Queen Mary University of London
Financial Statements
2020/21

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Queen Mary at a glance

Queen Mary University of London is a leading research-intensive university with a difference — one that opens the doors of opportunity to anyone with the potential to succeed. It is a unique place of world-leading research and unparalleled diversity and inclusivity that lives and breathes its history and heritage, and is embedded in the communities it serves.

We are a leading research-intensive university, ranked fifth for the quality of research outputs in the most recent assessment across the UK (REF 2014).

We are recognised as the most inclusive Russell Group university for undergraduate student recruitment. As The Times & Sunday Times Good University Guide 2021 stated: "Queen Mary continues to prove that social inclusion and academic success are not mutually exclusive".

Our mission is to create a truly inclusive environment, building on our cherished cultural diversity, where students and staff flourish, reach their full potential and are proud to be part of the University. Dedicated to the public good, we are generating new knowledge, challenging existing knowledge, and engaging locally, nationally and internationally to create a better world.

We have over 28,000 students, of which over 20,000 are undergraduate. With staff and students from over 160 nationalities, we are one of the most diverse higher education institutions in the world.

The profile of our undergraduate students in London is distinctive for a Russell Group university and any research-leading university across the world:

- *90 per cent from state schools*
- *75 per cent BAME (black, Asian and minority ethnic)*
- *51 per cent first into higher education*
- *23 per cent [1] from households where the annual taxable income is less than £10k*

Our 2030 Strategy is based on twin pillars of activity — education and the student experience; and research and innovation — and articulates a clear aim by 2030 to be the most inclusive University of its kind, anywhere. Global and public engagement, shaping policy economic and societal impact, entrepreneurship and developing partnership are embedded across all our activities.

Fifteen months after graduation, 93% of Queen Mary graduates are in employment or further study, with 82% of these in highly skilled employment or study.[2]

Queen Mary graduates earn an average of £31,019 five years after graduation which places Queen Mary in the top 10% for the sector. Queen Mary offers access to careers support from day one and for two years after graduation.

Total income in 2020/21 grew by £22.8m to £535.3m, whilst income, excluding capital grants, grew by £18.1m to £521.1m. Within this, research income, excluding capital grants, grew by £0.9m to £113.3m.

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[1] Data taken from Student Loans Company assessment information; [2] Data taken from Graduate Outcomes Survey 2020.

Our values are central to all we do and have been co-created with our community of students and staff:

- We will be **inclusive** and maintain our proud tradition of nurturing and supporting talented students and staff regardless of their background and circumstances, and continually enhance our strong engagement with our local and global communities.

- We are **proud** of the difference we can all make when we work collectively.

- We are **ambitious** and we will foster innovation and creativity, disrupt conventional thought, and respond with imagination to new opportunities to further our vision, mission and academic ambitions.

- We will be **collegial** and promote a strong collegial community through openness, listening, understanding, co-operation and co-creation, ensuring focused delivery of our collective vision and strategy.

- We will act with the highest **ethical** standards, and with integrity, in all that we do.

Public benefit

Queen Mary University of London is an exempt charity regulated by the Office for Students (OfS). In determining Queen Mary's strategic direction, and ensuring the effective management and control of Queen Mary's affairs, property and finances, the members of our governing body, as trustees, have due regard to the Charity Commission's guidance on public benefit.

Queen Mary was established through the Queen Mary and Westfield College Act and the granting of a Royal Charter 'to promote, for the public benefit, education, research and scholarship, to provide courses and instruction leading to degrees and other academic awards of the University of London and/or Queen Mary and to promote and undertake research, and to disseminate the results of such research'. The 'advancement of education', identified as a key charitable criterion in the Charities Act 2011, therefore underpins our Purpose and Values.

Queen Mary is widely recognised as a leading research-intensive university, both in the UK and globally. We are a member of the Russell Group and one of the larger independent constituent colleges of the University of London federation. One of our defining characteristics is that we are equally committed to the achievement of the highest international standards in education and research, and to the service of our local communities through public engagement and the promotion of opportunity to individuals less favoured by financial or social background.

Public benefit is embedded in our strategic aims and objectives, and reporting of progress towards achieving these is contained below. A review of the key activities during the year that demonstrates how Queen Mary has delivered its charitable purposes for the public benefit is also included within the review of each of the strategic objectives. The primary beneficiaries are current and potential students of Queen Mary and members of the general public who benefit from Queen Mary's wide-ranging research and engagement activities.

Statement from the Chair of Council

It has become something of a cliché to say that 'this has been a year like no other', but as I walked around Queen Mary's campuses a few weeks ago, which were buzzing with energy, meeting with students who were experiencing their first taste of University life, I was struck with a sense that we might finally be in a position to look ahead to something approaching a 'normal' year.

Of course, if there is one thing I have learned since becoming Chair of this esteemed University it is that there is no such thing as an 'ordinary' year in such an extraordinary University, where innovation, creativity, compassion and diversity are embodied in our staff and student community.

We have continued to deal with the effects of the pandemic, even as the success of the vaccine roll-out meant that we were able in everyday life to regain some of the freedoms that we had to sacrifice over the past year. While we did not have to employ the same formal 'gateway' review process, in which we reviewed detailed student recruitment figures on a monthly basis, Council has had to be mindful of the risks facing the institution amid such turmoil. Coming through 2019/20 in such strong shape, however, demonstrated to Council that this is a University Executive which is prepared to take difficult decisions, and has allowed us as a governing Board to focus – as we should – on the long-term vision of Strategy 2030.

Indeed, it is this Strategy which has been such a beacon of hope and stability through this difficult period. Our Strategy is based on two principal areas of activity: education and the student experience; and research and innovation. Global and public engagement, shaping policy, economic and societal impact, entrepreneurship and developing partnerships are embedded in all our activities.

Our Strategy and identity transcend our day-to-day work, however, and is grounded in our history and collective identity to provide 'hope and opportunity' for all the communities we serve. Queen Mary has been opening the doors of opportunity since its founding, and a collective commitment to our founder visions shines through in interactions with staff and students at all levels of the University.

It is this rootedness in our history and identity that has meant we have been able to hold true to our values and Strategy throughout the pandemic, from which we are emerging collectively stronger. Throughout the pandemic, world-class research continued, staff stayed on campus throughout to support our students, and Mile End become a focal point for our local community's response to Covid.

It is an honour and a privilege to be part of such a special University. We are built on firm foundations, and will continue to furrow a distinctive path in the sector and in society: a truly global University that wears its local history proudly.

Statement from the President and Principal

The Academic Year 2020/21 was my fourth as President and Principal of this great University, and I have never been as proud to be leader of this extraordinary institution. I wrote last year that, despite the challenges of the pandemic, we were approaching the Academic Year with cautious optimism. As I write this on our campuses teeming with activity at the start of a new academic year, it is clear now that those early shoots of optimism were not misplaced, and that our community can look forward with hope and expectation.

The reason that we are able to look ahead with such optimism is down to the hard work and resilience of our staff and student communities. If 2019/20 was a year of immense challenge and sacrifice, 2020/21 was when we started to emerge cautiously, and reap some of the benefits of the tough decisions we had to take in the previous year.

It is worth recalling the difficult decisions we took last year to ensure that – in an environment when the curtailment of international travel threatened to significantly hamper our ability to recruit overseas students – we remained an autonomous institution, sufficiently financially resilient to remain in control of our own destiny. When the seriousness of the pandemic became evident we immediately halted most capital expenditure, non-business critical staff recruitment, and implemented a strict expenditure control process at short notice. We however continued with increment payments, promotions and associated pay increases, and staff bonuses, as well as releasing some strategic appointments when appropriate.

These all involved significant work from colleagues across Queen Mary and this, combined with hard work over a number of years to improve our underlying financial position and a clear focus on the most important elements of our Strategy, have meant that we are able to say with certainty that we are a University on strong foundations.

We are presenting another strong set of financial results, with underlying cash generation increased to £71.2m[3], and an overall turnover of £535.3m. Student recruitment, including from overseas, has been strong across our Faculties, demonstrating the enduring popularity of a Queen Mary degree, and meaning we are opening the doors of opportunity to more young people who are experiencing our world-class mixed-mode education. Our students leave us exceptionally well-placed to contribute to society as ambassadors and living examples of our values.

Without a significant endowment from which to draw we are reliant on developing our own sources of income from our activities. The achievements outlined above in making it through the pandemic are not an end in themselves, but they do provide the means with which we can deliver our Strategy: enabling us to strategically invest in our staff, infrastructure and equipment. The foundation from last year means that we have been able to continue to invest in our strategy. Our recruitment panel authorised a significant number of requests for new resource to deliver our strategy, targeting resource in key areas for our strategy such as mixed-mode learning, Equality, Diversity and Inclusion and overseas student recruitment. We trained more than 1,000 academic staff in pioneering educational delivery, and equipped more than 100 of our teaching rooms to deliver a high quality mixed-mode education.

A focus for the coming year will be on the research and innovation pillar of our strategy. It is a source of considerable pride that, throughout the pandemic, colleagues have continued to produce the world-leading research that we are known for. We were among the first universities to fully reopen our research labs after the first lockdown, and our research outputs and income pipeline remain strong. Our first University Research Institute, the Digital Environment Research Institute, has made an exceptional start at driving forward multi-disciplinary activity in this area, and we will build on this momentum this year. We are aiming this year to launch two more University Research Institutes, we will recruit more world-class academics through our strategic lectureships, and we will advance plans for an exciting new research and education facility in Whitechapel.

However, there continue to be challenges facing us. As I write, another ballot for industrial action is open, and we are once again faced with the prospect of industrial action which will further damage the experience of a student community which has demonstrated extraordinary resilience in the face of the pandemic. We continue to wait to see how the government will respond to the recommendations of the Augar review into student finance, with the prospect that the headline fee for home undergraduate students will be reduced in real terms once again. Covid is still with us, and the looming threat of a new vaccine-resistant variant means that a return to social distancing cannot be ruled out.

Throughout the pandemic, the resilience, creativity and brilliance of our staff and students has been nothing short of inspirational, however, and I remain convinced that through working together, and focusing on our unique strengths, we can overcome any challenge that might emerge.

[3] See page 20 for definition of underlying cash generation

Significant issues

We have defined significant issues as those which:

- could affect our ability to create impact and value;
- are important to key stakeholders;
- form the basis of strategic discussions and decision-making.

An overview of the significant issues and how these are being managed by the University is given below.

Covid-19

We worked incredibly hard across the University to ensure the continuation of education and research activities, despite the impact of the pandemic. We maintained a focus on ensuring the safe reopening of campus, with covid-secure measures in place across the sites and residences. We kept student learning facilities open throughout the year, which has been particularly important for those of our students who remained in residences, as well as those students who live locally but for whom there is not adequate space at home for learning.

We prioritised the provision of high-quality education, despite the restrictions. During the summer of 2020, the Education Group, chaired by the Vice Principal Education, focussed on ensuring mixed-mode provision was in place for semester one, with modules fully on-line. We made a significant investment in technology to support this. Online learning continued to be offered in semester two for those students who were not able to return for face-to-face provision. We resumed face-to-face supervision and teaching where possible, in line with government regulations.

Student support was particularly important this year, given the challenges facing our students. We offered mixed-mode student support services to enable all students to access support. We put in place additional activities to support transition from school to university and a blended welcome programme for the September 2020 intake. We made money available to students through the Student Hardship Funds to support students financially, including with access to laptops and broadband.

Our research activity continued throughout the year, with the laboratories reopening in June 2020. The Queen Mary research community adapted to conducting world-class research during the pandemic, with many changing the focus of their activities to meet the national pandemic response.

From a financial perspective, we put in place plans to make savings of 20% to mitigate the risk of significant loss of income. We introduced tighter controls on spend and paused a number of capital programmes.

Policy environment and funding

Overall, the external policy environment continues to be challenging and fast moving. We have been impacted by the loss of funding associated with the additional costs of operating in London, and we await the response to the Augar review of student finance. We were encouraged to see the governments renewed commitment to research in the Autumn Budget Statement including the commitment to funding under the Horizon Scheme. However, we are still awaiting further information on government policy in other areas relating to education. There are uncertainties around the options that the government may choose to address the size and affordability of the student loan book and to change the mix of subjects taught at university towards those that it believes will better support the economy. We have identified these risks in our risk register and have built them into scenario modelling to assess the potential financial impact.

Pensions

There continue to be challenges with regard to Higher Education pension schemes. Both of the main schemes in which the University participates – the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL) scheme – were finalising their 2020 valuations during the 2020/21 financial year. The outcome for USS is a proposal for a small increase in contributions alongside benefit change and the introduction of covenant support measures. There is concern across the sector that this could result in industrial action, which has become a reality for universities where the union ballot mandate has been met. At present the mandate has not been met at Queen Mary. For the SAUL scheme there will also be contribution increases and benefit change. This is covered in note 31 of the Financial Statements.

Student satisfaction

Increasing student satisfaction is KPI 1 of the strategic KPIs[4], indicating the importance of the student experience. Our position in the National Student Survey (NSS) increased from 99th to 54th in the sector[5] and from 20th to 11th in the Russell Group. Along with most of the sector, the absolute satisfaction rate declined (from 80.4% in 2020 to 75.4% in 2021), reflecting the challenges of the pandemic environment this year. Student satisfaction remains a key area of focus for improvement and further information can be found within the Strategic Review below.

International students

Queen Mary is proud to be a global community, with students and staff from over 160 countries around the world. Having such a diverse community enriches the educational experience and fosters innovation and collaboration in research. This has been more challenging during Covid due to travel restrictions, although the strategies outline above helped mitigate this, and international recruitment numbers for 2021/22 are above target. Looking forward, increased international student numbers remains a key element of the strategy, as well as continued diversification of the geographical mix of students from the UK and overseas.

Changing ways of learning and working

We have continued to invest in our mixed-mode education offer for September 2021 – this is covered in the Strategic Review below. In line with our 2030 Strategy and modern pedagogical thinking, on campus activity will typically consist of small group teaching, practical sessions and lab work, with some larger group sessions delivered online.

Alongside this we are looking at changing ways of working for staff. We have implemented a move to a hybrid way of working, which describes an approach that combines on and off campus working. We are rolling this out initially with Professional Services staff as part of a relocation to a new facility which opened in September 2021. In the next stage, we will look at how this can also be implemented with academic colleagues. There are significant implications for how our estate (both physical and virtual) needs to operate, and we are considering this as part of an integrated infrastructure plan.

[4] See the Queen Mary 2030 Strategy Chart on page 7

[5] 'sector' is defined as the group of institutions that appear in the complete university guide

Strategy Review

2020/21 was the second full year of implementation of our 2030 Strategy. The ongoing unprecedented challenges of the global pandemic continued to disrupt our short-term priorities throughout the year. Notwithstanding this, our Strategy has provided a sense of continuity and purpose that has guided our actions even in times of great instability.

We continue to work towards our 13 Strategic Objectives, each of which is underpinned by Key Performance Indicators (KPIs) linked to our 2030 Strategy. Key to the delivery of our Strategy, and our plans for achieving our strategic objectives, are our Enabling Plans, which are dynamic documents, developed and owned by the accountable member of the Senior Executive Team.

We have made significant progress this year, with a finalised suite of Enabling Plans now agreed by the Senior Team.

This chart summarises how the strategic objectives, KPIs and enabling plans together contribute to the delivery of Strategy 2030.

Queen Mary 2030 Strategy: enabling plans, strategic objectives and KPIs		
Pillars of the Strategy		
Education and Student Experience Enabling Plan 1. Greater Student Satisfaction 4. Reduce Student Attainment Gap 6. Student Recruitment 7. Improved Student Progression 8. Improve Career Outcomes	**People Culture and Inclusion Enabling Plan** 2. Improve staff engagement 3. Increase staff equality and inclusion 5. Increase alumni engagement	**Research and Innovation Enabling Plan** 9. Increase Research Volume 10. Increase Research Quality
Functional Enabling Plans		
External Engagement 13. Improve academic reputation	**Professional Services** 12. Improved cash generation Professional Services transformation programme	**Infrastructure** 11. Delivery of enabling plans
Faculty Plans		
Humanities and Social Sciences	**Science and Engineering**	**Medicine and Dentistry**

Outlined below are selected highlights from the four key, cross-institutional Enabling Plans which form the core of Strategy 2030.

Education and Student Experience

Overall Aim and Vision

The overall aim of the Education and Student Experience Enabling Plan is to deliver an outstanding, inclusive, world-class education and student experience, co-created with our diverse student body, enhanced by our world-leading research and supported by the latest technological developments. This vision will be delivered via four major initiatives: portfolio and programme review; curriculum enhancement; improving student engagement; and scaling-up mixed-mode delivery.

The risks associated with the strategic objectives in this pillar are:

Strategic objective	Risk
1. Greater Student Satisfaction	Failure to improve student satisfaction with teaching, assessment and feedback, learning opportunities, academic support, organisation and management of programmes, learning resources and the student voice.
4. Remove Student Attainment Gap	A failure to deliver an inclusive educational experience where all students can be supported to thrive leading to attainment gaps between different cohorts including BAME v white students.
7. Improved student progression	Failure to retain students following their first year of study. This is a particular risk following the significant disruption to the education of our students and potential students due to the pandemic.
8. Improved career outcomes for graduates	Failure to ensure that our graduates progress to graduate employment, appropriate self-employment or further study.

Selected highlights from 2020/21

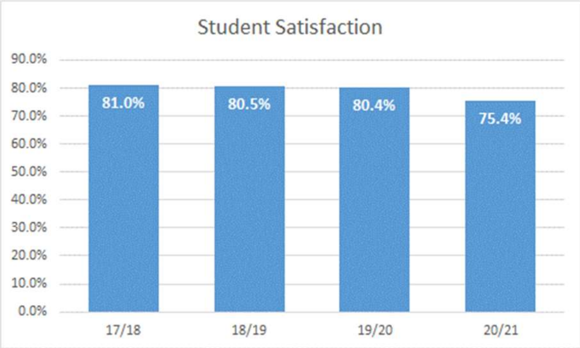
- Through the **portfolio and programme review initiative** we have been developing processes which will deliver enhancements to Queen Mary's educational provision, building on the success of previous work to streamline and modernise our curriculum. We are working to integrate these with internal quality assurance mechanisms as well as sector expectations. We have established a task and finish group to review the module evaluation process, which will make recommendations for the 2021/22 academic year.

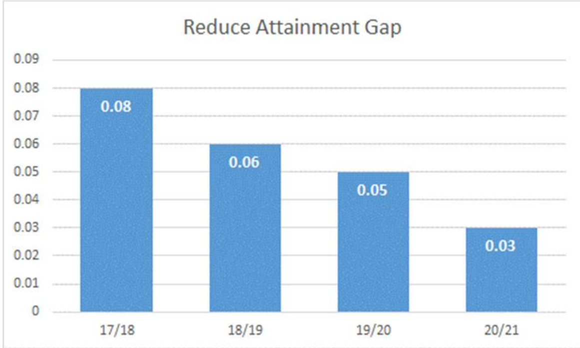
- Through the **curriculum enhancement initiative**, we have developed, in conjunction with our students, a new set of inclusive curriculum principles. As we publish these, we will illustrate them with a range of case studies which reflect the good practice that can already be found at Queen Mary. We have also been working on an ongoing **review of assessment and feedback** policy and practice, in order to respond to the views of students and wider best practice.

- Through our **scaling-up mixed-mode delivery initiative** we have upgraded more than 100 teaching rooms in order to facilitate cutting-edge, sector-leading mixed-mode education for 2021/22 – allowing those in the room and others joining remotely to fully participate in sessions. We have equipped staff with the necessary skills through bespoke training delivered by the Queen Mary Academy to make best use of this. More than 1,000 academics have undertaken this training, and we have appointed a new Innovation and Learning team within the Queen Mary Academy to provide further support for and leadership of pedagogy development.

- In connection with the improving student engagement initiative, we have developed and approved a new suite of policies for the use **of learner engagement analytics**. We have overhauled and modernised our learner engagement analytics tool, QEngage, for the start of the 2021/22 academic year.

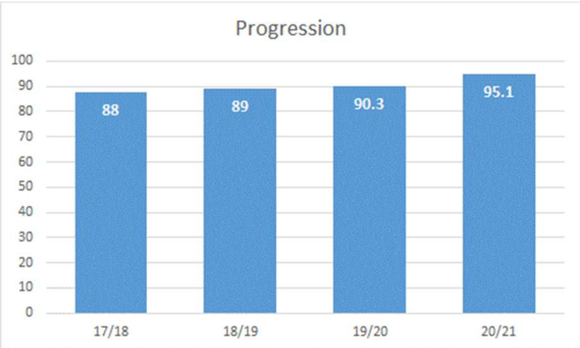
KPI performance related to Education and Student Experience

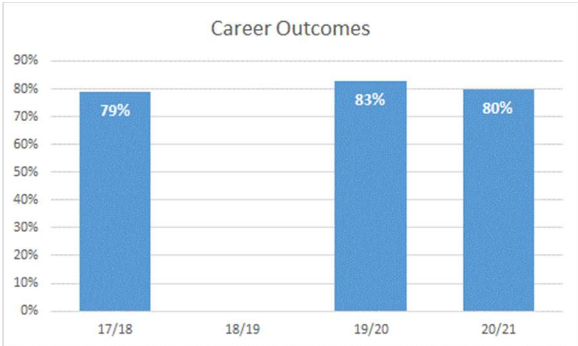




Note: The 2021 NSS results show a reduction in student satisfaction, although there was a significant improvement in Queen Mary's relative position in the sector (99th to 54th), and we are in line with the OfS benchmark for the first time in a number of years.

Note: This chart provides the value-added attainment gap between BAME and white students. The aim is for the gap to be zero so the trajectory here is highly positive.





Note: This chart shows the proportion of undergraduates who were eligible to progress after year 1 of their programme.

Note: The survey used to establish career outcomes changed from being conducted 6 months after graduation to being conducted 15 months after graduation, hence no data was reported in 2018/19.

Research and Innovation

Overall aim and vision

The Research and Innovation Enabling Plan sets out our ambition to deliver distinctive, world-leading, curiosity-driven and applied research, which achieves social, cultural and economic impact – in our community in East London and around the world.

The risks associated with the strategic objectives in this pillar are:

Strategic objective	Risk
9. Increased research volume	Failure to grow our research volume as anticipated in Strategy 2030, and to ensure income sufficiently recognises the cost of delivering research.
10. Maintain / Increase Research Quality	Failure to maintain or improve the proportionate volume of world-leading research outputs and impacts.

Selected highlights from 2020-21

- In March 2021, we completed our submission to the **2021 Research Excellence Framework (REF)**. REF assesses research excellence in the UK and allocates £2bn of Quality Related funding to UK higher education institutions. Our submission indicates a significant uplift in overall research volume since the previous exercise in 2014, including a 72% increase in number of doctorates awarded and an 86% increase in research income over the period.

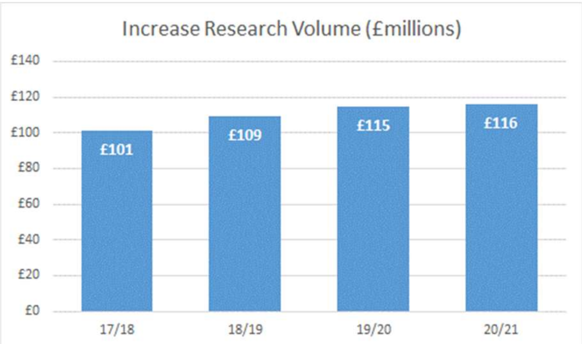
- Our research continues to demonstrate a growing and transformational real-world **impact**. Our REF submission included 86 impact case studies showing global benefits from research at Queen Mary, including research that has significantly reduced deaths caused by Hepatitis C, an Infer tool bought by Facebook to fix bugs on their apps, and work to preserve the cultural heritage and mental health and well-being of the Kuikuro people in Brazil.

- Queen Mary's role as a leader in knowledge exchange was recognised in the inaugural Knowledge Exchange Framework (KEF), published by Research England in March 2021. We were placed in the top 10 per cent of all English universities for 'research partnerships' and 'public and community engagement,' in the top 20 per cent for 'IP and commercialisation' and in the top 30 per cent for 'working with business' and 'working with the public and third sectors'. Such recognition reflects our commitment to, and strength in, the sharing of knowledge, ideas and experience with the community, business, and public and third sectors.

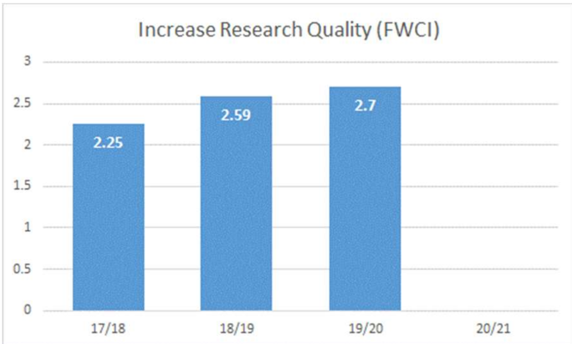
- We continue to invest in the future of our research and build a world class research infrastructure. Over the past year, our **Research Capital Investment Fund (RCIF)** has invested £8.5m in key infrastructure projects to support areas of research excellence at Queen Mary. This funding has enabled us to create new facilities, including a state-of-the-art Film and Drama research practice facility, and to purchase state-of-the-art equipment such as high-performance computing nodes and a new transmission electron microscope.

- Throughout this we have continued our commitment to opening the doors of our research community and to making it more **inclusive**. The Data-Centric Engineering Centre for Doctoral Training creates new access routes into research for students who have been out of education or do not have a first degree. In Summer 2021, in partnership with IBM, we also piloted a skills enhancement programme for aspiring researchers.

KPI performance related to Research and Innovation



Note: This chart contains the research income recognised in the year using the HESA definition.



The research quality KPI improved for the second year in a row and Queen Mary remains in the top 5 Russell Group institutions using this measure. **Note:** The Field Weighted Citation Impact (FWCI) Score for 2020/21 was not available at the time of publication. FWCI of 1 = world average.

External and International Engagement

Overall aim and vision

The External and International Engagement Enabling Plan describes our commitment to opening the doors of opportunity to our local, national and global communities, and enhancing our reputation and visibility through partnerships for mutual benefit. It describes how we seek to communicate the excellence of our education, research and innovation activities to attract the very best in the world to seek to study, work and collaborate with our University.

The risks associated with the strategic objectives in this plan are:

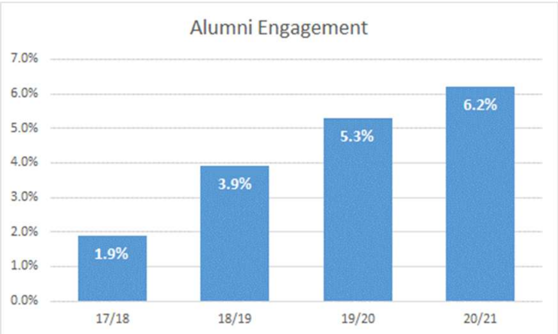
Strategic objective	Risk
5. Increase Alumni Engagement	Failure to grow our strategic engagement with alumni
6. Recruitment that enables us to achieve the 2030 Strategy Objectives	Failure to achieve planned recruitment levels for international students, home students, distance learning provision and TNE provision. This has been a particular concern with the travel disruption of the pandemic and the changing geo-political environment.
13. Improved Reputation	Failure to improve the external recognition of the quality of the University's educational provision and research.

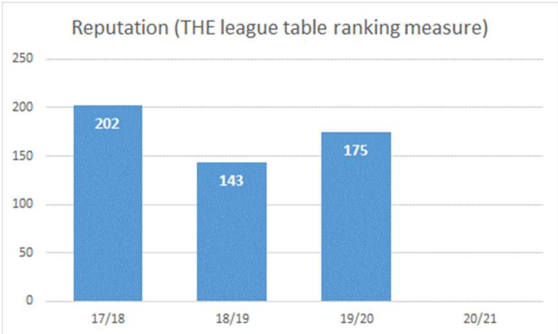
Selected highlights from 2020/21

- We continued our strong performance in **overseas student recruitment**, demonstrated the enduring popularity of a Queen Mary education despite the challenges of international travel in the global pandemic. Faced with the prospect of a challenging international travel climate due to the pandemic, we offered an online education for those overseas students unable to travel to the UK, and initiated January starts in some of our most popular Masters Courses. Despite the challenges of Covid-19, 3,182 students joined us in September 2020, followed by an additional 869 in January, meaning our overall intake was 4,051, only 109 below our (pre-Covid) target. Our overseas student recruitment for September 2021 is strong, significantly up on pre-pandemic recruitment levels, demonstrating the value of the ongoing investment in our overseas recruitment. This year also saw us open our fifth regional office, in the USA.
- Our established **transnational education** partnerships continue to realise significant benefit for Queen Mary, with 1,335 (target 1,293) students joining programmes with our established partners in China, the Beijing University of Posts and Telecommunications, the Nanchang University and the Northwestern Polytechnical University. While international travel restrictions meant that developing new strategic partnerships was challenging, we initiated discussions with high quality partners in Canada, Pakistan and China, and we are collaborating with the British Council on exciting new opportunities in Thailand and Vietnam.
- Faced with the challenges of the global pandemic, we moved our sector-leading **short courses** online. These courses are key to our goal of breaking down the barriers to education and keeping education and training accessible for all who needed it. We offered subsidised places to local microenterprises to ensure that those businesses struggling in the pandemic most were able to benefit. We have continued to work, in partnership with Newham College, on our new Institute of Technology, which will open in September 2022 and is designed to provide learning and vocational training opportunities for local young people, focused on the transport industry.

- The community spirit prompted by the pandemic brought us even closer to the **East London community** of which we are so proud to be part. Staff and students have provided free hot meals for local families, donated PPE, and provided support for struggling artists. To embed this throughout the institution we are in the process of developing a Civic University Agreement. Throughout 2020 - 21, we hosted conversations with local residents, businesses, charities and fellow anchor institutions. The final agreement will be founded on a mapping of local needs and our University strengths, and will outline how we will work to improve the life quality and chances of people living and working in East London.
- Throughout the year we have also continued to grow our **reputation and profile.** Queen Mary was named the most inclusive Russell Group university in The Times and Sunday Times Good University Guide 2021, with the authors noting that: "Queen Mary continues to prove that social inclusion and academic success are not mutually exclusive." Queen Mary's academics and alumni continue to lend their expertise to support the nation's efforts against Covid-19; running Covid-19 research studies, advising national vaccine policy, or translating scientific evidence and policy decisions for the public.

KPI performance related to External and International Engagement



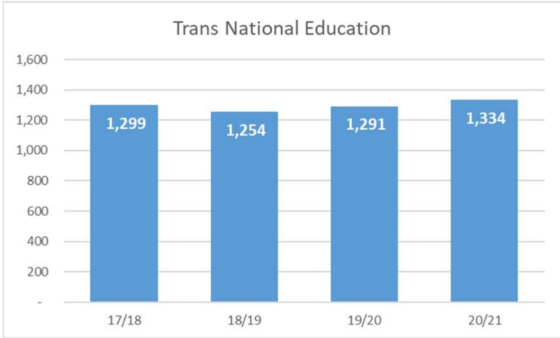


The new alumni KPI has demonstrated significant year-on-year increases in engagement. The alumni KPI is based on a model devised by CASE (Council for Advancement and Support of Education) to enable comparison between multiple institutions. The model looks at four pillars of activity – communication, experiential (events), philanthropy and volunteering – as a % of contactable alumni.

The reputation KPI (THE Academic Reputation Survey) is influenced significantly by the activities of our academics and the work of Professional Services colleagues. The impact of the pandemic on academic colleagues over the past 20 months, and the focus of the University on adapting to mixed-mode education and student recruitment, has limited our ability to deliver some planned reputation-related work. It is currently not possible to identify how, or by how much, this has impacted the KPI this year.

Note: The reputation ranking measure is from an external data source which was under embargo at the time of publishing, hence no result reported for 20/21.

The number of new international students recruited (Undergraduate and Postgraduate).



The number of new students (Undergraduate and Postgraduate) recruited to our transnational provision in Europe and China.

People, Culture and Inclusion

Overall aim and vision

To be the most inclusive university of its kind anywhere, recognising that our community of students and staff is at the heart of everything we do.

The risks associated with the strategic objectives in this pillar are:

Strategic objective	Risk
2. Improving Staff Engagement	Failure to build commitment from staff for the 2030 Strategy
3. Increasing Staff Diversity and Inclusion	Failure to deliver our strategic objective of being a truly diverse and inclusive organisation.

Selected highlights from 2020/21:

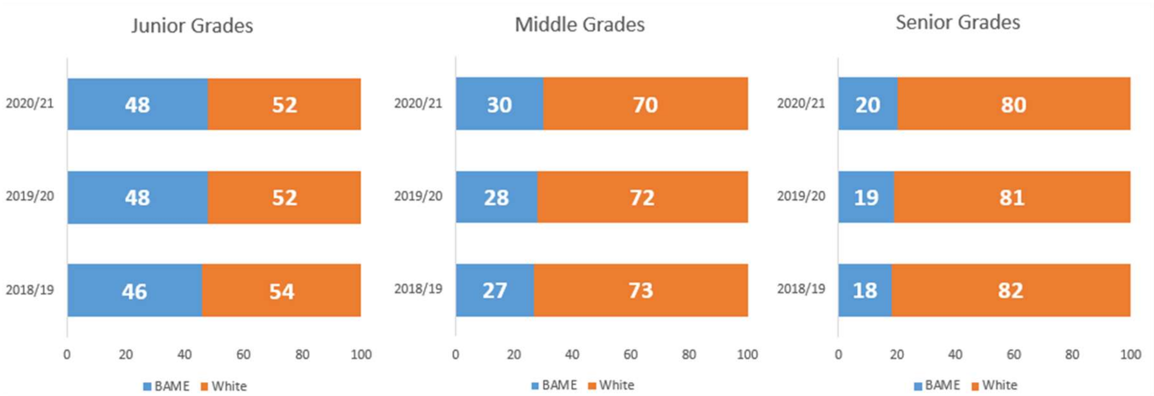
- We have undertaken significant work this year in **enhancing governance and accountability in relation to Equality, Diversity and Inclusion**, emphasising action rather than words. We have expanded the membership of our over-arching Equality, Diversity and Inclusion Strategy Group (EDISG) to be truly representative of our staff and student body. We have initiated a rolling survey of presentations for all School, Institutes and Professional Services Directorate, with every Director or Head of School across the University outlining how they will address issues of inequality in their area and contribute to the University meeting its stated KPI in relation to EDI. This has had a transformational impact on embedding EDI at all levels of the institution and ensuring local accountability.
- Following extensive consultation across the University, we have developed and launched a **Values in Acton Framework**. This defines the behaviours that we expect all students and staff to observe, embedding our institutional values across our employee life cycle and achieving the culture change envisioned in our Strategy 2030. These values are now embedded in employee welcome events, appraisals, promotions, reward and leadership processes and training.
- We have launched of the '**Leading Together Framework**', co-created with staff from across Queen Mary. The Framework is a vital step towards embedding qualities of inclusive and distributed leadership. It describes and promotes the characteristics and expectations of leaders across Queen Mary, facilitates succession planning and supports the delivery of the University's KPIs, in particular increasing diversity in middle and senior levels and addressing our gender and ethnicity pay gaps.

- We have also rolled out a comprehensive **Pathway to Leadership programme**, founded on a clear set of five levels of leadership, and embedding our values in our leadership structure so that staff are supported to model our values as Queen Mary leaders. So far nearly 150 staff have been involved in the first three levels of these new programmes, with further growth expected in the coming year.

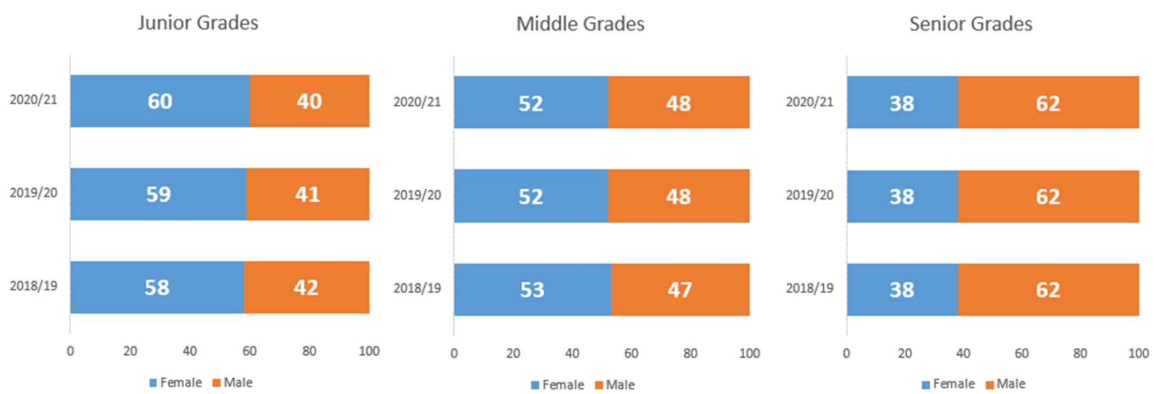
KPI performance related to People, Culture and Inclusion

There has not been a staff survey for the last two years. We are in the process of preparing to launch a rolling programme of new staff surveys to help inform activity around staff engagement.

BAME Staff Profile



Gender Staff Profile



How we create value

Creating value for students and society through education

We aim to create a truly inclusive community in which students from all backgrounds can flourish, reach their full potential and go on to make a meaningful and fulfilling contribution to society and the economy.

Our status as the most inclusive Russell Group University puts us in an unrivalled position to address some of society's long-standing issues with social mobility. For student entry in 2020/21, 90% of our undergraduate students were educated at non-selective state schools, 75% identified with BAME groups and 51% were the first in their family to attend university.

Queen Mary delivers a comprehensive, sector-leading outreach programme, with a particular focus on our East London community. Each year we undertake more than 1,100 contact hours of outreach with 1,000 institutions and 9,000 participants, reducing barriers to a world-class education and opening the doors of opportunity.

Our community includes students and academics from over 160 nationalities, which enables us to deliver teaching with an international dimension and impact. Our students also recognise the contribution our global reputation makes to the value and portability of a Queen Mary degree. In 2020/21, 11% of our students were from the EU, 37% were from non-EU overseas countries.

Amid ongoing restrictions of travel we have sought to break down barriers to a world-leading education for our global community of students. Students unable to travel from overseas have been able to experience a cutting-edge interactive online learning experience, with an extended teaching day to accommodation different time-zones. We have supported thousands of arriving overseas students through their periods of quarantine in our residences, offering free food packages and an enhanced pastoral care offering.

We take very seriously our regulatory duty to protect our students' education. The 2020/21 academic year saw ongoing challenges to the delivery of education, particularly face-to-face. We delivered mixed-mode education throughout the academic year, co-created with our students, maximising face-to-face learning where permitted. Towards the end of the 2020/21 we focussed on utilising the experience of delivering mixed-mode education through the pandemic, developing our education offer for 2021/22 based on five pillars: independent learning activities, large group activities, 'learning by doing' sessions, small student-directed study groups, and extra-curricular activities.

Our flagship QM Academy has trained more than 1,000 academics in the delivery of mixed-mode education in the run up to this the next academic year, while a comprehensive education infrastructure upgrade programme saw more than 100 teaching rooms equipped with new technology to enhance mixed-mode teaching, providing a rich experience for those joining remotely and in-person. This year we also completed the refurbishment of seven new teaching spaces at Mile End, with a combined capacity of 350.

As part of our Strategy 2030, we set challenging KPIs to measure progress in supporting students from all backgrounds to achieve positive outcomes. Based on the latest available data:

- we further reduced the attainment gap between white and BAME undergraduate students from 5% to 3%, although still short of our target of 2% for 2020/21;
- we reduced the percentage of our undergraduate students who were not eligible to progress significantly, from 10% to 5%, notwithstanding this was affected by amended, although robust, assessment policies introduced to take account of the impact of Covid on our student community;
- our ranking in National Student Survey (measured again overall satisfaction) improved from 99th in the country 54th, reflecting student's views on our handling of the pandemic.

There is significant progress being made, albeit it some cases from a challenging baseline performance, and we need to accelerate progress across a number of areas in the coming years to deliver the experience our students deserve.

Creating value for partners and society through research

We aim to generate new knowledge, challenge existing knowledge, and engage locally, nationally and internationally to create a better world.

> *The People's Palace Project, led by Professor Paul Heritage, is an arts-based partnership with indigenous collaborators to transform the preservation of cultural heritage of the Kuikuro people in Upper Xingu in Brazil. This has built up mental health and wellbeing through arts and cultural participation, co-producing methodologies with local arts organisations.*

The quality of our research is recognised all over the world. In the most recent assessment of research across the UK we were ranked fifth for the quality of our research outputs (REF 2014). This year we made our submission for REF 2021.

Our REF submission saw 100% of teaching and research staff submitted, totalling 2,500 research outputs, 86 impact case studies and data on £697m of research grants. We learn the outcome in April 2022.

The outcome of the Knowledge Exchange Framework (KEF) in Spring 2021 demonstrated our enduring success in sharing the benefits of our research with business, partners and our community.

> *The results of the KEF placed Queen Mary in the top 10% of universities nationally for public and community engagement, the top 10% for research partnerships, the top 20% for IP and commercialisation and the top 30% for with the public and third sector and working with business.*

Our academics are part of a lively and supportive research community who work closely with industry, government, business, communities and charities.

> *The first of our flagship University Research Institute, the Digital Environment Research Institute (DERI), has made significant strides in the development of our multi-disciplinary research agenda, winning a £2.2m award, £524k of which is from industry, and the remainder of which will be used to fund 15 studentships*

Creating value for our local area

This year Queen Mary commissioned a third party, Hatch Regeneris, to evidence Queen Mary's contribution to the local area in social, cultural, environmental and economic terms. This was published in April 2021 and demonstrated the vital role Queen Mary plays within our local community. Among the findings of the report were that:

- Queen Mary spends £130m on its external suppliers in the UK, of which £50m was with London-based companies. Nearly half of these suppliers were in Tower Hamlets or Newham, and £9m was spent in Tower Hamlets alone.
- Expenditure from Queen Mary students supports an estimated additional 1,850 jobs in London and 2,570 jobs in the UK, with an additional two jobs supported in the wider UK economy for every direct job within the University.
- Almost 80% of Queen Mary students enter professional occupations, with 17% of graduates occupying roles where there is a significant skills gap.
- Queen Mary Innovation has successfully delivered at least one established tech company every year since its inception in 2008, attracting over £150m of external investment.
- Queen Mary Students Union Volunteering has more than 130 charities and organisations registered, which has enabled over 1,000 students to volunteer, in turn amassing along almost 7,400 volunteering hours.

Queen Mary is a consortia partner for the Creativeworks London initiative, which has contributed 420 unique outputs though funded schemes, supporting local businesses through co-created research. This has created or safeguarded more than 400 local jobs and generated £8.5m in Gross Value Added (GVA).

Environmental sustainability

We are mindful of the direct and indirect environmental impacts of our activities, and are in the process of accelerating our efforts to mitigate these. We have adopted a comprehensive Environmental Sustainability Action Plan (2020 - 2023) and Environmental Sustainability Policy, in the process of which we approved a six-year carbon reduction target against our 2018/19 baseline. We are currently in the process of developing a net zero strategy.

We have also made a number of significant strides in support of national efforts in relation to climate and sustainability, across our full range of activities:

- By the end of 2020 we had already achieved a 28.5% reduction in our carbon footprint compared with our 2018/19 baseline;
- 63% of our undergraduate courses have sustainability elements or relate directly to the UN's Sustainability Development Goals, ensuring we educate the next generation of climate aware citizens;
- Sustainability and citizenship form a key part of the flagship inclusive curriculum project led by the Queen Mary Academy, embedding this across our education provision;
- Our world-leading research contributes to many aspects of mitigating the impacts of climate change, from influencing the introduction of the new Ultra Low Emission Zones to empowering NGOs;
- We are currently investing £2.5m in energy efficiency projects, in addition to installing £0.5m of solar panels across Mile End;

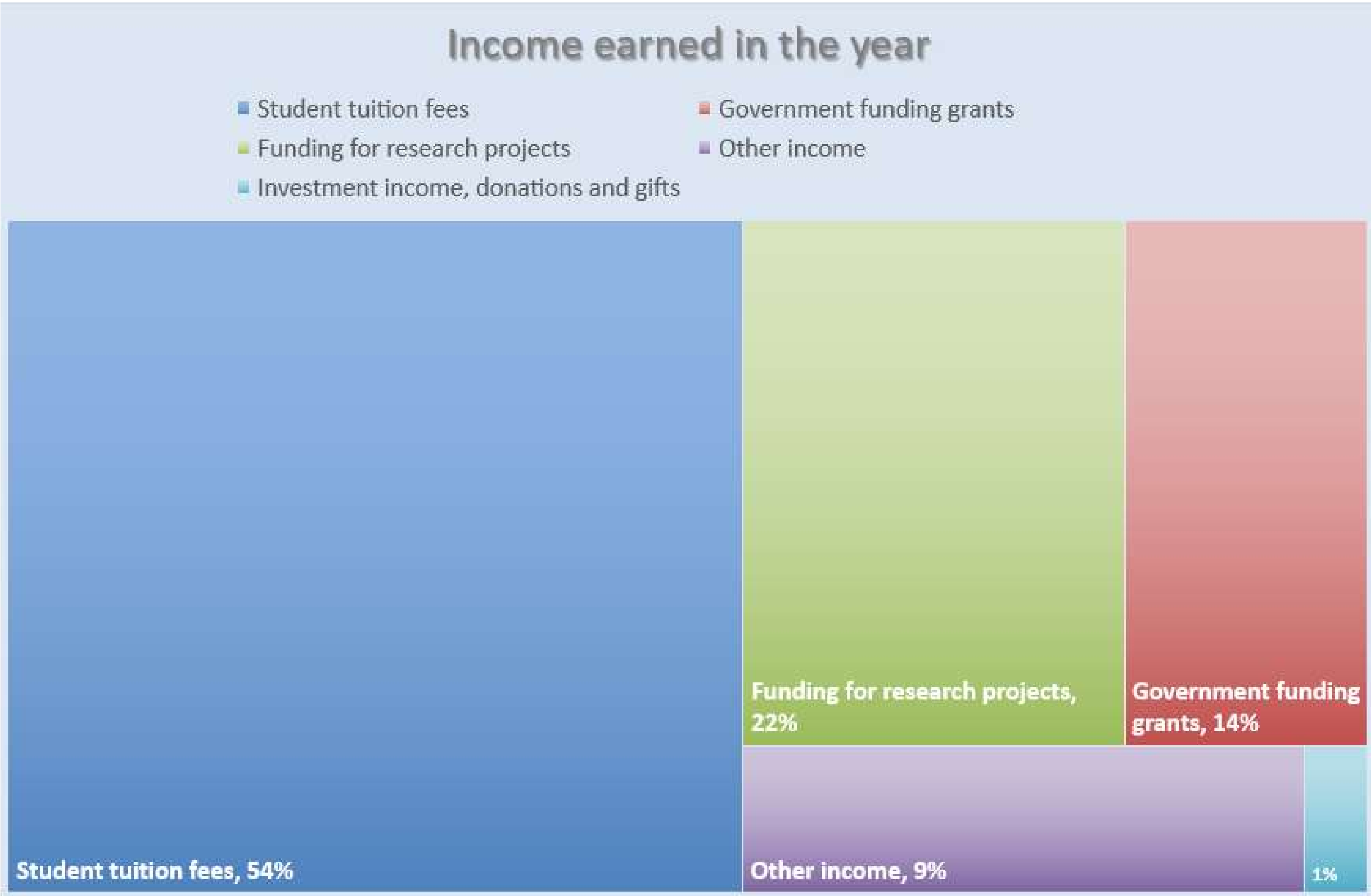
- In partnership with the Canal and River Trust, the Students Union is holding regular clean-up activities along the Regent's Canal, removing plastic and other waste from the local environment and supporting local wildlife.

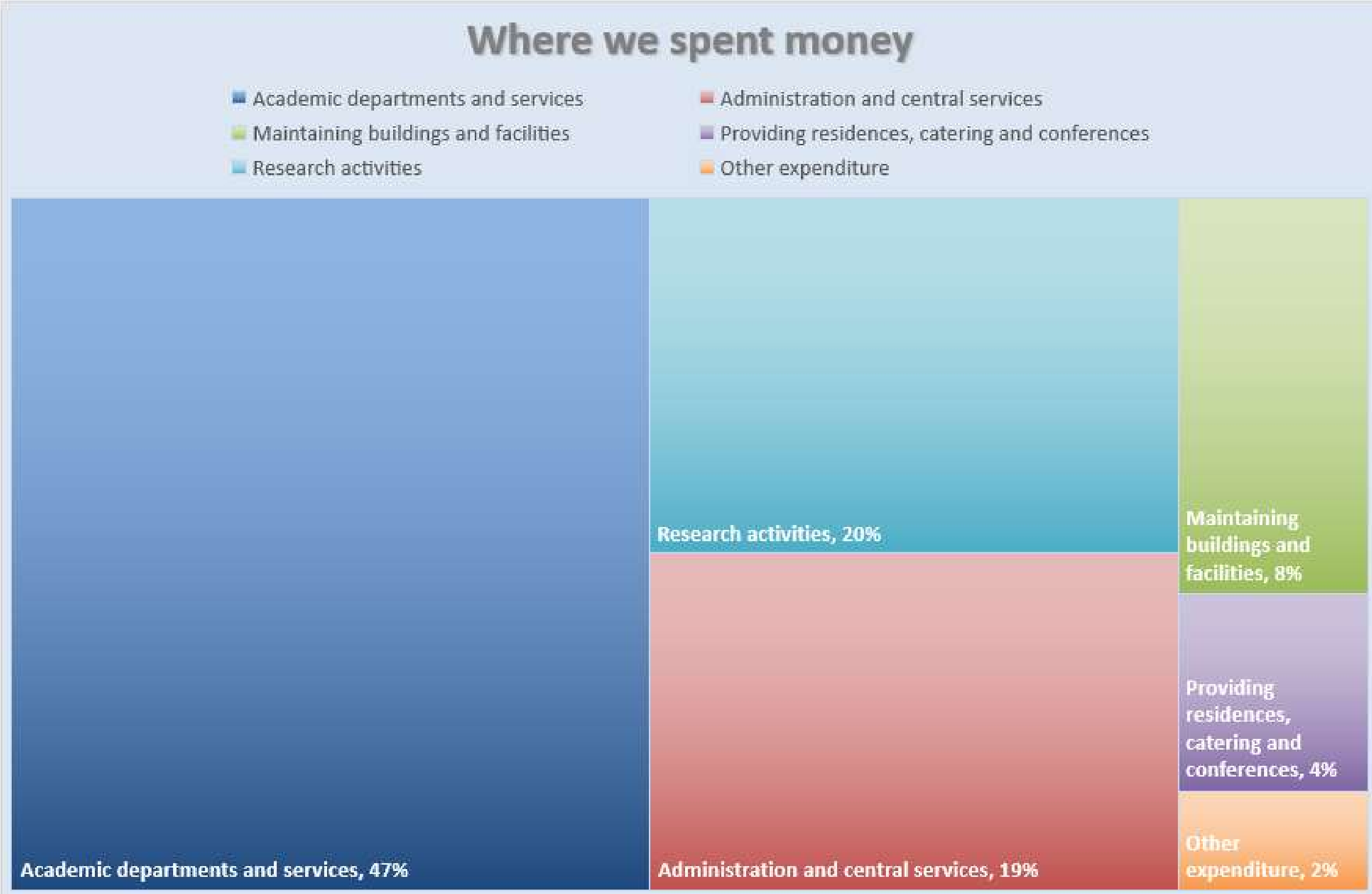
Our work in the area of sustainability has received a number of significant external validations over the past year:

- We have been awarded a prestigious EcoCampus Gold Award, increased from bronze only 12 months ago;
- We achieved silver status in relation to the UN Sustainability Development Goals Sustainability Leadership Scorecard;
- Queen Mary Students Union has achieved an 'Excellent' score in the Green Impact Awards.

Economy, efficiency and effectiveness

We aim to safeguard and utilise all our resources and assets, including public money and student fees, efficiently and effectively.





The Coronavirus pandemic presented new opportunities for making effective use of our resources. As we moved the majority of our teaching online, we kept our halls of residence open for both our students and front line workers at nearby hospitals. We also kept some of our clinical laboratories open throughout the lockdown and made our specialist expertise, equipment and supplies available to support the national response.

Researchers at our Centre for Advanced Robotics worked with clinicians from the Royal London Dental Hospital to design and produce 3D printed visor holders with a more optimal PPE fit for front line medical workers.

Researchers in our School of Mathematical Sciences designed and implemented an algorithm to direct patients with Covid-19 requiring Intensive Care Units or ventilators within hospitals.

In each of the last three years we have met our target to achieve procurement savings of 5.5% of non-pay impactable spend.

Academic year	2018/19	2019/20	2020/21
Procurement savings target	£6.4m	£6.1m	£6.9m
Procurement savings achieved	£7.2m	£6.5m	£9.7m

We also increased and maintained our underlying cash generation so that we can reinvest in our staff and infrastructure to support education and research in line with our Strategy 2030, taking a principled decision not to access the Government’s furlough scheme.

Financial year	2018/19	2019/20	2020/21
Underlying cash generation[6]	£59.3m	£61.5m	£71.2m

The University has made significant investments in support of the commitments in the 2030 Strategy to develop world-class digital and physical infrastructures for education and research, with over £6.4m invested in technology during the year. We have enhanced the student experience through the development of mixed-mode education capability – enabling students to engage with their education whether they are on campus or joining sessions remotely, alongside refreshed audio-visual equipment in many of our teaching rooms. We have upgraded our High Performance Computing capacity to support our research, particularly in physics and aeronautics.

On the physical estate, £2.8 million has been invested in the initial phases of the refurbishment of the Queens' Building, with the first set of new seminar rooms and PC labs opening in September 2021. The creation of these new spaces for educational and student use has been made possible by the move of most professional services staff from the Queens' Building to Department W. We began a multi-year programme of refurbishment and extension works in the Mile End Library. On our Charterhouse Square campus, home to a number of our specialist medical institutes, we invested £3.5m on upgrades to five buildings as part of our ambition to create a world-class research environment. These projects have created new laboratory space for pathology and cell cultures, as well as upgrading existing teaching and research facilities.

Definition of underlying cash generation

The definition of underlying cash generation has been agreed by Finance and Investment Committee as an accurate measure of underlying financial performance. This is calculated by adjusting the surplus/ (deficit) before other gains/(losses) and share of operating profit/(loss) of associates to exclude certain non-cash items, investment income and expenditure, capital grant receipts and strategic fund expenditure, see the reconciliation below:

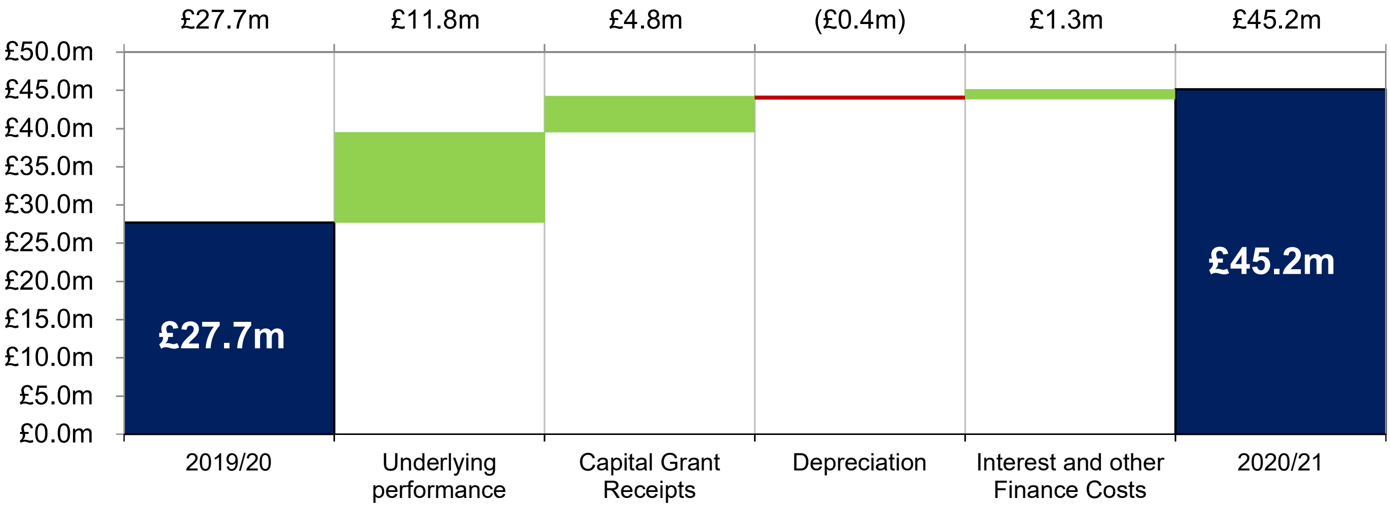
	2020/21	**2019/20**
	£000	**£000**
Surplus before other gains/(losses) and share of operating profit/(loss) of associates	**41,386**	**71,300**
Depreciation and amortisation	27,005	26,564
Interest payable	7,803	9,149
Investment Income	(1,180)	(2,084)
Pension provision	3,772	(43,659)
Capital grants	(14,193)	(9,441)
Holiday pay accrual	(48)	1,656
Strategic fund expenditure	6,688	7,993
Underlying cash generation	**71,233**	**61,478**

[6] See above for definition of underlying cash generation

Financial Review of 2020/21

The underlying financial performance of the University continued to improve, reflecting the implementation of targeted growth, and careful cost control.

Year on year change in surplus before other gains / (losses) and share of operating profit/(loss) of associates and pension provision movements



The University successfully concluded its private placement in 2019, securing £160m of proceeds. The nature of the private placement loan notes means that £96.5m of the principal must be held at fair value (due to the inclusion of a swap breakage clause in the Note Purchase Agreement for these notes which exposes Queen Mary to foreign exchange risk in the event of default or early repayment of the notes), with the remaining £63.5m recorded at amortised cost. The total fair value of these loans at 31 July 2021 was £186.5m (2020: £177.5m), with a fair value increase of £9.0m being recognised in the Statement of Comprehensive Income and Expenditure (2020: £6.3m). As the cashflows over the life of the loan are contractually fixed, except in the event of an early repayment, the change in fair value of the loan notes does not indicate any change in the cashflows payable by the University over the life of the borrowings.

Income

Total income grew by £22.8m to £535.3m, whilst income, excluding capital grants, grew by £18.1m to £521.1m.

Income	2020/21 £ millions	2019/20 £ millions	Change
Tuition fee	292.0	272.9	7%
Funding body grants*	69.4	69.6	0%
Research*	113.3	112.4	1%
Other income, investment income & donations*	46.4	48.2	-4%
Total before capital grants	521.1	503.1	4%
Capital grants	14.2	9.4	51%
Total income	535.3	512.5	4%

*Excluding capital grants and income

The increase in tuition fee income reflects growth in student numbers with increases primarily in full time home and EU students where fee income increased by £14.6m (11% increase). For the postgraduate cohort, the introduction of January start courses for our most popular post-graduate degrees resulted in income of £10.1m, to some extent offsetting the reduced student numbers seen in response to the pandemic.

Total student numbers as at 1 December census point increased by 5% to 28,439 with increased growth in undergraduate student and home student numbers. Student numbers (headcount at 1 December as per the Return to Higher Education Statistics Agency, which excludes students starting later in the academic year) are summarised below:

Student numbers	2020/21 Numbers	2019/20 Numbers	Change %
Student Numbers	28,439	27,077	5%
By level of study:			
Undergraduate	20,742	19,190	8%
Postgraduate	7,697	7,887	-2%
By fee status:			
Home (UK and EU)	18,007	16,512	9%
Overseas (International)	10,432	10,565	-1%
By location			
Queen Mary (London)	22,363	21,415	4%
Overseas (incl. China)	4,757	4,609	3%
Distance Learning	1,319	1,053	25%

The Funding body grants increased slightly from £76.0m to £76.4m. The revenue element of these grants decreased slightly to £69.4m (2019/20 £69.6m), whilst the capital element increased slightly to £7.0m (2019/20 £6.4m).

Research grant and contract income, excluding capital grants, increased by 1% to £113.3m. This has therefore increased compared to last year when research labs were closed between mid-March and early June as a result of Covid-19.

Other income excluding capital grants, but which includes income from residences, catering and services to the NHS increased by £2.3m.

Investment income has reduced by £0.9m to £1.2m as a result of continued low interest rates available on the investment of surplus cash.

Operating Expenditure

The finalisation of the USS 2018 Valuation resulted in a one-off credit to staff costs in 2019/20 in the Income and Expenditure account of £43.7m. Excluding this, and the movement in the pension provision in 2020/21, expenditure increased by 1% to £490.1m.

Expenditure	2020/21 £ millions	2019/20 £ millions	Change
Staff costs	290.5	292.8	-1%
Other operating expenses	164.8	156.3	5%
Depreciation and amortisation	27.0	26.6	2%
Interest and other finance costs	7.8	9.1	-14%
Total expenditure before pension provisions	490.1	484.8	1%
Pension provision movements	3.8	(43.6)	
Total expenditure before pension provisions	493.9	441.2	12%

Staff costs decreased by 1%, reflecting the decrease in staff numbers in the year from 4,466 FTE to 4,334 FTE as a result of cost control measures put in place during the Covid-19 pandemic.

Other operating costs increased by 5% to £164.8m reflecting additional financial support payments to students, the additional costs associated with operating a Covid-secure campus and residences and the first year of Department W premises costs. Depreciation and amortisation remained at a similar level to last year at £27.0m (2019/20 £26.6m).

Interest and finance costs decreased by £1.3m primarily as a result of £1.2m decrease in the net interest charge on the USS pension scheme provision.

Tangible Assets and Intangible Assets

The University continued to invest in improvements to its estates and IT infrastructure with total capital expenditure in 2020/21 of £36.9m (2019/20 £31.2m). Capital expenditure included the following major project spend:

1. Fit out costs of £5.5m at Dept W in 2020/21 (with total capital expenditure incurred on the project at 31 July 2021 of £6.0m). The property is held on a 15 year lease from August 2020 and has been brought into use from September 2021, freeing up space in the Queens' Building for additional student space.
2. £4.2m costs incurred on works to the Chemical Engineering Research Labs.
3. Improvement works of £3.5m at Charterhouse Square campus with upgrades to existing teaching and research facilities in addition to a new laboratory space for pathology and cell cultures (total capital cost incurred at 31 July 2021 of £4.7m). Expected completion of the project is end of November 2021.
4. £2.8m of refurbishment works to the Queens' Building with expected completion of the project by end of December 2021. This refurbishment is providing additional student teaching spaces and IT laboratories.

There has been an impairment to assets in the course of construction in the year relating to the proposed new School of Business and Management building. An impairment of £3.8m has been made to total capital expenditure of £5.1m, with £1.3m remaining as capital spend. The original planning application had Planning Officer recommendation for approval and mayoral support, but the planning committee rejected the application in November 2019. Revised plans are being proposed to address the reasons for refusal. This requires significant update of work previously undertaken, resulting in the impairment.

Investments

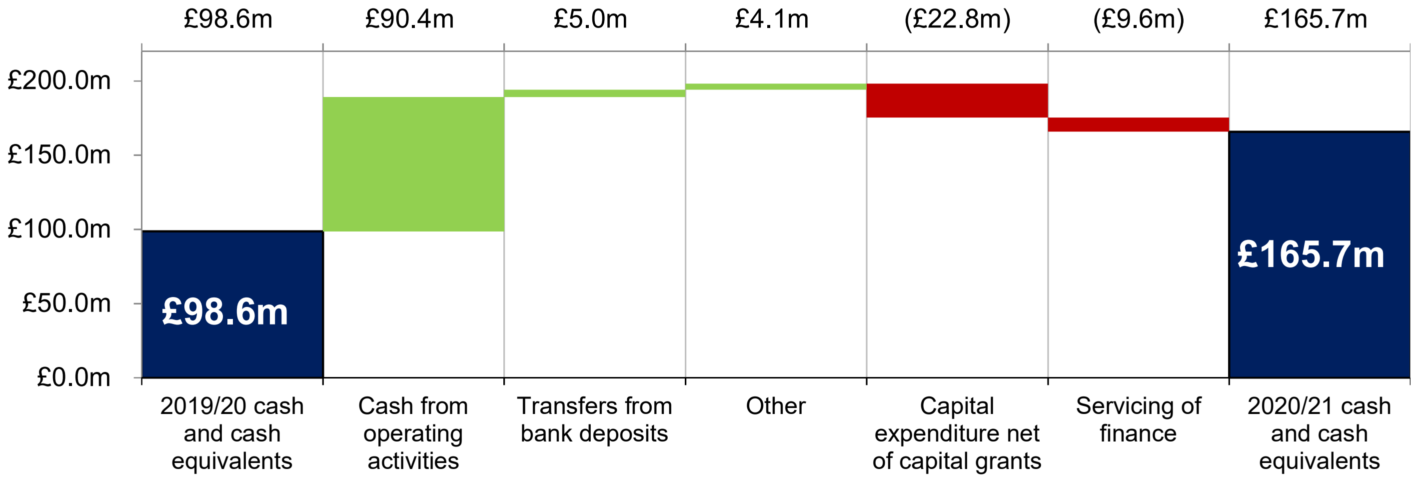
Non-current investments increased by £4.0m, which included a £2.9m net increase in the fair value of the managed endowment investment portfolio and additions of £1.0m.

Current investments decreased by £5.1m in the year primarily due to more of Queen Mary's funds being held on shorter term deposit. There has therefore been a corresponding shift from current investments to cash and cash equivalents.

Cash and Borrowings

Consistent with our strategy to improve our financial resilience, year-end cash balances increased by £67.1m to £165.7m (2019/20: £98.6m) of which £5.0m is the result of transfers from current investments. Pre-pandemic we had been planning significant investment, in line with the requirements of Strategy 2030. The majority of these plans have been paused due to Covid, although we continued some key projects, investing £36.9m in tangible and intangible assets, of which £14.2m was funded by capital grants. These funds are still required for investment to deliver the Strategy, with projects planned over the coming periods.

Year on year change in cash and cash equivalents as at 31st July



Pensions

The main pension schemes in which the University participates are USS, SAUL and the NHS pension schemes. Employer contributions to the schemes did not change during the year.

Following 2020 valuations of both the USS and SAUL pension schemes there will be an increase in employer contribution rates in 2021/22. In addition, the USS scheme will implement a debt monitoring framework and pari passu arrangements, with no gap between the end of the current short-term moratorium on employer exits and the start of a rolling 20-year moratorium. Under the proposed Schedule of Contributions for the USS 2020 valuation the employer rate will increase from 21.1% to 21.4% from 1 October 2021. This rate will continue, provided the debt monitoring framework and pari passu arrangements are effective from 1 October 2021 and the Benefit Change Deed is executed by 28 February 2022. Should these not be in place then the proposed Schedule of Contributions provides a 'back-stop' position which would result in increased contributions, increasing between April 2022 and October 2025 up to a figure of 38.2% for employers.

The outcome of the March 2020 valuation of the SAUL pension scheme is that employer contributions will increase from the current 16% to 19% in April 2022 and 21% in January 2023. At 31 July 2021 there is no pension deficit for the SAUL scheme.

The deficit recovery plan put in place as part of the USS 2018 valuation requires payment of an additional 2% of salaries over the period 1 October 2019 to 30 September 2021. The 2021 deficit recovery liability of £68.9m reflects this plan. In the previous year to 31 July 2020 there was substantial reduction in the deficit provision in the year, due to a reduction in the term of the deficit recovery plan. This gave rise to a significant reduction in the total staff costs for that year.

The new deficit recovery plan will change to reflect the USS 2020 valuation. It will come into force from 1 October 2021. If the Benefit Change Deed is agreed by 28 February 2022 then the deficit recovery contributions, which are to be paid in addition to the employer contributions, will commence from 1 April 2022, with payment of 6.3% of salaries for the length of the recovery plan until 31 March 2038. If the Benefit Change Deed is not executed by 28 February 2022 then deficit recovery contributions will commence from 1 October 2022 at an additional 3% of salaries, then increase every 6 months until they reach 20% on 1 October 2025. They will remain at this level until 31 July 2032.

The 2020 valuation outcome is a non-adjusting balance sheet event as disclosed in Note 33 of the Financial Statements. The impact of the new deficit recovery plan, assuming the Benefit Change Deed is executed by 28 February 2022 would be an increase in the USS deficit recovery liability at 31 July 2021 of £127m, taking the provision to £196m.

Financial outlook

The outlook for the University is a positive one. Despite the challenges of the past year the University's operations and finances have proven resilient. The prudent and careful actions taken in response to the pandemic have ensured that Queen Mary has continued to deliver world-class education and research, whilst maintaining a healthy liquidity position.

The 2021-22 budget was approved in March 2021 and indicates planned income of £578m and underlying cash generation of £61m. The budget and financial forecasts to 2025-26 were prepared to incorporate the resources required to deliver the 2030 strategy, amended to reflect the impact of Covid-19. These future year forecasts indicate continued growth in both income and operating cash to enable the required investment in staff and infrastructure to support the strategy.

The sector is subject to various external risks as well as changes in government policy. The ongoing decisions around HE funding, BREXIT and the impact on the availability of research funding, pension costs and industrial relations, geo-politics and the wider economic health of the countries in which our students are domiciled are all considered in our horizon planning assumptions.

Whilst recognising these challenges management have modelled a number of scenarios. The most significant risk to the income relates to overseas student recruitment, particularly in relation to difficulty or hesitancy surrounding travel. In addition, we continue to monitor geo-political issues that affect applicant behaviour. In coming to its final decision that the going concern basis was appropriate Council considered the latest position on student numbers and tuition fee income, and noted that these did not indicate any need to change assumptions. Student recruitment figures for 2021/22 are 21% ahead of target for undergraduate and 7% on postgraduate, with strong performance across both home and overseas/ EU.

The budget and financial forecasts include cash flow forecasts for more than 12 months from the date of approval of these financial statements. After reviewing these forecasts, Council is of the opinion that, taking account of plausible downsides, the University will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period) and beyond. Council also noted that there are mitigations possible to conserve cash, including restricting planned expenditure and slowing capital expenditure.

In reviewing the forecasts and scenarios Council was satisfied that continued compliance with the University's loan covenants were achievable. Having made these assessments Council has determined that there is no material uncertainty that casts doubt on Queen Mary's ability to continue as a going concern.

Statement of Corporate Governance and Internal Control

Purpose of this statement

This Statement is provided for readers of the Financial Statements of the Group, which comprises the University and its subsidiaries, to obtain a better understanding of the governance, management and legal structure of the University. It relates to the year ended 31 July 2021 and up to the date of approval of the Financial Statements.

The University is committed to conducting its business in accordance with the seven principles identified by the Committee on Standards in Public Life. The University's governing body has adopted the CUC Higher Education Code of Governance, as revised in 2018, and the University's practices are compliant with its provisions. In addition, the University corporately, through its governance arrangements, is committed in a demonstrable way to the principles of academic freedom and equality of opportunity, which are enshrined in its Royal Charter.

Constitution and Governing Body

The University was established by Act of Parliament and granting of a Royal Charter in 1989 following the merger of Queen Mary College (incorporated by Royal Charter in 1934) and Westfield College (incorporated by Royal Charter in 1933). The Medical College of St. Bartholomew's Hospital in the City of London and The London Hospital Medical College were merged with the University in 1995 by Act of Parliament. The Royal Charter of 1989 was amended in 2008 to provide for the University to award its own degrees and in 2013 to establish its formal title as Queen Mary University of London.

The Royal Charter and Ordinances are the primary governing instruments of the University, following the deletion of the Statutes in 2010, and are the framework within which the University's governance arrangements operate. The Royal Charter establishes the Council and Senate, each with clearly defined functions and responsibilities detailed in the Ordinances, to oversee and manage the University's activities.

Council is the University's governing body and is responsible for the strategic oversight of the University. Its specific responsibilities include approval of the financial strategy and securing its assets. Council comprises a majority of external members whose principal role is to bring independent expertise from a range of sectors and professional spheres and to hold collectively the executive to account.

The Chair of Council is required to be elected from among the external members of Council. There is provision for the election to Council of members of the academic and non-academic staff and the nomination of members of other staff groups. The President of the Students' Union is an ex officio member. No members of Council receive remuneration for their role, apart from staff members and the President of the Students' Union, solely in the context of their employment.

Subject to the overall superintendence of Council, Senate has oversight of the academic affairs of the University and draws its membership entirely from the academic staff and students, with a majority of elected representatives. It is particularly concerned with issues relating to academic policy, setting and maintaining academic standards, the quality of the student experience and academic freedom.

Council keeps its own effectiveness and that of its committees under regular review in accordance with the CUC Code. A full effectiveness review of Council and its committees, with significant external input, was completed in 2018/19. It concluded that the University may have a high level of confidence in the effectiveness of Council and its committees. The implementation of the recommendations is in progress, overseen by Governance Committee. The next external review will take place in 2021/22, which reflects the frequency recommended in the CUC Code. In addition, members' opinions on the effectiveness of Council and its committees are sought annually through surveys or individual meetings held with the Chair and reported to Governance Committee.

In the last year, Governance Committee completed a detailed mapping between the University's practices and the CUC Code to reflect on revisions made to the Code in 2018. The work had been postponed previously because of the Coronavirus pandemic. The mapping exercise confirmed that the University is compliant with the revised Code. In order to align the University's governance and practices more closely with the Code, Council adopted the revised Statement of Primary Responsibilities and incorporated the core values of the Code into the role description for Council members. Activities are also in place to strengthen Council's oversight of environmental sustainability and local community engagement at a strategic level.

The University maintains a Register of Interests of members of Council and the Senior Executive Team which is published on the Council web pages. The Register is updated at least annually and includes details of charity trusteeships.

www.arcs.qmul.ac.uk/governance/council/council-membership/

The Role of the President and Principal

The President and Principal is appointed by Council as chief academic and accounting officer to head the University. The President and Principal is accountable to Council for the organisation, direction and management of the University. Under the terms and conditions of funding for higher education institutions by the Office for Students, the President and Principal is the accountable officer of the University and in that capacity may be required to appear before the Public Accounts Committee on matters relating to grants to the University.

The President and Principal exercises considerable influence upon the development of the University's strategy, the identification and planning of new developments and the shaping of the University's ethos and values. The President and Principal is assisted in this by the Senior Executive Team comprising the Vice-Principal and Executive Dean (Health), the Vice-Principal and Executive Dean (Humanities and Social Sciences), the Vice-Principal and Executive Dean (Science and Engineering), the Vice-Principal (Policy and Strategic Partnerships), the Vice-Principal (Research and Innovation), the Vice-Principal (Education), the Vice-Principal (International), the Vice-Principal (People, Culture and Inclusion), the Chief Financial Officer, the Chief Operations Officer, and the Chief Governance Officer and University Secretary.

Committees of Council

Council meets at least five times each academic year and members are invited to a full-day conference each year attended by the Senior Executive Team. Council has five committees, laid down by Ordinance, to which it delegates much of its detailed work. These are: Finance and Investment Committee; Audit and Risk Committee; Governance Committee; Remuneration Committee; and Honorary Degrees and Fellowships Committee. Each committee is formally constituted with written terms of reference and specified membership, including a significant proportion of lay members, from whom the Committee Chair is drawn. Each committee reports regularly to Council.

The memberships of Council and of Audit and Risk Committee are set out at the end of these Financial Statements.

The Finance and Investment Committee focuses on oversight of the Senior Executive Team's planning and management of the finance, investments and assets of the University. It has a particular remit in respect of the following:

- recommending to Council a finance strategy;
- recommending to Council the annual budgets and financial forecasts;
- monitoring the financial situation of the University, both capital and revenue;
- considering and monitoring the annual capital programme and proposals for major capital projects;
- considering proposals affecting major University assets, in particular the estate;
- approving a strategy for borrowing, investment of funds and raising of monies.

www.arcs.qmul.ac.uk/governance/council/committees/finance-and-investment-committee/

Audit and Risk Committee oversees the University's procedures for external and internal audit, financial control and risk management, and provides assurances in these key areas through its annual report to the Council, which is copied to the Office for Students. More specifically, the Committee:

- oversees external and internal audit services, including receiving reports and recommendations from both on the results of their work;
- reviews the effectiveness of the University's systems for submission of regulatory returns, financial control, value for money, data assurance and responding to alleged financial irregularities;
- reviews the effectiveness of mechanisms operated by the Senior Executive Team for identifying, assessing and mitigating risks;
- oversees the University's whistle-blowing policy and receives regular reports on cases.

In the last year Audit and Risk Committee completed a detailed mapping of the University's practices against the CUC's Higher Education Audit Committees Code of Practice to reflect on revisions made by the CUC in 2020. This confirmed that Queen Mary is compliant with the revised Audit Code.

www.arcs.qmul.ac.uk/governance/council/committees/audit-risk-committee/

Governance Committee exists, with a majority of external members, to recommend nominations to the committees of Council and so fulfils the roles and expectations of a nominations committee within the CUC guidance. In addition, it performs detailed work on behalf of Council in relation to processes for evaluating governance effectiveness and maintaining the governing instruments of the University.

www.arcs.qmul.ac.uk/governance/council/committees/governance-committee/

Remuneration Committee is responsible for determining and reviewing the salaries and terms and conditions (and, where appropriate, severance payments) for senior members of staff. In the case of the President and Principal and other members of the Senior Executive Team, the Committee also approves annual objectives and reviews performance.

The most recent external review of Remuneration Committee's effectiveness in 2018/19 concluded that the Committee's approach to senior staff remuneration is clearly compliant with the Higher Education Senior Staff Remuneration Code and that a robust process is being followed against clear criteria. In the last year the Committee has brought about further improvements to the content and consistency of business cases and benchmarking data. The next external review will take place in 2021/22, which is the frequency recommended in the CUC Code.

In compliance with the Higher Education Senior Staff Remuneration Code, Remuneration Committee publishes a Remuneration Annual Report providing information on: its scope, membership and mode of operation; the University's approach to remuneration; institutional performance; the rationale for the total remuneration of the President and Principal; disclosures on the President and Principal's external appointments and expenses; and the remuneration of the Senior Executive Team as a whole.

www.arcs.qmul.ac.uk/governance/council/committees/remuneration-committee/

Honorary Degrees and Fellowships Committee makes recommendations to Senate and Council on the conferment of Fellowships and Honorary Degrees of Queen Mary University of London and the award of the Queen Mary Medal.

An honorary degree may be conferred on a person of conspicuous merit, who is outstanding in their field, commands international or at least national recognition, or who has given exceptional service to Queen Mary. Fellowships of Queen Mary are conferred on persons of distinction or persons who have, in the opinion of the Council and the Senate, rendered significant service to Queen Mary or to the community, or with a demonstrable connection or affiliation to Queen Mary. A Queen Mary Staff Medal may be awarded to individual members of staff on, or following retirement from employment at Queen Mary, who in the opinion of the Council have made an exceptional, sustained contribution to Queen Mary.

www.arcs.qmul.ac.uk/governance/council/committees/honorary-degrees-and-fellowship-committee/

Equality and Diversity

The University is fully committed to fulfilling its duties under the Equality Act 2010 and its responsibilities under the Public Sector Equality Duty. The University's mission is to become the most inclusive research-intensive university anywhere by 2030 through successful delivery of the University's Strategy, underpinned by the People, Culture and Inclusion Enabling Plan.

The Equality, Diversity and Inclusion Steering Group, chaired by the Vice-Principal (People, Culture and Inclusion), has strategic oversight of equality, diversity and inclusion matters and monitors progress towards equality objectives at all levels. Equality, Diversity and Inclusion Groups in the Faculties and Professional Services provide a valuable two-way channel that offers leadership at the local level on progressing and embedding the Equality, Diversity and Inclusion agenda in the University's Schools, Institutes and Professional Service Departments.

The University has participated in the Athena SWAN Charter since its establishment in 2005 to demonstrate its commitment to gender equality. Three further Schools achieved success in the last year, with the School of Biological and Behavioural Sciences and the School of Physical and Chemical Sciences attaining Silver awards, and the School of Politics and International Relations achieving a Bronze award. The University is also committed to achieving race equality within the University through our work under the Race Equality Charter and has established a Race Equality Action Group to develop and implement actions to promote race equality.

The University publishes annual reports on Equality, Diversity and Inclusion, and on Gender and Ethnicity Pay Gaps.

hr.qmul.ac.uk/equality/edi-publications-and-data/

Internal Control and Management of Risk

Council, as the University's governing body, has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives while safeguarding the public and other funds and assets for which Council is responsible in accordance with the responsibilities assigned to it in the Charter and Ordinances and the regulatory framework of the Office for Students.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve the University's Strategy. It can therefore only provide reasonable and not absolute assurance of effectiveness. It is based on an ongoing process designed to identify the principal business, operational, compliance and financial risks, to evaluate the nature and extent of those risks and to manage them efficiently and effectively.

The following process accords with guidance from the Office for Students and was in place for the year ended 31 July 2021 and up to the date of approval of the Financial Statements.

The University's Strategy identifies 13 key objectives for which there are corresponding KPIs and entries in the University's Strategic Risk Register. The Strategic Risk Register identifies the nature of the risks to achieving each objective, the mitigations that are in place and planned, and the rating of each risk. It includes risk appetite statements and a system of flagging risk areas that are outside of tolerance.

The Senior Executive Team acts as the Risk Management Committee and delegates responsibility for strategic risk and risk management processes throughout management at the University. Each Faculty, School and Professional Service department maintains its own risk register alongside the University's Strategic Risk Register.

The University procures its internal audit service from KPMG, which operates to standards defined in the Audit Code of Practice of the Office for Students. An analysis of risks to which the University is exposed informs the annual internal audit plan, which is approved by Audit and Risk Committee. The internal audit service submits regular reports to Audit and Risk Committee that include an independent opinion on the adequacy and effectiveness of the University's system of internal control, based on work undertaken in accordance with its approved audit plan, together with recommendations for improvement.

Audit and Risk Committee independently reviews the effectiveness of internal control systems and the risk-management process and reports its findings to Council. This is informed by the categorisation of risks and the maintenance of the University's Strategic Risk Register, as well as an annual report on legal compliance in areas that are relevant for the University's current and planned activities.

Council monitors progress towards the KPIs and the Strategic Risk Register on a regular basis. It also receives regular reports from Audit and Risk Committee concerning issues of risk, internal controls and their effectiveness which are informed by reports from senior managers on the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects. A number of supporting and lead indicators have been developed which give the Senior Executive Team and Council a view on performance ahead of the publication of the formal KPIs.

Council's full review of the effectiveness of the system of internal control for the period under review was informed by Audit and Risk Committee, the work of the internal auditors and individual members of staff within the University who have responsibility for the development and maintenance of the internal control framework. Council has not identified any significant control weaknesses.

Responsibilities of Council

Council is responsible for the appointment of the external auditors and approval of the Financial Statements which are prepared in accordance with the *Statement of Recommended Practice: Accounting for Further and Higher Education* and other relevant accounting standards. In addition, within the terms and conditions of the memorandum of assurance and accountability between the OfS and the Council of Queen Mary, Council, through its designated office holder, the President and Principal, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of Queen Mary and of the surplus or deficit and cash flows for that year.

The Financial Statements are adopted by Council following review by the Finance and Investment Committee and on the recommendation of the Audit and Risk Committee after it has received a report from the external auditors.

In causing the Financial Statements to be prepared, Council is assured that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- the Financial Statements are prepared on the going concern basis unless it is inappropriate to presume that Queen Mary will continue in operation. Council is satisfied that it has adequate resources to continue in operation for the foreseeable future; for this reason the going concern basis continues to be adopted in the preparation of the Financial Statements.

As far as Council is aware, there is no relevant audit information of which the external auditors are unaware. Relevant information is defined as information needed by the external auditors in connection with preparing their report.

Council, through its designated officer, the President and Principal, has taken reasonable steps to:

- ensure that funds from the OfS are used only for the purposes for which they have been given and in accordance with the memorandum of assurance and accountability with the OfS and any other conditions which the OfS may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;

- safeguard the assets of Queen Mary and prevent and detect corruption, fraud, bribery and other irregularities; and
- secure the economical, efficient and effective management of Queen Mary's resources and expenditure.

The key elements of Queen Mary's system of internal financial control, designed to discharge these responsibilities include the following:

- clear definition of the responsibilities of, and the authority delegated to, heads of academic and administrative departments;
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by Council;
- comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Finance and Investment Committee under delegated authority from Council;
- internal audit carried out by an external firm of auditors. The programme is approved by the Audit and Risk Committee; and
- regular reviews of financial performance involving variance reporting, sensitivity analysis and updates of forecast out-turn.

Council's review of the effectiveness of the system of internal financial control is informed by the work of the internal auditors, the Audit and Risk Committee, the individual members of staff within the University who have responsibility for the development and maintenance of the financial control framework and comments made by the external auditors in the management letter and in other reports.

Any system of internal financial control can only provide reasonable, but not absolute, assurance against material misstatement or loss.

Independent auditor's report to the Council of Queen Mary University of London

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Queen Mary University of London (the 'university', the 'institution') and its subsidiaries (the 'group'):

- 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 cash flows for the year then ended; and

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: Accounting for Further and Higher Education.

We have audited the financial statements which comprise:

- the consolidated and institution statement of comprehensive income and expenditure;
- the consolidated and institution statement of financial position;
- the consolidated and institution statement of changes in reserves;
- the consolidated and institution statement of cash flows;
- the statement of principal accounting policies;
- the related notes 1 to 33; and
- Supplemental Schedule (note 34), being required by reference to Queen Mary University of London accepting students under the US Department of Education student financial assistance programs.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the university in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Council is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Council

As explained more fully in Council's responsibilities statement, Council is responsible for the preparation of the financial statements that give a true and fair view, and for such internal control as Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Council is responsible for assessing the group's and the 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 Council either intends to liquidate the group or the university or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations.

We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation, the Office for Students “Regulatory Advice 9:Accounts Direction”, the relevant provisions of the code of financial regulations relating to the supplemental schedule; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group’s ability to operate or to avoid a material penalty. These included the Terms and Conditions of Funding for Higher Education issued by the Office for Students.

We discussed among the audit engagement team including significant component audit teams and relevant internal specialists such as financial instruments valuation, pensions and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- Recognition of research grant income - We performed substantive procedures for a sample of research grants and tested the design and implementation of controls in place to ensure that income is recognised in relation to eligible costs.
- Accounting for major capital projects - We performed substantive procedures for a sample of capital projects and tested the design and implementation of controls in place over capital projects.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the office for students (OfS).

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Office for Students (OfS) “Regulatory Advice 9: Accounts Direction”

In our opinion, in all material respects:

- funds from whatever source administered by the university for specific purposes have been applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the OfS and 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 requirements of the OfS’s accounts direction have been met.

Matters on which we are required to report by exception

Under the OfS Regulatory Advice 9: Accounts Direction, we are required to report in respect of the following matters if, in our opinion:

- the provider’s grant and fee income, as disclosed in the note 7 to the accounts, has been materially misstated; or
- the provider’s expenditure on access and participation activities for the financial year, as disclosed in note 10 to the accounts, has been materially misstated.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to Council in accordance with the Accounts Direction issued by the Office for Students dated 25 October 2019. Our audit work has been undertaken so that we might state to Council those matters we are required to state to it 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 board of governors as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP

Deloitte LLP

Statutory Auditor

Bristol, United Kingdom

1 December 2021

Consolidated and Institution Statement of Comprehensive Income and Expenditure
for the year ended 31 July 2021

	Notes	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Income					
Tuition fees and education contracts	1	**292,019**	**288,975**	272,888	271,306
Funding body grants	2	**76,355**	**76,355**	76,034	76,034
Research grants and contracts	3	**116,222**	**115,753**	114,706	114,599
Other income	4	**47,483**	**45,318**	45,146	42,527
Investment income	5	**1,180**	**1,180**	2,084	2,070
Donations and endowments	6	**2,013**	**2,190**	1,604	1,053
Total income		**535,272**	**529,771**	512,462	507,589
Expenditure					
Staff costs	8	**290,497**	**287,555**	292,763	289,812
Pension provision movement	8	**3,772**	**3,772**	(43,659)	(43,659)
Other operating expenses		**164,809**	**164,126**	156,345	155,015
Depreciation and amortisation	12,13	**27,005**	**25,982**	26,564	25,633
Interest and other finance costs	9	**7,803**	**6,988**	9,149	8,290
Total expenditure	10	**493,886**	**488,423**	441,162	435,091
Surplus/(deficit) before other gains/(losses) and share of operating profit/(loss) of associates		**41,386**	**41,348**	71,300	72,498
Share of (loss)/profit in associates		**(238)**	**-**	(587)	-
Gain/(loss) on investments		**6,748**	**6,662**	3,293	3,290
Loss on disposal of tangible assets		**-**	**-**	(6)	-
Fair value movement in unsecured notes		**(8,996)**	**(8,996)**	(6,281)	(6,281)
Surplus/(Deficit) before tax		**38,900**	**39,014**	67,719	69,507
Taxation	11	**(134)**	**(758)**	1,664	(767)
Surplus/(deficit) for the year		**38,766**	**38,256**	69,383	68,740
Share of other comprehensive income of associates		**(155)**	**-**	127	-
Actuarial (losses) in respect of pension schemes	31	**(21)**	**(21)**	(326)	(326)
Total comprehensive income and expenditure for the year		**38,590**	**38,235**	69,184	68,414
Represented by:					
Endowment comprehensive income and expenditure for the year		**4,074**	**4,074**	3,808	3,808
Restricted comprehensive income and expenditure for the year		**(374)**	**(262)**	361	38
Unrestricted comprehensive income and expenditure for the year		**34,890**	**34,423**	65,015	64,568
Attributable to the Institution		**38,590**	**38,235**	69,184	68,414
Attributable to the non-controlling interest		**-**	**-**	-	-
		38,590	**38,235**	69,184	68,414
Surplus/(deficit) for the year attributable to:					
Non-controlling interest		**-**	**-**	-	-
Institution		**38,766**	**38,256**	69,383	68,740

All items of income and expenditure relate to continuing activities

Consolidated and Institution Statement of Changes in Reserves
for the year ended 31 July 2021

	Income and expenditure account			Total excluding non-controlling interest	Non-controlling interest	Total
	Endowment (note 22)	Restricted (note 23)	Unrestricted			
	£'000	£'000	£'000	£'000	£'000	£'000
Consolidated						
As at 1 August 2019	**33,449**	**2,579**	**384,462**	**420,490**	**(5)**	**420,485**
Surplus or (deficit) from the statement of comprehensive income and expenditure	3,808	361	65,214	69,383	-	69,383
Other comprehensive income or (expenditure)	-	-	(199)	(199)	-	(199)
Total comprehensive income or (expenditure) for the year	3,808	361	65,015	69,184	-	69,184
As at 1 August 2020	**37,257**	**2,940**	**449,477**	**489,674**	**(5)**	**489,669**
Transfers between endowments, restricted and general reserves	-	-	-	-	-	-
Surplus or (deficit) from the statement of comprehensive income and expenditure	4,074	(374)	35,066	38,766	-	38,766
Other comprehensive income or (expenditure)	-	-	(176)	(176)	-	(176)
Total comprehensive income or (expenditure) for the year	4,074	(374)	34,890	38,590	-	38,590
As at 31 July 2021	**41,331**	**2,566**	**484,367**	**528,264**	**(5)**	**528,259**
Institution						
As at 1 August 2019	**33,449**	**2,208**	**391,179**	**426,836**	**-**	**426,836**
Surplus or (deficit) from the statement of comprehensive income and expenditure	3,808	38	64,894	68,740	-	68,740
Other comprehensive income or (expenditure)	-	-	(326)	(326)	-	(326)
Total comprehensive income or (expenditure) for the year	3,808	38	64,568	68,414	-	68,414
As at 1 August 2020	**37,257**	**2,246**	**455,747**	**495,250**	**-**	**495,250**
Transfers between endowments, restricted and general reserves	-	-	-	-	-	-
Surplus or (deficit) from the statement of comprehensive income and expenditure	4,074	(262)	34,444	38,256	-	38,256
Other comprehensive income or (expenditure)	-	-	(21)	(21)	-	(21)
Total comprehensive income or (expenditure) for the year	4,074	(262)	34,423	38,235	-	38,235
As at 31 July 2021	**41,331**	**1,984**	**490,170**	**533,485**	**-**	**533,485**

Consolidated and Institution Statement of Financial Position

As at 31 July 2021

	Notes	**As at 31 July 2021** **Consolidated** **£'000**	**As at 31 July 2021** **Institution** **£'000**	As at 31 July 2020 Consolidated £'000	As at 31 July 2020 Institution £'000
Non-current assets					
Intangible assets	12	**5,083**	**5,083**	6,363	6,363
Tangible assets	13	**624,427**	**613,835**	617,017	605,467
Investments	14	**33,859**	**37,178**	29,902	33,307
Investments in associates	15	**362**	**298**	756	298
		663,731	**656,394**	654,038	645,435
Current assets					
Stock		**458**	**458**	336	336
Trade and other receivables	16	**82,489**	**85,636**	70,175	73,342
Investments	17	**94,543**	**94,543**	99,647	99,647
Cash and cash equivalents	24	**165,702**	**161,501**	98,606	94,844
		343,192	**342,138**	268,764	268,169
Less: Creditors: amounts falling due within one year	18	**(148,606)**	**(149,175)**	(115,385)	(115,647)
Net current assets/(liabilities)		**194,586**	**192,963**	153,379	152,522
Total assets less current liabilities		**858,317**	**849,357**	807,417	797,957
Creditors: amounts falling due after more than one year	19	**(260,969)**	**(246,783)**	(252,802)	(237,761)
Provisions					
Pension provisions	20	**(68,989)**	**(68,989)**	(64,897)	(64,897)
Other provisions	21	**(100)**	**(100)**	(49)	(49)
Total net assets		**528,259**	**533,485**	489,669	495,250
Restricted Reserves					
Income and expenditure reserve - endowment	22	**41,331**	**41,331**	37,257	37,257
Income and expenditure reserve - restricted	23	**2,566**	**1,984**	2,940	2,246
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		**484,367**	**490,170**	449,477	455,747
		528,264	**533,485**	489,674	495,250
Non-controlling interest		**(5)**	**-**	(5)	-
Total Reserves		**528,259**	**533,485**	489,669	495,250

The financial statements were approved by Council on 18 November 2021 and were signed on its behalf on that date by:

Lord Clement-Jones CBE, Chair

Professor C Bailey, President and Principal

Consolidated and Institution Statement of Cash Flows
for the year ended 31 July 2021

	Notes	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Cash flow from operating activities					
Surplus/(deficit) for the year before taxation		**38,900**	**39,014**	67,719	69,507
Adjustment for non-cash items					
Depreciation	13	**24,125**	**23,102**	24,211	22,806
Amortisation of intangible assets	12	**2,880**	**2,880**	2,353	2,827
Impairment of asset	13	**3,805**	**3,805**	-	-
Fair value movement in unsecured notes		**8,996**	**8,996**	6,281	6,281
(Gain)/Loss on investments		**(6,748)**	**(6,662)**	(3,293)	(3,290)
(Increase)/decrease in stock		**(122)**	**(122)**	(62)	(62)
(Increase) in debtors	16	**(12,314)**	**(12,294)**	(8,734)	(8,698)
Inrease/(Decrease) in creditors	18,19	**34,831**	**35,176**	(635)	(851)
Increase/(Decrease) in pension provision	20	**4,092**	**4,092**	(41,845)	(41,845)
Increase in other provisions		**51**	**51**	20	20
Actuarial (loss) in respect of pension schemes		**(21)**	**(21)**	(326)	(326)
Share of loss/(profit) in associates		**238**	**-**	587	-
Adjustment for investing or financing activities					
Investment income	6	**(1,180)**	**(1,180)**	(2,084)	(2,070)
Interest payable on loans and finance leases	9	**7,325**	**6,510**	7,443	6,584
Endowment income	7	**(152)**	**(152)**	(47)	(46)
Loss on disposal of tangible assets		**-**	**-**	6	-
Capital grant income		**(14,193)**	**(14,193)**	(9,441)	(9,441)
Net cash generated from operating activities		**90,513**	**89,002**	42,153	41,396
Taxation		**(134)**	**(758)**	1,664	(767)
Net cash generated from operating activities		**90,379**	**88,244**	43,817	40,629
Cash flows from investing activities					
Capital grant receipts		**14,193**	**14,193**	9,441	9,441
Disposal of non-current asset investments		**1,293**	**1,293**	-	-
Purchase of non-current asset investments		**-**	**-**	1	1
Cash movements on managed funds		**1,598**	**1,598**	1,681	1,681
Investment income		**1,180**	**1,180**	2,083	2,070
Payments made to acquire tangible assets		**(35,345)**	**(35,275)**	(29,351)	(28,325)
Payments made to acquire intangible assets		**(1,600)**	**(1,600)**	(1,839)	(1,839)
Movements on bank deposits		**5,004**	**5,004**	21,011	21,011
Net cash (used by)/generated by investing activities		**(13,677)**	**(13,607)**	3,027	4,040
Cash flows from financing activities					
Loan interest		**(7,844)**	**(7,029)**	(7,963)	(7,104)
Interest element of finance lease		**(1)**	**(1)**	-	-
Endowment cash received		**152**	**152**	46	46
New unsecured loans		**-**	**-**	-	-
Repayments of amounts borrowed		**(1,824)**	**(1,013)**	(1,757)	(953)
Capital element of finance lease payments		**(89)**	**(89)**	(186)	(186)
Net cash (used by) financing activities		**(9,606)**	**(7,980)**	(9,860)	(8,197)
Increase in cash and cash equivalents in the year		**67,096**	**66,657**	36,984	36,472
Cash and cash equivalents at beginning of the year		**98,606**	**94,844**	61,622	58,372
Cash and cash equivalents at end of the year		**165,702**	**161,501**	98,606	94,844
	24	**67,096**	**66,657**	36,984	36,472

Statement of Principal Accounting Policies
for the year ended 31 July 2021

Basis of preparation
These Financial Statements have been prepared on a going concern basis and in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS 102). They have also been prepared in accordance with the accounts direction issued by the Office for Students issued 25 October 2019. Queen Mary University of London is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The Financial Statements are prepared in accordance with the historical cost convention, modified by the revaluation of tangible assets and the recognition of financial instruments at fair value.

Going Concern
Queen Mary has considered the potential uncertainties of the impact of the Covid-19 pandemic on the University, including around student recruitment and the potential impact on the covenants on the University's borrowings. After due consideration, there is a reasonable expectation that the University will have adequate resources to meet its liabilities as they fall due over the next 12 months, and the Financial Statements have therefore been prepared on a going concern basis. In coming to its final decision that the going concern basis was appropriate Council considered the latest position on student numbers and tuition fee income, and noted that these did not indicate any need to change assumptions. The budget and financial forecasts include cash flow forecasts for more than 12 months from the date of approval of these financial statements. After reviewing these forecasts, Council is of the opinion that, taking account of plausible downsides, the University will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period) and beyond. Council also noted that there are mitigations possible to conserve cash, including restricting planned expenditure and slowing capital expenditure. In reviewing the forecasts and scenarios Council was satisfied that continued compliance with the University’s loan covenants were achievable. Having made these assessments Council has determined that there is no material uncertainty that casts doubt on Queen Mary’s ability to continue as a going concern.

Basis of consolidation
The consolidated financial statements include Queen Mary (the University) and all its subsidiaries for the financial year to 31 July 2021. Intra-group transactions are eliminated on consolidation. The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions. Associated companies are accounted for using the equity method. The University is the ultimate controlling entity of the group.

Income recognition

i 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.

ii Fee income is 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 prompt payment discount, a fee waiver or scholarships which reduce the tuition fee payable, the net amount is taken to income. Where bursaries and student support payments are customarily made, income receivable is stated net of the payments. All other bursaries and student support payments are accounted for gross as expenditure and not deducted from income.

iii Grant funding including funding body grants, research and other grants from government and non-government sources are recognised as income when the University is entitled to it and the 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 statement of financial position and released to income as the conditions are met.

iv Donations and endowments are recognised in income when the University is entitled to the funds. Income from donations with donor imposed restrictions is retained within the restricted or endowment reserve until such time that it is utilised in line with the restrictions when 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 and retained within unrestricted reserves.

Income recognition (continued)
There are four main types of donations and endowments identified within reserves:
a. Restricted donations - the donor has specified that the donation must be used for a particular objective.
b. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income for the general purposes of the University.
c. Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible assets, and the University has the power to use the capital.
d. 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.

v Investment income is credited to the Consolidated Statement of Comprehensive Income and Expenditure on a receivable basis as restricted or unrestricted income according to the terms of the donation or endowment.

vi Increases or decreases in value arising on the revaluation or disposal of tangible asset investments are added to or subtracted from the investment concerned and recognised in the Consolidated Statement of Comprehensive Income and Expenditure.

vii Capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met. Where grant funded assets are in the course of construction, we consider on a case by case basis whether their construction constitutes a performance related condition. In the event that it does, income will be recognised as the expenditure to complete the asset is incurred.

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

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.

Accounting for retirement benefits
As described in note 31, Queen Mary is a member of three defined benefit pension schemes: the Superannuation Arrangements of the University of London (SAUL), the Universities Superannuation Scheme (USS), and the NHS Public Service Scheme (NHS). Queen Mary also operates a closed defined benefit pension scheme for former non-teaching staff of the London Hospital and St Bartholomew's Hospital medical colleges.

The SAUL and USS schemes are defined benefit schemes which are externally funded and are valued every three years by professionally qualified independent actuaries. Both SAUL and USS are multi-employer schemes for which it is not possible to identify the assets and liabilities applying to Queen Mary's membership due to the mutual nature of the scheme and therefore these schemes are accounted for as a defined contribution scheme. Contributions to the scheme are recognised as an expense in the Consolidated Statement of Comprehensive Income and Expenditure in the periods during which services are rendered by employees. In addition, a liability is recorded in the Consolidated Statement of Comprehensive Income and Expenditure when a contractual commitment to fund past deficits is made. The liability is held within provisions and released to expenditure to decrease pension payments made over the term of the commitment.

The NHS pension scheme is an unfunded multi-employer scheme. Contributions to the scheme are recognised as an expense in the Consolidated Statement of Comprehensive Income and Expenditure in the periods during which services are rendered by employees on the basis of contributions payable.

Accounting for retirement benefits (continued)
London Hospital and St Bartholomew's Hospital medical colleges pension scheme is a defined benefit plan. Queen Mary has an obligation to provide the agreed benefits to former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The University recognises a 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 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 credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus through refunds from the plan.

Financial Instruments
As allowable under FRS 102 Queen Mary has adopted the option to apply the recognition, measurement and disclosure requirements of sections 11 and 12 of FRS 102.

Equity investments are recognised initially at fair value which is normally the transaction price. Subsequently, they are measured at fair value through Consolidated Statement of Comprehensive Income and Expenditure except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available. If a reliable measure of fair value is no longer available, the equity instrument’s fair value on the last date the instrument was reliably measurable is treated as the cost of the instrument. Investments in associates and subsidiaries are carried at cost less impairment.

The managed investment portfolio, a group of financial assets and debt instruments, is evaluated on a fair value basis through Consolidated Statement of Comprehensive Income and Expenditure.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at the undiscounted transaction price. Any losses arising from impairment are recognised in the Consolidated Statement of Comprehensive Income and Expenditure in other operating expenses.

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in the Consolidated Statement of Comprehensive Income and Expenditure. All interest-bearing loans and borrowings which are non-basic financial instruments are measured at fair value through the Consolidated Statement of Comprehensive Income and Expenditure. Fair value measurement: the best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Cash and cash equivalents are included at amortised cost using the effective interest rate method.

Finance Leases
Leases in which Queen Mary 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.

Operating leases
Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the lease term.

Foreign currency
Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the Statement of Financial Position. Exchange differences arising have been included in the Consolidated Statement of Comprehensive Income and Expenditure.

The assets and liabilities of foreign operations, arising on consolidation, are translated into sterling at the rate of exchange at the date of the Statement of Financial Position. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported in the Consolidated Statement of Comprehensive Income and Expenditure.

Intangible assets
Intangible assets are stated at cost less amortisation or at impaired value. Where it is considered that there has been any impairment in the value of an asset, the difference between the carrying value and the higher of its net realisable value or value in use is expensed in the Consolidated Statement of Comprehensive Income and Expenditure.

Third party software and the costs associated with its implementation costing less than £10,000 per individual item or group of related items is written off in the year of acquisition. All other costs are amortised over 3-8 years on a straight line basis, the period of its estimated useful life.

Tangible assets
Fixed assets are stated at cost or deemed cost less accumulated depreciation. Depreciation is calculated on a straight line basis. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use. Where parts of a tangible asset have different useful lives, they are accounted for as separate items of tangible assets.

Land and buildings were revalued to fair value on 31 July 2014. The University has taken advantage of the transitional arrangements in FRS 102 to apply this valuation as deemed cost but not to adopt a valuation policy going forward. Additions to land and buildings since 1 August 2014 have been at cost.

i Buildings are depreciated over 50 years. Depreciation on leased buildings is calculated over the life of the lease if the lease is less than 50 years. No provision for depreciation is made against the value of land.

ii Assets in the course of construction are stated at cost and are not depreciated until they are transferred to the completed asset class when ready for use.

iii Freehold improvement works are depreciated over 20-40 years.

iv Leasehold improvement works are depreciated over 20-40 years or the term of the lease if shorter.

v Plant & Machinery is depreciated over 10-15 years.

vi Fixtures & Fittings are depreciated over 10 years.

vii Equipment is depreciated over 3-8 years.

viii Plant & Machinery, Equipment and Fixtures & Fittings costing less than £10,000 per individual item or group of related items is written off in the year of acquisition. All other items are capitalised.

ix Where assets are acquired with the aid of specific grants they are capitalised and depreciated over the shorter of the term of the grant or the depreciation terms as set out above.

x Assets held under finance leases are depreciated over the period of the finance lease or the depreciation terms as set out above whichever is shorter.

Tangible assets (continued)

xi Improvements to properties held under short leases are depreciated over the life of the lease.

xii Expenditure on an asset after it is purchased is capitalised when the expected future benefits from that asset as a result of the expenditure are greater than those previously assessed.

xiii Where it is considered that there has been any impairment in the value of an asset, the difference between the carrying value and the higher of its net realisable value or value in use is expensed in the Consolidated Statement of Comprehensive Income and Expenditure. Circumstances which could give rise to an impairment are reviewed annually.

xiv Queen Mary owns heritage assets, none of which either individually or collectively are material to these Financial Statements, which have not been capitalised.

xv Expenditure to ensure that a tangible asset maintains its previously recognised standard of performance is recognised in the Consolidated Statement of Comprehensive Income and Expenditure in the year it is incurred. The University has a planned maintenance programme which is reviewed annually.

Investments

i Investments in associates and subsidiaries are shown at the lower of cost or net realisable value.

ii Associate undertakings are shown at Queen Mary's attributable share of net assets in the Statement of Financial Position.

iii Listed investments held for the benefit of the endowment portfolio are shown at market valuation with movements recognised in the Consolidated Statement of Comprehensive Income and Expenditure.

iv Shares held in other non-current asset investments are initially held at their transaction price. Thereafter, they are measured at fair value through the Consolidated Statement of Comprehensive Income and Expenditure except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available. If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measurable is treated as the cost of the instrument.

v Current asset investments are held at fair value with movements recognised in the Consolidated Statement of Comprehensive Income and Expenditure.

Stock

Stock is valued on a first in first out basis and stated at the lower of cost and net realisable value. Included in the valuation are stocks in the refectories and central and departmental stores. An annual review is undertaken of slow moving, obsolete and defective stock and the difference between the carrying value and the higher of its net realisable value or value in use is expensed in the Consolidated Statement of Comprehensive Income and Expenditure.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments, typically with a maturity of up to 3 months from the initial investment, that are readily convertible to known amounts of cash with insignificant risk of change in value. Cash held on deposit for longer than three months is accounted for as current asset investments.

Provisions

Provisions are recognised in the Financial Statements when:

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

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Contingent Liabilities

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University or where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes.

Accounting for Intercompany Loans

The University accounts for intercompany loans using the accounting treatment for public benefit entities in Section 34 of FRS 102.

Taxation

Queen Mary 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 meets the definition of a charity for corporation tax purposes. Accordingly, the University is potentially exempt from tax in respect of income or capital gains received within categories covered by Sections 478-488 CTA 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The University is registered for Value Added Tax (VAT) but is unable to recover input tax incurred on the majority of its expenditure, most education and research being exempt or outside the scope activities under VAT legislation. Irrecoverable VAT is included in the cost of the goods or service.

Deferred taxation

Deferred tax arises from timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise for a subsidiary and deferred tax assets are only recognised to the extent that it is probable that they will be recovered against future taxable profits by a subsidiary. The deferred tax assets and liabilities are not discounted and are netted in the Statement of Financial Position.

Reserves

Reserves are classified as restricted or unrestricted.

i The restricted endowment reserve comprises endowments made to the University where the donor has specified that the fund is to be invested to generate an income stream to be applied to a specific purpose.
ii The restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

Accounting Estimates and Judgements

The following are the key judgements and sources of uncertainty in the estimates that have the most significant effect on the amounts recognised in the Financial Statements:

Pension provision assumptions
In the judgement of the University it is appropriate to account for the USS past deficit obligation in accordance with the deficit recovery plan agreed after the 2018 valuation. This 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% until 31 March 2028. The 2021 deficit recovery liability in the financial statements reflects this plan. The rate used to discount future contributions to the USS deficit recovery plan at the balance sheet date reflects the yield on high quality corporate bonds consistent with the currency and estimated period of future payments. The rates used are based on work commissioned by the British Universities Finance Directors’ Group (BUFDG) from Mercer for the HE sector as a whole. The other assumptions used for calculation of the provision are the estimated salary inflation in future years and estimated changes in number of staff who are members of the USS pension scheme in future years. These are consistent with our internal financial forecasting assumptions.

Valuation of Loan Notes
In January 2019 QMUL issued £160m of unsecured senior notes, £96.5m of which are treated as non-basic financial instruments. As non-basic financial instruments, the loan notes are measured at fair value in the Financial Statements with any movement in value recognised through the consolidated statement of comprehensive income and expenditure. The University has obtained an independent fair value of the non-basic loan notes and this value has been included in the Financial Statements. The valuation is based on the assumption that the loan notes will be held until maturity and will not be prepaid early. This assumption is consistent with the University’s financial plans.

Impairment of Assets in the Course of Construction
The University submitted an application to the Tower Hamlets Planning authority in respect of a new building for the School of Business and Management, the application was rejected by the authority in November 2019.
The costs incurred at 31 July 2020 of £4.5m were held on the balance sheet as an Asset in Course of Construction (AICC) whilst further work was undertaken and the extent of any design and preliminary costs incurred which could be used in the redesign were known. Further work has now been carried out and at 31 July 2021 it is our judgement that preliminary development works with a value of £1.3m are directly attributable to the future development of the site and will remain as capital costs. The remainder of the costs incurred to date (including design and professional fees) of £3.8m have been impaired and charged to the consolidated statement of income and expenditure.

1 Tuition fees and education contracts

	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Full-time home and EU students	**143,071**	**140,027**	128,446	126,864
Full-time international students	**128,959**	**128,959**	128,205	128,205
Part-time students	**7,707**	**7,707**	6,701	6,701
Short course fees	**3,950**	**3,950**	3,544	3,544
Other fees and support grants	**1,611**	**1,611**	998	998
Education contracts	**6,721**	**6,721**	4,994	4,994
	292,019	**288,975**	272,888	271,306

2 Funding body grants

	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Recurrent grant				
Revenue				
Office for Students	**26,135**	**26,135**	27,701	27,701
Research England	**34,933**	**34,933**	35,375	35,375
Capital				
Office for Students	**1,678**	**1,678**	1,021	1,021
Research England	**3,884**	**3,884**	4,120	4,120
Specific grants				
Revenue				
Office for Students	**1,091**	**1,091**	3	3
Research England	**2,438**	**2,438**	3,275	3,275
Capital				
Office for Students	**260**	**260**	47	47
Research England	**1,207**	**1,207**	1,236	1,236
Higher Education Innovation Fund				
Research England	**4,729**	**4,729**	3,256	3,256
	76,355	**76,355**	76,034	76,034

3 Research grants and contracts

	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Research councils	**36,594**	**36,594**	33,635	33,635
Research charities	**39,391**	**39,391**	40,156	40,156
Government (UK and overseas)	**24,058**	**23,875**	22,130	22,045
Industry and commerce	**14,492**	**14,204**	14,913	14,913
Other	**1,687**	**1,689**	3,872	3,850
	116,222	**115,753**	114,706	114,599
Included within Research grants and contracts above are capital grants of:	**2,882**	**2,882**	2,275	2,275

4 Other income

	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Residences, catering and conferences	**12,952**	**12,778**	16,260	16,182
Other services rendered	**5,584**	**5,832**	6,794	7,141
Health Authorities	**12,292**	**12,292**	12,300	12,300
Other revenue income	**12,373**	**10,134**	9,050	6,162
Other capital income	**4,282**	**4,282**	742	742
	47,483	**45,318**	45,146	42,527

5 Investment income

	Notes	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Investment income on expendable endowments	22	**103**	**103**	62	62
Investment income on permanent endowments	22	**259**	**259**	151	151
Investment income on restricted reserves	23	**-**	**-**	1	-
Other investment income		**677**	**677**	1,850	1,837
Net return on pension scheme	31	**141**	**141**	20	20
		1,180	**1,180**	2,084	2,070

6 **Donations and endowments**	Notes	**Year ended 31 July 2021**		Year ended 31 July 2020	
		Consolidated	**Institution**	Consolidated	Institution
		£'000	**£'000**	£'000	£'000
New endowments	22	**152**	**152**	47	46
Donations with restrictions	23	**1,276**	**1,456**	1,324	805
Unrestricted donations		**585**	**582**	233	202
		2,013	**2,190**	1,604	1,053

7 **Grant and Fee Income**	Notes	**Year ended 31 July 2021**		Year ended 31 July 2020	
		Consolidated	**Institution**	Consolidated	Institution
		£'000	**£'000**	£'000	£'000

The source of grant and fee income, included in notes 1 to 3 is as follows:

OfS (Grant income from the OfS)	2	**29,164**	**29,164**	28,772	28,772
Other bodies (Grant income from other bodies)	2	**47,191**	**47,191**	47,262	47,262
Research awards (Fee income for research awards (exclusive of Vat))	1&3	**6,036**	**6,036**	5,273	5,273
Non-qualifying (Fee income from non-qualifying courses (exclusive of Vat))	1	**12,282**	**12,282**	9,536	9,536
Taught (Fee income for taught awards (exclusive of Vat))	1	**275,717**	**272,673**	259,916	258,334
		370,390	**367,346**	350,759	349,177

Fee income above consists of tuition fee income net of fee waivers. Research awards fee income includes £2,016,280 (2020: £1,837,409) of tuition fees funded from research grants (note 3)

		Notes	Year ended 31 July 2021		Year ended 31 July 2020	
8	**Staff costs**		**Consolidated**	**Institution**	Consolidated	Institution
			£'000	**£'000**	£'000	£'000
	Staff costs:					
	Salaries		**225,168**	**222,603**	228,679	226,059
	Social security costs		**22,962**	**22,775**	22,900	22,760
	Movement in holiday pay accrual		**(48)**	**(48)**	1,656	1,656
	Other pension costs		**38,492**	**38,302**	38,360	38,169
	Compensation for loss of office		**3,923**	**3,923**	1,168	1,168
			290,497	**287,555**	292,763	289,812
	Pension provision movements:					
	Movement on USS provision	20	**3,772**	**3,772**	(43,659)	(43,659)
			3,772	**3,772**	(43,659)	(43,659)
			294,269	**291,327**	249,104	246,153

Compensation for loss of office:	**2021 Consolidated**	2020 Consolidated
Total amount of compensation for loss of office	**£ 3,922,838**	£ 1,168,487
Number of people to whom this was payable	**309**	129

Average FTE staff numbers by major category:	**2021 Consolidated No.**	2020 Consolidated No.
Academic, education and research	**2,309**	2,379
Professional services	**1,518**	1,509
Technical services	**260**	275
Operational services	**279**	303
	4,366	4,466

Remuneration of the President and Principal: Professor Colin Bailey

	2021	2020
	£	£
Emoluments:		
Basic Salary	**300,000**	300,000
Benefits in kind - taxable		
Utilities, service charge and furniture in Principal's accommodation	**9,952**	8,951
Taxable accommodation	**400**	400
Total remuneration before pension contributions	**310,352**	309,351
Pension Contributions to USS	**6,000**	6,100
Total remuneration including pension contributions	**316,352**	315,451

8 Staff costs (continued)

Remuneration of the President and Principal (continued)

Justification for the total remuneration package for Professor Colin Bailey

Queen Mary is a member of the Russell Group of 24 leading UK universities, which are committed to maintaining the very best research, an outstanding teaching and learning experience and unrivalled links with business and the public sector. The University has five campuses in London and significant operations overseas, notably in China, France and Malta. In 2020/21, it had approximately 28,500 students registered on its programmes, more than 4,800 members of staff, research income of £119m and total income of £530m. Queen Mary therefore competes with some of the best universities in the UK and internationally to recruit senior members of staff.

The President and Principal is the chief academic and executive officer of the University and has ultimate responsibility for the development and delivery of the Strategy, as well as for ensuring that the University has the financial strength and sustainability to achieve its ambitions. The post-holder is responsible for maintaining and promoting the University's values and distinctive identity, for overseeing the achievement of high international standards in education and research across all disciplines, and for protecting and developing the University's reputation on a regional, national and international level.

Professor Colin Bailey has been the University's President and Principal since September 2017. He was appointed following an international search, which was overseen by Council, and in 2021 Council re-appointed him for a further five-year term considering his significant contribution in the role. A dedicated benchmarking exercise was undertaken as part of the initial recruitment process to determine the appropriate level of remuneration. Professor Bailey's total remuneration was set, and remains, close to the median compared to other Russell Group universities.

In his first four years as President and Principal, Professor Bailey made clear to Remuneration Committee in advance his intention to waive any salary increase or bonus that the Committee may wish to award. Each year the Committee considered what pay uplift Professor Bailey should have been awarded had he not chosen to waive any such uplift. In light of his significant contribution as President and Principal, the Committee agreed that he should have been awarded pay uplifts of 2.0% in 2018/19 and 1.8% in 2019/20, both matching the national cost of living increases awarded to all members of staff at the time. Given the wider financial situation brought about by the Coronavirus pandemic, the higher education sector did not apply a cost of living increase in 2020/21. In consideration of this and Professor Bailey's request not to be awarded a pay uplift, the Committee decided not to award him a pay uplift in 2020/21. The notional effect of the previous increases in the first four years of his incumbency, had they not been waived by Professor Bailey, would have been as follows:

	2017/18	2018/19	2019/20	2020/21
Actual salary (basic salary plus market supplement)	£300,000	£300,000	£300,000	£300,000
Notional salary (brought forward)		£300,000	£306,000	£311,508
Notional increase	N/A	2.0%	1.8%	0.0%
Notional salary (carried forward)	£300,000	£306,000	£311,508	£311,508

Council requires the President and Principal to reside in nearby accommodation, which it provides for the better performance of the duties and for official business. This is consistent with similar arrangements at other universities, especially in London. The University purchased the property outright in 1976 for £55,000. The gross rating value of the property used to calculate the cash equivalent of the accommodation benefit is £400. In 2017 the University purchased certain items of furniture for the provided accommodation at a total cost of £13,290. The financial benefit of the furniture to Professor Bailey is spread evenly over the five years of his initial term of employment.

Professor Bailey has elected for the enhanced opt-out section of the Universities Superannuation Scheme (the same employer pension scheme that is available to other academic and related staff) by which the University makes contributions at a reduced rate for Professor Bailey to retain in-service benefits. The enhanced opt-out contribution rate for employers in 2020/21 was 2.1%, compared to the full contribution rate of 21.1%.

This note also shows the relationship, expressed as a multiplier, between the President and Principal's emoluments and the median value for all staff employed by the University for the past two years. The multiplier in 2019/20 (the most recent year for which benchmarking information is available) was below the median for Russell Group universities. As Professor Bailey's salary remained constant between 2019/20 and 2020/21, the reduction in the multiplier between these years is entirely due to an increase in the median salary for all staff employed at the University over the same period. The increase in the median salary in 2020/21 reflects the fact that certain operations at the University, such as catering and in-person events, were temporarily scaled back in that year as a result of the Coronavirus pandemic, while a number of deliberate appointments were made into senior roles to support delivery of the Strategy.

8 Staff costs (continued)

Remuneration of the President and Principal (continued)

The Chair of Council is responsible for conducting the President and Principal's appraisals. In 2021, Council also commissioned a detailed assessment of Professor Bailey's performance since starting in the role to inform its decision about whether to re-appoint him for a further term, the outcome of which was to re-appoint for a further five years. Following the full-year appraisal, the Remuneration Committee held a dedicated meeting, which Professor Bailey did not attend, to review his performance. The Committee concluded that Professor Bailey's contribution in 2020/21 had continued to be significant and that he had performed consistently well against the objectives set by the Committee. His handling of the Coronavirus pandemic had been highly effective. In the context of these external challenges, the financial position of the University was consistently improving and the institutional KPIs were mostly moving in the right direction.
Remuneration Committee has approved objectives for Professor Bailey for 2021/22 that are linked to the University Strategy. The objectives reflect the following priorities:

- to oversee and accelerate the delivery of the Strategy across education and research, while leading the University effectively through the repercussions of the Coronavirus pandemic and any other significant external events;
- to ensure that student recruitment targets are met and that there is adequate financial management and resilience against external risks to deliver the Strategy;
- to continue building the senior leadership of the University to deliver the Strategy;
- to undertake activities to raise the profile of the University locally, nationally and internationally.

Remuneration Committee publishes an Annual Remuneration Report at:
www.arcs.qmul.ac.uk/governance/council/committees/remuneration-committee

Relationship between Professor Colin Bailey's emoluments and the median value for all staff employed by the University:	**2021 Median**	2020 Median
Basic Salary (median calculated as full-time equivalent for the salaries of all staff)	**8.3**	**8.8**
Total remuneration (median calculated as full-time equivalent for the remuneration of all staff)	**7.3**	**8.0**

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Emoluments include any compensation paid to key management personnel.

The President and Principal is included together with the other members of Queen Mary's Senior Executive who are listed on the final page of the financial statements.

	2021	2020
Emoluments:	**£**	£
Salary	**2,116,174**	1,984,133
Benefits in kind	**10,352**	9,351
Severance	**-**	-
Total remuneration before pension contributions	**2,126,526**	1,993,484
Pension Contributions to USS	**231,437**	209,780
Total remuneration including pension contributions	**2,357,963**	2,203,264

8 Staff costs (continued)

Trustees (Council Members)

The Trustees neither received nor waived any emoluments during the year (2020: £nil) in respect of their position as Trustees. All Trustees are entitled to be reimbursed for reasonable travel and subsistence expenses incurred in the performance of their duties. In 2021 one Trustee (2020: 2) was reimbursed a total of £113 (2020: £859).

The number of staff who earned a basic salary of over £100,000 in the year

	2021	2020
	No.	No.
£100,000 - £104,999	**28**	29
£105,000 - £109,999	**24**	24
£110,000 - £114,999	**27**	15
£115,000 - £119,999	**7**	7
£120,000 - £124,999	**7**	7
£125,000 - £129,999	**5**	9
£130,000 - £134,999	**6**	6
£135,000 - £139,999	**7**	7
£140,000 - £144,999	**5**	2
£145,000 - £149,999	**1**	1
£150,000 - £154,999	**3**	1
£155,000 - £159,999	**2**	2
£160,000 - £164,999	**1**	0
£170,000 - £174,999	**0**	2
£175,000 - £179,999	**0**	1
£180,000 - £184,999	**2**	0
£195,000 - £199,999	**1**	0
£215,000 - £219,999	**0**	1
£220,000 - £224,999	**0**	0
£245,000 - £249,999	**0**	1
£300,000 - £304,999	**1**	1
	127	116

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
	£'000	**£'000**	£'000	£'000
9 Interest and other finance costs				
Loan interest	**7,324**	**6,509**	7,443	6,584
Finance lease interest	**1**	**1**	-	-
Net charge on pension scheme	**477**	**477**	1,706	1,706
Other	**1**	**1**	-	-
	7,803	**6,988**	9,149	8,290

10 Analysis of total expenditure by activity	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
	£'000	**£'000**	£'000	£'000
Academic and related expenditure	**232,094**	**229,634**	235,133	232,840
Administration and central services	**96,006**	**96,010**	93,922	93,921
Premises	**38,342**	**37,735**	30,216	29,566
Residences, catering and conferences	**18,516**	**17,860**	18,325	17,721
Research grants and contracts	**97,412**	**97,383**	98,055	98,047
Pension Provision	**3,772**	**3,772**	(43,659)	(43,659)
Other expenses	**7,744**	**6,028**	9,170	6,655
	493,886	**488,422**	441,162	435,091

	2021	2020
	Consolidated	Consolidated
	£'000	£'000
Other operating expenses include:		
External auditor's remuneration in respect of audit services	**224**	152
External auditor's remuneration in respect of non-audit services	**-**	5
Operating lease rentals		
Land and buildings	**8,369**	5,972
Other	**636**	1,004

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
	£'000	**£'000**	£'000	£'000
Access and Participation				
Access Investment	**887**	**887**	1,018	1,018
Financial Support	**9,126**	**9,126**	8,237	8,237
Support for Disabled Students	**769**	**769**	706	706
Research and Evaluation	**88**	**88**	71	71
Total Spend	**10,870**	**10,870**	10,032	10,032
Of which staff costs	**1,352**	**1,352**	1,344	1,344

10 Analysis of total expenditure by activity (continued)

Access and Participation (continued)

A link to Queen Mary's Access and Participation Plan 2020/21 can be found at:
https://apis.officeforstudents.org.uk/accessplansdownloads/2024/QueenMaryUniversityOfLondon_APP_2020-21_V1_10007775.pdf
This sets out our approach to widening access and supporting students from underrepresented and disadvantaged communities, including our investment plan.
The investment outlined in the note is funded from a number of different sources including Higher Fee Income (HFI), Higher Education Innovation Fund (HEIF) public engagement funding, and the Office for Students.
In the 2019/20 Financial Statements Queen Mary only included central expenditure incurred delivering the commitments in the plan. In 2020/21 we have also included expenditure on specific projects in Faculties. The prior year figures for 2019/20 have therefore been restated to include Faculty project spend on a comparable basis. We have not included an allocation for wider faculty staff time spent on supporting disadvantaged and underrepresented groups to access higher education except where these relate to specific projects.
As well as the investment outlined above Queen Mary also invests in the Success and Progression of underrepresented students once they have started at the University. The need to support this area has been vitally important through the pandemic, particularly in the context of our student cohort, whereby a significant percentage are from low-income households.

Access Investment
The Access Investment outlined above incorporates work carried out by the Central Widening Participation Team, including a proportion of staff salaries. It also includes specific projects and programmes of work carried out by Faculties to support underrepresented groups to access Higher Education.
Access spend was lower than that forecast in the original Access and Participation Plan. This was, in part, due to the Covid-19 pandemic leading to a replacement of physical events on and off campus with virtual opportunities, as well as an overall reduction in our workforce. Although the overall spend is lower than forecast in the plan, we have continued to deliver a full suite of innovative activities virtually. We have continued to work with a range of third-party stakeholders to ensure we maintain our existing provision, including The Access Project, Advancing Access, AccessHE and Realising Opportunities. We have also invested in the development of new Queen Mary access programmes due to launch in 2021/2022.
We have also prioritised Financial Support to students due to the increased hardship students have experienced as a result of the pandemic. Further, during the pandemic, we offered increased support to students via our Careers and Enterprise service, who put over 550 students into mentoring relationships; placed 500 students into work experience opportunities and supported over 9,000 students with a careers appointment or virtual CV feedback, alongside a series of additional workshops.

Financial Support
Queen Mary University of London provides bursaries to all students whose household income, as assessed by Student Finance England, meet the criteria. Students with an assessed household income of less than £20k per annum receive a bursary of £1,700 per annum and students with a household income of between £20k and £35k receive £1,000k per annum. We review our modelling annually to best predict the number of students entitled to bursaries and the budget that should be allocated to this in the Access Agreement. In 2020/21 we distributed bursaries of £8.2m to students which is in line with the investment target in the Access and Participation Plan.
Queen Mary also provides targeted financial support including Article 26 Bursaries and a Financial Assistance Fund for students who require additional assistance. In 2020/21 Queen Mary distributed £0.9m of additional financial support to students. This was significantly higher than the investment target of £0.3m in the Access and Participation Plan and compared to 2019/20 expenditure. This is due to the additional hardship faced by students as a result of Covid-19. This increase was partly funded by £0.4m from the Office for Students to provide hardship funds.

Support for Disabled Students
The figures above for support for Disabled Students includes the expenditure by the central Dyslexia and Disability Service, including the student premium. Support for disabled students is considered in everything that we do. Faculties and academic departments have additional direct expenditure supporting disabled students, this is not captured in the figures above.

Research and Evaluation
Research and Evaluation is a key part of our strategy to ensure all activities deliver impact. This spend supports our ongoing subscription to HEAT, the delivery of student-led research projects to inform the development of our widening participation curriculum and the development of university business intelligence tools to more effectively monitor widening participation cohorts at every stage of the applicant funnel and overall student journey. In 2020/21 we have also included a proportion of the planning team time in recognition of their work developing business intelligence tools to better understand contextual factors across the full student lifecycle.

Staff
The staff figure includes staff working in the Disability and Dyslexia team and the proportion of individual staff time spent on Access in the Widening Participation team and Planning team. It also includes faculty staff time related to specific projects or programmes of work. We know that staff from across the University will spend a proportion of their time supporting our approach to Access. This resource is not captured in the figures above.

Notes to the Financial Statements (Continued)
for the year ended 31 July 2021

11 Taxation	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Current tax				
Current tax expense	**758**	**758**	772	767
Current tax expense	**758**	**758**	772	767
Deferred tax	**(624)**	**-**	(2,436)	-
Total tax expense	**134**	**758**	(1,664)	767

Deferred taxation

Deferred tax arises from timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise for a subsidiary and deferred tax assets are only recognised to the extent that it is probable that they will be recovered against future taxable profits by a subsidiary. The deferred tax assets and liabilities are not discounted and are netted on the Statement of Financial Position.

Notes to the Financial Statements (Continued)
for the year ended 31 July 2021

12 Intangible Assets

	Software	Assets in the Course of Construction	Total
	£'000	£'000	£'000
Consolidated and Institution			
Cost			
As at 1 August 2020	26,345	2,003	28,348
Additions	-	1,600	1,600
Transfers	3,269	(3,269)	-
Disposals	-	-	-
As at 31 July 2021	**29,614**	**334**	**29,948**
Amortisation			
As at 1 August 2020	21,985	-	21,985
Charge for the year	2,880	-	2,880
Disposals	-	-	-
As at 31 July 2021	**24,865**	**-**	**24,865**
Net book value			
As at 31 July 2021	**4,749**	**334**	**5,083**
As at 31 July 2020	4,360	2,003	6,363

13 Tangible assets

Consolidated	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Cost or valuation						
As at 1 August 2020	555,016	52,307	33,651	113,895	18,871	773,740
Additions	-	-	-	70	35,275	35,345
Transfers	3,673	3,969	1,703	10,366	(19,711)	-
Impairment	-	-	-	-	(3,805)	(3,805)
Disposals	-	-	(661)	(10,818)	-	(11,479)
As at 31 July 2021	**558,689**	**56,276**	**34,693**	**113,513**	**30,630**	**793,801**
Depreciation						
As at 1 August 2020	41,123	12,417	16,227	86,956	-	156,723
Charge for the year	8,293	2,358	2,887	10,587	-	24,125
Disposals	-	-	(661)	(10,813)	-	(11,474)
As at 31 July 2021	**49,416**	**14,775**	**18,453**	**86,730**	**-**	**169,374**
Net book value						
As at 31 July 2021	**509,273**	**41,501**	**16,240**	**26,783**	**30,630**	**624,427**
As at 31 July 2020	513,893	39,890	17,424	26,939	18,871	617,017
Institution						
Cost or valuation						
As at 1 August 2020	547,636	52,307	27,919	109,538	18,871	756,271
Additions	-	-	-	-	35,275	35,275
Transfers	3,673	3,969	1,703	10,366	(19,711)	-
Impairment	-	-	-	-	(3,805)	(3,805)
Disposals	-	-	-	(10,133)	-	(10,133)
As at 31 July 2021	**551,309**	**56,276**	**29,622**	**109,771**	**30,630**	**777,608**
Depreciation						
As at 1 August 2020	40,237	12,418	13,539	84,610	-	150,804
Charge for the year	8,145	2,358	2,549	10,050	-	23,102
Disposals	-	-	-	(10,133)	-	(10,133)
As at 31 July 2021	**48,382**	**14,776**	**16,088**	**84,527**	**-**	**163,773**
Net book value						
As at 31 July 2021	**502,927**	**41,500**	**13,534**	**25,244**	**30,630**	**613,835**
As at 31 July 2020	507,399	39,889	14,380	24,928	18,871	605,467
Leasehold assets included above:						
Net Book Value:						
As at 31 July 2021	**-**	**41,500**	**-**	**635**	**-**	**42,135**
As at 31 July 2020	-	39,889	-	-	-	39,889

A full valuation of all Queen Mary's land and buildings was carried out at 31 July 2014 by JLL.
Freehold land and buildings at 31 July 2021 includes land with a cost of £280,980,000 (2020: £280,980,000) which is not depreciated.

Consolidated fixtures, fittings and equipment include assets previously held under finance leases as follows:

	31 July 2021 Consolidated £'000	31 July 2020 Consolidated £'000
Cost	**3,002**	8,816
Accumulated depreciation	**(2,334)**	(8,816)
Charge for year	**(33)**	-
Net book value	**635**	-

The University holds two main classes of heritage assets: one comprises portraits of former Principals of the University and institutions with which it merged; and the other is silverware. The value of neither class is material to these Financial Statements.

14 Non-Current Investments

	Subsidiary companies £'000	Other Investments £'000	Shared Equity Property £'000	Total £'000
Consolidated				
As at 1 August 2020	-	28,652	1,250	**29,902**
Additions	-	10	-	**10**
Disposals	-	(1,007)	(250)	**(1,257)**
Change in fair value of managed investment portfolio	-	3,163	-	**3,163**
Change in fair value of other investments	-	2,285	-	**2,285**
Management fee on managed investment portfolio	-	(244)	-	**(244)**
As at 31 July 2021	**-**	**32,859**	**1,000**	**33,859**

	Subsidiary companies £'000	Other Investments £'000	Shared Equity Property £'000	Total £'000
Institution				
As at 1 August 2020	3,516	28,541	1,250	**33,307**
Additions	-	10	-	**10**
Disposals	-	(1,007)	(250)	**(1,257)**
Change in fair value of managed investment portfolio	-	3,163	-	**3,163**
Change in fair value of other investments	-	2,199	-	**2,199**
Management fee on managed investment portfolio	-	(244)	-	**(244)**
As at 31 July 2021	**3,516**	**32,662**	**1,000**	**37,178**

Other non-current investments consist of :	**As at 31 July 2021 Consolidated £'000**	**As at 31 July 2021 Institution £'000**	As at 31 July 2020 Consolidated £'000	As at 31 July 2020 Institution £'000
Open Orphan (was hVIVO plc)	**961**	**832**	725	654
Actual Experience plc	**2,180**	**2,132**	2,299	2,259
Poolbeg Pharma PLC	**149**	**129**	-	-
Biomoti Limited	**221**	**221**	110	110
Landr Audio Inc	**263**	**263**	263	263
Keratify Limited	**83**	**83**	83	83
Kinomica Limited	**720**	**720**	-	-
Biophilica Limited	**15**	**15**	-	-
Amber Therapeutics Limited	**165**	**165**	-	-
CVCP Properties	**53**	**53**	53	53
Managed Investment Portfolio - Permanent Endowment Funds:				
Fixed interest stocks	**10,712**	**10,712**	10,771	10,771
Equities	**12,626**	**12,626**	7,565	7,565
Other investments	**4,711**	**4,711**	6,783	6,783
	32,859	**32,662**	28,652	28,541

Quoted investments are valued at market price at the date of the Statement of Financial Position.

15 Investments in associates

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
	£'000	**£'000**	£'000	£'000
As at 1 August 2020	**756**	**298**	917	298
Additions	**-**	**-**	-	-
Disposals	**-**	**-**	-	-
Transfer from non-current investments	**-**	**-**	-	-
Share of profit/(loss)	**(238)**	**-**	(587)	-
Change in reserves	**(156)**	**-**	426	-
As at 31 July 2021	**362**	**298**	756	298

Queen Mary University of London holds directly the following shares in associate companies:

	Country of Registration	**Equity Holding**	**Proportion held**	**Principal Activity**
Biomin Technologies Limited	England	Ordinary	18.20%	Dental materials
Chromosol Limited	England	Ordinary	33.40%	Optical amplifier technology
Degrasense Limited	England	Ordinary	47.70%	Industrial biosensors
Emdot Limited	England	Ordinary	27.60%	Inkjet printing technology
Nemisindo Limited	England	Ordinary	30.00%	Sound design
Resolomics Limited	England	Ordinary	30.00%	Disease Diagnostics
Stealthyx Therapeutics Limited	England	Ordinary	43.30%	Drug delivery
Touchkeys Instruments Ltd	England	Ordinary	31.80%	Musical instruments
Varydose Limited	England	Ordinary	26.70%	Pharmaceutical dispensing
Vision Semantics Limited	England	Ordinary	29.10%	CCTV analytics
Warblr Limited	England	Ordinary	33.30%	Software development
William Harvey Research Limited	England	Ordinary	40.00%	Research
Ultima Forma Limited	England	Ordinary	22.50%	Novel metal manufacturing

Queen Mary University of London holds indirectly the following shares in associate companies:

Vision Semantics (HK) Limited	Hong Kong	Ordinary	29.10%	CCTV analytics

16 Trade and other receivables	**Year ended 31 July 2021** Consolidated £'000	Institution £'000	Year ended 31 July 2020 Consolidated £'000	Institution £'000
Amounts falling due within one year:				
Research grant receivables	**43,545**	**43,545**	34,023	34,023
Other trade receivables	**26,166**	**26,060**	22,266	21,968
Other receivables	**458**	**452**	1,183	1,183
Prepayments and accrued income	**9,225**	**8,465**	10,214	10,316
Amounts due from subsidiary companies	**-**	**7,080**	-	5,800
Amounts due from associate companies	**34**	**34**	52	52
	79,428	**85,636**	67,738	73,342
Amounts falling due after one year:				
Other receivables	**3,061**	**-**	2,437	-
	82,489	**85,636**	70,175	73,342

Amounts due from associate companies are trading balances.
Amounts due from subsidiaries include inter-company balances of £6,717,482 (2020 £5,560,280) with QMUL Malta Ltd and £121,675 (2020 £177,727) with Queen Mary Innovation Ltd which are repayable on demand. Repayment of the inter-company balance with QMUL Malta Ltd is expected to commence in the 2021/22 financial year. The remaining £240,412 (2020 £62,015) is a trading balance.

17 Current Investments	**Year ended 31 July 2021** Consolidated £'000	Institution £'000	Year ended 31 July 2020 Consolidated £'000	Institution £'000
As at 1 August 2020	**99,647**	**99,647**	120,867	120,867
Movements on managed funds	**(1,267)**	**(1,267)**	(1,378)	(1,378)
Movements on deposits	**(5,004)**	**(5,004)**	(21,011)	(21,011)
Transfers from non-current investments	**-**	**-**	-	-
Gain/(loss) on revaluation	**1,265**	**1,265**	1,257	1,257
Management fees	**(98)**	**(98)**	(88)	(88)
As at 31 July 2021	**94,543**	**94,543**	99,647	99,647
Current investments consist of :				
Managed Investment Portfolio:				
Equities	**4,519**	**4,519**	3,053	3,053
Fixed interest stocks	**3,833**	**3,833**	4,347	4,347
Other investments	**1,686**	**1,686**	2,738	2,738
Bank Deposits	**84,505**	**84,505**	89,509	89,509
	94,543	**94,543**	99,647	99,647

18 Creditors: amounts falling due within one year

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
	£'000	**£'000**	£'000	£'000
Secured Loans	**854**	**-**	811	-
Unsecured loans	**1,051**	**1,051**	1,013	1,013
Obligations under finance leases	**133**	**133**	-	-
Trade payables	**25,264**	**25,135**	14,461	14,433
Social security and other taxation payable	**6,113**	**6,091**	6,288	6,281
Research grants/contracts in advance	**60,165**	**60,165**	55,383	55,383
Accruals and deferred income	**47,109**	**46,006**	29,665	28,723
Amounts owed to subsidiaries	**-**	**3,624**	-	3,215
Other creditors	**7,917**	**6,970**	7,764	6,599
	148,606	**149,175**	115,385	115,647

Amounts due to subsidiaries includes £3,139,551 (2020 £3,143,336) due to QMW Developments Ltd which is repayable on demand. The remaining £484,099 (2020 £71,940) is a trading balance.

Deferred income

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

Grant income	**1,855**	**1,855**	1,268	1,268
Tuition income	**9,856**	**9,856**	780	780
Other income	**6,376**	**6,204**	5,640	5,640
	18,087	**17,915**	7,688	7,688

19 Creditors: amounts falling due after more than one year

	Note	Year ended 31 July 2021 Consolidated £'000	Year ended 31 July 2021 Institution £'000	Year ended 31 July 2020 Consolidated £'000	Year ended 31 July 2020 Institution £'000
Obligations under finance leases		**446**	**446**	-	-
Secured loans		**14,186**	**-**	15,041	-
Unsecured loans and notes		**235,356**	**235,356**	227,411	227,411
Other creditors		**10,981**	**10,981**	10,350	10,350
		260,969	**246,783**	252,802	237,761
Analysis of secured and unsecured loans and notes:					
Due within one year or on demand	18	**1,905**	**1,051**	1,824	1,013
Due between one and two years		**1,983**	**1,085**	1,906	1,051
Due between two and five years		**6,486**	**3,499**	6,216	3,378
Due in five years or more		**241,073**	**230,772**	234,330	222,982
Due after more than one year		**249,542**	**235,356**	242,452	227,411
Total secured and unsecured loans		**251,447**	**236,407**	244,276	228,424
Unsecured loans repayable by 2042		**49,930**	**49,930**	50,943	50,943
Unsecured notes repayable by 2049		**105,000**	**105,000**	105,000	105,000
Fair value movement on unsecured notes repayable by 2049		**26,477**	**26,477**	17,481	17,481
Unsecured notes repayable by 2058		**55,000**	**55,000**	55,000	55,000
Secured loans repayable by 2034		**15,040**	**-**	15,852	-
		251,447	**236,407**	244,276	228,424

Included in loans and notes are the following:

Lender	**Amount £'000**	**Term**	**Interest rate**	**Borrower**
Unsecured bank loan				
Lloyds Bank PLC	43,200	2042	5.01%	QMUL
Lloyds Bank PLC	6,730	2042	0.18% above LIBOR	QMUL
	49,930			
Unsecured notes				
Metropolitan Life Insurance Company *	42,200	2049	2.97%	QMUL
Metropolitan Tower Life Insurance Company *	13,000	2049	2.97%	QMUL
MetLife Insurance K.K. *	6,800	2049	2.97%	QMUL
Brighthouse Life Insurance Company of NY *	4,500	2049	2.97%	QMUL
Pensionskasse des Bundes Publica	8,500	2049	2.97%	QMUL
New York Life Insurance Company *	19,000	2049	2.97%	QMUL
New York Life Insurance & Annuity Corporation *	11,000	2049	2.97%	QMUL
Pension Insurance Corporation Plc	55,000	2058	3.10%	QMUL
* Fair value movement	26,477			
	186,477			
Secured bank loan				
Barclays Bank PLC	15,040	2034	5.27%	Queen Mary Bioenterprises Ltd
Total	251,447			

Queen Mary Bioenterprises Limited entered into a loan facility for £16,500,000 with Barclays Bank PLC on 15 February 2007 to fund the building of an Innovation Centre. The loan balance outstanding at 31 July 2021 is £15,040,443 (2020: £15,850,856). The loan is secured on the Innovation Centre which has a net book value at 31 July 2021 of £9,641,800 (2020: £10,324,400).

20 Pension Provisions

Consolidated and Institution	Obligation to fund deficit on USS Pension £'000	Obligation to fund deficit on SAUL Pension £'000	Defined Benefit Pension Obligation £'000	Total Pension Provisions £'000
As at 1 August 2020	64,668	-	229	**64,897**
Contributions paid for deficit recovery plan	(2,922)	-	(37)	**(2,959)**
Change in assumptions	6,694	-	-	**6,694**
Unwinding of discount	475	-	-	**475**
Actuarial gain	-	-	21	**21**
Net return on assets	-	-	(139)	**(139)**
As at 31 July 2021	**68,915**	**-**	**74**	**68,989**

USS deficit
The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in note 31(i).

The provision is based on the deficit recovery plan agreed following the 2018 actuarial valuation, more detail of which is given in note 31(i). The plan requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. A revised deficit recovery plan following the 2020 actuarial valuation has been agreed subsequent to the current reporting period and will be used as the basis for the calculation of the pension provision for the financial year ended 31 July 2022.

The major assumptions used to calculate the obligation are:

	2021	2020
Discount rate	0.88%	0.74%
Salary inflation year 1	1.50%	1.10%
Salary inflation after year 1	2.50%	2.50%
Headcount increase	0.00%-7.90%	0.00%

20 Pension Provisions (continued)

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

Change in assumptions at 31 July 2021	Approximate impact £000
0.5% pa decrease in discount rate to 0.38%	1,384
0.5% pa increase in discount rate to 1.38%	(1,344)
1.0% pa decrease in salary inflation to 0.5% / 1.5%	(2,641)
1.0% pa increase in salary inflation to 2.5% / 3.5%	2,743
1.0% increase in staff changes to 1.0% - 8.9%	2,722
1.0% decrease in staff changes to -1.0% - 6.9%	(2,620)

Defined Benefit Pension Obligation
The defined pension benefit obligation relates to the actuarial deficit on the London Hospital and St Bartholomew's Hospital medical colleges pension scheme. A full actuarial valuation of the scheme was carried out at 31 July 2018 and revealed a funding shortfall of £358,000.

Under the recovery plan dated 31 October 2019 the University has agreed to pay contributions with the view to eliminating the shortfall by 31 July 2024. In accordance with the Scheme’s current schedule of contributions, the University is expected to pay contributions of £37,196 over the next accounting period.

21 Other Provisions

Consolidated and Institution	**Other Provisions £'000**
As at 1 August 2020	**49**
Utilised in year	**(49)**
Additions in year	**100**
Unused amounts reversed	**-**
As at 31 July 2021	**100**

22 Endowment Reserves

Restricted net assets relating to endowments are as follows:

Consolidated	Restricted permanent endowments £'000	Unrestricted permanent endowments £'000	Expendable endowments £'000	2021 £'000	2020 £'000
As at 1 August 2020					
Capital	22,976	2,143	-	**25,119**	22,236
Accumulated income	1,475	-	10,663	**12,138**	11,213
	24,451	2,143	10,663	**37,257**	33,449
New endowments	10	-	142	**152**	47
Increase in market value of investments	2,909	255	1,265	**4,429**	4,355
Management fee applied to Capital	(224)	(20)	(97)	**(341)**	(303)
Investment income	238	21	103	**362**	213
Expenditure	(174)	(21)	(355)	**(550)**	(584)
Repayment of Benevolence Loans	22	-	-	**22**	80
Total endowment comprehensive income for the year	2,781	235	1,058	**4,074**	3,808
As at 31 July 2021	27,232	2,378	11,721	**41,331**	37,257
Represented by:					
Capital	25,670	2,378	-	**28,048**	25,119
Accumulated income	1,562	-	11,721	**13,283**	12,138
	27,232	2,378	11,721	**41,331**	37,257
Analysis by type of purpose:					
Centre for Commercial Law Studies	18,064	-	1,544	**19,608**	17,613
Lectureships	546	-	73	**619**	554
Scholarships and bursaries	5,284	-	1,754	**7,038**	6,327
Research support	670	1,885	5,157	**7,712**	7,083
Prize funds	2,252	-	24	**2,276**	2,042
General	416	493	3,169	**4,078**	3,638
	27,232	2,378	11,721	**41,331**	37,257

Analysis by asset:	**2021 £'000**	2020 £'000
Current and non-current asset investments	**38,086**	35,256
Cash & cash equivalents	**3,245**	2,001
	41,331	37,257

23 Restricted Reserves

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
Reserves with restrictions are as follows:	**£'000**	**£'000**	£'000	£'000
	£'000	**£'000**	£'000	£'000
As at 1 August 2020	**2,940**	**2,246**	2,579	2,208
	2,940	**2,246**	2,579	2,208
New grants	**798**	**694**	667	603
New donations	**1,276**	**1,456**	1,324	805
Investment income	**-**	**-**	1	-
Expenditure	**(2,448)**	**(2,412)**	(1,631)	(1,370)
Total restricted comprehensive income for the year	**(374)**	**(262)**	361	38
As at 31 July 2021	**2,566**	**1,984**	2,940	2,246

Analysis of restricted funds by type of purpose:	**2021**	2020
	£'000	£'000
Scholarships and bursaries	**500**	765
Research support	**553**	1,454
Other	**1,513**	721
	2,566	2,940

24 Cash and cash equivalents

	As at 1 August 2020	Cash flows	As at 31 July 2021
	£'000	**£'000**	**£'000**
Consolidated			
Cash and cash equivalents	98,606	67,096	**165,702**
Bank overdraft	-	-	**-**
	98,606	67,096	**165,702**

25 Consolidated reconciliation of net debt

Analysis of net debt:	As at 1 August 2020 £'000	Cash Flows £'000	Other non-cash changes £'000	Change in fair value £'000	As at 31 July 2021 £'000
Cash and cash equivalents	98,606	67,096	-	-	**165,702**
Current investments - deposits	89,509	(5,004)	-	-	**84,505**
Borrowings: amounts falling due within one year					
Secured loans	(811)	811	(854)	-	**(854)**
Unsecured loans	(1,013)	1,013	(1,051)	-	**(1,051)**
Obligations under finance leases	-	89	(222)	-	**(133)**
	(1,824)	1,913	(2,127)	-	**(2,038)**
Borrowings: amounts falling due after more than one year					
Secured loans	(15,041)	-	855	-	**(14,186)**
Unsecured loans	(227,411)	-	1,051	(8,996)	**(235,356)**
Obligations under finance leases	-	-	(446)	-	**(446)**
	(242,452)	-	1,460	(8,996)	**(249,988)**
Net debt	(56,161)	64,005	(667)	(8,996)	**(1,819)**

		Year ended 31 July 2021		Year ended 31 July 2020	
		Consolidated	**Institution**	Consolidated	Institution
26	**Financial Instruments**	**£'000**	**£'000**	£'000	£'000
	Financial assets				
	Measured at fair value through income and expenditure				
	Managed Investment Portfolio	**38,087**	**38,087**	35,257	35,257
	Listed non-current investments	**3,093**	**3,093**	2,912	2,912
	Measured at amortised cost				
	Cash and cash equivalents	**165,702**	**161,501**	98,606	94,844
	Bank deposits	**84,505**	**84,505**	89,509	89,509
	Measured at undiscounted amount receivable				
	Research grant receivables	**43,545**	**43,545**	34,023	34,023
	Trade and other receivables	**29,685**	**26,512**	25,886	23,151
	Equity instruments measured at cost less impairment				
	Shares not listed	**1,521**	**5,037**	510	4,026
	Investments in Associates	**362**	**298**	756	298
		366,500	**362,578**	287,459	284,020
	Financial liabilities				
	Measured at fair value through income and expenditure				
	Unsecured notes	**122,977**	**122,977**	113,981	113,981
	Debt instruments measured at amortised cost				
	Unsecured notes	**63,500**	**63,500**	63,500	63,500
	Loans	**64,970**	**49,930**	66,795	50,943
	Finance Leases	**446**	**446**	-	-
	Measured at undiscounted amount payable				
	Trade and other payables	**25,264**	**25,135**	14,461	14,433
		277,157	**261,988**	258,737	242,857

27 Capital and other commitments

Provision has not been made for the following capital commitments:

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
	£'000	**£'000**	£'000	£'000
Commitments contracted for	**5,371**	**5,371**	7,265	7,265

Commitments contracted for above includes commitments for intangible assets and tangible assets.

28 Contingent liabilities

Queen Mary University of London has entered into a guarantee with Barclays Bank PLC to meet the liabilities arising from a £16,500,000 loan to Queen Mary Bioenterprises Limited for the purpose of constructing a technology innovation centre at Whitechapel. As at 31 July 2021 the value of the loan balance stood at £15,040,443 (2020: £15,850,856). The University's liability under the guarantee is contingent upon Queen Mary Bioenterprises Limited being unable to meet the schedule of loan repayments. At present it is expected that Queen Mary Bioenterprises Limited should be able to meet the repayments.

29 Lease obligations

Consolidated and Institution
Total rentals payable under operating leases:

	As at 31 July 2021			As at 31 July 2020
	Land and Buildings	**Plant and Machinery**	**Total**	Total
	£'000	**£'000**	**£'000**	£'000
Payable during the year	8,369	636	**9,005**	6,976
Future minimum lease payments due:				
Not later than 1 year	8,221	393	**8,614**	6,372
Later than 1 year and not later than 5 years	32,583	183	**32,766**	22,063
Later than 5 years	82,674	-	**82,674**	67,090
Total lease payments due	123,478	576	**124,054**	95,525

30 Subsidiary undertakings

Queen Mary University of London holds directly the following shares in subsidiary companies:

	Country of Registration	Equity Holding	Proportion held	Principal Activity
People's Palace Projects	England	Limited by guarantee	100%	Participatory arts charity
Queen Mary Innovation Limited	England	Ordinary	100%	Holding Company
Queen Mary Innovation Limited	England	Preference	100%	Holding Company
Queen Mary University of London Holdings Limited	Malta	Ordinary	100%	Holding Company
Queen Mary University of London Holdings Limited holds directly the following shares in subsidiary companies:				
Queen Mary University of London - Malta Limited	Malta	Ordinary	100%	Provision of education
Queen Mary Innovation Limited holds directly the following shares in subsidiary companies:				
Nanoforce Technology Limited	England	Ordinary	100%	Micro and nanotechnology facility
Q.M.W. Developments Limited	England	Ordinary	100%	Property development
Queen Mary Bioenterprises Limited	England	Ordinary	100%	Developing Innovation Centre
Queen Mary Research and Consulting (Hong Kong) Limited	Hong Kong	Ordinary	100%	Supporting University activities
Queen Mary Research and Consulting (Hong Kong) Limited holds directly the following shares in subsidiary companies:				
Mary Education Management Advisory (Beijing) Co. Limited	China	Ordinary	100%	Supporting University activities

Whilst the University does not have an equity holding in Queen Mary University of London Foundation, it is treated as a subsidiary in the consolidated financial statements as all of its assets are held for the benefit of the University. Queen Mary University of London Foundation is registered in England.

Queen Mary University of London (Paris) is registered as a non-profit Association in France with the purpose of provision of education.
There is no equity holding but the University exercises full control through the membership arrangements, as such it is treated as a subsidiary in the consolidated financial statements.

31 Pension Schemes

The three principal pension schemes for the University's staff are the Superannuation Arrangements of the University of London (SAUL), the Universities Superannuation Scheme (USS) and the National Health Service Pension Scheme (NHS). The University also operates a closed scheme for the non-teaching staff of the London Hospital and St Bartholomew's Hospital medical colleges (LHMC) prior to their merger with the University.

The contribution rates to the schemes are shown below:

	At 31 July 2021		
	USS	**SAUL**	**NHS**
	%	**%**	**%**
Employees' contributions - final salary scheme	N/A	N/A	5 - 14.5*
Employees' contributions - career revalued benefits scheme	9.6	6.0	5 - 14.5*
Employer's contributions	21.1	16.0	20.7

	At 31 July 2020		
	USS	**SAUL**	**NHS**
	%	**%**	**%**
Employees' contributions - final salary scheme	N/A	N/A	5 - 14.5*
Employees' contributions - career revalued benefits scheme	9.6	6.0	5 - 14.5*
Employer's contributions	21.1	16.0	20.7

* tiered contribution rates depending on salary

	31 July 2021		31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
Employer Pension Contributions	**£'000**	**£'000**	£'000	£'000
Contribution to USS	30,831	30,671	30,436	30,271
Contribution to SAUL	4,589	4,583	4,836	4,832
Contribution to NHS	3,068	3,048	3,084	3,066
Contribution to other pension schemes	4	0	4	0
	38,492	38,302	38,360	38,169

	31 July 2021		31 July 2020	
	Consolidated	**Institution**	Consolidated	Institution
	£'000	**£'000**	£'000	£'000
Statement of comprehensive income - net pension cost in year				
USS	35,077	34,918	(11,516)	(11,682)
SAUL	4,588	4,583	4,837	4,832
NHS	3,068	3,048	3,084	3,066
LHMC	(139)	(139)	(20)	(20)
Other	4	-	4	-
	42,598	**42,410**	**(3,611)**	**(3,804)**
The net pension cost in the year consists of the employer pension contributions and the movement in pension provision.				
Other comprehensive income - actuarial loss in respect of pension schemes				
LHMC	21	21	326	326
Statement of Financial Position - Pension scheme liability (note 20)				
USS	68,915	68,915	64,668	64,668
LHMC	74	74	229	229
	68,989	**68,989**	**64,897**	**64,897**

(i) USS

Queen Mary participates in the Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The Scheme is 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.

The total cost charged to the Consolidated Statement of Comprehensive Income and Expenditure is £35,077,000 (2020: £11,516,000 credit) including the movement on the deficit recovery provision of £4,246,869 charge (2020: £41,953,206 credit).

Deficit recovery contributions due within one year for the university are £8,600,632 (2020: £2,953,523)

31 Pension Schemes (continued)

At 31 July 2021, the latest available complete actuarial valuation of the USS Retirement Income Builder was as at 31 March 2018 (the valuation date), which was carried out using the projected unit method.

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%.

The key financial assumptions used in the 2018 valuation are described below. More detail is 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 the figures are as follows:

	2018 valuation
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% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	2021	2020
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:

	2021	2020
Discount rate	0.88%	0.74%
Pensionable salary growth	2.50%	2.50%

The sensitivity of the principal assumptions used to measure the USS deficit provision are set out in Note 20.

Subsequent to the current reporting period, the 2020 valuation has now been signed and filed with The Pensions Regulator with an effective date of 1 October 2021. The 2020 valuation comes into effect with a dual rate schedule of contributions (SoC):

leg 1, which includes a small increase in contribution rates from the 2018 valuation and a longer deficit recovery period as a result of the decision to proceed with benefit changes by the Joint Negotiating Committee (JNC) subject to member consultation.

leg 2, which includes more significant increases in contribution rates from the 2018 valuation and shorter deficit recovery period, which only becomes applicable if the JNC recommended deed on benefit changes has not been executed by 28 February 2022.

The deficit recovery contributions (DRCs) in the dual rate SoC differ in size and duration between the first and second legs.

In the first leg of the SoC:
DRCs under the 2018 valuation (2% up to 30 September 2021) cease from 1 October 2021.
DRCs under leg 1 of the 2020 valuation commence from 1 April 2022 and include allowance for the fact that until 1 April 2022 the contributions payable under this leg of the SoC are less than the contributions required to fund the unchanged benefits accruing in that period. From 1 April 2022, when the proposed benefit changes are assumed to have been implemented, the DRCs are equal to 6.3% of salaries and are payable for the length of the recovery plan until 31 March 2038.

In the second leg of the SoC, which only becomes applicable if the JNC recommended deed on benefit changes has not been executed by 28 February 2022:
DRCs commence from 1 October 2022 and include allowance for the fact that until 1 October 2022 the contributions payable under this leg of the SoC are less than the contributions required to fund the benefits accruing in that period. From 1 October 2022 DRCs commence at 3% then increase every 6 months (the difference between 37% required to fund future service cost and the total contributions being collected) until they reach 20% at 1 October 2025.
They remain at this level until 31 July 2032. The higher DRCs and shorter recovery period reflect the lower level of covenant support provided under this leg.

31 Pension Schemes (continued)

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

SAUL is an independently managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings ("CARE") basis.

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

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

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

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

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

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

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

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

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

(iii) NHS Pension Scheme

The University participates in the NHSPS which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government Actuary and the benefits are underwritten by the Government.

The NHS Pension Scheme is a defined benefit public service pension scheme, which operates on a pay-as-you-go basis. A new reformed scheme was introduced on 1 April 2015 that calculates pension benefits based on career average earnings. Transitional arrangements permit individuals who on 1 April 2012 were within ten years of normal pension age to continue participating in the old 'final salary' NHS Pension Scheme arrangements (the 1995 and 2008 sections).

An HM Treasury pension scheme valuation for funding purposes was carried out as at March 2012. The Scheme Regulations have been changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate. The contribution rate payable by the Institutions during the year ended 31 July 2018, was equal to 14.3% of the total pensionable salaries in accordance with the conclusion of the Government Actuary's report on the scheme.

Membership of this scheme is restricted to existing staff who are members and new staff who were already members by virtue of their previous National Health Service employment.

31 Pension Schemes (continued)

(iv) London Hospital and St Bartholomew's Hospital non-teaching staff scheme

The University operates a defined benefit scheme in the UK, which provided both pensions in retirement and death benefits to non-teaching staff of the London Hospital and St Bartholomew's Hospital medical colleges. Pension benefits are related to member's final salary at retirement and their length of service. Following the merger of the two medical colleges with the University, the members were offered membership of SAUL and ceased to accrue benefits in the scheme on 1 August 1996. There are no active members in the scheme. A full actuarial valuation of the scheme was carried out at 31 July 2018 and revealed a funding shortfall of £358,000.
Under the recovery plan dated 31 October 2019 the University has agreed to pay contributions with the view to eliminating the shortfall by 31 July 2024. In accordance with the Scheme’s current schedule of contributions dated 31 October 2019, the University is expected to pay contributions of £37,196 over the next accounting period. Additionally, the University meets the ongoing running expenses of the scheme together with any PPF levies.

The movement in the Deficit in the year was:	**Value at 31 July 2021 £000**	Value at 31 July 2020 £000
Deficit in scheme at 1 August	(229)	(121)
Contribution by employer	37	198
Current service cost	(2)	-
Return on assets excluding interest income	141	20
Actuarial gain / (loss)	(21)	(326)
Deficit in scheme at 31 July	(74)	(229)

Discretionary pension increases in the London Hospital section are set with reference to CPI subject to a maximum of 5% per annum. Pension increases for the St Bartholomew's Hospital section are fixed at 3% per annum. £118,000 has been credited to the Consolidated Statement of Income and Expenditure account in the year (2020: £306,000 charge).

(v) Defined contribution scheme
One of QMUL's subsidiaries offered a defined contribution scheme to its staff. The cost for the year was £4,079 (2020: £3,542).

32 Related Party Disclosures

Transactions between Queen Mary and its subsidiary undertakings have been eliminated on consolidation and therefore do not need to be disclosed in this note. Due to the nature of the University's operations and the composition of the Council and Senior Executive (being drawn from public and private sector organisations), it is inevitable that transactions will take place with organisations in which a member of Council or the Senior Executive will have an interest. All such transactions are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

Name	Position at Queen Mary	Description of Appointment	Related Party	Income £'000	Expenditure £'000	Debtor £'000	Creditor £'000
Ms Shamima Akter Sarah Cowls	The President of the Students' Union 2020-21 Member of Council	Director Director	QMSU Services Ltd	160	55	136	6
Ms Shamima Akter	The President of the Students' Union 2020-21	Chair of Trustees	Queen Mary Students' Union	24	3,023	91	24
Prof Colin Bailey	Principal	Director	The Russell Group of Universities	-	80	-	-
Prof Colin Bailey	Principal	Director	UCL Partners	86	-	8	-
Prof Colin Bailey	Principal	Board member	Universities UK	-	51	-	-
Prof Colin Bailey	Principal	Trustee	UCAS	-	174	-	-
Professor Alison Blunt	Member of Council	VP (Research and Higher Education)	Royal Geographical Society	-	1	-	1
Lord Clement-Jones CBE	Chairman	Board Member Corporate Finance Faculty of the Institute of Chartered Accountants in England and Wales	ICAEW	4	-	-	-
Lord Clement-Jones CBE	Chairman	Consultant	DLA Piper UK LLP	-	4	-	-
Celia Gough	Member of Council	Director	Veolia Group Companies	-	25	-	0
Isabelle Jenkins Ms Karen Willcox	Member of Council Co-opted member of Remuneration Committee	Partner Director	PwC LLP	-	427	-	25
Dr Philippa Lloyd	Vice Principal	Trustee	LHMC pension scheme	141	23	-	74
Mr Jonathan Morgan Ms Bushra Nasir	Chief Governance Officer and University Secretary Member of Council	Director Non-Executive Director	Queen Mary Digital	-	10	-	-
Prof Steve Thornton	Vice Principal	Trustee	Medical Schools Council	-	16	-	-
Prof Steve Thornton	Vice Principal	Board Member	Barts NHS Trust	11,063	2,724	2,390	-
Prof Steve Thornton	Vice Principal	Trustee	MedCity	-	6	-	-
Prof Steve Thornton	Vice Principal	Trustee	William Harvey Research Foundation	40	-	-	-

33 Events after the reporting period

USS Pension Provision

As set out in Note 31 in respect of the USS pension scheme, a new Schedule of Contributions based on the 2020 actuarial valuation has been agreed with an effective date of 1 October 2021. Provided that the deed on benefit changes recommended by the Joint Negotiating Committee has been executed by 28 February 2022, this results in an increase of £127m to the provision for the obligation to fund the deficit on the USS pension which would increase to £196m instead of the £69m provision included in Note 20. If the deed on benefit changes is not executed by 22 February 2022 then the provision would increase to £316m as a result of the increase in required contribution rates. The adjustment to the provision will be reflected in the University's Financial Statements for the year ended 31 July 2022.

34 Supplementary Schedule for the United States Department of Education

In satisfaction of its obligations to facilitate students' access to US federal financial aid, Queen Mary 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 thousand pounds sterling

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

Primary Reserve Ratio:		**Year ended 31 July 2021 £'000**	Year ended 31 July 2020 £'000
Expendable Net Assets			
Net Assets without donor restrictions	Statement of Financial Position - Unrestricted Income and Expenditure reserve	**484,362**	449,472
Net Assets with donor restrictions	Note 22 (Endowment Reserves) and Note 23 (Restricted Reserves)	**43,897**	40,197
Restricted in perpetuity	Note 22 (Endowment Reserves)	**(29,610)**	(26,594)
Other intangible assets	Note 12 (Intangible assets)	**(5,083)**	(6,363)
Property, Plant and Equipment	Note 13 (Tangible Assets) NBV at 31 July less the lease right-of-use assets below	**(623,792)**	(617,017)
Lease right-of-use assets	Note 13 (Tangible Assets)	**(635)**	-
Post employment pension liability	Note 20 (Pension Provisions)	**68,989**	64,897
Line of credit for long term purposes	Note 19 (Creditors: amounts falling due after more than one year)	**251,447**	244,276
Modify for post implementation debt not related to purchase of assets	Consolidated Statement of Comprehensive Income and Expenditure - Fair value movement in unsecured notes	**(8,996)**	(6,281)
Lease right-of-use asset liability	Note 18 (Creditors: amounts falling due within one year) and Note 19 (Creditors: amounts falling due after more than one year)	**579**	-
Related party receivable	Note 32 (Related Party Disclosures)	**(2,625)**	(4,245)
		178,533	138,342
Total Expenses and Losses Without Donor Restrictions			
Total Operating Expenses	Note 10 (Analysis of total expenditure by activity)	**493,886**	441,162
Other components of net periodic pension costs	Consolidated Statement of Comprehensive Income and Expenditure - Actuarial losses in respect of pension schemes	**21**	326
Other gains (losses)	Note 15 (Investment in Associates)	**394**	460
		494,301	441,948

34 Supplementary Schedule for the United States Department of Education (continued)

Equity Ratio:

Modified Net Assets			
Net assets without donor restrictions	Statement of Financial Position - Unrestricted Income and Expenditure reserve	**484,362**	449,472
Total Net Assets with Donor Restrictions	Note 22 (Endowment Reserves) and Note 23 (Restricted Reserves)	**43,897**	40,197
Related party receivable	Note 32 (Related Party Disclosures)	**(2,625)**	(4,245)
		525,634	485,424
Modified Assets			
Total assets	Statement of Financial Position - Current and Non-current Assets	**1,006,923**	922,802
Related party receivable	Note 32 (Related Party Disclosures)	**(2,625)**	(4,245)
		1,004,298	918,557

Net Income Ratio:

Change in Net Assets Without Donor Restrictions			
Change in Net Assets Without Donor Restrictions	Consolidated Statement of Comprehensive Income and Expenditure - Unrestricted comprehensive income and expenditure for the year	**34,890**	65,015
		34,890	65,015
Total Revenues and Gains Without Donor Restrictions			
Total Operating Revenue and Other Additions	Consolidated Statement of Comprehensive Income and Expenditure - Total Income	**535,272**	512,462
Investment return appropriated for spending	Note 5 (Investment income)	**(1,180)**	(2,084)
Sale of fixed assets, gains (losses)	Consolidated Statement of Comprehensive Income and Expenditure - Loss on disposal of tangible assets	**-**	(6)
		534,092	510,372

Council and Audit and Risk Committee Membership

The members of Council and the members of Audit and Risk Committee who served in the financial year, or up to the date of signing of this report.

COUNCIL MEMBERSHIP

Chair	Lord Clement-Jones CBE	
Treasurer	Mr Luke Savage	
Vice-Chair	Ms Melissa Tatton CBE	
Ex Officio Members		
The President and Principal	Professor Colin Bailey	
The President of the Students' Union 2020/21	Ms Shamima Akter (tenure 01/08/20 to 31/07/21)	
The President of the Students' Union 2021/22	Mr Adi Sawalha (tenure 01/08/21 to 31/07/22)	
		Tenure ends
Nominees of the President and Principal		
Vice-Principal, International	Professor Colin Grant	09/04/23
Vice-Principal, Policy and Strategic Partnerships	Dr Philippa Lloyd	09/04/23
Elected Members [Staff]		
Ms Sarah Cowls		01/09/24
Professor Alison Blunt		30/09/22
Professor Kavita Datta (from 30/09/21)		30/09/25
Professor Mangala Patel		30/09/25
Professor Yang Hao (from 30/09/21)		30/09/25
Dr Darryn Mitussis		30/09/21
Professor Wen Wang		30/09/21
External Members		
Mr Ade Adefulu		04/03/23
Lord Clement-Jones CBE		30/04/21
Ms Celia Gough		01/09/20
Ms Stella Hall		06/07/19
Ms Isabelle Jenkins		07/01/22
Mrs Bushra Nasir		31/08/21
Dr Alix Pryde		31/12/23
Mr Luke Savage		31/01/22
Ms Melissa Tatton CBE		31/12/23
Mr Peter Thompson		29/11/21
Mr David Willis		31/12/21

AUDIT AND RISK COMMITTEE MEMBERSHIP

Chairman [an external member of Council]

Mr David Willis
Up to four other external members of Council
Dr Alix Pryde
Mr Peter Thompson

Up to two co-opted members
Ms Simona Fionda (from 21/01/20)
Mr James Hedges (from 31/01/21)

Senior Executive Team Membership

The members of the Senior Executive who served in the financial year, or up to the date of signing of this report.

Chair	
President and Principal	Professor Colin Bailey
Other Members	
Vice-Principal and Executive Dean (Science and Engineering)	Professor Wen Wang
Vice-Principal and Executive Dean (Humanities and Social Sciences)	Professor Matthew Hilton
Vice-Principal (Education)	Professor Stephanie Marshall
Vice-Principal (People, Culture and Inclusion)	Ms Sheila Gupta
Vice-Principal (International)	Professor Colin Grant
Vice-Principal (Research and innovation)	Professor Andrew Livingston
Vice-Principal and Executive Dean (Health)	Professor Steve Thornton (stepped down from SET 22/06/21)
Vice-Principal and Executive Dean (Health) (Interim)	Professor Irene Leigh (appointed 09/07/21)
Vice-Principal (Policy and Strategic Partnerships)	Dr Philippa Lloyd
Chief Governance Officer and University Secretary	Mr Jonathan Morgan
Chief Financial Officer	Ms Karen Kroger (appointed 07/12/20)
Chief Operations Officer	Ms Paula Sanderson (appointed 04/01/21, resigned 16/07/21)
Finance Director (Interim)	Louise Parr-Morley (resigned 02/11/20)

Queen Mary is a company incorporated by Royal Charter registered in England. Its registered address is:

Queen Mary University of London
Mile End Road
London