring a disability and receiving the Disabled Students' Allowance to those without a declared disability at 2.6 percentage points (pp). This has closed the gap by 1.4pp since 2016/17 and we are now 1.5pp ahead of our Access and Participation Plan milestone target for closing this gap.

We have also had some demonstrable success in improving the continuation rate of our care leavers in both absolute terms and relative to our other students and are undertaking further work to design co-created innovative approaches to support these students and nurture their sense of belonging.

At Westminster, Asian students are more likely to be continuing their studies 12 months after joining our University than students from any other ethnicity, with 91.1% of Asian entrants in 2019/20 continuing in to 2020/21. However, the comparison is less favourable for black students who are much less likely to continue their studies than any other ethnic group, with only 81.1% of black entrants still in study twelve months after joining. However, in the most recent year, the gap between the continuation rate of black students and all other ethnicities has closed from 9.1pp for 2018/19 entrants to 5.5pp for those entering in 2019/20.

## INCLUSION, SUSTAINABILITY AND SOCIAL RESPONSIBILITY

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White students at Westminster are still significantly more likely than students from all other ethnic backgrounds to achieve a 1st or 2:1. This awarding gap has narrowed in the most recent year from 21pp to 13pp, exceeding the milestones targets in our Access and Participation plan by 5pp. Actions taken in line with our published commitments to ensure an actively anti-racist, inclusive and safe environment for all of us to study and work in have contributed to this progress in closing awarding gaps, and we are continuing to take steps to close them further.

Through 2020 and 2021 we have accelerated our efforts to work collaboratively across our university on inclusion, sustainability and social responsibility. Despite challenges from a year of working and studying remotely we have continued to add value to society and internal and external communities through our research, learning and teaching. We have developed new programmes in response to global environmental, social, and economic challenges; tackling Climate Change, championing to reduce inequalities and supporting the mental and physical well-being of our students and colleagues.

We have demonstrated our continued strong commitment to the United Nation's 17 Sustainable Development Goals (SDGs). We recognise the role that we have as an institution based at the heart of London in achieving sustainable development. Therefore, we are committed to using the SDGs as a mechanism to effectively report on our progress and achievements while embedding these goals in our activities to enhance strategy and to benefit students, colleagues and other stakeholders.

Our impact has been externally measured and recognised through submission for a second year to the Times Higher Education (THE) Impact Ranking. We placed 19<sup>th</sup> globally for SDG 5: Gender Equality, 23<sup>rd</sup> for SDG 10: Reduced Inequalities, and 49<sup>th</sup> for SDG12: Responsible Consumption and Production out of 1,115 universities that applied for the Impact Ranking worldwide.

Moving forward, we are continuing to work in collaboration with colleagues and students across our community through the SDG Steering Group, with the focus on linking our research, teaching, operations and communications to the SDGs. The Steering Group reports to our Executive Board to ensure that our inclusion, sustainability and social responsibility activities are united into one cohesive programme and reporting mechanism, in line with the SDGs.

As part of our work on the SDGs, we are developing our Education for Sustainable Development Strategy in collaboration with CETI. We are developing workshops and resources around the SDGs and sustainability pedagogy for teaching and research to provide necessary training for our colleagues to pass on the knowledge to our students.

We have also worked in collaboration with the QHT to include a section on SDG impact in the annual report for the projects they fund, to monitor, measure and report on the positive impact being made by our researchers.

We have continued to work to embed equality, diversity and inclusion across our university following the establishment of an EDI Committee and supported by our strong and independent colleague networks and launched our first EDI Strategy in 2021, laying the foundations for long-term critical work. We will implement our EDI Strategy through an annual EDI Action Plan and specific workstreams.

Following the publication in 2020 of our 15 commitments to ensure that we operate as an actively anti-racist and inclusive institution, a Working Group of the EDI Committee, which includes the BME colleague network Co-Chairs, is in place to gather regular updates on, and monitor progress against, these commitments. In June 2021, we published an annual update on progress over the previous twelve months. While we acknowledge the progress we are making, impact in terms of the on-the-ground experience of colleagues and students may vary so to further enhance our work the QHT are funding a EDI driven events and capacity building programme for two years.

In the past year, we have:

- Achieved the Bronze standard for the Hedgehog Friendly Campus accreditation
- Made it to the finals in the Green Gown Awards' Campus Health, Food and Drink category for our sustainable catering operation
- Made it to the finals in the Footprint Awards for the Sustainability in Education category also for our sustainable catering operation

## INCLUSION, SUSTAINABILITY AND SOCIAL RESPONSIBILITY (continued)

- Installed solar panels on our Harrow Campus Halls of Residence to generate renewable electricity on campus
- Established a wider network of colleagues and students taking action towards the SDGs through various sub-groups across the university
- Started working towards providing Sustainability education to all our undergraduate students
- Hosted a TEDx event organized by the student Environmental Society to address the Climate Crisis and to promote action towards sustainable efforts
- Achieved the Green Impact standard, which is awarded to Students' Unions that demonstrate environmentally and socially sustainable practices within the union
- Launched a Climate Action Taskforce within the School of Architecture and Cities
- Continued to support our student groups such as the student Environmental Society and the Westminster Climate Action Network
- Developed new opportunities with CETI for students and colleagues to carry out sustainability projects
- Ranked top 20 globally for our work on reducing gender inequalities
- Ranked top 25 globally for our EDI work to reduce any form of discrimination on campus
- Continued to support the growth of our existing colleague networks - BME, Women of Westminster and Q+ - and established new networks - Colleague Disability Network and Faith and Spirituality Network
- Resourced our Black History Year for a second year

## BEING ME, BEING WESTMINSTER: OUR PEOPLE STRATEGY

We launched our People Strategy: Being Me, Being Westminster in August 2019. In the second year of implementation we made further progress on our three main priorities - Being Well, Being Inclusive and Being Valued.

**Being Well:** In 2021, we won the National UHR award for our cultural change programme as the clear winner in the most highly contested category. This award reflected the significant work undertaken around our health and wellbeing offer, which has been brought together in one place to promote a range of health, wellbeing, and engagement activities facilitated by and for colleagues. Juice provides easy booking for activities and events open to all colleagues across our sites, all year round, along with access to Juice's Health Hub, an online depository for information and advice that is updated on a regular basis. During the COVID-19 pandemic we continued to add value for colleagues and our university by bringing activities online and have seen a significant increase in engagement as a result.

**Being Inclusive:** We have reviewed our structures in the colleges and the rolling tenure of some of the management posts provides us with an opportunity to address the range of progression and EDI issues that we identified. A specific development programme for future BME leaders is being considered too. Our newly established EDI Committee continues to make a significant impact on identifying and progressing a range of EDI issues.

**Being Valued:** We have completed our first Professional Development Review cycle for all colleagues, with exceptionally good response rates. Through a review of the current academic promotion process we identified some gaps and are developing a new process to link to both affordability and workforce planning. We appointed a new Head of Learning and Development in May 2021 who will lead on a new range of development programmes for 2021/22 and beyond.

## AN ESTATE FOR THE FUTURE

Our physical estate remains a critical part in delivering Being Westminster. Our estate will continue to reflect our heritage through our historic buildings and provides safety, comfort and inspiration. In doing so our estate will support our pioneering reputation and will be more efficient.

Our estates road map has been developed to support and enable Being Westminster. It articulates the approach and ambition for the estate and the importance of sustainability and high-quality design in supporting this. It identifies the key themes for the estate, which are aligned to our strategic aims and are derived from the emerging College requirements and how we intend to progress these.

## AN ESTATE FOR THE FUTURE (continued)

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We have taken on the challenge of preparing and operating our buildings to meet the challenges created by the pandemic. Significant resource has been focused on the creation and operation of a safe working and learning environment for our students, colleagues and contract partners, who have stayed on site throughout the pandemic. We have re-imagined the use of the buildings introducing one-way systems, enhanced cleaning regimens, increased availability of hand sanitisers and self-use cleaning materials. We have limited use of space, relocated fixtures and fittings, isolated spaces to reduce energy use and completed a complete review of catering. Planning for the new semester is now underway as we prepare for the return of students in large numbers in September 2021.

We continue to invest in the development of our general and specialist teaching spaces and have refreshed and redecorated significant numbers of teaching spaces, social spaces and circulation spaces. We have invested over £800,000 in the refurbishment of toilets and upgrading existing teaching space and £650,000 in the redevelopment of the media study space at our Harrow campus. We are working on a £3 million redevelopment for Computer Science Engineering space at our New Cavendish Street campus and have a £1.4 million project to develop a new digital TV studio project at our Harrow campus, starting in August 2021. UWSU completed a transformation of the student facing spaces in New Cavendish Street funded by the QHT.

We continue with coordinated investment in the mechanical and electrical infrastructure across the whole estate with around £6.7 million focused on condition, life cycle replacement and sustainability in 2020/21. We are delivering large scale projects to replace the boilers at our Marylebone campus and have started the second phase of an investment in the building management systems that will supply better building control and improve energy efficiency. Significant investment in fire safety and fire door compliance has been a focus in 2020/21.

In May 2021, we started a major programme of work to refresh the external elements of our Harrow Halls of Residence, including the introduction of Solar PV<sup>2</sup> for the first time.

In March 2021, we were pleased to announce the approval of the outline master plan planning application from The London Borough of Brent at Harrow. This was a significant event on our One Public Estate programme and our strategic engagement with Brent Council and the NHS on areas of shared opportunity. The master plan approval has enabled the development of the project for the construction of the new access road that will be on site toward the end of the year, transforming the road entrance to our campus. It also provides us with the opportunity to consider the development of our Harrow campus over the next few years.

We completed the second phase of investment in our accommodation at Harrow in 2020 and phase three in time the start of the 2021/22 academic year. The pace of investment has slowed in phase 3 with two blocks, plus kitchens, corridors and circulation spaces subject to refurbishment. We have completed investment in the halls of residence at Marylebone and Alexander Fleming to ensure these locations remain welcoming and safe for our returning students. We continue to consider the opportunities for residential development at Alexander Fleming and the new opportunity at Harrow to include more student focused space, especially as we consider the development of an increasing volume of student bed spaces at Harrow.

We have been working in partnership with architects and project sponsors to develop the new Student Hub project and the project focused on the redevelopment of our property at 29 Marylebone Road, which includes the major refurbishment of the existing building and substantial internal alterations to the ground floor to support the creation of an impressive and accessible entrance.

## DIGITAL WESTMINSTER: OUR STRATEGY 2020-23

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Significant progress has been made in improving and extending our digital environment during 2020/21, much of this being in response to the COVID-19 pandemic and with a firm eye on our future operating model, embedding flexibility for students and colleagues.

We measure the success of our Digital Environment through the perceptions of those who engage with it the most - students and colleagues. These perceptions of the quality of the digital environment drive the education and learning experiences of students, and the working experiences of colleagues, and are measured by the

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<sup>2</sup> The generation of electricity using energy from the sun

## DIGITAL WESTMINSTER: OUR STRATEGY 2020-23 (continued)

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percentage of students and colleagues rating our digital services as 'good', 'excellent' or 'best imaginable' in the JISC Digital Experience Insights Surveys.

Both the student and academic colleagues' surveys were conducted twice during the pandemic and take in to account the views of digital services during this period, including the experience of online delivery of teaching and learning.

In June 2021, 89% of students rated the overall quality of our online and digital learning as either Best Imaginable, Excellent or Good, rising to 91% for students new to our University. 90% of respondents rated the overall support for learning online as either Best Imaginable, Excellent or Good. 88% of respondents also stated that they agreed that the digital skills requirements for their courses were clear.

In July 2021, more than 90% of Professional Services colleagues rated the support for Online and Remote Working as either Best Imaginable, Excellent or Good. 98% of respondents stated that their online working environment was reliable, 99% safe and secure and 95% stating it was well designed.

It is a measure of some note that 99.5% of our students have accessed the Virtual Learning Environment at least once in the past year. Many of our systems, recording processes and resources have had to be changed to meet this new digital reality.

### Achievements:

- More than 600 additional loan laptops provided to our students who needed them to study
- More than 1,000 peripheral devices provided to our academic colleagues to support them in online teaching
- More than 200 new software packages provided to students and colleagues to support their digital teaching and learning
- Remote access for our China domiciled students to securely access their learning content whilst studying at home
- Refreshed many of our learning spaces with enhanced audio-visual capabilities including the initial rollout of hybrid teaching facilities on each site
- Colleagues have been offered location independent telephony capabilities through the integration of collaboration software with our telephony systems
- Implemented the first phase of the Digital Student Hub bringing together all our services into a single online access point
- Ongoing digital capability training for academic colleagues to support the delivery of their teaching
- Strategic capital investment has been prioritised to support our aspirations for future digital and hybrid capabilities

## PUBLIC AND PRIVATE BENEFIT

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### *Public benefit*

The University of Westminster is a public benefit entity. Our strategic objectives are covered in detail on pages 10 and 11 and our 2020/21 academic achievements are summarised on pages 7 to 10.

The University's Court of Governors is the institution's governing body. It meets at least five times a year and is ultimately responsible for the effective conduct of the activities of the University, including its strategic development, its educational character and mission and its financial health. The members of the Court are the trustees of the charity and directors of the company. In setting and reviewing the University's objectives and activities, the trustees have due regard to the Charity Commission's Public Benefit Guides; Public benefit: the public benefit requirement (PB1), Public benefit: running a charity (PB2) and Public benefit: reporting (PB3), published 2013 and updated 2014.

In accordance with the Charities Act 2011 the Office for Students is the responsible body for regulating universities as charities on behalf of the Charity Commission.

## UNIVERSITY OF WESTMINSTER

### Strategic report

#### PUBLIC AND PRIVATE BENEFIT (continued)

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The objects for which the University is established are:

- To establish, carry on and conduct a university
- To advance learning and knowledge in all their aspects and to provide industrial, commercial, professional and scientific education and training
- To provide courses of education or technical study both full time and part time for students at all levels of and in all branches of education
- To provide opportunities and facilities for research of any kind, including the publication of results, papers, reports, treatises, theses or other material in connection with or arising out of such research
- To provide for the recreational, social and well-being needs of students of the University

The objects are recorded in the Articles of Association and reproduced in the Statement of Corporate Governance and Internal Controls.

The Charity's beneficiaries, as reflected in the objects, are the undergraduate and postgraduate students enrolled at the University and the public at large who stand to benefit through our teaching, research and knowledge exchange activities.

#### *Private benefit*

Commercially funded research and some types of knowledge exchange activity may generate the possibility of private benefit. Our trustees recognise that any private benefit must be incidental. The Research Committee is responsible through the University's management structure for the development and implementation of the University's Policy and Strategy on Research and Research degrees. In recognition of the need to integrate further policy, strategy and monitoring of research and commercial and business activities, our Academic Council approved a new sub-committee structure in support of research and knowledge exchange led by the Research and Knowledge Exchange Steering Committee. Supported by its sub-committees, the Steering Committee will deliver more effective management of knowledge exchange activities, realise our strategic commitment to work with business and raise the profile of business engagement.

#### CARBON MANAGEMENT AND REPORTING

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We are committed to reducing our energy consumption and carbon impact. As part of this commitment, we maintained a long-standing scope 1 and 2 emissions reduction target of 43% against a baseline year of 2005/06 since August 2019.

During the past year, the world continues to be gripped by the COVID-19 pandemic and there were numerous impacts associated along with it. As a result, there were comparatively less retrofitting, and improvement works took place on our estate.

Our focus this year has been reviewing and analysing our current consumption data to develop a long-term strategic plan to improve energy performance and decarbonize our university estate. We are aiming to achieve net zero emissions target by 2050.

We are committed to renewable energy. We have installed our first combined solar PV and solar thermal system self-generating electricity and heating for part of the Harrow Halls of Residence. We have been purchasing 100% renewable electricity since 2014. In 2021, we have reviewed our energy procurement and have started to purchase 20% of green gas across our estates.

In 2022, we will be looking to review our energy procurement, aiming to purchase a higher portion of green gas and looking at opportunities to install additional solar PVs on site. This will allow us to further commit to cleaner energy and carbon reduction across our university.



## CARBON MANAGEMENT AND REPORTING (continued)

### Methodology

We report on Greenhouse Gas (GHG) emissions sources as required under the Streamlined Energy and Carbon Reporting (SECR) legislation.

The methodology we used to calculate our GHG emissions and energy use is the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard. Data has been calculated using Government emission Greenhouse gas reporting: conversion factors 2021 for all carbon streams. The chosen intensity measurement ratios are (1) total gross emissions in metric tonnes CO<sub>2</sub>e per capita<sup>3</sup> and (2) total gross emissions in metric tonnes CO<sub>2</sub>e per gross internal area (GIA).

### Emissions

GHG Emission Data for period 1 August to 31 July *			
	2018-19	2019-20	2020-21
<b>Scope 1 (tonnes CO<sub>2</sub>e)</b>			
Direct Emissions - Gas	3,990	3,795	4,207
Direct Emissions - Diesel consumption**	-	197	-
<b>Scope 2 (tonnes CO<sub>2</sub>e)</b>			
Energy Indirect Emissions - Electricity	3,149	2,716	2,421
<b>Scope 3 (tonnes CO<sub>2</sub>e)</b>			
Indirect Emissions - Waste Disposal to incineration	11	5	3
Indirect Emissions - Waste disposal to landfill	2	0.7	0.1
<b>Total Emissions</b>			
Total Scope 1&2 Emissions	7,139	6,708	6,628
Total Emissions (Scope 1, 2 & 3)	7,150	6,713	6,631
Intensity measurement- Scope1 & 2 only (tonnes CO <sub>2</sub> e)			
Intensity ratio – tonnes Co <sub>2</sub> e per m <sup>2</sup> Gross Internal Area (GIA)	0.042	0.038	0.037
Intensity ratio - tonnes Co <sub>2</sub> e per capita	0.41	0.36	0.35
<b>Energy Usage</b>			
Gas Consumption (kWh)	21,699,110	20,641,081	20,727,001
Electricity Consumption (kWh)	13,510,952	11,651,671	11,403,904
Diesel Consumption (Litres)	-	77,314	-
Purchased Electricity Renewable Percentage (%)	100	100	100
Purchased Green Gas Percentage (%)	-	-	20
<b>Notes</b>			
* The data for July 2021 was estimated as actual data was not available at the time of reporting			
** Diesel was used in a temporary generator as an emergency due to a faulty electricity transformer in Harrow during June 2020			

<sup>3</sup> Per capita in this instance is based on all site users i.e. all students and colleagues

## CARBON MANAGEMENT AND REPORTING (continued)

### Performance

We experienced a gradual increase of footfall starting in September 2020, following an extended period of hibernation from the beginning of the national lockdown in March 2020 through to August 2020.

Our gas consumption has slightly increased by 0.4% due to testing for campus reopening preparation work. However, electricity consumption has decreased by 2%. Our overall carbon emissions have decreased by 1.2% compared to 2020; when full national lockdown was in place.

Our scope 3 emissions have reduced by two tonnes this year due to a drop in waste produced and increase in recycling during the national lockdown. We have also diverted all waste from landfill this year by introducing a new end destination for our clinical waste streams.

### Energy efficiency

This year, we have invested in a number of projects that have resulted in substantial energy savings and carbon reductions across our estate. Significant projects include:

- New combined solar PV and solar thermal system installed at Harrow Halls of Residence; providing self-generated solar electricity and heating to the halls. The estimated carbon saving would be 40 tonnes of carbon per annum
- LED and PIR upgrades at Harrow Halls of Residence, Blocks P & Q. The light fitting in all 150 bedrooms; over 400 fluorescent lamps were changed to LED with an estimated saving of over 28 tonnes of carbon per annum
- New pipework, thermal insulations and associated valves were installed in Harrow campus saving an estimated 20 tonnes of carbon per annum.
- New efficient boiler upgrade in Harrow Halls of Residence
- Replacement of Chiswick Sports Ground irrigation system and borehole pumps with new high efficient lower running costs pumps
- Procurement of 100% renewable electricity for all sites
- Procurement of 20% green gas for all the sites

## TRADE UNION ACTIVITY

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the University to publish information on trade union facility time annually.

The table of data for the reporting period 1 April 2020 to 31 March 2021 is as follows:

**Table 1 - Relevant Union Officials**

Number of employees who were relevant union officials during the relevant period	36
Full-time equivalent employee number	
100% FTE	29
80% FTE	3
70% FTE	-
60% FTE	1
50% FTE	2
40% FTE	1

## TRADE UNION ACTIVITY (continued)

**Table 2 - Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	16
1 - 50%	20
51 - 99%	-
100%	-

**Table 3 - Percentage of pay bill spent on facility time**

	Figures
Total cost of facility time	£68,788
Total pay bill	£85,907,779
Percentage of the total pay bill spent on facility time	0.08%

**Table 4 - Paid relevant trade union activities**

Time spent on paid trade union activities* as a % of total paid facility time hours	2.72%
Time spent on paid trade union duties** as a % of total paid facility time hours	97.28%

\* Activities encompass such things as branch meetings, elections and conference attendance

\*\* Duties encompass such things as casework, representation of employees

## FINANCIAL REVIEW

The financial year started in the middle of the Covid-19 pandemic with significant uncertainty on how many students would want to and would be able to start and continue their studies at Westminster. As a result, in Spring 2020 the University Planning Committee ('UPC') undertook a series of financial scenario planning exercises to model the likely impact on student recruitment and retention and the resultant impact on tuition fee income. This range of scenarios enabled UPC to develop the necessary contingency plans early enough to protect income streams and to mitigate any foreseen shortfalls of income from student recruitment. The contingency plans together with the return to financial sustainability provided the comfort to the Court of Governors to approve in June 2020 a £16.5m deficit budget for FY2020/21.

Mitigation plans to address the projected income shortfalls and the University's ability to mobilise in very short order, and deliver 'on-line' the education provision, ensured that students were able to start, continue and complete their studies remotely leading to another year of strong student recruitment, which exceeded expectations.

The better than expected recruitment and returning student numbers has translated into a strong financial performance for the year leading to a surplus before other gains and losses of £8.0m for the year.

## FINANCIAL REVIEW (continued)

The University's financial strategy is focused on securing the financial resources for investment in people, buildings and technology to deliver on the 'Being Westminster' 2023 strategy and to ensure the continuing financial sustainability of the University. In order to achieve this the University focuses on three key financial indicators: an operating surplus of 6% of income from 2023-24 onwards; a payroll cost to income ratio circa 54% and maintaining a current liquidity ratio greater than 2:1.

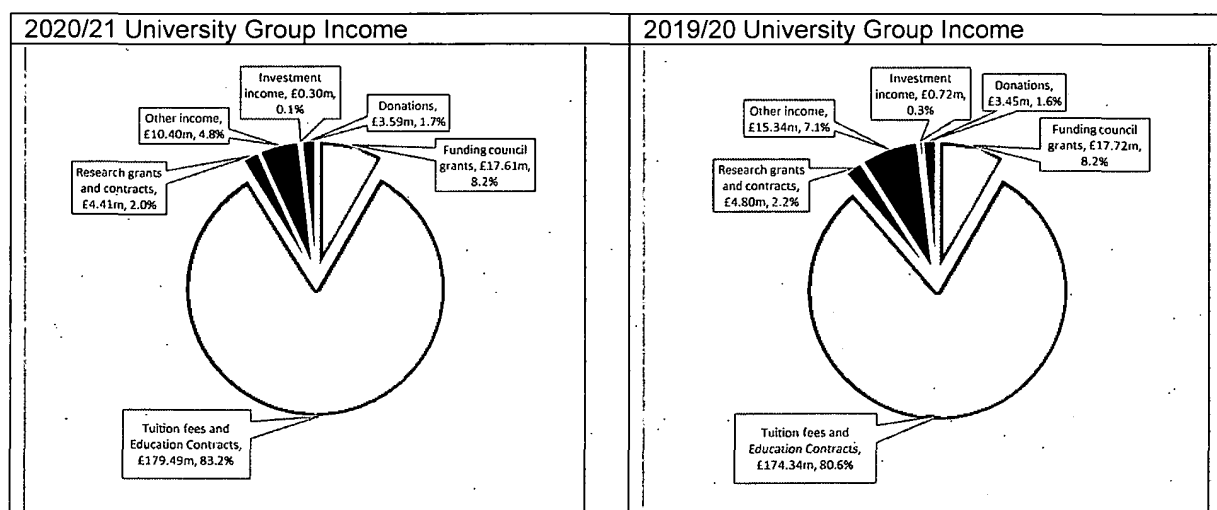
Despite the student numbers for the year exceeding all expectations, the overall income numbers are slightly behind those achieved in FY2019/20 and this has impacted on the surplus and salary to income ratios. However, cashflow has remained strong and a net cash inflow of £49.1m has been achieved and the University cash position was strengthened with a balance sheet total of cash deposits and short-term investments of £112.9m. Capital investment continued throughout the year and £20.7m has been spent enhancing the estate and digital and IT infrastructure.

The key results for the five years ended 31 July 2021 are summarised as follows:

	FY16/17 £m	FY17/18. £m	FY18/19 £m	FY19/20 £m	FY20/21 £m
Income	205.4	205.0	210.3	216.4	215.8
Expenditure	(204.9)	(196.8)	(193.0)	(197.3)	(207.8)
Operating surplus before exceptional items and other gains and losses	0.5	8.3	17.3	19.1	8.0
Capital expenditure	22.7	11.6	15.1	22.1	20.7
Borrowings	60.5	57.5	34.3	30.7	26.9
Net assets	190.1	224.1	260.3	222.0	226.0

### Income

Total income of £215.8m was marginally below that of FY2019/20 £216.4m. A summary of where the University income is derived from is set out in the charts below:



Tuition Fees and Education contracts account for 83% (2020 80%) of total income. Undergraduate students account for 63% (2019/20 60%) of this income and income received from this cohort of new and continuing

## FINANCIAL REVIEW (continued)

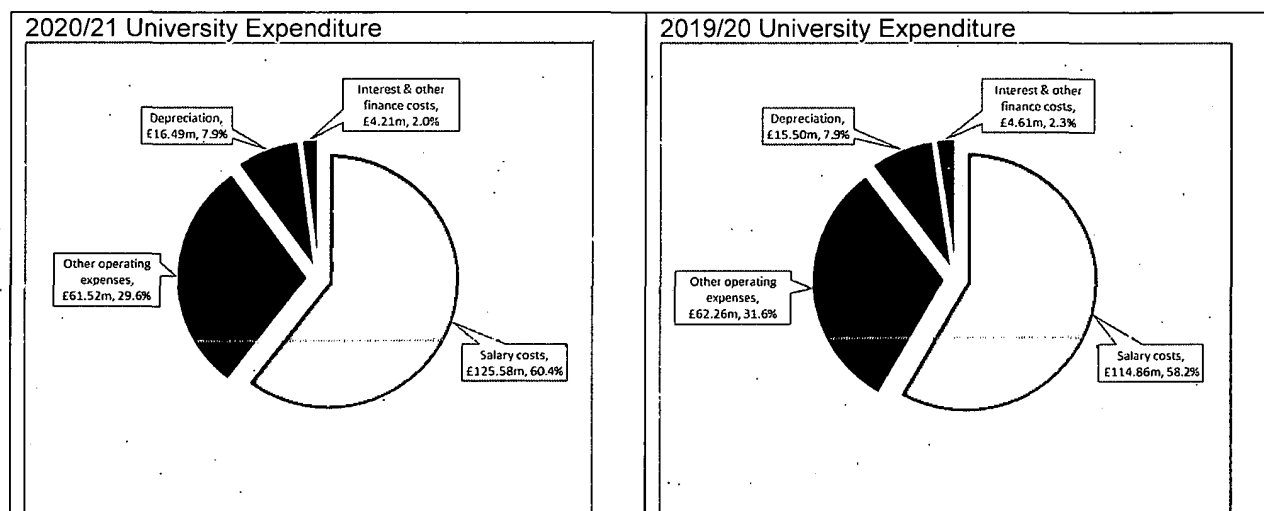
students in FY2020/21 increased by £8.2m from the prior year. International Postgraduate numbers fell resulting in fee income decreasing by £2.8m to the prior year.

Commercial income was again impacted by Covid-19 and no commercial letting activity took place during the year. As a result, income from residences, conferences and recreation activity was £3.9m down on FY2019/20. The University took the decision at the start of the academic year to offer flexible rental contracts to students in University owned property and to underwrite the rentals for those students who had chosen to live at Raffles House.

All commercial activity is planned to resume in the 1st semester of FY2021/22, but income levels are not expected to reach pre-pandemic levels of activity until FY2022/23.

### Operating Expenditure

Total expenditure increased by £10.6m (5.4%) in FY2021/20 to £207.8m. (2019/20 £197.2m) and a summary breakdown is provided in the charts below:



A key financial measure in the sector is salary spend as a percentage of income and is the University's largest area of spend, 60.4% of total expenditure. Total salary spend for the year is £125.6m up from £114.9m in FY2019/20, an increase of £10.7m. £5.1m of the increase is as a result of an increase in the year-end FRS 17 LPFA pension adjustment the balance reflects incremental grade increases across the colleges and professional service departments which operated throughout the year, close to full capacity. Despite a better than expected recruitment campaign income growth has not kept pace with the salary cost increases and for FY2020/21 the salary costs to income ratio is 58.2% (2019/20 53.1%). This level of salary expenditure to income exceeds one of the key performance metrics and the FY2021/22 financial year will be focused on reversing this trend.

Other operating costs remained very much in line with the prior year and the restriction on travel and social distancing has for the second year impacted on student outward mobility on international travel a key component to delivering on our global engagement and employability strategies. Commercial Service activity was not able to resume during the year other than the limited opening of the Regent Street Cinema. However, significant extra costs have been incurred in supporting our students through the year to manage through the pandemic from ensuring success in the delivery of online teaching to offering flexible University accommodation contracts and underwriting student accommodation nomination arrangements. Ensuring the campuses and student accommodation remained safe for our students and colleagues to continue to use the facilities throughout the year and readying for a safe return for the FY2021/22 academic year incurred further unplanned costs.

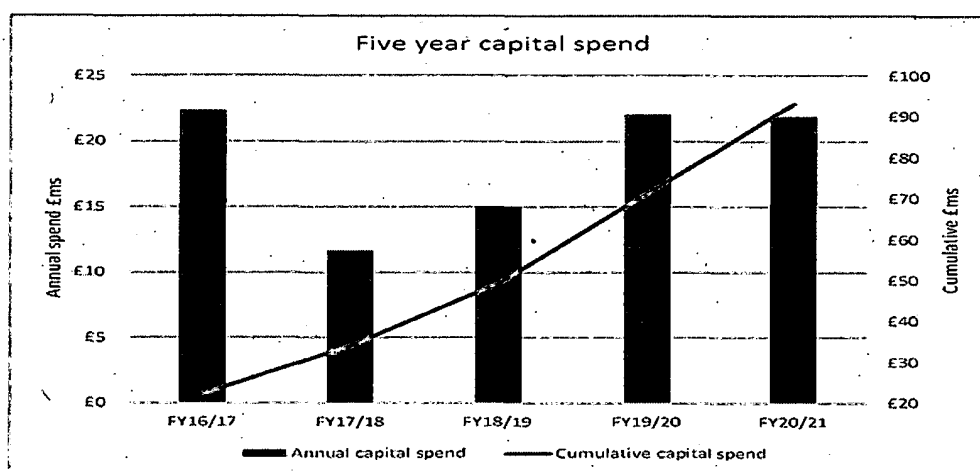
## FINANCIAL REVIEW (continued)

The University spends a significant sum year-on-year maintaining the estate, this year capital spend totalled £20.7m on upgrading the estates and IT infrastructure. The depreciation charge for FY2020/21 is £16.5m (2019/20 is £15.5m).

Interest and Other Finance costs for FY2020/21 totalled £4.2m (2019/20 £4.6m). No new loans were entered into in the year and the loan with Deutsche Bank will be fully repaid in October 2021.

### Capital Spend

During the year £20.7m was spent on capital improvements to maintain our infrastructure, funding for this activity was provided from internally generated cash flows. Over the last five years £93.2m has been invested in the University estate as illustrated in the table below.



Significant investment is planned over the next five years upgrading the estate to be fit for the future creating a student hub, providing an environment dedicated to equipping our students with the skills to be confident in gaining employment on leaving the University and developing the Harrow campus, including increasing the availability of student accommodation on the Harrow campus.

### Net Assets

After recognising other gains and losses arising from investment property market value movements and actuarial losses the total reported comprehensive surplus for the year is £4m (2019/20 loss £38.3m). As a result, the University Group net asset position has increased to £226.0m (2020 £222.0m).

### Cash flow and liquidity

The net cash inflow from operating activities totalled £49.1m. After accounting for net cash outflows to fund capital spend and to service borrowing capital and interest costs, the year-end cash deposits and short-term investments increased to £112.9m, an increase in cash deposits of £27.2m from the prior year.

The University continues to pursue a low-risk approach to managing investments and liquidity. In balancing risk against return, the University is more concerned to avoid risk than to maximise return. The Treasury Management Policy determines the limits in terms of the credit ratings of institutions used for investments and on the sums placed with any one provider. The Resource Committee regularly review and approve the counter-party list.

A key element of our finance strategy is to maintain a positive liquidity position - a key measure is to maintain a current liquidity ratio (a measure of current assets to current liabilities) above a minimum level of 2:1. At the financial year end this was 2.7:1 (2020: 2.8:1).

## FINANCIAL REVIEW (continued)

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No additional borrowings were required in the year and at the year-end the outstanding loan commitments reduced by £3.8m to £26.9m (2019/20 £30.7m).

### *Retirement Benefits*

The University Group recognises all pension liabilities in so much as they can be reliably quantified and attributed to the University and its subsidiaries. We participate in three multi-employer defined benefit pension schemes. The Teachers' Pension Scheme (TPS), to which most of our academic colleagues belong, is unfunded. The majority of Professional Services colleagues are members of the Local Government Pension Scheme (LGPS), which is administered by the London Pension Fund Authority (LPFA). There are also approximately 100 active members of staff in the Universities Superannuation Scheme (USS).

It is not possible to identify the University's share of the underlying assets and liabilities of the TPS. Therefore, contributions are accounted for as if the TPS were a defined contribution scheme and pension costs are based on the amounts actually paid.

The University's share of the LGPS scheme assets and liabilities can be determined on a reasonable basis and, therefore, reported on the University's Balance Sheet. The actuarial estimate of the value of the net liability as at 31 July 2021 is a liability of £206.6m an increase of £18.7m from a liability in 2019/20 of £191.1m.

The actuarial assumptions, which contributed to the increased liability were primarily in respect of the discount rate remaining low at 1.6%. The discount rate used to assess the future pension liability position is based on financial market performance linked to the market return on corporate bonds, at the accounting date. As LGPS Funds are usually invested in a range of asset classes, the performance of the assets may be quite different from that of accounting for the pension liabilities and so the results can be very volatile from year to year and the Covid-19 pandemic has had a significant impact in driving down corporate bond values.

Provision is also made in respect of the University's obligation to fund the USS deficit which at 31 July 2021 was £2.0m (2020 £2.2m).

### *Risks and uncertainties*

We manage risk through the risk management process described in the Statement of Corporate Governance and Internal Controls.

As with any change environment we recognise the risks associated with the changing HE landscape and seek to control these risks through the University risk register.

Currently, we have identified 47 key risks that are being managed to deliver our strategic objectives and that are key to our long-term financial sustainability, three of these risks are specific to the impacts of Covid-19 and two of the three are rated high risk red category rated.

The principle risks and uncertainties that could directly impact on our financial sustainability are noted below:

- **Impact of Brexit**

On 23 June 2020 the Government announced that from 2021-22 EU students will no longer be eligible for home fee status and undergraduate and post graduate financial support for courses starting in 2021-22, following Brexit.

Britain's exit from European Union happened on 1 January 2021 and as anticipated the cessation of financial support has had an adverse impact on European Union (EU) recruitment for 2021/22 and there has been the anticipated reduction of around 50% in EU students applying to study at the university, despite a number of financial incentives being offered to specific cohorts of EU based students.

The fall was anticipated, and corrective actions have been built into recruitment plans to mitigate this risk.

## FINANCIAL REVIEW (continued)

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- **Policy, Regulation and Compliance**

On 30 May 2019 the Government published the report from the Augar Review of post-18 education and funding. The recommendations contained in the report, if implemented, would make a significant impact on our financial sustainability, in particular the proposals to reduce tuition fees to £7,500 and barring universities from offering foundation years of study as a pathway to higher education. Government have already cut grants for the creative arts and technology course and are considering further actions to manage the future funding and increase uptake in the traditional STEM subjects, including introducing minimum entry level requirements.

With the Governments next comprehensive spending review due to complete in autumn 2021 it is anticipated that some form of pressure on government funding will be implemented that will negatively impact on recruitment and tuition fee income.

The University aims to mitigate against these risks through sound financial and strategic planning and through playing an influential role in engaging with policy makers to actively shape policy and agenda-setting.

- **Failure to achieve student recruitment targets**

Tuition fees are a substantial proportion of our total income and are dependent on delivering annually successful recruitment and retention initiatives. We mitigate this risk through a continuous review and refresh of our course portfolio together with a strategic focus designed to improve the student experience.

- **Financing pension costs**

We have members in the LGPS, TPS and USS pension schemes, all of which continue to put an increasing cost pressure on our finances as we respond to the continuing increases in employer contributions because of revised funding requirements.

While we operate effective cost control measures in the management of our operations, pension costs and contributions are not within our direct control.

The LGPS pension deficit is the significant pension liability balance reported in our balance sheet and we continue to seek ways to use the strength of the University balance sheet to engage with Trustees to influence the Fund's investment strategy and add more certainty to the future pension contributions the University will be required to make.

The University has less than 100 members in the USS pension scheme. However, the USS scheme is a 'last employer standing' scheme which means that the University is disproportionately at risk for future liabilities of the scheme when compared to number of scheme members and therefore contributes a higher proportion to eliminating the increasing scheme deficit.

The University continues to proactively monitor the pension horizon and continues to consider options to mitigate the future liability risks.

- **IT systems and data security**

The University has invested and will continue to invest in new technologies and its network infrastructure to enhance our students' learning experience and to improve the way we work. Our robust technological and network infrastructure and our use of technology were key in allowing us to respond to Covid-19 and to continue our core activities while working and learning remotely.

With the ever-growing reliance on technology comes greater risk. IT systems, applications and software become ever more vital. Due to Covid-19 more students and staff are relying on the ability to log-in to the University's systems remotely, many from various locations across the world. A major disruption to our systems and network could have a significant impact on student experience and staff working from home. We are also dependent on the national infrastructure and individual students' and staff members' access to



UNIVERSITY OF WESTMINSTER  
Strategic report

FINANCIAL REVIEW (continued)

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the internet. The University provides support to those in need of help with access to the University's systems, for example the university provides laptops on loan and has provided remote access to new software packages to support digital learning and teaching. This increases the risks to the University of attempted hacking into our systems and other fraudulent attempts. The University has a robust cyber security system and plans to mitigate those risks, but the risk cannot be eliminated.

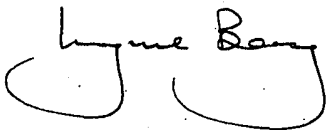
*Outlook*

Our 2023 strategy, *Being Westminster*, launched in 2018 and is currently undergoing a mid-term review and at the same time Court Members and University colleagues and students are being engaged to work on our *Being Westminster* strategy to 2028. There continues to be many changes in the internal and external environment and the University needs to be robust but agile to respond to the opportunities and challenges that face us now, and in the future.

The implications of Covid-19 remain, and as social mobility restrictions start to relax the threat from the virus continues to add uncertainty to the future outlook. In addition, the Governments Comprehensive Spending Review completed in Autumn 2021 and the pressure on Government departments to find savings will inevitably impact on the Higher Education sector in an adverse way. However, we remain well positioned to respond to those challenges and to continue to deliver on some of our most pressing societal and external needs: an older population; the needs of the young (a group that has started to grow again from 2020); a growing awareness that mental health matters and of the effects of stress; digital and virtual learning; and international recruitment and expansion.

**Strategic report**

The strategic report included within this Operating and Financial Review has been approved by the Court of Governors.



Professor Lynne Berry  
Chair of the Court of Governors  
24 November 2021

## UNIVERSITY OF WESTMINSTER

### Our Purpose, Mission and Values

#### **Our purpose**

We provide grounded, holistic education with wide horizons and opportunities so that people from every background can realise their true potential, contributing to a richer, happier society.

#### **Our mission**

To help students from different backgrounds fulfil their potential.

#### **Our values**

**Progressive:** We look forward, anticipate what's changing and embrace the new with energy and imagination.

**Compassionate:** We are thoughtful and sensitive, supportive and encouraging, making time to talk, especially when the pressure is on. As a University community we are inclusive and united, careful to consider what enables each and every one of us to play our part.

**Responsible:** Individually and collectively, we take responsibility for our actions, work to the highest ethical standards and help each other always to do the right thing.

## UNIVERSITY OF WESTMINSTER

### General Information

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#### **Chancellor**

Vacant from 1 August 2020<sup>4</sup>

#### **Chair of the Court of Governors and Pro-Chancellor**

Ms Diane Yeo (to 23 October 2021)

Professor Lynne Berry (from 24 October 2021)

#### **Vice-Chancellor and President**

Dr Peter Bonfield

#### **Company Secretary**

Mr John Cappock

#### **University Secretary and Chief Operating Officer**

Mr John Cappock

#### **Director of Finance**

Mr Ian Wilmot

#### **Auditors**

KPMG LLP

15 Canada Square

Canary Wharf

London

E14 5GL

#### **Bankers**

National Westminster Bank plc

Lloyds TSB Bank plc

Santander UK plc

Bank of Scotland plc

#### **Solicitors**

Mills & Reeve LLP

Eversheds LLP

Farrer & Co LLP

Dehns LLP

Bates Wells

Trowers & Hamlin LLP

#### **Registered Office**

309 Regent Street

London

W1B 2HW

#### **Registered Number**

0977818 England and Wales

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<sup>4</sup> During the period the Governance and Nominations Committee has conducted the search for a new Chancellor and the Court expects to make an appointment in 2021/22.

## UNIVERSITY OF WESTMINSTER

### General Information

#### Status and objects

The University of Westminster is incorporated under the Companies Act as a Company Limited by Guarantee and not having a share capital.

The University is also an exempt charity in accordance with the Charities Act 2011. In accordance with the Charities Act 2011 the Office for Students is the responsible body for regulating universities as charities on behalf of the Charity Commission.

The Court of Governors approved the University's current Articles of Association in May 2021. The objects for which the University is established are set out in its Articles as:

- (A) To establish, carry on and conduct a university.
- (B) To advance learning and knowledge in all their aspects and to provide industrial, commercial, professional and scientific education and training.
- (C) To provide opportunities for learning and courses of education or technical study both full time and part time for students at all levels of and in all branches of education.
- (D) To provide opportunities and facilities for research of any kind including the publication of results, papers, reports, treatises, theses or other material in connection with or arising out of such research.
- (E) To provide for the recreational, social and well-being needs of students of the University.

#### Governance Codes

The Court of Governors has formally adopted the HE Code of Governance (revised September 2020) and in May 2021 formally adopted the Charity Code of Governance for Larger Charities (2020). The Court of Governors is committed to the values expressed in the Codes and members apply the good governance practice written into the Codes in the execution of their responsibilities as governors, directors and trustees. We introduce new governors and independent (non-governor) committee members to the expectations of the Codes during the induction process<sup>5</sup>. The Court considers the University's submissions under the Office for Students'<sup>6</sup> Prevent duty monitoring framework and reviews annually our Code of Practice on Freedom of Speech<sup>7&8</sup>. The Court of Governors has adopted also the Committee of University Chairs' Higher Education Senior Staff Remuneration Code (June 2018) and the CUC<sup>9</sup> HE Audit Committees Code of Practice (May 2020). This report uses footnotes to highlight where the Court of Governors has applied the Codes.

#### Public benefit

The members of the Court of Governors are the trustees of the Charity. In setting and reviewing the University's objectives and activities, the trustees have due regard to the Charity Commission's Public Benefit Guides; Public benefit: the public benefit requirement (PB1), Public benefit: running a charity (PB2), and Public benefit: reporting (PB3), published 2013 and updated 2014<sup>7</sup>.

The Charity's beneficiaries, as reflected in the objects, are the students enrolled at the University and the public at large who stand to benefit through the teaching and research undertaken at the University of Westminster.

The University's charity gateway page is [westminster.ac.uk/about-us/our-university/corporate-information/charitable-status](https://westminster.ac.uk/about-us/our-university/corporate-information/charitable-status)<sup>7</sup>

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<sup>5</sup> HE Code Primary Element 7 – good practice in governance

<sup>6</sup> Throughout this report references to documents from the OfS can be taken to include the preceding framework, guidance etc from the Higher Education Funding Council for England, where relevant.

<sup>7</sup> HE Code Primary Element 2 - adherence to legislative and regulatory requirements

<sup>8</sup> HE Code Primary Element 4 – academic governance

<sup>9</sup> Committee of University Chairs

UNIVERSITY OF WESTMINSTER  
Corporate Governance and Internal Controls

## The Court of Governors

The Governors are also directors of the University in its status as a company and trustees of the University in its status as a charity.

In line with the HE Code of Governance, the Court is "unambiguously and collectively accountable for institutional activities, taking all final decisions on matters of fundamental concern within its remit"<sup>10</sup> and "provides strategic leadership in line with the charity's aims and values"<sup>11</sup>.

The Governors of the University during the year ended 31 July 2021 are listed below.

	Appointed (A) or reappointed (R)	Retired or resigned	Committee membership
Ms D Yeo Chair		23 October 2021	Governance and Nominations, Remuneration
Professor L Berry Chair	24 October 2021 (A) <sup>12</sup>		Governance and Nominations, Remuneration <sup>13</sup>
Mr D Cheeseman Deputy Chair		19 July 2021 <sup>14</sup>	Remuneration
Ms L Phillips Deputy Chair			Governance and Nominations
The Ven Canon D Stanton Vice-Chair	1 September 2021 (A) <sup>15</sup>		Resources
Ms M X Wang Vice-Chair	1 September 2021 (A) <sup>16</sup>		Governance and Nominations, Remuneration, Resources
Miss Z Butt	1 July 2021 (A)		Academic Council
Professor D Anand			
Mr J Bairamian			Resources
Dr P Bonfield			Academic Council, Governance and Nominations, Resources
Mr N Catterall		3 October 2021	
Dame K Dunnell			Audit, Remuneration
Ms V Foster	1 September 2020 (A)		Audit
Professor A Hughes			Academic Council
Ms V James		30 November 2020	Resources
Mr T Lovell	1 September 2020 (A)		Resources
Mr P Mehta		30 June 2021	Academic Council
Professor G Meikle			Academic Council, Governance and Nominations
Mr G Morley		10 July 2021	Resources
Ms H Owen	9 October 2020 (R)		Audit
Miss O Ponsford	1 July 2021 (A)		
Professor F Ross			Audit
Mr M Smith			Audit
Ms P Wales	1 December 2020 (R)		Resources
Mr S Wylie			Resources

<sup>10</sup> HE Code Primary Element 1 – collective accountability

<sup>11</sup> Charity Code Principle 2 - leadership

<sup>12</sup> Date of appointment to role of Chair; governor since 24 April 2021

<sup>13</sup> From 24 October 2021

<sup>14</sup> Date of retirement from the role of Deputy Chair; continued as a governor to 24 November 2021

<sup>15</sup> Date of appointment to role of Vice-Chair; governor since 1 December 2017; reappointed 1 December 2020

<sup>16</sup> Date of appointment to role of Vice-Chair; governor since 1 April 2019

### The Court of Governors (continued)

The Court of Governors, which meets formally at least five times a year, comprises up to 19 independent (non-executive) governors (four current vacancies<sup>17</sup>); three co-opted (staff) governors; two co-opted (student) governors<sup>18</sup>, and two ex-officio governors (the Vice-Chancellor and the Provost)<sup>5</sup>. The co-opted (staff) governors are nominated by the Academic Council, academic colleagues, and Professional Services colleagues through an election process and the student governors are elected officers nominated by the Students' Union. There is a clear separation of the roles of the non-executive Chair and the Chief Executive (the Vice-Chancellor)<sup>5</sup>.

The Court approves the University's long-term objectives and strategies and provides overall financial and organisational control<sup>19</sup>. It delegates responsibility for operations to the Vice-Chancellor who, supported by the University Executive Board, implements the Court's policy and develops and manages the University's business to meet its financial objectives and standards of quality and services in education and research<sup>10</sup>.

Further information about the Court (including meeting minutes, member biographies, the appointment process, terms of office for governors, committee responsibilities and membership, and outcomes of effectiveness reviews<sup>5</sup>) are published on our website: [westminster.ac.uk/governance](https://westminster.ac.uk/governance).

### Statutory committees of the Court<sup>5</sup>

**The Academic Council<sup>8</sup>** meets up to five times a year. During the period it comprised 18 members of University staff (including the Vice-Chancellor as Chair), the President of the University of Westminster Students' Union (UWSU) and two currently registered students. The Council is the supreme academic deliberative and decision-making body responsible for strategic oversight of all academic provision and considers a broad range of issues that relate directly to our academic direction and focus. The Council approves policies for the support of students, codes of behaviour, disciplinary and appeals procedures and has responsibility for oversight of our academic collaborations and partnerships<sup>19</sup>.

The Council conducted a membership review during the period to assess the effectiveness of the current membership structure and appointment processes and to identify opportunities to strengthen further Academic Council membership through diversity and quality. The Court of Governors endorsed all recommendations and approved the revised membership structure from 1 August 2021.

**The Audit Committee<sup>7 & 20</sup>** meets up to five times a year and comprises five independent governors, including the Chair Mr M Smith<sup>21</sup>, and an independent (non-governor) member (Ms J Khan). The Committee reviews the work of our external and internal auditors and reviews our annual financial statements and accounting policies through a joint meeting with the Resources Committee. The Committee considers detailed reports on risk management, control, governance and value for money. The Committee meets the external and internal auditors on their own for independent discussion. There is no cross-representation between this Committee and the Resources Committee.

**The Governance and Nominations Committee<sup>5</sup>** meets three times a year and comprises four independent governors, including the Chair Ms D Yeo, plus the Vice-Chancellor, the University Secretary and Chief Operating Officer and one of the academic co-opted (staff) governors on the Court (Professor G Meikle). The Committee advises the Court on the effectiveness of governance structures and arrangements, appointment of new members, the terms of existing members as well as the perceived skills balance required on the Court and its committees. It is also responsible for the procedures for nominating individuals for honorary awards of the University and, when required, leads the process of search and appointment of the 'holders of senior posts' and the Chancellor. The Committee continues to be active, through its recommendations to the Court, in ensuring

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<sup>17</sup> In June 2020, the Court of Governors agreed the number of independent governors will be reduced from 19 to 12 through retirement/resignation, with the opportunity to appoint more than 12 (up to the maximum allowed in the Articles of Association) if there is a need for specific skills not available in the existing membership

<sup>18</sup> Second student governor introduced through revisions to the Articles of Association in May 2021

<sup>19</sup> HE Code Primary Element 5 – effective control and due diligence for significant external activities

<sup>20</sup> HE Code Primary Element 3 – institutional sustainability

<sup>21</sup> The Court of Governors appointed Ms J Khan to the vacant position for an independent (non-governor) member from 1 September 2020

### **Statutory committees of the Court (continued)**

that there is effective succession planning and equality and diversity in the membership and the senior leadership team<sup>22</sup>.

**The Remuneration Committee**<sup>20</sup> meets three times a year. It comprises four independent governors, including the Chair Mr D Cheeseman, the Chair of the Court and the Chair of Resources Committee, and an independent (non-governor) member (Mr M Appleton). The Committee reviews the salaries, terms and conditions of employment and schemes of remuneration for University Executive Board (UEB) members. The Committee also devises and implements appropriate measures and procedures whereby the Vice-Chancellor's performance may be assessed and agrees with the Vice-Chancellor such measures and procedures for the other UEB members.

The Resources Committee (Chair – Mr G Morley<sup>23</sup>, up to six meetings per year) completes the governance structure reporting to the Court. The HR Committee became defunct and the Professors and Readers Awarding Committee transferred to UEB with effect from 1 September 2020.

### **Management**

The Vice-Chancellor is supported by the University Executive Board, which he chairs. UEB is our senior management committee and its primary focus is to consider, approve and monitor the effectiveness of our strategic objectives and operations.

The Vice-Chancellor is joined on the UEB by the Deputy Vice-Chancellor (Education), the Deputy Vice-Chancellor (Employability and Global Engagement), the University Secretary and Chief Operating Officer and the three Pro Vice-Chancellors and Heads of College.

### **Colleague participation**

Our committee structure ensures that colleagues participate in our decision-making processes. Senior leaders hold regular formal and informal meetings with both recognised Trade Unions. The Vice-Chancellor communicates to colleagues about University business and his activities through a regular email blog and through news items and on our intranet (including a weekly email digest of news items – 'Westminster Weekly'). He also briefs and consults with colleagues on the University's performance and plans through participation in events, meetings, discussions with colleague networks (BME, Q+ and Women of Westminster) and through his daily interactions.

During the COVID-19 pandemic, the Vice-Chancellor, the University Secretary and Chief Operating Officer (Chair of the Being Safe, Feeling Safe Steering Group) and the Deputy Vice-Chancellor (Education) sent regular messages to colleagues and students via email about the University's response, plans and safety measures to facilitate teaching and learning and the re-opening of our campuses.

### **Student participation**

In the execution of their responsibilities, governors are mindful that the needs and interests of students are paramount. As such, governors ensure students' needs and interests are adequately reflected in the strategic plan, when considering issues of institutional sustainability and in our committee structure.

Our Student Experience Committee (a sub-committee of Academic Council) is jointly chaired by the UWSU President and the Deputy Vice-Chancellor (Education) and 50% of the membership are students or UWSU officers. The Committee's primary focus is to promote student engagement and sense of community and to review, monitor and enhance student satisfaction and all aspects of our student experience. Regular reports on student focussed activities and projects are presented to and discussed at the Committee.

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<sup>22</sup> HE Code Primary Element 6 – equality and diversity

<sup>23</sup> Ms M X Wang replaced Mr G Morley from 11 July 2021

### Student participation (cont)

Our student representation arrangements continue to adhere to a set of principles that consider the expectation and the core and common practices in the UK Quality Code and the OfS Regulatory Framework where it deals with student engagement.

Our Student Charter, produced jointly by the University and UWSU, sets out expectations for a successful and effective partnership between students and colleagues, and a culture of respect and opportunity for all. The Court receives the UWSU annual report and financial statements and approves the annual UWSU budget. The Court meets with the new sabbatical team at the beginning of each year to discuss their priorities for the coming year.

### Equality, diversity and inclusion<sup>22</sup>

At the University of Westminster, diversity, inclusion and equality of opportunity are at the core of how we engage with students, colleagues, applicants, visitors and all our stakeholders.

We are fully committed to enabling a supportive and safe learning and working environment which is equitable, diverse and inclusive, is based on mutual respect and trust, and in which harassment and discrimination are neither tolerated nor acceptable.

We have a strong commitment to equal pay for work of equal value and family-friendly/work-life balance policies, with all relevant HR policies kept under review to ensure compliance with the single public sector equality duty as required by the Equality Act 2010. Our Staff Equality, Diversity and Inclusion (EDI) Annual Report and Gender Pay Gap Report and supporting statement are published on the University website.

In July 2021 the Court approved our first EDI Strategy. The Strategy draws on and responds to the voices, passions, aspirations and ambitions of students, colleagues and other stakeholders. It aims to champion and ensure equality; to cherish, celebrate, and enhance diversity; and to nurture and promote inclusion.

In June 2020 we published a set of 15 commitments towards equity and inclusivity for all students and colleagues without racism or harassment. We are working to realise all these commitments into action and have incorporated equality, diversity and inclusion into the terms of reference of all Court, University, College and School committees and as part of the objectives for all our senior leadership teams. Additionally, decolonising and diversifying our curriculum and teaching practices is part of our Education Strategy.

The Court routinely reflects on its own composition and, with consideration of the expectations of the governance Codes, monitors and addresses equality and diversity of its own membership. We continue to make progress in gender equality; at 31 July 2021 55% of the Court membership, including 60% of independent governors were women (48% and 60% at 31 July 2020; 46% and 56% at 31 July 2019). We have worked on the inclusion of other protected characteristics at this level through implementation of our inclusion and diversity action plan and will monitor and report on diversity across a broader range of characteristics. We continue to engage with the Board Apprentice scheme, working with two apprentices during this period.

Diversity of candidates was a priority criterion in the process to recruit our next Chair of the Court<sup>24</sup>. Women are also represented well in the leadership of the Court and its committees; at 31 July 2021, the Chair of the Court, one of the two Deputy Chairs, the Chair Designate and two out of five Committee Chairs were women.

### Risk management and systems of control<sup>19 & 20</sup>

Being Westminster is supported by a risk register that is updated throughout the year and reviewed in full every year by the University Executive Board, the Audit Committee and the Court of Governors. Operational risk registers covering the three Colleges and each department within Professional Services are also in place.

Our risk management policy defines risk as the possibility that an action or event will adversely or beneficially affect our ability to achieve a planned objective and effective risk management is therefore regarded as a critically important part of our work. The risks identified cover business, financial, operational, reputational, and

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<sup>24</sup> The term of office of the current Chair of the Court ends in October 2021



## UNIVERSITY OF WESTMINSTER

### Corporate Governance and Internal Controls

#### Risk management and systems of control (continued)

compliance issues. In March 2021, the Audit Committee reviewed the risk appetite framework (approved by the Court in June 2020), which includes a risk appetite statement and supporting narratives.

The Audit Committee has responsibility for advising the Court on the adequacy and effectiveness of the University's Risk Management Policy and procedures, and approves changes where necessary, on behalf of the Court. UEB has ultimate responsibility for risk management and identifies, evaluates and reports on University level risks associated with the achievement of corporate objectives. Individual members of UEB are assigned responsibility for areas of risk on the University Risk Register and are responsible for identifying and holding to account individuals who are tasked with implementing mitigations relating to those areas of risk. The Risk Management Policy requires an annual report to be made to the Court of Governors on risk management. The Policy, which is approved and reviewed from time to time by the Audit Committee on behalf of the Court, clearly states the Court's responsibilities for determining the appropriate risk appetite or level of exposure for the institution and satisfying itself that appropriate mitigations are in place and working effectively.

This risk management process has been applied throughout the year under review and up to the date of approval of the annual report and accounts.

Our approach to internal control is risk based and in line with this and the OfS Audit Code of Practice, the programme of internal audit work during the year has focused on our most significant risk areas and designed to evidence the achievement of value for money regarding efficiency, economy and effectiveness. The Court appointed TIAA to provide internal audit services to the University from 1 August 2018 and in November 2020 approved extension of the contract with TIAA to 31 July 2023. The Audit Committee approves the strategic internal audit plan and receives internal audit reports from TIAA at its regular meetings during the year. Where appropriate, individual audit reports are considered by UEB and/or referred to committees for information. Governors have access to all internal audit reports via the Court's online 'Reading Room'. The internal auditors provide an annual report, which includes an opinion on internal control, risk and the adequacy and effectiveness of our arrangements for economy, efficiency and effectiveness.

In addition to the annual assurance report received from Internal Audit, the Audit Committee and Governors receive benchmarking and sector specific reports from both Internal and External Auditors to assist them in discharging their responsibility to monitor the University's performance in delivering value for money. The Audit Committee receive an update at each meeting on action taken by the University in response to the issues identified in these reports.

The University's policy towards fraud, malpractice and corruption is one of zero tolerance. The University's Anti-Bribery, Fraud and Corruption policy sets this out in detail, whilst the Financial Regulations set out the arrangements for reporting and responding to fraud. The Anti-Bribery, Fraud and Corruption policy is reviewed periodically and the Financial Regulations annually; both are approved by Court. The main emphasis of the Policy is on fraud prevention, achieved through risk assessment, process design informed by awareness of fraud risk, and by keeping staff alert to risks. Reporting of any fraud and irregularities is a standing item on the Audit Committee agenda.

Governors and senior managers are required to ensure that their behaviour is demonstrably selfless and open and that they champion the University's policies on bribery, conflicts of interest, hospitality, travel, and gifts. These are set out in the Financial Regulations and associated policies. The University's external auditors obtain an annual statement signed by all governors and senior managers to the effect that they are personally unaware of any fraud, conflict of interest, or other breach of legislation. The Chair of Court also signs a Letter of Representation on behalf of the governing body which includes such assurances. This would include instances of bribery. These arrangements provide an ongoing process for identifying, evaluating and managing the significant risks faced by the University. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide a reasonable and not absolute assurance against material misstatement or loss.

The overall assurance opinion provided by the internal auditors for the year confirmed that, for the areas reviewed during the year, the University has reasonable and effective risk management, control and governance processes in place. There were no limited assurance opinions provided during the year. The University received reasonable or substantial assurance for all assurance and compliance. Recommendations

## UNIVERSITY OF WESTMINSTER

### Corporate Governance and Internal Controls

#### Risk management and systems of control (continued)

from the Risk Management review had been implemented by the end of the financial year and action plans have been developed to implement the recommendations of the remaining reviews in agreed timescales. The internal auditors follow up all recommendations and report on completion to the Audit Committee.

There were no significant internal control weaknesses identified during 2020/21.

#### Governors' responsibilities

The Court of Governors are responsible for preparing the strategic report and the financial statements in accordance with the requirements of the Office for Students' Terms and Conditions of Funding for Higher Education Institutions and Research England's Terms and Conditions of Research England Grant and applicable law and regulations.

The Court of Governors are responsible for ensuring the funding received from the Office for Students and Research England are expended in accordance with the terms and conditions of the grants being given and for reporting to the Office for Students or Research England any irregularity, impropriety or non-compliance with the terms and conditions of the funding received. The Court of Governors gain assurance that the funds are being used in line with the funding terms and conditions through the governance committee structures and management representation.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. The terms and conditions of funding further require the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of the Accounts Direction issued by the Office for Students.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent University and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the group and parent University financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent University or to cease operations or have no realistic alternative but to do so.

The Court of Governors is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University and enable them to ensure that its financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Court of Governors are also responsible for ensuring that:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them;

UNIVERSITY OF WESTMINSTER  
Corporate Governance and Internal Controls

**Governors' responsibilities (continued)**

- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University's resources and expenditure.

The Court of Governors are responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The governors who held office at the date of approval of the accounts confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each governor has taken all the steps that they ought to have taken as a governor to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

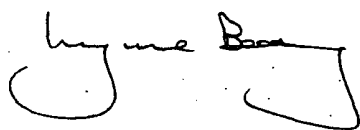
None of the governors had an interest in any contract which subsisted during the period of this report, other than those who are full-time members of staff and those associated with the transactions disclosed in note 9 (staff costs) to the accounts. The Clerk to the Court maintains a register of interests and governors are required to declare any conflict of interests at the start of each Court and committee meeting they attend.

The Court of Governors, in compliance with the Health and Safety at Work etc Act 1974, recognises and accepts the responsibility as far as reasonably practicable as an employer to provide a safe and healthy workplace for all its employees. It also accepts the responsibility as far as reasonably practicable to conduct its undertaking in such a way as to ensure that persons not in the University's employ - that is, students, visitors and members of the public - are not exposed to risks to their health, safety or welfare.

The University holds Professional Indemnity and Officers' Liability insurance, which provide indemnity to governors and officers of the University, in their personal capacity, against damages and legal costs and expenses arising from claims made against them by reason of wrongful acts committed by them in the course of their official duties.

A resolution to reappoint KPMG LLP as auditors for the reporting cycle for the year ending 31 July 2022 was approved at the Annual General Meeting in November 2021.

**Approved by the Court of Governors and signed on behalf of the Court**



Professor Lynne Berry  
Chair of the Court of Governors  
24 November 2021

# INDEPENDENT AUDITOR'S REPORT TO THE COURT OF GOVERNORS OF THE UNIVERSITY OF WESTMINSTER

## Opinion

We have audited the financial statements of the University of Westminster ("the University") for the year ended 31 July 2021 which comprise the Group and University Statement of Comprehensive Income and Expenditure, Group Statement of Changes in Reserves, Group and University Balance Sheet and Group Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the University's affairs as at 31 July 2021, and of the Group's and the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended; and
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## Going concern

The Court of Governors has prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the University or to cease their operations, and as they have concluded that the Group and the University's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Court of Governors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and University's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Court of Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
- we have not identified, and concur with the Court of Governors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the University's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the University will continue in operation.

## Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of the Audit Committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for

## INDEPENDENT AUDITOR'S REPORT TO THE COURT OF GOVERNORS OF THE UNIVERSITY OF WESTMINSTER

"whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud; and

- Reading Court of Governors, Finance & Resources Committee and Audit Committee minutes; and
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to meet loan covenants and performance targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that income from tuition fees and education contracts is recorded in the wrong period and the risk that Group's management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual account combinations and other unusual journal characteristics;
- Sample testing of income received in the period 1 July 2021 to 30 September 2021 to determine whether income was recognised in the correct accounting period; and
- Sample testing of tuition fee income for course dates crossed the end of the financial year to confirm if income was recognised in the correct period and deferred at year end where appropriate.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards); and discussed with management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including, financial reporting legislation (including related companies' legislation), taxation legislation, pensions legislation, specific disclosures required by higher education legislation and regulation and charities legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of University's registration with the Office for Students, or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: health and safety, data protection and employment law, recognising the regulated nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Court of Governors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

## INDEPENDENT AUDITOR'S REPORT TO THE COURT OF GOVERNORS OF THE UNIVERSITY OF WESTMINSTER

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

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

### Other information

The Court of Governors is responsible for the other information, which comprises the Strategic Report and the Statement of Corporate Governance and Internal Controls. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Strategic Report and the Statement of Corporate Governance and Internal Controls, which together constitute the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

### Court of Governors responsibilities

As explained more fully in their statement set out on pages 42 and 43, the Court of Governors (who are the Directors of the University company for the purposes of company law) is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent University'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 it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

# INDEPENDENT AUDITOR'S REPORT TO THE COURT OF GOVERNORS OF THE UNIVERSITY OF WESTMINSTER

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We are required to report on the following matters by the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction').

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income has been applied in accordance with the University's articles of government;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the financial statements meet the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students.

### Matters on which we are required to report by exception

We are required by the Accounts Direction to report to you where the University has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the Group's and the University's expenditure on access and participation activities for the financial year disclosed in Note 12 has been materially misstated.

We are also required by the Accounts Direction to report to you where the results of our audit work indicate that the Group's and the University's grant and fee income, as disclosed in note 5 to the financial statements has been materially misstated.

We have nothing to report in these respects.

## THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Court of Governors, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and paragraph 13(2) of the University's Articles of Government and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the Court of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Court of Governors for our audit work, for this report, or for the opinions we have formed.



**Fleur Nieboer (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*  
15 Canada Square, Canary Wharf, London, E14 5GL

Date: 2 December 2021

# Consolidated and University Statement of Comprehensive Income and Expenditure

## Year Ended 31 July 2021

	Notes	Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Income</b>					
Tuition fees and education contracts	2	179,487	179,487	174,344	174,344
Funding body grants	3	17,614	17,614	17,722	17,722
Research grants and contracts	4	4,408	3,609	4,800	3,922
Other income	6	10,402	10,017	15,341	14,010
Investment income	7	304	412	724	834
<b>Total income before endowments and donations</b>		<b>212,215</b>	<b>211,139</b>	<b>212,931</b>	<b>210,832</b>
Donations and endowments	8	3,587	3,587	3,446	3,406
<b>Total income</b>		<b>215,802</b>	<b>214,726</b>	<b>216,377</b>	<b>214,238</b>
<b>Expenditure</b>					
Staff costs	9	125,577	124,767	114,863	113,970
Other operating expenses	11	61,522	61,487	62,260	61,680
Depreciation	14	16,487	16,222	15,503	15,244
Interest and other finance costs	10	4,212	4,212	4,610	4,610
<b>Total expenditure</b>		<b>207,798</b>	<b>206,688</b>	<b>197,236</b>	<b>195,504</b>
<b>Surplus before other gains and losses</b>		<b>8,004</b>	<b>8,038</b>	<b>19,141</b>	<b>18,734</b>
Gain on financial investments	15	142	52	88	87
Unrealised loss on revaluation of investment property	15	(2,545)	(2,545)	(2,947)	(2,947)
<b>Surplus before tax</b>		<b>5,601</b>	<b>5,545</b>	<b>16,282</b>	<b>15,874</b>
Taxation	13	-	-	-	-
<b>Surplus for the year</b>		<b>5,601</b>	<b>5,545</b>	<b>16,282</b>	<b>15,874</b>
Actuarial loss in respect of pension schemes	27	(1,600)	(1,600)	(54,599)	(54,599)
<b>Total comprehensive income/(expenditure) for the year</b>		<b>4,001</b>	<b>3,945</b>	<b>(38,317)</b>	<b>(38,725)</b>
Represented by:					
Endowment comprehensive income for the year		107	-	24	-
Revaluation reserve comprehensive loss for the year		(510)	(510)	(510)	(510)
Unrestricted comprehensive income/(loss) for the year		4,404	4,455	(37,831)	(38,215)
		<b>4,001</b>	<b>3,945</b>	<b>(38,317)</b>	<b>(38,725)</b>

All items of income and expenditure relate to continuing activities.  
The accompanying notes form part of these financial statements.



# Consolidated Statement of Changes in Reserves

## Year Ended 31 July 2021

<u>Consolidated</u>	Income and expenditure account		Revaluation reserve	Total
	<i>Endowment</i> £'000	<i>Unrestricted</i> £'000	£'000	£'000
Balance at 01 August 2019	1,227	142,194	116,871	260,292
Surplus from the statement of comprehensive income and expenditure	24	16,258	-	16,282
Other comprehensive expenditure (note 27)	-	(54,599)	-	(54,599)
Transfers between revaluation and income and expenditure reserve	-	510	(510)	-
<b>Total comprehensive income/(loss) for the year</b>	<b>24</b>	<b>(37,831)</b>	<b>(510)</b>	<b>(38,317)</b>
Balance at 31 July 2020	1,251	104,363	116,361	221,975
Surplus from the statement of comprehensive income and expenditure	107	5,494	-	5,601
Other comprehensive expenditure (note 27)	-	(1,600)	-	(1,600)
Transfers between revaluation and income and expenditure reserves	-	510	(510)	-
<b>Total comprehensive income/ (loss) for the year</b>	<b>107</b>	<b>4,404</b>	<b>(510)</b>	<b>4,001</b>
Balance at 31 July 2021	1,358	108,767	115,851	225,976

<u>University</u>	Income and expenditure account		Revaluation reserve	Total
	<i>Endowment</i> £'000	<i>Unrestricted</i> £'000	£'000	£'000
Balance at 01 August 2019	350	138,889	116,871	256,110
Surplus from the statement of comprehensive income and expenditure	-	15,874	-	15,874
Other comprehensive expenditure (note 27)	-	(54,599)	-	(54,599)
Transfers between revaluation and income and expenditure reserve	-	510	(510)	-
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(38,215)</b>	<b>(510)</b>	<b>(38,725)</b>
Balance at 31 July 2020	350	100,674	116,361	217,385
Surplus from the statement of comprehensive income and expenditure	-	5,545	-	5,545
Other comprehensive expenditure (note 27)	-	(1,600)	-	(1,600)
Transfers between revaluation and income and expenditure reserves	-	510	(510)	-
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>4,455</b>	<b>(510)</b>	<b>3,945</b>
Balance at 31 July 2021	350	105,129	115,851	221,330

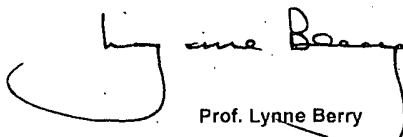
The accompanying notes form part of these financial statements.

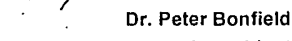
## Consolidated and University Statement of Financial Position

### As at 31 July 2021

	Notes	As at 31 July 2021		As at 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Non-current assets</b>					
Fixed assets	14	367,192	363,554	362,984	359,218
Investments	15	39,102	38,462	40,960	40,410
Trade and other receivables due after one year	16	-	3,163	-	3,400
		<u>406,294</u>	<u>405,179</u>	<u>403,944</u>	<u>403,028</u>
<b>Current assets</b>					
Trade and other receivables due within one year	16	15,185	15,066	13,019	13,345
Investments	17	101,099	101,099	75,034	75,034
Cash and cash equivalents	22	11,799	9,858	10,647	8,720
		<u>128,083</u>	<u>126,023</u>	<u>98,700</u>	<u>97,099</u>
Less: Creditors: amounts falling due within one year	18	(47,615)	(49,086)	(34,789)	(36,862)
<b>Net current assets</b>		<u>80,468</u>	<u>76,937</u>	<u>63,911</u>	<u>60,237</u>
<b>Total assets less current liabilities</b>		<u>486,762</u>	<u>482,116</u>	<u>467,855</u>	<u>463,265</u>
Creditors: amounts falling due after more than one year	19	(48,711)	(48,711)	(50,953)	(50,953)
Provisions	20	(212,075)	(212,075)	(194,927)	(194,927)
<b>Total net assets</b>		<u>225,976</u>	<u>221,330</u>	<u>221,975</u>	<u>217,385</u>
<b>Restricted reserves</b>					
Endowment reserve	21	1,358	350	1,251	350
<b>Unrestricted reserves</b>					
Income, expenditure and pension reserve - unrestricted		108,767	105,129	104,363	100,674
Revaluation reserve		115,851	115,851	116,361	116,361
<b>Total reserves</b>		<u>225,976</u>	<u>221,330</u>	<u>221,975</u>	<u>217,385</u>

The financial statements were approved by the Governing Body on 24 November 2021 and were signed on its behalf on that date by:

  
 Prof. Lynne Berry  
 Chair and Pro Chancellor  
 24 November 2021

  
 Dr. Peter Bonfield  
 Vice Chancellor and President  
 24 November 2021

The accompanying notes form part of these financial statements.

## Consolidated Cash Flow

For period ended 31 July 2021

	Notes	Year ended 31 July 2021	Year ended 31 July 2020
		£'000	£'000
<b>Cash flow from operating activities after tax</b>		<b>5,601</b>	<b>16,282</b>
<b>Adjustment for non-cash items</b>			
Depreciation	14	16,487	15,503
Loss on investments	15	2,403	2,859
(Increase)/decrease in debtors	16	(2,165)	2,286
Increase/(decrease) in creditors	18 & 19	11,160	(4,861)
Difference between Pension costs and contributions	20 & 27	13,572	7,262
Increase in other provisions	20	1,977	-
<b>Adjustment for investing or financing activities</b>			
Investment income	7	(304)	(724)
Interest payable	10	1,550	1,905
Deferred capital grant released to income		(1,221)	(926)
<b>Net cash inflow from operating activities</b>		<b>49,060</b>	<b>39,586</b>
<b>Cash flows from investing activities</b>			
Capital grants receipts		1,079	731
Investment income	7	304	724
Payments made to acquire fixed assets	14	(17,257)	(23,476)
New non-current asset investments	15	(545)	(52)
Cash (added to)/ removed from Fixed term deposits	17	(26,066)	(9,998)
		<b>(42,485)</b>	<b>(32,071)</b>
<b>Cash flows from financing activities</b>			
Interest paid	10	(1,550)	(1,905)
Repayments of amounts borrowed	19	(3,873)	(3,535)
		<b>(5,423)</b>	<b>(5,440)</b>
<b>Increase in cash and cash equivalents in the year</b>		<b>1,152</b>	<b>2,075</b>
Cash and cash equivalents at beginning of the year	22	10,647	8,572
Cash and cash equivalents at end of the year	22	11,799	10,647

The accompanying notes form part of these financial statements.

# Notes to the Accounts

## for the year ended 31 July 2021

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### 1 Accounting Policies

#### a) Company information

The University of Westminster is incorporated under the Companies Act as a company limited by guarantee and not having share capital. The University is also an exempt charity.

#### b) Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis, modified by revaluation as disclosed in the relevant notes, and are presented in sterling.

#### c) Going concern

The University Group activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report which forms part of the Court of Governors Report. The Court of Governors Report also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities.

The consequences of the Covid-19 pandemic continues to impact on the operations of the University. The University campus has reopened and for a second year the 'blended' teaching experience continues where appropriate but with a significant amount of teaching now delivered directly to students on campus. The challenges with the increased provision of health and hygiene services and the impacts of maintaining social distance requirements continues.

The ongoing challenges of the pandemic make it difficult to predict the full extent and duration of resulting operational and economic impacts on the University Group and the impact on commercial activity, student recruitment and retention. The ongoing uncertainty has also been considered in the University's assessment of the appropriateness of adopting the going concern basis for the preparation of the University Consolidated Financial Statements.

The University Group financial forecasts demonstrate that the University Group has sufficient financial resources to meet its obligations as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). Thus, the Court of Governors consider it appropriate that the University Group financial statements continue to be prepared on a going concern basis.

#### d) Basis of consolidation

The consolidated financial statements consolidate the financial statements of the University and its subsidiary undertakings for the financial year ended 31 July 2021. Intra-group transactions are eliminated on consolidation. The consolidated financial statements do not include the University of Westminster Students' Union because the University does not control its activities. The Quintin Hogg Trust and Quintin Hogg Memorial Fund are two separate charitable trusts that exist for the benefit of students. These connected charitable institutions are also excluded from the consolidation as the University does not have control over their activities.

#### e) Statement of principal accounting policies

##### 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.

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, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

## Notes to the Accounts

### for the year ended 31 July 2021

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#### 1 Accounting Policies (continued)

##### Income recognition (continued)

Investment income is credited to the statement of comprehensive income and expenditure on a receivable basis.

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

##### Grant funding

Government revenue grants and research grants are recognised in income over the periods in which the University recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

During the financial year the University accessed an emergency grant scheme offered by the UK Government. From March 2020, as a result of the Covid-19 pandemic, a number of commercial operations have been closed. In order to support individuals involved in those operations the University has received Government grant support to maintain the salary payments of those individuals impacted. The support has been received from the Government's Job Retention Scheme. All grant money received from this scheme have been recorded gross and accounted for as Other Grant Income.

##### Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the University is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restriction applied to the individual endowment fund.

The main types of endowments identified within reserves are:

1. Expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital.
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.

##### Capital grants

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

##### Leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

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.

Costs in respect of operating leases are charged to the Statement of Comprehensive Income and expenditure on a straight-line basis over the lease term.

## Notes to the Accounts

### for the year ended 31 July 2021

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#### 1 Accounting Policies (continued)

##### Taxation

The University is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 287 CTA2009 and sections 471, and 478-488 CTA 2010 (formerly s505 of ICTA 1988) 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 Institution receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to tangible fixed assets is included in their cost. The University's subsidiary companies are subject to corporation tax and VAT on the same basis as any commercial organisation.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date; at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent they are regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

##### Fixed assets

Fixed assets are stated at cost / deemed cost less accumulated depreciation and accumulated impairment losses.

Costs incurred in relation to a tangible fixed asset, after its initial purchase or production, are capitalised to the extent that they increase the expected future benefits to the University from the existing tangible fixed asset beyond its previously assessed standard of performance; the cost of any such enhancements are added to the gross carrying amount of the tangible fixed asset concerned.

On adoption of FRS102, the Group took advantage of FRS102 provision 35.10 (c) to revalue land assets to fair value as deemed cost, for which a market value report at 31 July 2014 was commissioned from Savills LLP. No subsequent revaluation has been carried out for any non-current fixed assets. In addition assets previously treated as Investment properties when transferred to non current fixed assets are transferred at fair value at the date of transfer.

##### Computer and software costs

Significant investment is being made in introducing management information systems to support the effective management of the University. The Group capitalises software implementation costs where future benefits will accrue. Management judgement has been applied in quantifying the benefit expected to accrue to the Group over the useful life of the relevant assets. Where the software does not produce the expected benefits in terms of the Group achieving its objectives, then the carrying value would require adjustment.

##### Repairs and maintenance

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is recognised in the Consolidated Statement of Comprehensive Income and expenditure in the period in which it is incurred.

##### Assets used by the University

The Group benefits from the occupation and facilities of certain land and buildings which are the property of separate charitable trusts. The rent payments and other running costs associated with these properties are included in the financial statements. With the exception of the leasehold improvements made to the property at 309 Regent Street, these assets are not reflected in the accounts.

##### Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

##### Equipment

Individual assets costing over £10,000 are capitalised.

## Notes to the Accounts

### for the year ended 31 July 2021

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#### 1 Accounting Policies (continued)

##### Depreciation

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Depreciation has been provided on all fixed assets on cost or revalued amounts in equal instalments over the estimated useful economic lives of the assets:

Freehold Buildings	- Fifty years
Leasehold Buildings and Leasehold Improvements	- Amortised over the remaining term of the lease
Motor Vehicles	- Four years
Fixtures, Fittings and Equipment	- Five years and twenty years
Audio Visual Equipment	- Seven years
Plant and Machinery	- Five years and twenty years
Computer Equipment	- Four years
Computer Software	- Three to five years

##### Non-current investments

Non-current investments include Fixed assets and Investments. Fixed assets are carried on the balance sheet at amortised costs. Investments are held on the balance sheet at fair value.

##### Investment properties

Investment property is land and buildings, or part of a building, held for rental income or capital appreciation rather than for use in delivering services, for administrative purposes or for the sale in ordinary course of business. Investment properties are measured initially at cost and subsequently at fair value at the end of each reporting date with movements recognised in the Statement of Comprehensive Income and Expenditure. Properties are not depreciated but are revalued or reviewed annually according to market conditions as at 31 July each year. Property that has mixed use is separated between investment property and tangible fixed assets, proportionately.

##### Current investments

Current asset investments are carried on the balance sheet at fair value.

##### Cash and cash equivalents

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, cash at bank and deposits repayable on demand. Deposits are repayable on demand if they are available within 24 hours without penalty.

No other investments, however liquid, are included as cash.

##### Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year-end rates. Exchange differences are recorded in the Consolidated Statement of Comprehensive Income and expenditure.

##### Deferred capital grants

Governmental capital grants for the purchase or construction of fixed assets are recognised as deferred capital grants within creditors. An annual release is made to the Consolidated Statement of Comprehensive Income and expenditure over the useful economic life of the asset, at the same rate as the depreciation charge on the asset for which the grant was awarded.

## Notes to the Accounts

### for the year ended 31 July 2021

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#### 1 Accounting Policies (continued)

##### Provisions, contingent liabilities and contingent assets

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed by way of a note, when the definition of a provision is not met and includes three scenarios; a possible rather than a present obligation, a possible rather than a probable outflow of economic benefits, the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets arise when an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise uncertain future events not wholly within the control of the University. These are disclosed by way of a note, where there is a probable, rather than a present asset arising from a past event.

##### Accounting for retirement benefits

The Group operates three pension schemes: the Local Government Pension Scheme (LGPS), the Teachers' Pension Scheme (TPS), and the Universities Superannuation Scheme (USS). All schemes are defined benefit schemes.

The assets of TPS and USS are held in separate trustee-administered funds. Because of the nature of the schemes, the scheme's assets are not hypothecated to individual institutions and scheme-wide contribution rates are set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of these schemes on a consistent and reasonable basis and therefore as required by FRS102 (28), accounts for these schemes as if they were defined contribution schemes.

A liability is recorded in provisions for the contractual commitment to fund past deficits within the USS Scheme. The discounted value of any new commitments is charged to staff costs in the year in which the contractual commitment is made.

For LGPS the University obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that return on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the university. The University recognises the liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit method. When the calculation results in an asset, recognition of the asset is limited to the extent to which the university is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

##### 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 University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

##### Termination benefits

Costs associated with specific schemes which a) terminate the employment of an employee or group of employees before the normal retirement date or b) provide termination benefits as a result of an offer made in order to encourage voluntary redundancy are recognised in the year in which the University is demonstrably committed to a termination scheme without a realistic possibility to withdraw. The costs recognised are the termination payments paid out during the financial year as well as any accrued benefits for the termination payments paid post balance sheet date.

##### Revaluation reserve

On adoption of FRS102, the Group took advantage of FRS102 provision 35.10 (c) to revalue land assets to fair value as deemed cost. This revaluation was credited to the revaluation reserve opening balance at 1 August 2014.

##### Accounting estimates and judgements

Accounting policies are supplemented by estimation techniques where judgement is required to establish the monetary amounts of assets, liabilities, income and expenditure and the disclosures made in the financial statements and the estimates and associated assumptions are believed to be reasonable and prudent. These judgements and estimates are continually evaluated and are based on past experience or are prepared by qualified advisors.



## Notes to the Accounts

### for the year ended 31 July 2021

#### 1 Accounting Policies (continued)

#### Accounting estimates and judgements (continued)

Key judgments and estimates are as follows:

##### a. Pension provision

The Group operates three pension schemes: the Local Government Pension Scheme (LGPS), the Teachers' Pension Scheme (TPS), and the Universities Superannuation Scheme (USS). All schemes are defined benefit schemes.

TPS- The critical underlying assumptions in relation to the estimate of the pension enhancement obligation such as life expectancy and the discount rate on corporate bonds. Variations in these assumptions have the ability to significantly influence the value of the provision for unfunded liabilities recorded and annual expense (note 27).

USS and LGPS- FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that the scheme provided by Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

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 and arise from the agreement with scheme employers as to how the deficit is funded. The carrying amount of this liability is £2.0 million (see Note 20) and a key factor used to calculate the provision is the element future contribution rate that relates to funding the existing deficit. The last formal actuarial valuation of the scheme was at 31 March 2018 and adoption of the new deficit recovery plan. Since the year end, following the completion of the 2020 actuarial valuation, a new deficit recovery plan has been agreed effective 1 October 2021 (note 27 (i)).

The present value of the LGPS and defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate, salary, pension and price increase and any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability.

In response to the ongoing reform of RPI, Barnett Waddingham have changed their approach to setting the CPI assumption: an increase in the Inflation Risk Premium and a reduction in the long-term difference between RPI and CPI. This results in a reduction in defined benefit obligation of £23,396k. In addition, the difference between CPI and RPI (the RPI-CPI wedge) has been updated, resulting in an increase in defined benefit obligation of £48,319k. These changes are linked, and are based on pre-2030 and post-2030 rates. This is one of a number of assumptions used in estimating the future pension obligations and there cannot be certainty as to their actual outcome due to the time period over which the obligation to make future payments is discharged.

##### b) Investment property

The valuation of the University'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 University 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 University'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. These assumptions are market standard and accord with the Royal Institution of Chartered Surveyors (RICS) Valuation – Professional Standards (‘the Red Book’) issued by RICS in force.

## Notes to the Accounts

### for the year ended 31 July 2021

	Year Ended 31 July 2021		Year Ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>2 Tuition fees and education contracts</b>				
Full-time home and EU students	118,456	118,456	108,900	108,900
Full-time international students	49,412	49,412	52,522	52,522
Part-time students	10,042	10,042	10,556	10,556
	<u>177,910</u>	<u>177,910</u>	<u>171,978</u>	<u>171,978</u>
Research Training Support Grant	30	30	48	48
Non credit-bearing courses	1,547	1,547	2,318	2,318
	<u><b>179,487</b></u>	<u><b>179,487</b></u>	<u><b>174,344</b></u>	<u><b>174,344</b></u>
<b>3 Funding body grants</b>				
Recurrent OfS grant				
Office for Students				
Teaching grant	9,620	9,620	9,856	9,856
Research grant	5,138	5,138	5,304	5,304
Other grants	1,248	1,248	1,169	1,169
Pension liability grant	383	383	464	464
OfS capital grant	1,221	1,221	926	926
Teaching Agency grants	4	4	3	3
	<u><b>17,614</b></u>	<u><b>17,614</b></u>	<u><b>17,722</b></u>	<u><b>17,722</b></u>
<b>4 Research grants and contracts</b>				
Research councils	887	887	1,053	1,053
Charities	509	424	350	318
Government (UK and overseas)	2,112	2,096	1,947	1,864
Industry and commerce	322	125	620	119
Other bodies	578	77	830	568
	<u><b>4,408</b></u>	<u><b>3,609</b></u>	<u><b>4,800</b></u>	<u><b>3,922</b></u>

# Notes to the Accounts

## for the year ended 31 July 2021

### 5 Grant and fee income

The source of grant and fee income, included in notes 2 to 4 is as follows:

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Grant income from the OfS	17,614	17,614	17,722	17,722
Grant income from other bodies	4,408	3,609	4,800	3,922
Fee income for research awards	1,543	1,543	1,521	1,521
Fee income from non-qualifying courses	1,577	1,576	2,366	2,366
Fee income for taught awards	176,367	176,367	170,457	170,457
Total grant and fee income	<b>201,509</b>	<b>200,709</b>	<b>196,866</b>	<b>195,988</b>

### 6 Other income

Residences, catering and conferences	3,270	3,268	7,082	6,766
Recreation	255	255	427	427
Rents and Lettings	2,348	2,290	3,722	2,816
Photocopier Income	23	22	72	71
Sundry sales	19	19	221	221
Other Income	4,487	4,163	3,817	3,709
	<b>10,402</b>	<b>10,017</b>	<b>15,341</b>	<b>14,010</b>

### 7 Investment income

Other investment income	21	18	-	25	-
Interest on fixed term deposits		286	412	699	834
		<b>304</b>	<b>412</b>	<b>724</b>	<b>834</b>

### 8 Donations and endowments

Donations and endowments	3,587	3,587	3,446	3,406
	<b>3,587</b>	<b>3,587</b>	<b>3,446</b>	<b>3,406</b>

## Notes to the Accounts

### for the year ended 31 July 2021

#### 9 Staff costs

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Salaries	87,578	86,871	83,114	82,354
Redundancy costs	500	517	347	330
Social security costs	9,253	9,189	8,737	8,673
Other pension costs	28,246	28,190	22,665	22,613
	<b>125,577</b>	<b>124,767</b>	<b>114,863</b>	<b>113,970</b>

Remuneration of higher paid staff, excluding employer's pension contributions:

	2021	2020
£100,000 to £104,999	-	1
£110,000 to £114,999	2	2
£120,000 to £124,999	1	1
£125,000 to £129,999	2	3
£130,000 to £134,999	2	1
£135,000 to £139,999	1	1
£150,000 to £154,999	1	1
£250,000 to £254,999	1	1
	<b>10</b>	<b>11</b>

Average staff numbers by major category, expressed on a full time equivalent basis, during the year :

	Number	Number
Teaching and research	875	835
Visiting lecturers	127	122
Support staff	813	758
	<b>1,815</b>	<b>1,715</b>

#### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs includes compensation paid to key management personnel. Members of the University's Executive Board are considered to be key personnel of the University and comprise:

Vice- Chancellor  
 University Secretary and Chief Operating Officer  
 Deputy Vice-Chancellor (Global Engagement and Employability)  
 Deputy Vice-Chancellor (Education)  
 Pro Vice-Chancellors and Heads of Colleges

Key management personnel compensation is made up as follows:

	31 July 2021	31 July 2020
	£'000	£'000
Salary	1,018	931
Employer's pension contributions	142	119
Total emoluments	<b>1,160</b>	<b>1,050</b>

## Notes to the Accounts

### for the year ended 31 July 2021

#### 9 Staff costs (continued)

The above compensation includes emoluments of the Vice-Chancellor as follows:

##### Vice Chancellor

	Total 31 July 2021	Total 31 July 2020
	£'000	£'000
Basic salary	250	250
	<u>250</u>	<u>250</u>

The Vice-Chancellor's basic salary is 5.5 times (2020: 5.5 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the Group and the University to its staff.

The Vice-Chancellor's total remuneration including pension is 4.7 times (2020: 4.9 times) the median total remuneration of staff including pension costs, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the Group and the University to its staff.

The median pay ratios have been prepared on the basis of all staff recorded on the payroll. All staff include academic and non-academic staff including visiting lecturers that are required to be included in real time reporting to HMRC. Agency staff are excluded.

The pay multiple has remained in line with that of the prior year.

The total remuneration package for the Vice-Chancellor comprises a salary of £250,000. There are no additional pension payments and no benefits in kind.

In deciding on the initial salary for the Vice-Chancellor the Remuneration Committee considered data from the agreed UCEA reference group (London and the South East, Median to Upper Quartile and income '£70m to £202m), information on the market position for salaries for Vice-Chancellors, comparative leadership roles in other sectors based on job evaluated size (using the Hay Methodology), and the UCEA publication 'Senior Staff Remuneration, including Heads of Institution increases 2016-17'.

During the period, the Remuneration Committee reconfirmed the competitiveness of current salary bands, noted the level of remuneration of colleagues on senior management contracts, and discussed the student view of senior pay. The Committee considered a confidential pro forma report from the Chair to the Court on the performance of the Vice-Chancellor during 2020-21 that assessed performance against a set of pre-approved objectives and measures and led to a recommendation from the Chair of the salary zone in which the Vice-Chancellor should be positioned. During the period, the Vice-Chancellor again declined any increase to the initial salary.

# Notes to the Accounts

## for the year ended 31 July 2021

### 9 Staff costs (continued)

#### Compensation paid for loss of office

Redundancy and severance costs were incurred during the financial year as follows:

	31 July 2021	31 July 2020
	£'000	£'000
Compensation paid for loss of office to all employees	418	483
	No.	No.
Number of employees	24	40

Of the above compensation payments none related to employees earning more than £100k. A presentational adjustment for the year ended 31 July 2020 is included for severance payments.

#### Court of Governors

The University's governors are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the Court, being drawn from public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Court may have an interest. All transactions involving organisations in which a member of Court may have an interest, including those identified below, are conducted at arms-length and in accordance with the University's Financial Regulations and usual procurement procedures.

The members of the Court of Governors have confirmed that they are not aware of any related party transactions between themselves and the University.

The remuneration of the governors of the University is as follows:

	31 July 2021	31 July 2020
	£'000	£'000
Total remuneration including employer's pension contributions	554	528

During the year £nil (2020: £341) was paid in respect of trustees' expenses (i.e. expenses that were incurred in respect of their services as trustees). The expenses related to travel, subsistence and other expenses for 1 trustee in 2020.

Total governors' remuneration includes the remuneration of all staff members who are also trustees. The independent members of the University's Court of Governors are not remunerated for their services as trustees.

### 10 Interest and other finance costs

	Notes	Year Ended 31 July 2021		Year Ended 31 July 2020	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Promissory note		203	203	422	422
Bank loans		1,347	1,347	1,483	1,483
Net charge on pension scheme	27	2,662	2,662	2,705	2,705
		<b>4,212</b>	<b>4,212</b>	<b>4,610</b>	<b>4,610</b>

## Notes to the Accounts

### for the year ended 31 July 2021

#### 11 Analysis of total expenditure by activity

Consolidated	Year ended 31 July 2021			Year ended 31 July 2020		
	Staff	Other	Total	Staff	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Academic Departments	72,106	9,631	81,737	66,486	10,460	76,946
Academic Support Services	14,474	8,534	23,008	13,673	8,670	22,343
Research	2,738	2,735	5,473	2,561	3,604	6,165
Administration and Central Services	20,829	16,128	36,957	20,421	13,999	34,420
Premises	3,392	24,050	27,442	2,618	24,615	27,233
Residences and Catering	816	435	1,251	907	905	1,812
Other expenses	11,222	9	11,231	8,197	7	8,204
	<b>125,577</b>	<b>61,522</b>	<b>187,099</b>	<b>114,863</b>	<b>62,260</b>	<b>177,123</b>

Other operating expenses include:

	Group		University	
	£'000	£'000	£'000	£'000
External auditors' remuneration in respect of audit services	63	53	60	49
External auditors' remuneration in respect of non-audit services	28	28	25	25
Operating lease rentals:				
Land and buildings	5,444	5,444	7,388	7,388

## Notes to the Accounts

### for the year ended 31 July 2021

	Year Ended	
	31 July 2021	31 July 2020
	£'000	£'000
<b>12 Access and Participation</b>		
Consolidated and University		
Access investment	556	644
Financial support provided to students	1,127	813
Support for disabled students	1,040	798
Research and evaluation of access and participation activities	552	688
	<b>3,275</b>	<b>2,943</b>

The Access and Participation plan approved by the OfS covers the period 2020-25 and is published on the University website at <https://www.westminster.ac.uk/access-and-participation-plans>.

The results above are derived from direct and indirect costs associated with Access and participation activities and differ from that in the original Access and Participation plan approved by the OfS.

The Access and Participation plan approved by the OfS includes £827k for Access and Participation. Actual access expenditure was £556k. The variance between actual and forecast is explained by fewer costs associated with outreach activity during 2020/21 than in previous years, caused by fewer outreach events being possible during the pandemic. The amount spent on Financial Support in 2020/21 was £1,127k via tailored packages such as the Living Expenses Support Scheme (LESS) which aims to help and award students with a grant that can be used to meet any maintenance needs, such as rental costs, travel costs, childcare costs, day-to-day costs etc. £1,040k was spent on supporting students with a disability through the targeted services provided by the Disability Learning Support team at Westminster. Research and Evaluation spend of £552k reflects the work undertaken by Data Analysts, Market Researchers and Research staff within the University to understand and address outcomes gaps for students from underrepresented and marginalised groups.

£1,843k of the above costs are already included in the overall staff costs figures included in the financial statements (see note 9).



## Notes to the Accounts

### for the year ended 31 July 2021

#### 13 Taxation note

##### Reconciliation of current tax charge:

	31 July 2021 £'000	31 July 2020 £'000
Recognised in the statement of comprehensive income		
Consolidated surplus on ordinary activities	<u>5,601</u>	<u>16,282</u>
Tax on surplus on ordinary activities at standard corporation tax rate in the UK of 19.00% (2020: 19.00%):	1,064	3,094
Effect of:		
Non-taxable profit	(1,064)	(3,094)
Current tax expense	<u>-</u>	<u>-</u>

##### Factors that may affect the future tax charge

There is a deferred tax asset which has not been recognised as it is not expected to crystallise in the future. The amount of the asset in terms of the taxation not recognised, calculated at 17% (2020: 17%) of the amount of the timing differences, is £81k asset (2020: £81k asset), and it is analysed below.

	31 July 2021 £'000	31 July 2020 £'000
Capital allowances not utilised	1	1
Tax losses not utilised	80	80
	<u>81</u>	<u>81</u>

## Notes to the Accounts

### for the year ended 31 July 2021

#### 14 Fixed Assets

Consolidated	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Assets in the Course of Construction £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Computers and software £'000	AV Equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost or valuation</b>									
At 1 August 2020	409,010	27,660	3,775	16,591	9,530	23,597	6,752	49	496,964
Additions	2,891	188	8,708	2,970	1,196	3,459	1,283	-	20,695
Transfers	1,584	274	(6,869)	793	454	3,601	163	-	-
Disposal	-	-	-	-	(5,132)	-	-	(49)	(5,181)
At 31 July 2021	413,485	28,122	5,614	20,354	6,048	30,657	8,198	-	512,478
<b>Consisting of:</b>									
Land at valuation:									
At 31 July 2014	120,570	-	-	-	-	-	-	-	120,570
At 31 July 2020	4,500	-	-	-	-	-	-	-	4,500
Assets at cost	288,415	28,122	5,614	20,354	6,048	30,657	8,198	-	387,408
At 31 July 2021	413,485	28,122	5,614	20,354	6,048	30,657	8,198	-	512,478
<b>Depreciation</b>									
At 1 August 2020	78,945	11,389	-	15,255	7,199	17,377	3,766	49	133,980
Charge for the year	6,851	1,167	-	1,496	1,205	4,646	1,122	-	16,487
Disposal	-	-	-	-	(5,132)	-	-	(49)	(5,181)
At 31 July 2021	85,796	12,556	-	16,751	3,272	22,023	4,888	-	145,286
<b>Net book value</b>									
At 31 July 2021	327,689	15,566	5,614	3,603	2,776	8,634	3,310	-	367,192
At 31 July 2020	330,065	16,271	3,775	1,336	2,331	6,220	2,986	-	362,984

## Notes to the Accounts

### for the year ended 31 July 2021

#### 14 Fixed Assets (continued)

University	Freehold Land and Buildings	Leasehold Land and Buildings	Assets in the Course of Construction	Plant and Machinery	Fixtures, Fittings and Equipment	Computers and software	AV Equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>									
At 1 August 2020	409,010	22,575	3,775	16,577	9,530	23,548	6,752	49	491,816
Additions	2,891	70	8,708	2,970	1,178	3,459	1,282	-	20,558
Transfers	1,584	274	(6,869)	793	454	3,601	163	-	-
Disposal	-	-	-	-	(5,132)	-	-	(49)	(5,181)
At 31 July 2021	<u>413,485</u>	<u>22,919</u>	<u>5,614</u>	<u>20,340</u>	<u>6,030</u>	<u>30,608</u>	<u>8,197</u>	<u>-</u>	<u>507,193</u>
<b>Consisting of:</b>									
Land at valuation:									
At 31 July 2014	120,570	-	-	-	-	-	-	-	120,570
At 31 July 2020	4,500	-	-	-	-	-	-	-	4,500
Assets at cost	<u>288,415</u>	<u>22,919</u>	<u>5,614</u>	<u>20,340</u>	<u>6,030</u>	<u>30,608</u>	<u>8,197</u>	<u>-</u>	<u>382,123</u>
	<u>413,485</u>	<u>22,919</u>	<u>5,614</u>	<u>20,340</u>	<u>6,030</u>	<u>30,608</u>	<u>8,197</u>	<u>-</u>	<u>507,193</u>
<b>Depreciation</b>									
At 1 August 2020	78,945	10,069	-	15,241	7,199	17,328	3,767	49	132,598
Charge for the year	6,851	906	-	1,496	1,201	4,646	1,122	-	16,222
Disposal	-	-	-	-	(5,132)	-	-	(49)	(5,181)
At 31 July 2021	<u>85,796</u>	<u>10,975</u>	<u>-</u>	<u>16,737</u>	<u>3,268</u>	<u>21,974</u>	<u>4,889</u>	<u>-</u>	<u>143,639</u>
<b>Net book value</b>									
At 31 July 2021	<u>327,689</u>	<u>11,944</u>	<u>5,614</u>	<u>3,603</u>	<u>2,762</u>	<u>8,634</u>	<u>3,308</u>	<u>-</u>	<u>363,554</u>
At 31 July 2020	<u>330,065</u>	<u>12,506</u>	<u>3,775</u>	<u>1,336</u>	<u>2,331</u>	<u>6,220</u>	<u>2,985</u>	<u>-</u>	<u>359,218</u>

## Notes to the Accounts

### for the year ended 31 July 2021

#### 15 Non-Current Investments

Consolidated	Subsidiary companies	Investment property	Other fixed assets investments	Total
	£'000	£'000	£'000	£'000
At 1 August 2020	-	40,000	960	40,960
Additions	-	545	-	545
Revaluation	-	(2,545)	142	(2,403)
At 31 July 2021	-	38,000	1,102	39,102

University	£'000	£'000	£'000	£'000
At 1 August 2020	1	40,000	409	40,410
Additions	-	545	-	545
Revaluation	-	(2,545)	52	(2,493)
At 31 July 2021	1	38,000	461	38,462

Investment property includes one property held at fair value as at 31 July 2021. The valuation was performed by Cluttons at 31 July 2021 in accordance with applicable professional standards.

Other non-current investments consist of:

	Consolidated £'000	University £'000
Hypha Discovery Ltd	278	278
CVCP Properties plc	183	183
COIF Charity Investment Fund	641	-
	1,102	461

The University and Group has a holding in CVCP Properties plc which represents an investment of 37,111 fully paid Ordinary £1 shares. It is an unquoted company. This holding represents 0.8% of the issued share capital and represents a participating interest with no significant influence exercised over the company.

At 31 July 2021, the University and Group own 2,235,803 Ordinary 0.0001 pence Shares in Hypha Discovery Ltd, an unquoted company. This holding amounts to 18.7% of the issued share capital (down from 21.4% in the prior year as a result of the issue of further share options in the year) and represents a participating interest with no significant influence exercised over the company.

An investment of £642k is held in the COIF Charity Investment Fund, which is managed by CCLA Ltd, a fund manager authorised and regulated by the Financial Conduct Authority. The total return for the fund for the 12 months ended 31st July 2021 was 16.0%.

## Notes to the Accounts

### for the year ended 31 July 2021

#### 16 Trade and other receivables

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade and sundry debtors	3,978	3,487	2,069	1,983
Finance lease receivable from subsidiary	-	337	-	337
Other amounts due from subsidiary companies	-	128	-	-
Other debtors	1,820	1,733	896	729
Prepayments and accrued income	9,387	9,381	10,054	10,296
	<u>15,185</u>	<u>15,066</u>	<u>13,019</u>	<u>13,345</u>
Amounts falling due after more than one year:				
Finance lease receivable from subsidiary	-	3,163	-	3,400
	-	<u>3,163</u>	-	<u>3,400</u>
	<u>15,185</u>	<u>18,229</u>	<u>13,019</u>	<u>16,745</u>

#### 17 Investments

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Short term deposits	101,099	101,099	75,034	75,034
	<u>101,099</u>	<u>101,099</u>	<u>75,034</u>	<u>75,034</u>

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority. These short term deposits do not meet the definition of cash equivalent. The interest rate of these deposits are fixed for the duration of the deposit and placement.

At 31 July 2021 the weighted average interest rate of these fixed rate deposits was 0.3% per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 224 days. The fair value of these deposits was not materially different from the book value.

## Notes to the Accounts

### for the year ended 31 July 2021

#### 18 Creditors: amounts falling due within one year

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Secured loans (promissory note)	661	-	2,472	-
Unsecured loans	1,431	1,431	1,401	1,401
Amounts owed to subsidiary undertakings	-	2,505	-	5,053
Trade payables	19,490	19,478	13,470	13,437
Social security and other taxation payable	218	225	353	346
Accruals and deferred income	24,794	24,444	16,258	15,807
Other creditors	1,021	1,003	835	818
	<b>47,615</b>	<b>49,086</b>	<b>34,789</b>	<b>36,862</b>

#### Deferred income

Included with accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Grants - academic, research & other	1,768	1,768	169	169
Commercial rent	299	299	686	686
Accommodation charges	149	149	221	221
Academic fees	6,052	6,052	2,883	2,883
Other income	775	775	253	253
	<b>9,043</b>	<b>9,043</b>	<b>4,212</b>	<b>4,212</b>

# Notes to the Accounts

## for the year ended 31 July 2021

### 18 Creditors: amounts falling due within one year (continued)

#### Other creditors

Included with other creditors are the following short term components of the Office for Students capital grant which have been deferred under the accruals method of accounting.

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
OfS capital grant	653	653	653	653
	<u>653</u>	<u>653</u>	<u>653</u>	<u>653</u>

### 19 Creditors : amounts falling due after more than one year

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Accruals and deferred income	478	478	487	487
Secured loans	-	-	661	-
Unsecured loans	24,792	24,792	26,223	26,223
Amounts owed to subsidiary undertakings	-	-	-	661
Deferred OfS capital grant	23,441	23,441	23,582	23,582
	<u>48,711</u>	<u>48,711</u>	<u>50,953</u>	<u>50,953</u>

#### Analysis of secured and unsecured loans:

Due within one year or on demand (Note 18)	2,092	1,431	3,873	1,401
Due between one and two years	1,652	1,652	2,086	1,425
Due between two and five years	4,185	4,185	4,046	4,046
Due in five years or more	18,955	18,955	20,752	20,752
<b>Total due after more than one year</b>	<b>24,792</b>	<b>24,792</b>	<b>26,884</b>	<b>26,223</b>
<b>Total secured and unsecured loans</b>	<b>26,884</b>	<b>26,223</b>	<b>30,757</b>	<b>27,624</b>

#### Analysis of total debt

Secured loans, repayable by 2021	661	-	3,133	-
Unsecured loans, repayable by 2038	26,223	26,223	27,624	27,624
	<u>26,884</u>	<u>26,223</u>	<u>30,757</u>	<u>27,624</u>

Included in loans are the following:

Lender	Amount £'000	Termination	Interest rate %	Borrower
Scottish Widows	12,063	2038	5.28	University
Lloyds Bank	14,160	2034	4.74	University
	<u>26,223</u>			
Deutsche Bank	661	2021	9.54	Subsidiary
<b>Total</b>	<b>26,884</b>			

The interest rate on the promissory note (issued on 31 October 1996) is 9.54%. The loan is secured on University land and buildings, and is due to be repaid in 2021. There are two other unsecured bank loans. The first bank loan has a term of thirty years that commenced during the year ended 31 July 2008 with a fixed interest rate of 5.28% over the remaining life of the loan. The second is a £20m loan facility carried over a twenty year term with a fixed interest rate of 4.74%.

## Notes to the Accounts

### for the year ended 31 July 2021

#### 20 Provisions for liabilities

	General provisions	Obligation to fund deficit on USS pension	Pension enhancements on termination	Defined benefit obligations	Total pension provisions (note 27)	Total provisions
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Consolidated and University</b>						
At 1 August 2020	-	2,155	1,647	191,125	194,927	<b>194,927</b>
Utilised in year	-	-	(127)	-	(127)	<b>(127)</b>
Movement in 2020/21	-	(135)	(83)	15,516	15,298	<b>15,298</b>
Transfers	1,977	-	-	-	-	<b>1,977</b>
<b>As at 31 July 2021</b>	<b>1,977</b>	<b>2,020</b>	<b>1,437</b>	<b>206,641</b>	<b>210,098</b>	<b>212,075</b>

#### USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

The adoption of the new deficit recovery plan following the 2018 actuarial valuation has given rise to a decrease in the deficit provision from £2.2 million to £2.0 million. Since the year end, the 2020 actuarial valuation was completed and agreed effective 1 October 2021. As at 31 July 2021 and with all other assumptions used to calculate the provision unchanged, this would have resulted in a revised provision of £5.5 million, an increase of £3.5 million from the current year end provision.

#### Pension enhancement

The assumptions for calculating the provision for pension enhancements on termination under FRS 102, are as follows:

Discount rate 1.6%

Inflation 2.8%

#### Defined benefit obligation

Note 27 includes detailed commentary on the defined benefit obligation.

#### General Provisions

General provisions include provision for liabilities associated with rates re-evaluations and other miscellaneous costs.



## Notes to the Accounts

### for the year ended 31 July 2021

#### 21 Endowment Reserves

##### Consolidated

	Restricted permanent endowments	Expendable endowments	31 July 2021 Total	31 July 2020 Total
	£'000	£'000	£'000	£'000
<b>Balances at 01 August 2020</b>				
Capital	776	296	1,072	1071
Accumulated income	4	175	179	156
	<u>780</u>	<u>471</u>	<u>1,251</u>	<u>1,227</u>
Investment income	-	18	18	25
Expenditure	-	(1)	(1)	(2)
Increase in market value of investments	90	-	90	1
<b>Total endowment comprehensive income for the year</b>	<u>90</u>	<u>17</u>	<u>107</u>	<u>24</u>
<b>At 31 July 2021</b>	<u><b>870</b></u>	<u><b>488</b></u>	<u><b>1,358</b></u>	<u><b>1,251</b></u>
<b>Represented by:</b>				
Capital	866	296	1,162	1,072
Accumulated income	4	192	196	179
	<u>870</u>	<u>488</u>	<u>1,358</u>	<u>1,251</u>
<b>Analysis by asset</b>				
Current and non-current asset investments			644	554
Cash & cash equivalents			714	697
			<u>1,358</u>	<u>1,251</u>

## Notes to the Accounts

### for the year ended 31 July 2021

#### 21 Endowment Reserves (continued)

##### University

	Restricted permanent endowments	Expendable endowments	31 July 2021 Total	31 July 2020 Total
	£'000	£'000	£'000	£'000
<b>Balances at 01 August 2020</b>				
Capital	85	150	235	235
Accumulated income	4	111	115	115
	<u>89</u>	<u>261</u>	<u>350</u>	<u>350</u>
Investment income	-	-	-	-
<b>Total endowment comprehensive income for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>At 31 July 2021</b>	<u><u>89</u></u>	<u><u>261</u></u>	<u><u>350</u></u>	<u><u>350</u></u>
<b>Represented by:</b>				
Capital	85	150	235	235
Accumulated income	4	111	115	115
	<u>89</u>	<u>261</u>	<u>350</u>	<u>350</u>
<b>Analysis by asset</b>				
Cash & cash equivalents			<u>350</u>	<u>350</u>
			<u><u>350</u></u>	<u><u>350</u></u>

#### 22 Cash and cash equivalents

	Consolidated		
	At 1st August 2020	Cash Flows	At 31st July 2021
	£'000	£'000	£'000
Cash and cash equivalents	10,647	1,152	11,799
	<u>10,647</u>	<u>1,152</u>	<u>11,799</u>
Cash and cash equivalents at 31 July 2021 comprised:			£'000
Endowment cash			714
Unrestricted cash			11,085
			<u>11,799</u>

# Notes to the Accounts

## for the year ended 31 July 2021

### 23 Capital commitments

Provision has not been made for the following capital commitments at 31 July 2021:

	31 July 2021		31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Commitments contracted for	5,694	5,694	4,880	4,880
	<u>5,694</u>	<u>5,694</u>	<u>4,880</u>	<u>4,880</u>

### 24 Leases

Total rentals payable under operating leases:

Consolidated and University	31 July 2021		31 July 2020
	Land and Buildings £'000	Total £'000	Total £'000
Payable during the year	5,444	5,444	7,388
Future minimum lease payments due:			
Not later than 1 year	5,547	5,547	5,546
Later than 1 year and not later than 5 years	22,497	22,497	22,397
Later than 5 years	92,417	92,417	98,042
Total lease payments due	<u>120,461</u>	<u>120,461</u>	<u>125,985</u>

In March 2020 the University terminated a property lease and a surrender premium of £1.55 million was paid to exit the lease before the original lease expiry date of 8 December 2021. The early exit has resulted in a reduction in future minimum lease payments as reflected in the above figures.

Total rentals receivable under operating leases:

Consolidated and University	31 July 2021	31 July 2020
	Total £'000	Total £'000
Receivable during the period	<u>1,860</u>	<u>1,950</u>
Future minimum lease receipts due:		
Not later than 1 year	1,706	1,777
Later than 1 year and not later than 5 years	6,375	6,731
Total lease receipts due	<u>8,081</u>	<u>8,508</u>

# Notes to the Accounts

## for the year ended 31 July 2021

### 24 Leases (continued)

#### Total rentals receivable under finance leases:

The University has a finance lease arranged with UoW Regent Street Cinema Limited for cinema equipment and leasehold fixtures in which the University is the lessor. As of 31 July 2021, the total cost of cinema equipment and leasehold fixtures was £5,148k and present value of minimum lease payments receivable was £3,625k.

#### University

	31 July 2021 £'000	31 July 2020 £'000
Receivable during the period	337	337
Future minimum lease receipts due:		
Not later than 1 year	337	337
Later than 1 year and not later than 5 years	1,347	1,347
Later than 5 years	2,630	2,966
<b>Total lease receipts due</b>	<b>4,314</b>	<b>4,650</b>

### 25 Subsidiary undertakings

The subsidiary companies (all of which are registered in England & Wales), wholly-owned or effectively controlled by the University are as follows:

Company	Principal Activity	Status
Uniwest (Finance) Ltd	Issue of Promissory Loan note	100% owned
Uniwest (Investments) Ltd	Dormant	100% owned
Uniwest (Property) Ltd	Dormant	100% owned
University of Westminster (Trading) Ltd	Research & vacation letting of halls of residence	100% owned
Westminnovation Ltd	Dormant	100% owned
UoW Regent Street Cinema Ltd	Cinema	100% owned

# Notes to the Accounts

## for the year ended 31 July 2021

### 26 Connected charitable institutions

A number of charitable institutions are administered by or on behalf of the University and have been established for its general or specific purposes. One of the connected institutions is the University of Westminster Prize and Scholarship Fund which is included as a subsidiary undertaking in these consolidated financial statements. The University of Westminster Prize and Scholarship Fund is a registered charity number 11010405. The activity of the fund is the advancement of education by the awarding of prizes and scholarships tenable at the University of Westminster. The other charitable institutions are not included in the consolidation since the University does not have control over their activities.

The Quintin Hogg Trust and Quintin Hogg Memorial Fund are two separate charitable trusts that exist for the benefit of students. One of the trustees of these trusts was also a governor and trustee of the University during the 2020 financial year only.

The Students' Union is a separate entity existing for the benefit of the students of the University of Westminster. It is not controlled by the University and has not been consolidated into the University Group financial statements. The sabbatical President of the Students' Union was also a governor and trustee of the University during the 2021 financial year. The Students' Union is treated as a related party of the University.

	31 July 2021 £'000	31 July 2020 £'000
<b>The Quintin Hogg Trust</b>		
Rent payable to the Trust in respect of academic buildings	(4,750)	(4,897)
Donations receivable from the Trust	3,246	3,063
Amounts owed to the University, disclosed within debtors	3,246	3,063

The University has given a guarantee and indemnity on a loan arrangement entered into by the Quintin Hogg Trust (see note 28).

#### Quintin Hogg Memorial Fund

Rent payable to the Trust	(96)	(69)
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#### The Students' Union

Subvention payable to Students' Union	(1,575)	(1,446)
Salaries reimbursed and invoiced by the University	1,134	1,055
Other expenditure payable and invoiced by the Students' Union	(28)	(81)
Amounts owed to the University, disclosed within debtors	15	229

During the year ended 31 July 2020 Regent Street Cinema and the University provided services to a company whose director is a member of the Court of Governors of the University of Westminster. The total amount invoiced was £21k and all transactions were conducted at arm's length. There were no services provided during the year ended 31 July 2021.

## Notes to the Accounts

for the year ended 31 July 2021

**27 Pension Schemes**

Different categories of staff were eligible to join one of three different schemes:

- Universities' Superannuation Scheme (USS)
- Local Government Pension Scheme (LGPS)
- Teachers' Pension Scheme

The two main schemes, being USS and LGPS, are both defined-benefit schemes, the assets of which are held in separate trustee administered funds.

Costs charged to Statement of Comprehensive Income and Expenditure.

	Year Ended 31 July 2021	Year Ended 31 July 2020
	£m	£m
USS	(0.17)	(1.20)
LGPS	17.71	12.83
	<u>17.54</u>	<u>11.63</u>

**(i) The Universities Superannuation Scheme**

The University participates in Universities Superannuation Scheme. 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. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the University therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Employers contributions paid and charged to the Statement of Comprehensive Income and Expenditure is £1,159k (2020: £1,070k) and Actuarial gain on pension scheme of £115k (2020: 192k) is included in the table above.

The latest available full actuarial valuation of the Retirement Income Builder is as at 31 March 2018 (the valuation date), which was carried out using the projected unit method. At the year end date the valuation as at 31 March 2020 was underway. The 2020 valuation was signed and agreed effective 1 October 2021 (see note 30).

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

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

# Notes to the Accounts

## for the year ended 31 July 2020

### 27 Pension Schemes (continued)

The key financial assumptions used in the 2018 valuation are described below. More details are set out in the Statement of Funding Principles.

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rates)	Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21 +: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

	<b>2018 valuation</b>
Mortality base table	Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.  Post retirement: 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	<b>2021 valuation</b>	<b>2020 valuation</b>
Males currently aged 65 (years)	24.6	24.4
Females currently aged 65 (years)	26.1	25.9
Males currently aged 45 (years)	26.6	26.3
Females currently aged 45 (years)	27.9	27.7

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2021 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	<b>2021</b>	<b>2020</b>
Discount rate	1.6%	1.5%
Pensionable salary growth	n/a	n/a

At 31 July 2021 a further full valuation as at 31 March 2020 was underway.

Since the year end, the valuation as at 31 March 2020 was agreed effective 1 October 2021. As at 31 July 2021 and with all other assumptions used to calculate the provision unchanged, this would have resulted in a revised provision of £5.5 million, an increase of £3.5 million from the current year end provision (see note 30).

## Notes to the Accounts

### for the year ended 31 July 2021

#### 27 Pension Schemes (continued)

##### (ii) Local Government Pension Scheme

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. The administering authority for the Fund is the London Pensions Fund Authority (LPFA).

LGPS is subject to a triennial valuation by independent actuaries. This scheme is for Professional Support Staff.

The last formal triennial actuarial valuation of the scheme was performed as at 31 March 2019 by a professionally qualified actuary. The next actuarial valuation of the Fund will be carried out as at 31 March 2022 and will set contributions for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

During the accounting period, the University paid contributions to the pension scheme at the rate of 15.1% of pensionable salaries. The rate of employee contributions varies depending on salary bands.

#### Assumptions

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	At 31 July 2021	At 31 July 2020	At 31 July 2019
	%pa	%pa	%pa
Price inflation (RPI)	3.10%	3.00%	3.35%
Price inflation (CPI)	2.80%	2.20%	2.35%
Rate of increase in salaries	3.80%	3.20%	3.85%
Rate of increase of pensions in payment for LGPS members	3.80%	2.20%	2.35%
Increases to deferred pensions before retirement	2.80%	2.20%	2.35%
Discount rate	1.60%	1.40%	2.10%

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at 31 July 2021 weighted by liability both before and after CMI 2020 update.

	Male Pensioner	Male Non-pensioner (currently aged 45)	Female Pensioner	Female Non-pensioner (currently aged 45)
At 31 July 2020	22.1	23.6	24.5	25.9
At 31 July 2021 (before CMI 2020 update)	22.1	23.5	24.7	26.1
At 31 July 2021 (after CMI 2020 update)	21.8	23.1	24.5	25.9



# Notes to the Accounts

## for the year ended 31 July 2021

### 27 Pension Schemes (continued)

#### Scheme assets and expected rate of return for LGPS

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

The assets in the scheme were:

	Fair value as at		
	31 July 2021	31 July 2020	31 July 2019
	£m	£m	£m
Equities	123.29	100.43	100.04
Target return portfolio	47.46	44.30	46.63
Infrastructure	19.26	12.87	10.52
Property	18.33	17.24	16.72
Cash	11.37	12.63	9.68
Total	<u>219.71</u>	<u>187.47</u>	<u>183.59</u>

	Year Ended 31 July 2021 £m	Year Ended 31 July 2020 £m
<b>Analysis of the amount shown in the balance sheet for LGPS</b>		
Scheme assets	219.71	187.47
Scheme liabilities	(423.70)	(375.55)
Present value of unfunded obligation	(2.65)	(3.06)
<b>Deficit in the scheme – net pension liability</b>	<u>(206.64)</u>	<u>(191.14)</u>

recorded within pension provisions (Note 20)

Current service cost	17.47	12.59
Administration expenses	0.24	0.24
Total operating charge:	<u>17.71</u>	<u>12.83</u>

#### Analysis of the amount charged to interest payable/credited to other finance income for LGPS

Interest cost	5.28	6.50
Expected return on assets	(2.65)	(3.88)
<b>Net charge to interest and other finance costs</b>	<u>2.63</u>	<u>2.62</u>
<b>Total profit and loss charge</b>	<u>20.34</u>	<u>15.45</u>

#### Analysis of other comprehensive income for LGPS

(Loss)/gain on assets	26.58	(0.47)
Experience gain/(loss) on defined benefit obligation	5.38	(6.59)
Other actuarial gains/ (losses) on assets	-	(1.86)
Change in demographic assumptions	4.66	(1.22)
Change in financial assumptions for defined benefit obligation	(38.39)	(44.27)
<b>Total other comprehensive income</b>	<u>(1.77)</u>	<u>(54.41)</u>

# Notes to the Accounts

## for the year ended 31 July 2021

### 27 Pension Schemes (continued)

#### History of experience gains and losses – LGPS

	2021	Year to 31 July		2018	2017
		2020	2019		
<b>Difference between actual and expected return on scheme assets:</b>					
Amount (£m)	23.34	(0.47)	13.07	6.72	16.06
% of assets at end of year	10.62%	(0.25%)	7.12%	4.07%	10.63%
<b>Experience (gains)/losses on scheme liabilities:</b>					
Amount (£m)	5.38	(6.59)	0.21	5.80	11.64
% of liabilities at end of year	1.26%	(1.74%)	0.07%	2.07%	4.10%

	At 31 July 2021 £m	At 31 July 2020 £m
<b>Analysis of movement in surplus/(deficit) for LGPS</b>		
<b>Deficit at beginning of year</b>	<b>191.14</b>	<b>127.86</b>
Contributions or benefits paid by the University	(6.61)	(6.57)
Return on fund assets	(29.23)	(3.41)
Current service cost	17.47	12.56
Past service costs including curtailments	-	0.02
Interest cost	5.28	6.50
Other administration expenses	0.24	0.24
Experience loss / (gain) on defined benefit obligation	(5.38)	6.59
Loss/(gain) recognised in other comprehensive income	38.39	44.27
Other actuarial gains and losses	-	1.86
Change in demographic assumptions recognised in other comprehensive income	(4.66)	1.22
<b>Deficit at end of year</b>	<b>206.64</b>	<b>191.14</b>

	Year to 31 July 2021 £m	Year to 31 July 2020 £m
<b>Analysis of movement in the present value of LGPS liabilities</b>		
<b>Present value of LGPS liabilities at the start of the year</b>	<b>378.61</b>	<b>311.45</b>
Current service cost (net of member contributions)	17.47	12.56
Past service cost including curtailments	-	0.02
Interest cost	5.28	6.50
Change in financial assumptions	38.39	44.27
Change in demographic assumptions	(4.66)	1.22
Actual member contributions and other employer contributions	2.29	2.18
Experience loss / (gain) on defined benefit obligation	(5.38)	6.59
Estimated benefits paid net of transfer in	(5.29)	(5.80)
Unfunded pension payments	(0.36)	(0.38)
<b>Present value of LGPS liabilities at the end of the year</b>	<b>426.35</b>	<b>378.61</b>

# Notes to the Accounts

## for the year ended 31 July 2021

### 27 Pension Schemes (continued)

	Year to 31 July 2021 £m	Year to 31 July 2020 £m
<b>Analysis of movement in the fair value of scheme assets</b>		
Fair value of Scheme assets at the start of the year	187.47	183.59
Expected return on assets	2.65	3.88
Actuarial gain/ (loss) on assets	26.58	(0.47)
Other actuarial gains/(losses)		(1.86)
Administration expenses	(0.24)	(0.24)
Actual contributions paid by University	6.61	6.57
Actual member contributions (including notional contributions)	2.29	2.18
Estimated benefits paid plus unfunded net of transfers in	(5.65)	(6.18)
<b>Fair value of scheme assets at the end of the year</b>	<b>219.71</b>	<b>187.47</b>

LGPS assets do not include any of the University's own financial instruments, or any property occupied by the University.

	Year to 31 July 2021 £m	Year to 31 July 2020 £m
<b>Actual return on Scheme assets</b>		
Expected return on Scheme assets	2.65	3.88
Asset gain/(loss)	26.58	(0.47)

Estimated contributions for LGPS in the Financial Year 2021–2022 is £6.19m.

#### (iii) Teachers' Pension Scheme (England and Wales) (TPS)

The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (as amended) ('the directions'). The valuation report was published by the Department for Education in March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay including a 0.08% administration levy from 1 September 2019
- total scheme liabilities for service to the effective date of £218.1 billion, and notional assets of £196.1 billion, giving a notional past service deficit of £22.0 billion; and
- in line with a ministerial pronouncement in January 2019, the employer cost cap of 10.9% of pensionable pay applied to future valuations remains

It is not possible to identify the University's share of the underlying assets and liabilities of the TPS. Therefore contributions are accounted for as if the TPS were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts). In the year ending 31 July 2021, contributions by the Group to the scheme were £10.74 million (2020: £9.37 million).

## Notes to the Accounts

### for the year ended 31 July 2021

#### 28 Contingent liability

In September 1994 the University entered into a guarantee and indemnity, in perpetuity, that provided additional security for a £5m loan arrangement entered into by the Quintin Hogg Trust. The lender also had a charge over the property at 309 Regent Street however this was not released when the loan was repaid. The Quintin Hogg Trust owns 309 Regent Street and leases, on a long lease, the building back to the University. In 2018/19 the Quintin Hogg Trust required the charge over the building to be released to be in a position to complete on a related property transaction. In order to do this the University was required to re-confirm the original guarantee and indemnity that was provided in 1994 and in doing so agreed a stop date to the guarantee of 31 March 2024.

The risk of any financial impact as a result of this guarantee and indemnity is unquantifiable and considered to be remote.

#### 29 Reconciliation of Net debt Consolidated

	31 July 2021	
	£'000	
Net debt 1 August 2020	20,110	
Movement in cash and cash equivalents	1,152	
Other non-cash changes	(6,177)	
Net debt 31 July 2021	15,085	
	<u>2,720</u>	
Change in net debt		
	<u>2,720</u>	
<b>Analysis of net debt:</b>	<b>31 July 2021</b>	<b>31 July 2020</b>
	£'000	£'000
Cash and cash equivalents	11,799	10,647
Borrowings: amounts falling due within one year		
Secured loans	(661)	(2,472)
Unsecured loans	(1,431)	(1,401)
	<u>(2,092)</u>	<u>(3,873)</u>
Borrowings: amounts falling due after more than one year		
Secured loans		(661)
Unsecured loans	(24,792)	(26,223)
	<u>(24,792)</u>	<u>(26,884)</u>
Net debt	<u>(15,085)</u>	<u>(20,110)</u>

#### 30 Events after the reporting period

Since the year end, following the completion of the 2020 actuarial valuation, a new dual rate schedule of contributions has been agreed with an effective date of 1 October 2021. Recalculating the USS provision on the basis of these contributions would result in an increased obligation to fund the deficit of £5.5 million, an increase of £3.5 million.

A further change to deficit recovery contributions will become applicable under the 2020 valuation if the Joint Negotiating Committee recommended deed on benefit changes has not been executed by 28 February 2022. In this scenario, higher deficit recovery contributions will commence from 1 October 2022 at 3% and then increase every 6 months until they reach 20% at 1 October 2025. They remain at this level until 31 July 2032. Negotiations continue and an increase to this level is considered remote.

If the Schedule of Contributions remains unchanged, the University's Financial Statements for the year ended 31 July 2022 will reflect these changes to the provision, subject to any other changes in financial and operational assumptions.

## Notes to the Accounts

### for the year ended 31 July 2021

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#### 31 US Department of Education Financial Responsibility Supplemental Schedule

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

The amounts presented within the schedules 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 schedules set out how each amount disclosed has been extracted from the 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.

# Notes to the Accounts

## for the year ended 31 July 2021

### 31 US Department of Education Financial Responsibility Supplemental Schedule

#### Supplementary schedule - Sterling £

Page	Lines	Expendable Net Assets		Year ended 31 July 2021		Year ended 31 July 2020	
				£'000	£'000	£'000	£'000
50	24	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions	224,618		220,724	
50	30	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions	1,358		1,251	
	4	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	-		-	
	4	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable	-		-	
50	8	Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	367,192		362,984	
66	FS Note line 8A	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation	Property, plant and equipment - pre-implementation		329,715		341,022
	FS Note line 8B	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation with outstanding debt for original purchase	Property, plant and equipment - post-implementation with outstanding debt for original purchase				
66	FS Note line 8D	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase	Property, plant and equipment - post-implementation without outstanding debt for original purchase		31,862		18,187
66	FS Note line 8C	Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress		5,615		3,775
	9	Statement of Financial Position - Lease right-of-use assets, net	Lease right-of-use asset, net	-		-	

# Notes to the Accounts

## for the year ended 31 July 2021

### 31 US Department of Education Financial Responsibility Supplemental Schedule

Page	Lines	Expendable Net Assets		Year ended 31 July 2021		Year ended 31 July 2020	
				£'000	£'000	£'000	£'000
	Excluded Line 9 Note Leases	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation	-	-	-	-
	M9 Note Leases	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset post-implementation	Lease right-of-use asset post-implementation	-	-	-	-
	10	Statement of Financial Position - Goodwill	Intangible assets	-	-	-	-
	10	Statement of Financial Position - Other intangible assets	Intangible assets	-	-	-	-
72 (note 20)	17	Statement of Financial Position - Post-employment and pension liabilities (Note 20- Provisions for liabilities)	Post-employment and pension liabilities	210,098	-	194,927	-
71 (note 19)	14,20,22	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes (secured and unsecured loans)	26,884	-	30,757	-
	M24,20,22, Note Debt A	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation	-	-	-	-
	M24,20,22, Note Debt B	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes post-implementation	-	-	-	-
	M24,20,22, Note Debt C	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Line of Credit for Construction in process	-	-	-	-

# Notes to the Accounts

for the year ended 31 July 2021

## 31 US Department of Education Financial Responsibility Supplemental Schedule

Page	Lines	Expendable Net Assets		Year ended 31 July 2021		Year ended 31 July 2020	
				£'000	£'000	£'000	£'000
	21	Statement of Financial Position - Lease right-of-use asset liability	Lease right-of-use asset liability	-	-	-	-
	Line 21 Note Leases	Statement of Financial Position - Lease right-of-use asset liability post-implementation	Post-implementation right-of-use leases	-	-	-	-
	25	Statement of Financial Position - Annuities	Annuities with donor restrictions	-	-	-	-
73 (note 21)	26	Statement of Financial Position - Term endowments	Term endowments with donor restrictions	488	-	471	-
	27	Statement of Financial Position - Life Income Funds	Life income funds with donor restrictions	-	-	-	-
	19	Statement of Financial Position - Other liabilities	Other liabilities	3,216	-	1,188	-
Page 72 (note 20)	19	Statement of Financial Position - Other liabilities	Other liabilities- General provisions	-	1,977	-	-
Page 70 (note 18)	19	Statement of Financial Position - Other liabilities	Other liabilities- Social Security and other taxation payable	-	218	-	353
Page 70 (note 18)	19	Statement of Financial Position - Other liabilities	Other liabilities- Other creditors	-	1,021	-	835
73 (note 21)	29	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity	870	-	780	-
		<b>Total Expenses and Losses</b>					
48	43	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities	207,798	-	197,236	-



# Notes to the Accounts

## for the year ended 31 July 2021

### 31 US Department of Education Financial Responsibility Supplemental Schedule

Page	Lines	Total Expenses and Losses		Year ended 31 July 2021		Year ended 31 July 2020	
				£'000	£'000	£'000	£'000
48	(35),45,46 ,47,48,49	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)	(4,003)		(57,458)	
48	43	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities	207,798		197,236	
48	(35),45,46 ,47,48,49	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)	(4,003)		(57,458)	
48	(35),45	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Net investment losses		(2,403.00)		(2,859.00)

# Notes to the Accounts

## for the year ended 31 July 2021

### 31 US Department of Education Financial Responsibility Supplemental Schedule

Page	Lines	Total Expenses and Losses		Year ended 31 July 2021		Year ended 31 July 2020	
				£'000	£'000	£'000	£'000
48	47	Statement of Activities - Pension related changes other than periodic pension	Pension-related changes other than net periodic costs		(1,600.00)		(54,599.00)
		<b>Modified Net Assets</b>					
50	24	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions	224,618		220,724	
50	30	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions	1,358		471	
	10	Statement of Financial Position - Goodwill	Intangible assets	-		-	
	4	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	-		-	
	4	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable	-		-	
50	12	Statement of Financial Position - Total Assets	Total Assets	534,376		502,644	
	Excluded Line 9 Note Leases	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation	-		-	
	Excluded Line 21 Note Leases	Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases	-		-	
	10	Statement of Financial Position - Goodwill	Intangible assets	-		-	
	4	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	-		-	
	4	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable	-		-	
		<b>Net Income Ratio</b>					
48	55	Statement of Activities - Change in Net Assets Without Donor Restrictions	Change in Net Assets Without Donor Restrictions	4,001		(38,317)	
48	38, (35), 50	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains	215,784		216,351	