



Queen Mary  
University of London

# Financial Statements 2023/24

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# Contents

Queen Mary at a glance	4
Statement from the Chair of Council	5
Strategy Review 2023/24 by the President and Principal	6
Queen Mary 2030 Strategy	9
How we create value for our partners and society	10
Environmental sustainability	14
Risks and uncertainties	16
Education and Student Experience	20
Research and Innovation	24
People, Culture and Inclusion	26
Financial Review of 2023/24	28
Statement of Corporate Governance and Internal Control	34
Independent Auditor's Report to the Members of Council of Queen Mary University of London	38
Consolidated and Institution Statement of Comprehensive Income and Expenditure	42
Consolidated and Institution Statement of Financial Position	43
Consolidated and Institution Statement of Cash Flows	44
Consolidated and Institution Statement of Changes in Reserves	46
Statement of Principal Accounting Policies	48
Notes to the Financial Statements	57
Council and Audit and Risk Committee Membership	98
Senior Executive Team Membership	99

# 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.

Our mission is to create a truly inclusive environment, building on our cherished 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 generate new knowledge, challenge existing knowledge, and engage locally, nationally and internationally to create a better world.

## 33,000

We have **33,000** students, of which **23,000** are undergraduate

## Most inclusive

We are recognised as **the most inclusive Russell Group university** for undergraduate student recruitment. In November 2021, an Institute of Fiscal Studies report, in partnership with the Sutton Trust and the Department for Education, named us as the best university in the country for social mobility.

## 14th

We are a leading research intensive University, ranked 14th in the world for the quality of our research (THE World University Ranking 2024)

## Top 100

We are a global top 100 university according to the US News Global Universities Ranking, and among the top 10 per cent of universities worldwide according to QS and THE

## Platinum Watermark

We are a leader in public engagement, having been the first university to receive the Platinum Watermark from the National Coordinating Centre for Public Engagement in 2021.

## >170

With staff and students from over **170 nationalities**, we are one of the most diverse higher education institutions in the world.

The profile of our domestic undergraduate students in London is distinctive for a Russell Group University and any research-intensive university across the world.

### 93%

of our students are from state schools.

### 46%

first into higher education.

### 72%

BAME (Black, Asian and minority ethnic).

36% are from households where the annual income is less than £35k, qualifying them automatically for the Queen Mary University of London Bursary.



# Statement from the Chair of Council

I am delighted to introduce Queen Mary University of London's annual report and financial statements for 2023/24. It is worth situating this report at the mid-point through the timeline to achieve our Strategy 2030 objectives, on which we have made serious progress in a whole range of areas. Behind each target or statistic is an individual story of students defying the odds and of staff daring to imagine the undiscovered. As I step down after 8 years as Chair of Council, therefore it is an honour to be part of a University that uniquely achieves world recognition for research and education with a global impact whilst being so committed to delivering for East London and the local communities we serve.

Over the Strategy 2030 period, student numbers have increased from c.20,000 to c.33,000 and we remain distinctive among research-intensive universities for the diversity of our student body and our impressive track record in social mobility. Through the creation of the Queen Mary Academy we have invested significantly in developing our teaching staff and academic leaders, many of whom have achieved national recognition for their teaching practice, and we have developed innovative projects to enhance learning opportunities for students.

Our ethos as a leading, research-intensive University is built on the belief that, when we embrace diversity of thought, opinion and ideas, we can achieve the previously unthinkable and take the world to new places. We have established new University Research Institutes that are harnessing the power of collaboration and partnership to focus on big questions that affect us all. Our Digital Environment Research Institute, for example, aims to shape a healthier, more prosperous and equitable future for our digital society, and our Precision Healthcare Research Institute aims to drive a new era of personalised healthcare which addresses unmet health needs and improves lives locally and globally.

Investments in the estate have delivered a range of enhancements over the Strategy 2030 period, although planning delays and cost inflation are limiting our ability to develop our estate as quickly as we would like. Work delivered so far includes a major extension and refurbishment of the Library on our Mile End campus and refurbishment of the Medical School Building at Whitechapel. Our professional services have been successfully relocated to a flexible working facility to aid collaborative working and to release space on campus for education activities, and a range of digital infrastructure developments have been implemented to support the enhancement of education and research and minimise security risks.

As you read this report it will become clear that the higher education sector faces significant external challenges that will require universities to take difficult decisions for the long term. Queen Mary is in a good place financially to navigate these challenges. The achievements of the last six years show that Queen Mary is a unique and special place with a proud history and heritage and a growing international reputation commensurate with the quality of our education and research. I congratulate all our students and staff on their successes outlined in this report.

# Strategy Review 2023/24 by the President and Principal

Queen Mary is a University that transforms lives and addresses inequalities. I am proud to lead an organisation whose community of students, staff, alumni and friends are committed to that vision and who remain true to our values every single day.

A Queen Mary degree continues to be sought after by both UK and international applicants, with significant growth in international student enrolments since the beginning of the Strategy 2030 period. However, the latest year was a challenging one for student recruitment at Queen Mary and across the sector, with unexpected applicant and market behaviours meaning we missed our ambitious enrolment targets in 2023/24. We were able to mitigate some of the impacts through cost controls and increased recruitment to our January 2024 and Associate student (study abroad) intakes, but the continuing impact of the broader policy and political environment on international student recruitment has become the major financial risk facing Queen Mary.

Queen Mary was awarded a Silver in the 2023 Teaching Excellence Framework, reflecting the high quality of our teaching and student outcomes. The proportion of undergraduates not eligible to progress from their first year of study improved in the most recent year, as did graduate career outcomes, which is at the highest point since we launched Strategy 2030. Across a large, multi-faculty University, our challenge is to ensure a consistent student experience and progression to high quality graduate jobs, whilst maintaining the distinctiveness of each academic discipline and allowing the passion of our academics to shine. Our focus for education in the year to come is to deliver a world-class education across all disciplines, whilst ensuring consistent advice and support for students and embedding graduate attributes and employability skills development in our curriculum.

Research income has grown strongly year on year from £138m to £147m and the value of research awards won in the

year has also increased from £122m in 2019/20 to £166m in 2022/23 demonstrating good progress towards our strategy 2030 ambition. We continue to be amongst the best in the Russell Group for citations, and the 2024 Times Higher Education World University rankings place Queen Mary 14th in the world for research quality. We are progressing plans for our third University Research Institute to deliver multi-disciplinary research and attract some of the highest calibre academics to Queen Mary.

Our strategy cannot be delivered without staff focussed and passionate about our mission. The staff engagement score in our third annual staff survey increased compared with the previous year, thanks to targeted work to improve the staff experience taken forward across the institution. We are determined to build on this year's increase and make greater improvements in staff engagement through 2024/25. We are progressing towards our Strategy 2030 target to ensure our staff population is reflective of the wider population, particularly in East London. There has been an increase in BAME staff at middle and senior grades since the start of the Strategy, though more progress is needed, and there has also been an increase in Female staff in middle and senior roles since the beginning of the Strategy.

The financial statements indicate the University is in a good financial position to navigate sector-wide challenges. We are proactively taking decisions to ensure the sustainability of the full breadth of academic disciplines that we value at Queen Mary and we have updated the scale and phasing of our infrastructure plan to reflect risks in relation to cash generation.











# Queen Mary 2030 Strategy

The central aim of our Strategy is to deliver world class education and research, underpinned by our commitment to be the most inclusive University of its kind, anywhere. 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 will generate new knowledge, challenge existing knowledge, and engage locally, nationally and internationally to create a better world.

## Our core values

- 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.

## The pillars of our Strategy

### Education and the Student Experience

We will deliver an outstanding, inclusive, world-class education and student experience, co-created with our diverse student body, enhanced by our world-leading research and the latest technological developments.

### Research and Innovation

We will be recognised for our distinctive, world-leading, curiosity-driven and applied research, and will continually build our research capacity for social, cultural and economic impact. Creating communities of diverse scholars across the globe is at the heart of our approach.

### People, Culture and Inclusion

We aim to be the most inclusive University of our kind anywhere, recognising that our community of students and staff is at the heart of everything we do. Queen Mary is distinctive in linking its vision of inclusivity to the realisation of its academic mission.

Through 2023/24, at the mid-point of our ten-year Strategy, colleagues across Queen Mary reviewed our 2030 Strategy and the supporting Enabling Plans. In September 2024, we published one of the results of this work, our Strategy

2030 mid-point review, which reflects on our progress since the launch of our Strategy in 2019 and looks ahead to our priorities over the coming five years:

[qmul.ac.uk/strategy-2030/mid-point-review/](https://qmul.ac.uk/strategy-2030/mid-point-review/)

# How we create value for our partners and society

## Public benefit

Queen Mary University of London is an exempt charity regulated by the Office for Students. It 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 and, for that purpose, to provide courses and instruction leading to degrees and other academic awards, to promote and undertake research, and to disseminate the results of such research. The advancement of education, identified as a charitable purpose in the Charities Act 2011, therefore underpins our Purpose and Values.

Queen Mary is known internationally as a world-leading research-intensive University. We are proud to be a member

of the Russell Group. Our defining characteristic is seamlessly combining world-class education and research with a commitment to inclusion and social justice, and service to our local and global communities through public and community engagement and our civic commitment.

Public benefit is embedded in all our strategic aims and objectives. Ensuring the impact of our research is realised and felt across the world is a critical part of our work. We continue to build on the ambitions set out in our Civic University Agreement which we launched in 2022. As well as this more local focus, current and potential students of Queen Mary benefit from our broad research and engagement.

## Creating value for our local area

Queen Mary has a long, proud and distinctive history in East London, built on four historic institutions stretching back to 1785 and beyond. While we have grown to become a global University, we remain committed to the vision of those founding institutions and to our local community. We are proud to remain an anchor institution for the communities of East London.

Our Civic University Agreement is an expression of this commitment and pride. It brings together new and existing activities from across the University to ensure our work meets the needs of our local friends and partners. We already know that the economic and social impact of our work on our local community is significant; the Civic University Agreement is the next step in our journey to formalise our commitment to civic and community engagement.

Queen Mary Students' Union is affiliated to more than 130 charities and voluntary organisations, which has enabled more than 1,000 students to volunteer, amassing almost 7,400 voluntary hours. The themes in the Civic University Agreement cut across all areas of our activity and we have begun delivering on our commitments. In September 2022, we launched the London City Institute of Technology (LCIoT), a partnership between Queen Mary University of London and Newham College, with support from key employers, the Greater London Authority and the London Borough of Newham. In the 2023/24 academic year, 176 students studied LCIoT programmes, with a forecast September 2024 intake of 233.

In December 2023 Queen Mary transferred £84,000 of unspent employer apprenticeship levy to the charity Bright Young

Futures to support them to fund six apprenticeships. Bright Young Futures supports young people from the age of 16 that have been referred from Local Authorities and are care leavers, providing short- to long-term housing and working towards their independent living. The young people referred to Bright Young Futures often have challenging backgrounds and complex needs. This is delivering on Queen Mary's Civic University Agreement and its aims, with Bright Young Futures, an East London organisation based in Redbridge who pay their apprentices above the London living Wage and where a number of the apprentices being funded are adult learners.

Queen Mary University of London, along with London Metropolitan University and University of East London are working together on the Tower Hamlets Health Determinants Research Collaboration (HDRC). Funded by National Institute for Health and Care Research (NIHR) for five years, the HDRC is led by Tower Hamlets Council in partnership with Tower Hamlets Council for Voluntary Service (THCVS) and the three universities.

The HDRC aims to make Tower Hamlets a 'go to' place in which to conduct co-produced, high quality and impactful research on health determinants to improve health outcomes, service provision and policy. The project was awarded best in field 'Research Collaboration in London' at the London Higher 2024 Awards.

Queen Mary's role on the HDRC is rooted in our civic commitment to healthy futures in East London and Tower Hamlets Council and THCVS are two of our strategic civic partners.



## Creating value for students and society through education

A core part of opening the doors of opportunity is our wider role as a University of, and for, society. As a responsible institution, we are a civic actor within our home of East London, a large local employer, and an engine of social mobility for the UK. We have been ranked the best in the country for social mobility in 2021, and are continuing this work today.

We are the most inclusive University within the Russell Group. 72% of our students are from Black, Asian, or Minority Ethnic backgrounds, and 27% were local to East London. 93% of our undergraduate cohort are from state schools and 26% are from households where the annual income is less than £35,000. In addition to enabling access through our recruitment, we have developed impactful partnerships with our local community. We sponsor two Multi-Academy Trusts, The University Schools and Drapers' Multi-Academy Trusts, within which we comprehensively support students from primary school age by delivering an outreach curriculum designed in partnership with prospective students and their key influencers.

The University's flagship access programme, Access to Queen Mary, was developed with partner schools to ensure we maintain our success in recruiting underrepresented students. The programme combines pastoral, academic, study skills and transition support. Once at the University, participants are supported to engage with employment opportunities through the Student Ambassador Scheme and encouraged to participate in a suite of developmental opportunities. Ongoing work with an additional ninety target schools allows for delivery of the University's Outreach Progression Curriculum, designed to support learners to build on their knowledge, skills, and social capital, best preparing them to make informed decisions.

We are also scaling social mobility within our sector. Through our partnerships in Realising Opportunities, a network of research-intensive universities, we jointly support over 1,500 participants to access high quality information, guidance and skills to succeed at a Russell Group university. Our award-winning QMentoring supports around 300 undergraduates from low-income households, giving them one-to-one mentoring with a member of the alumni community or an employer partner, focusing on the development of career choice.

After joining Queen Mary, we have a range of opportunities for students when they arrive at Queen Mary to prepare them for their future. Our innovative Active Curriculum for Excellence (ACE) approach consists of a spectrum of learning opportunities across academic programmes, ranging from small active learning groups to 'learning by doing' sessions

and large, interactive group sessions. Our approach was praised in 2024 by a Policy Connect report on innovative approaches to Digitally Enhanced Blended Learning, as it empowers students to learn at their own pace asynchronously, whilst being stretched in a supportive manner to experience new modes of learning.

We empower our students to be change agents in, and with, our local communities. Our multi-award winning Student Knowledge Exchange Through Community Hubs (SKETCH) enables our students to work directly with local business and community partners to solve real-world problems, by delivering services such as workshops, training and consultancy. This work has engaged over 700 students in 36 activities with external organisations, from creating podcasts to providing entrepreneurship training to ex-offenders.

The multi-award-winning Student Consultancy Project is a cross-disciplinary programme which connects students with real-life consultancy projects in the arts and creative sectors, SMEs, social enterprises and third sector organisations. This programme engages with 500 undergraduate students annually, with half of spaces ring-fenced for students from low-income households.

In 2009, we opened our award-winning Centre of the Cell, and this year, it has surpassed a quarter of a million participants. The Centre of the Cell is an innovative and informal science learning project at Whitechapel, which allows visitors from across the community to engage with immersive experiences around cells and biomedical sciences. Through this, Queen Mary communicates science to children and our community, enthusing them to become the biomedical researchers of the future.

We are also building on our legacy as the first Russell Group university to offer degree apprenticeships by partnering with Newham College to launch the London City Institute of Technology. This Institute works to bridge the skills gap between current and rapidly emerging technologies, enabling its students to gain the skills they need to thrive in a rapidly changing world.

As a local anchor institution, we have been a member of Citizens UK for over 20 years, and through this were the first accredited University to pay the Living Wage. We have embedded community organising into several modules and have established a new partnership with Barts Health NHS Trust and Citizens to tackle local health inequalities.

## Creating value for partners and society through research

We generate world-leading new knowledge, challenge existing knowledge, and engage locally, nationally and internationally to create a better world. Combining expertise across disciplines, we tackle some of society's biggest challenges, grasp new opportunities and transform lives across the globe.

Research led by Professor Chloe Orkin and published this year has shown mpox (formerly known as monkeypox) infections to be less severe among those who are vaccinated or had a previous infection in 2022, underlining the importance and effectiveness of vaccination for reducing morbidity and controlling further outbreaks. The research was delivered by the SHARE-net collaborative and looked at 38 mpox infections in 37 gay and bisexual men. The study is the largest and only case series to examine both reinfections and infections after a complete vaccine course of Modified Vaccinia Ankara-Bavarian Nordic (MVA-BN). The research underscores the need to ensure global access to vaccinations and treatments. Queen Mary's performance in the 2023 Knowledge Exchange Framework results reflect the University's commitment to and strength in sharing knowledge, ideas and experience to benefit both the economy and society. Queen Mary was placed in the top category – Very High Engagement - for 'Research partnerships', 'Public and Community Engagement', and 'IP and Commercialisation'. The University also ranked in the second highest category for 'Working with the Public and Third Sector'.

Overall, Queen Mary's research and knowledge exchange activities contribute £1.44 billion to our overall £4.4 billion of economic impact.

Professor Devyani Sharma's research into accent discrimination in British workplaces is helping to tackle inequalities. The research, which has received considerable media attention, shows that making employers aware of accent bias in recruitment and promotion decisions can reduce its impact in the workplace. Prof. Sharma and her

colleagues have developed training tools for employers based on their research and have seen high demand from companies for their corporate workshops, which are changing the way recruiters across all sectors judge candidates by their accents.

Innovation at Queen Mary also makes a significant contribution to the economy and to society. Our economic impact report shows that Queen Mary spinout companies make a direct economic impact of over £50m and a total wider economic impact of over £140m across the UK, almost half of which is outside of London. Queen Mary now has nearly 30 active spinouts, which create meaningful impact.

Founded by Professor Andy Bushby, Ultima Forma is extending the limits of product performance with advanced forming technology. The company uses a unique electrodeposition process to produce lightweight, high performance, multifunctional and complex metal components. The process uses earth-abundant elements, is low energy, and produces almost zero waste. Ultima Forma components have many applications in aerospace, motorsport and medicine to assist with the transition to net zero. Ultima Forma won the Aerospace Technology Institute's Shaping the Future award for its contribution to hydrogen as an aircraft fuel.

Enterika Ltd is a spinout company, founded by Dr Madusha Peiris. The company develops weight-loss products aimed at tackling obesity, which is a risk factor for a range of chronic diseases, including diabetes. Following promising early results, an Innovate UK grant and mass media attention, Enterika is scaling up the trials on the weight-loss pill it has developed. The pill uses a unique combination of natural ingredients, which means it could be made available more quickly and cheaply than synthetic drugs, and with potentially fewer side effects.





# Environmental sustainability

The climate emergency requires a diversity of ideas if we are to overcome it. No institution, company or government has all the answers today. We are all working to find and implement solutions for the long term. Queen Mary is committed to working with partners to make the United Nations Sustainable Development Goals a reality. Queen Mary was placed 31st in the 2023/24 People & Planet University League and 54th in the QS World University Rankings for Sustainability 2024.

The International Panel on Climate Change (IPCC) Sixth Assessment Report, Climate Change 2022: Mitigation of Climate Change, stresses the need for immediate action if we are to limit warming to 1.5°C or even 2.0°C. With global GHG emissions predicted to peak by 2025, we need to see a reduction of 84% by 2050 if we are to limit global warming to 1.5°C.

As a world-leading, research-intensive institution, Queen Mary recognises its responsibility to drive action in sustainability. We also recognise the unique position we are in to contribute to solutions to support climate change mitigation and adaptation. With world-leading researchers across multiple disciplines, and the vast reach we have through our students, staff, and wider community, we can drive progress towards sustainable solutions while staying true to our ambition to be the most

inclusive research-intensive University in the world. Eight Queen Mary experts attended 2023 UN Climate Change Conference (UNFCCC COP 28) to present on their research areas.

Queen Mary also acknowledges the significant impacts its operations have on the environment and through our ISO 14001:2015 certified Environmental Management System (EMS), we work to implement measures and controls to mitigate any potential negative environmental impacts.

Queen Mary's Environmental Sustainability Action Statement aims to align carbon and environmental management with Queen Mary's ambition of being the most inclusive research-intensive University in the world. We cannot achieve this ambition without action to mitigate the Climate Emergency.

## Climate Emergency Goals

Queen Mary is committed to supporting the Government's ambition of reaching net zero by 2050, both by mitigating the net-negative impacts of our operations and accelerating

the net-positive contributions we make through education, research and engagement.

## Responsibility

Queen Mary's Sustainability Committee (SC) provides leadership, coordination and guidance in the development and management of the University's sustainability risks, responsibilities, opportunities and Sustainability Action Plans to deliver continual improvement of environmental performance across all areas of Queen Mary. The SC is a governance group with members including senior leadership, academics, staff, the Students' Union, the Sustainability Team, and other relevant individuals.

Queen Mary continues to actively support and engage locally with Tower Hamlets Council climate action initiatives. This includes being a partner in the Climate Partnership Network and subgroups, spanning biodiversity, innovation, leadership and research.

# Progress

Highlights of our progress this year include:

- Improved our position to 31st in the People and Planet University League 2023/24 which ranks all UK universities against social and environmental criteria.
- We achieved a 25 per cent carbon reduction against the 2018/19 baseline for scope 1 and 2, despite continued growth of the estate. Besides a 32 per cent reduction in scope 2 emissions (indirect emissions from electricity production), there has been a further 13 per cent reduction in scope 1 emissions (emissions related to energy and

fuel use in our directly managed buildings and campus vehicles) by 2023/24 against the 2018/19 baseline as shown in Table 1. The significant scope 2 reduction has been possible due to both ongoing investment into energy reduction projects that have been focused on our top ten energy consuming buildings and the decarbonisation of the grid. In our ongoing work to reduce energy consumption in our buildings, we have continued to work with Carbon Numbers to carry out BMS optimisation works and time scheduling adjustments.

	tCO2e 2018/19	tCO2e 2019/20	tCO2e 2020/21	tCO2e 2021/22	tCO2e 2022/23	tCO2e 2023/24	Reduction against 2018/19 baseline
Scope 1	5,632	5,280	5,478	5,545	5,116	4,915	13%
Scope 2	10,530	8,172	7,125	6,985	6,657	7,180	32%
Total Scope 1 and 2	16,162	13,452	12,603	12,530	11,773	12,095	25%

Table 1. Carbon footprint year on year for scopes 1 and 2 since 2018/19 baseline (in tonnes CO2e)  
*Note: Excludes refrigerants, fuel used in back-up and temporary generators and electricity from Malta campus. Our figures have been reviewed against what was reported last year to include additional historic consumption that we have found data for.*

However, we have seen a negative trend on carbon emissions from business travel, with an increase of 45 percent against 2018/19, which has resulted from more air travel and changes in conversion factors used to calculate carbon emissions.

On the other hand, good progress has been made against our waste recycling targets. The recycling rate achieved for our non-hazardous waste for 2023/24 was 42.3 per cent, which was a 4.7 percentage increase from 2022/23. We have been implementing a waste action plan, including developing and deploying new, more informative bin signage for general waste, mixed recycling and food waste, standardising bins designs and colours of bins liners, and organising lunch and learn sessions delivered by our waste contractor Bywaters.

Waste reduction continues to be a focus and successful projects include:

- Food waste reduction initiatives such as use of the Too Good To Go app to reduce unsold meals and 50% discounts on hot food after lunch time at some outlets. This summer,

we also partnered with a local charity to donate leftover food from the Summer School lunches.

- We have continued to buy imperfect vegetables and fruit from Angry Monk, which helps to prevent food waste upstream in the supply chain.
- In January, we started a trial at the Department W Café to replace single-use cups with reusable items, which has prevented the use of over 9,000 disposable cups. Our supplier Reuser collects dirty cups weekly and delivers washed ones.
- Reuse Fairs continue to ensure that waste at the end of term from student residences is reduced through donation of items for reuse by new students (eg kitchen goods and bedding).

The University works closely with the Students' Union to deliver regular student engagement activities. Over the past year this has included volunteering opportunities such as regular canal clean ups.



# Risks and uncertainties

We have defined significant risks to the University 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 risks and how these are being managed by the University is given below. Risks for each strategic aim are also considered in the Strategy Review section of this report.

## External Risk 1: Higher Education business model

The business model for UK Higher Education is recognised to be under strain. The unit of resource for home undergraduates has been held broadly flat since 2012, whilst costs have been impacted by inflation. At a sector level the impact of this is that the full economic cost of publicly funded teaching is not covered by the income associated with it. Research, a core part of Queen Mary's activity, is also an activity where the income is lower than the full cost of delivery.

Income from non-publicly funded tuition, and international student income in particular, is therefore a key part of the financial model for universities. However, the UK Higher Education sector has experienced a challenging climate for international students over the past 12 months, and this looks likely to continue into the next academic year and beyond. There are a number of reasons for this including: competitiveness of the higher education offerings in other jurisdictions; cost of living pressures resulting in some students looking for study options closer to their home region; tightening of visa controls for dependents; the UK being perceived as a less welcoming location for international students due to public-facing statements over the past year. The video from the Secretary of State for Education to

coincide with A Level results day was welcomed by Queen Mary and does indicate a change in narrative.

In addition to the impact of international students, a decline in home PGT demand has been felt across the sector and reflects a downward trend following peak recruitment during the Covid cycles, and is likely to be a result from strong labour market conditions and low levels of unemployment, coupled with the challenges of the rising cost of living.

Whilst Queen Mary has not experienced the level of reduced demand that has been reported for some other universities, we have not been immune to this changing environment. The University did not achieve its ambitious overall recruitment targets for the October 2023 intake, although this was partially offset by larger than expected student intakes in January 2024 and strong demand from associate (study abroad) students. Looking forward we are taking a number of steps to manage this risk, including reviewing and updating the programme portfolio to maintain alignment with market demand and a focus on flexing University resources to support this updated portfolio and improve the efficiency of educational delivery.

## External Risk 2: Inflation and the cost of living

There has been a reduction in the levels of inflation seen in 2022/23, although cost inflation remains a significant financial risk given the fixed regulated tuition fee. In budget setting for the 2024/25 year, we have made various provisions for inflationary pressures we face going forwards. Whilst the institution has the resilience to manage this risk as it has adjusted its budgets to reflect the realities of increased inflation and has reasonable contingencies or buffers in place to manage inflationary pressures, this does represent an ongoing challenge which must be carefully monitored going forwards. This has been a key consideration in the assessment of Going Concern referred to in the Financial Outlook section of this report.

The University continues to explore efficiencies both in terms of campus utilisation (New Ways of Working) to reduce costs and through teaching in a more efficient way (ie module numbers/minimum class sizes). UK full-time undergraduate tuition fees have remained capped at £9,250 since 2017/18 with inflation eroding their value to the University, and sector data indicates that in 2022/23 universities only recovered 90.1 per cent of the costs of teaching these students, thus requiring subsidy from other areas of activity. Our research activity also does not recover full costs meaning we need to look as an institution at the balance of income streams and continually look for further efficiencies or economies of scale.

## External Risk 3: Volatility in the Geo-political Climate

The University has partnerships with organisations all over the world, and recruits students from over 170 countries. In addition, our academics are working with researchers in universities across the world and of course our alumni network spans the globe. Similar to other universities and organisations we are impacted by geo-political volatility. We manage these risks through the appropriate internal committees, and in accordance with relevant government legislation. In relation to international student recruitment, our continuing strategy to recruit students from all over

the globe to bring ongoing cultural breadth to our campuses mitigates risks pertaining to any particular geography.

This year attention has focussed on the conflict in the Middle East; given the diversity of our student community which includes students and staff with links to both Palestine and Israel, we are working carefully to maintain an environment where difficult and complex issues can be debated, as befits a University as a place of learning, whilst upholding a zero-tolerance approach to racism, antisemitism, Islamophobia, abuse, incitement, or harassment of any kind.

## External Risk 4: Government Policy Environment

The general election period and summer recess resulted in a quieter policy environment. However, it now remains to be seen how the manifesto commitments translate into policy and legislation. The King's Speech of 17 July introduced one main bill of interest to Higher Education, namely the Skills England Bill, with the stated intention of reforming the apprenticeship levy. The government has been clear that public finances are stretched, and the University is planning on the basis that it needs to work towards increasing income diversity and reducing costs (efficiency) to offset the ongoing erosion of the value of fixed undergraduate fee levels by inflation.

We wait to see how the University will be impacted by any changes to Office for Students' focus and regulations following

the independent review of the OfS by Sir David Behan, now its interim Chair. It is also too early to fully understand the impact of the changes to the Ofsted monitoring regime on the requirements for degree apprenticeship provision. In the research arena, the Minister of State for Science has signalled an intent to realign the priorities of UK Research and Innovation (UKRI), which the University will need to consider.

There has been much discussion about the challenges of UK planning rules. For the University this has been having an impact on our ability to progress work on our estate, both for maintenance/ upgrade work and also in relation to new developments to facilitate growth. We wait to see what changes may be proposed by the new government in this area.

## External Risk 5: Industrial Relations

For the first time in a number of years the University was not impacted by industrial action during 2023/24, which was welcomed. The new JNCHES process for the 2024/25 year has now concluded following two dispute resolution meetings. A final pay offer from UCEA to the recognised unions was not agreed however mediation was not requested and UCEA has moved to request universities implement the pay award as the dispute process has concluded and there is no prospect of agreement. At this point in time, Unison has indicated

that disaggregate ballots on industrial action in response to the 24/25 pay award will be initiated in universities with +30 members, with the ballot period likely to cover November and December 2024; this will include Queen Mary. We await further news as to whether any other unions will seek to initiate a ballot on industrial action in response, and will ensure there are processes in place to manage the impact of a dispute should it arise.

## External Risk 6: Climate Change

We are committed to embedding the principles of sustainable development across all areas of our operation and academic activities. We are also committed to the continual improvement of our environmental performance through our ISO 14001-certified Environmental Management System which includes all functions, processes, and operations delivered from our UK campuses.

Our 2023/24 Sustainability Action Plan and Environmental Policy (2024) were adopted by our Senior Executive Team, with an overarching Sustainability Action Plan for the next 3+ years being developed. The current plan focuses strongly on energy reduction and waste and resource management, but also covers other areas such as water consumption, food, travel and transport, construction and refurbishment, community and sustainable procurement.

Our long-term environmental priorities are to continue to improve our environmental performance and play an active

role in supporting the delivery of the United Nations Sustainable Development Goals (UN SDGs). We will also continue to engage with all relevant stakeholders and like-minded organisations to make our planet a better place to live.

Our sustainability objectives will continue to underpin the way we deliver our teaching, our research, our collaborations and partnerships, and other activities, as well as how we engage with stakeholders and add value to our communities. The new Sustainability Action Plan will be broader than its predecessor, covering the core pillars of education and research, engagement, and operations.

Queen Mary will send a delegation to COP29, as we did last year, to further their climate related work objectives, while helping to enhance the reputation of Queen Mary.





# Education and Student Experience

## Vision

We will 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.

## Risks

Failing to understand and appropriately respond to student expectations and concerns, particularly in the post-pandemic context, and failing to invest appropriately in learning resources, systems and processes may lead to reduction in student satisfaction, continuation and outcomes. Failing to monitor and understand trends in student attainment may

lead to gaps in performance between different demographics of students. Failing to support students' careers decision making, development of key skills and the ability to present these skills to employers may lead to poor outcomes for our graduates.

## Achievements

We have published a refresh of our student experience and education enabling plan, which focuses on three key priorities for the next five years:

- World-class education, delivered consistently by professionally developed, world-class educators. This means we will equip our educators with the latest training and pedagogies to support students to thrive.
- Consistent advice and support for students. This means that we will enhance our academic adviser support and systems to enable students to succeed throughout their time with us.
- Graduate attributes and employability consistently embedded in the curriculum. This means we will embed the skills and attributes Queen Mary graduates need to succeed in the modern workplace and beyond.

The Queen Mary Academy delivers University-wide support for the development of education and research. This year, we have had increased engagement with the Academy's activities, including:

- New Academic Leadership Programmes were launched in 2023/24, designed to develop, empower, and support academic leaders across the University.

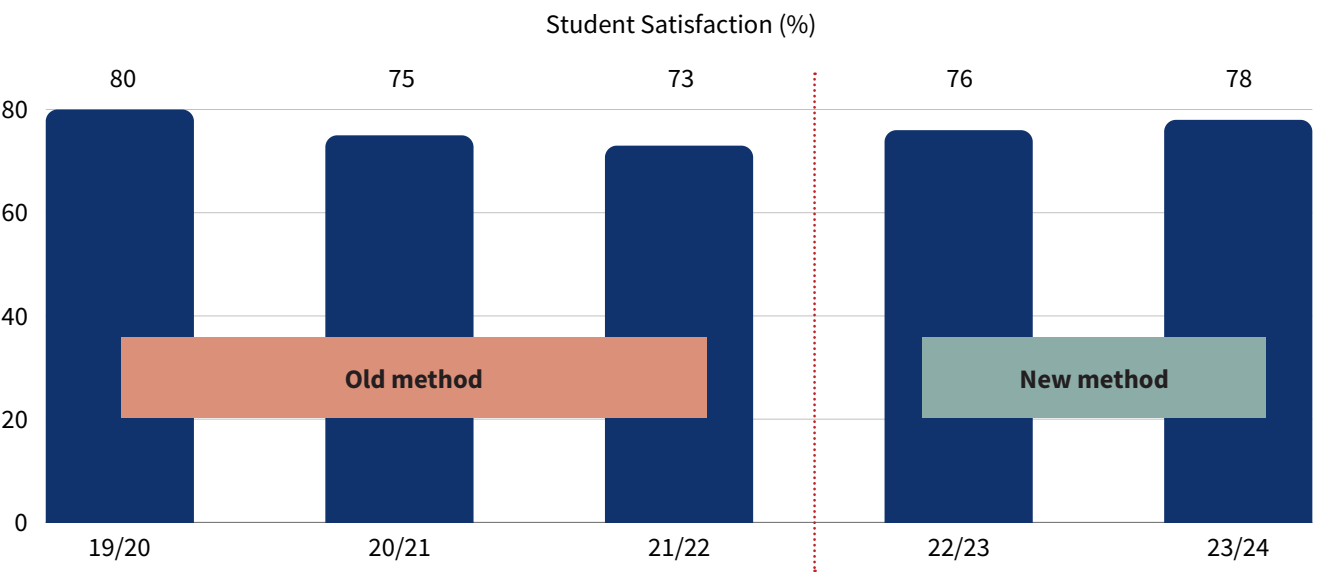
- We continue to promote a culture of innovation in education and to support our growing cadre of innovators across the University with annual seed funding for cutting edge projects. A number of cross-faculty initiatives are underway this academic year, focused on topics such as creative and ethical use of AI in the curriculum, embedding AI and resilience into Queen Mary's graduate attributes framework, and integrating creativity and 'real world' approaches to authentic assessment.

We completed a 3-year project to refurbish and extend the Library at the Mile End campus, investing £16.8m to add third and fourth storeys to the building, significantly improve the entrance and group study areas on the ground floor, and enlarge the Archives Reading Room. As a result there are 33% more seated study spaces in the building, and all reading rooms have been redecorated, providing a high quality environment for learning and research.

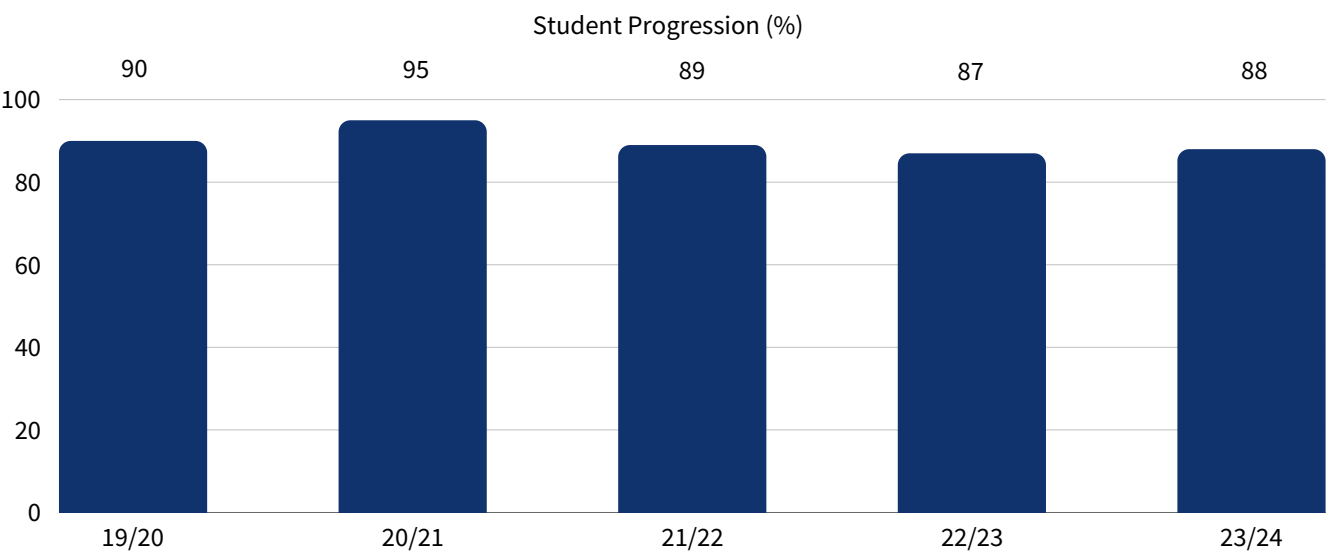


# Performance in strategy areas

**National Student Survey (NSS) KPI performance 78 per cent overall student satisfaction.** The institutional KPI on student satisfaction changed in 2023 as the overall satisfaction question was no longer included in the survey. The new KPI is an aggregation of the NSS questions which are used in the TEF. Note that in addition to the overall satisfaction question no longer being included the wording of the questions and the answer options also changed. So, the 2022/23 results are not directly comparable to the previous years.

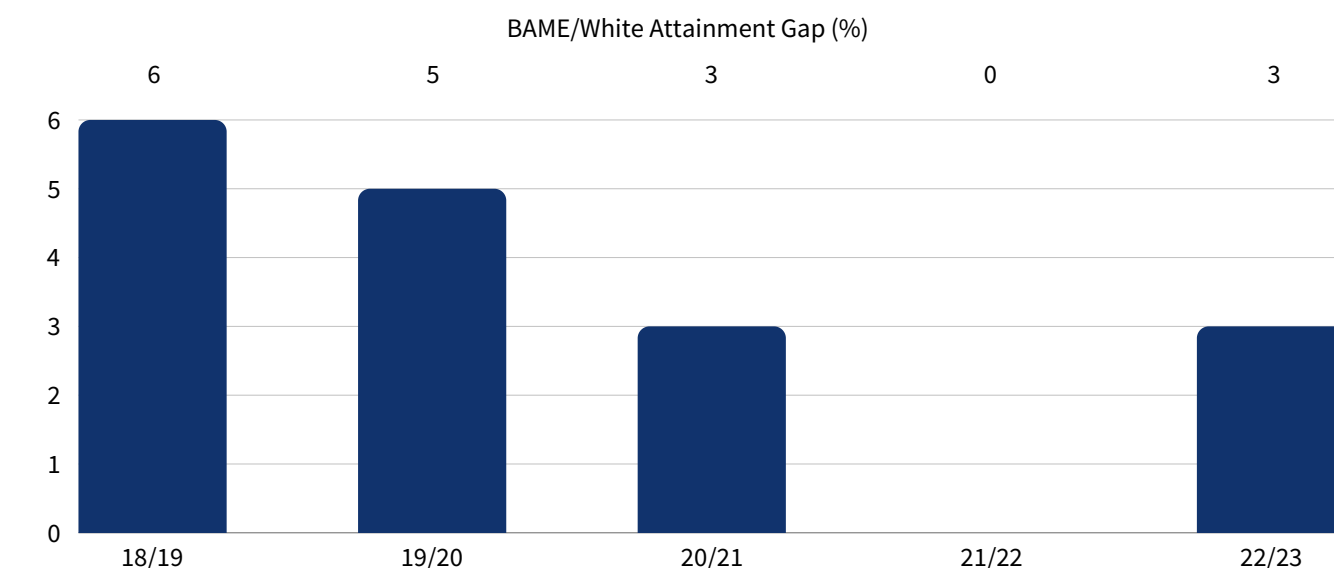


**88 per cent of our first-year students progress** (2020/21 was an anomalous year, in which more students than usual were permitted to progress, due to their studies being affected by the pandemic).

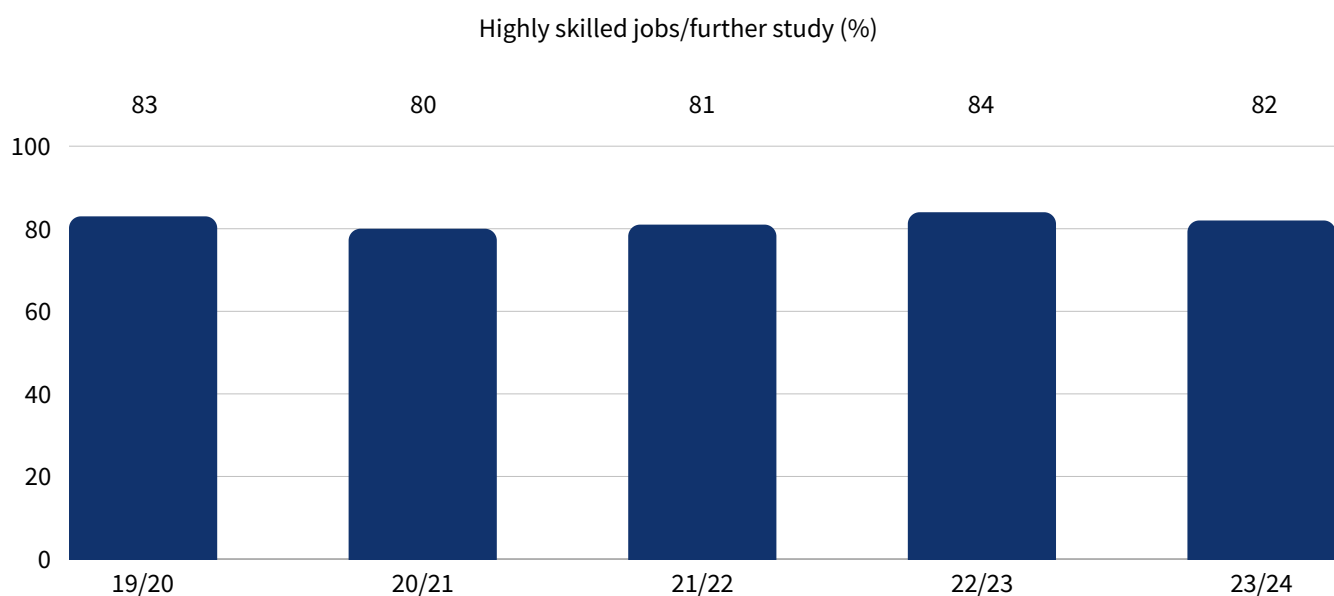




**We have significantly reduced the attainment gap between BAME and white students (based on the Guardian University Guide’s “Value Added” measure), eliminating the gap entirely for 2021/22 graduates.** The Guardian did not include the “Value Added” measure during 2023/24 so there is no KPI score for that year. We have reviewed the methodology for this KPI and will use a revised methodology in future years.



**82 per cent of our graduates are in highly-skilled jobs or further study** (The survey is conducted 15 months after graduation, the first results of which were published in 2019/20).









# Research and Innovation

## Vision

We will be recognised for our distinctive, world-leading, curiosity-driven and applied research, and will continually build our research capacity for social, cultural and economic

impact. Creating communities of diverse scholars across the globe is at the heart of our approach.

## Risks

Failing to invest adequately to achieve our ambitions to grow research, including investment in training and facilities and the recruitment of sufficient high-quality academics as we

expand or change our profile, may lead to reputation damage, loss of standing in the academic community, lower level of research output and lower income generation.

## Achievements

We have published a refresh of our research and innovation enabling plan, which focuses on three key priorities for the next five years:

- Talent and Leadership – attracting excellent people to join us and nurturing existing and new talent.
- Research Culture – integrity, curiosity, entrepreneurship, productivity, inclusivity. Developing a research culture that is a powerful lever for improvement.
- Impact, Innovation and Partnerships – growing the scale and reach of our activities. Fostering new and existing partnerships with specific attention to industrial partnerships or those which enable us to work at scale.

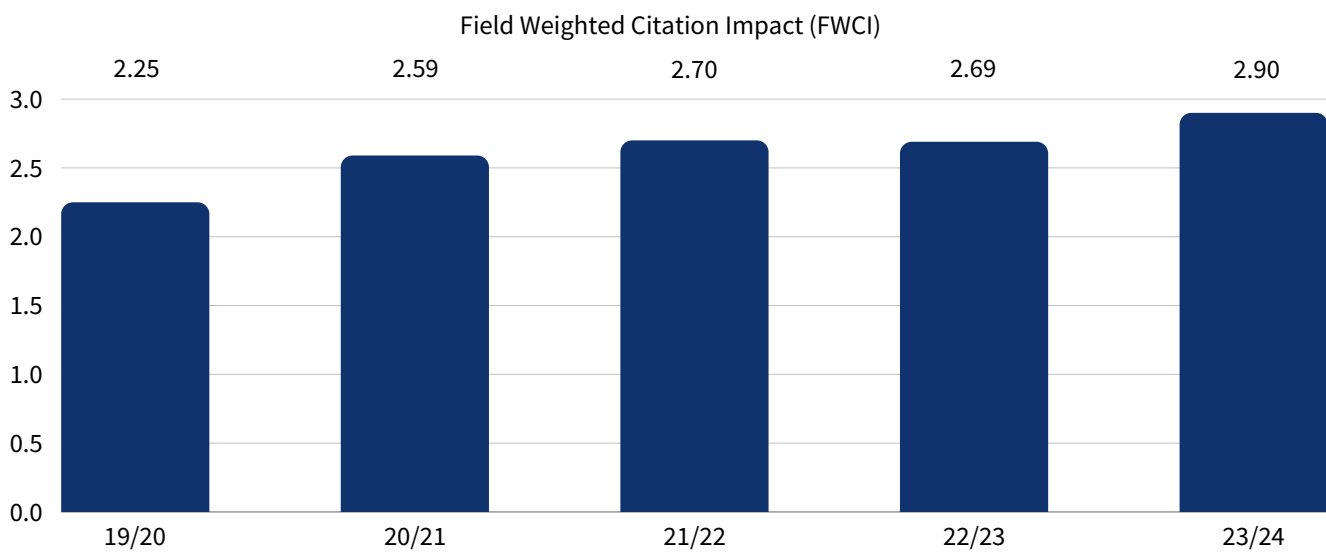
The past year has seen some notable progress towards the Research and Innovation ambitions set out in Strategy 2030. The University has continued to demonstrate strong progress in grant capture this year, reflecting the excellence and meaningful impact of research at Queen Mary. Significant grant successes this year include a £7m EPSRC grant for a centre for doctoral training in next generation organ-on-chip technologies, led by Prof. Martin Knight and Prof. Hazel Screen, which will train future leaders in this rapidly expanding field. Prof. Jennifer Lau has been awarded a £4m MRC grant to lead a collaborative mental health research hub. Prof. Kate Spencer and Dr Andy Russell have secured a £3m UKRI & DEFRA grant for a project investigating the impacts of coastal landfill, in collaboration with over 20 government, community and policy organisations.

Establishment of our University Research Institutes, DERI and PHURI, has continued, with a focus on recruitment of URI professors. This year we welcomed Cédric John, Professor of Data Science for the Environment & Sustainability (DERI), Simon Haas, Professor & Chair in single cell technologies and precision medicine and Segun Fatmo, Professor & Chair in Genomic Diversity (PHURI). Plans for the establishment and launch of a third URI are currently underway.

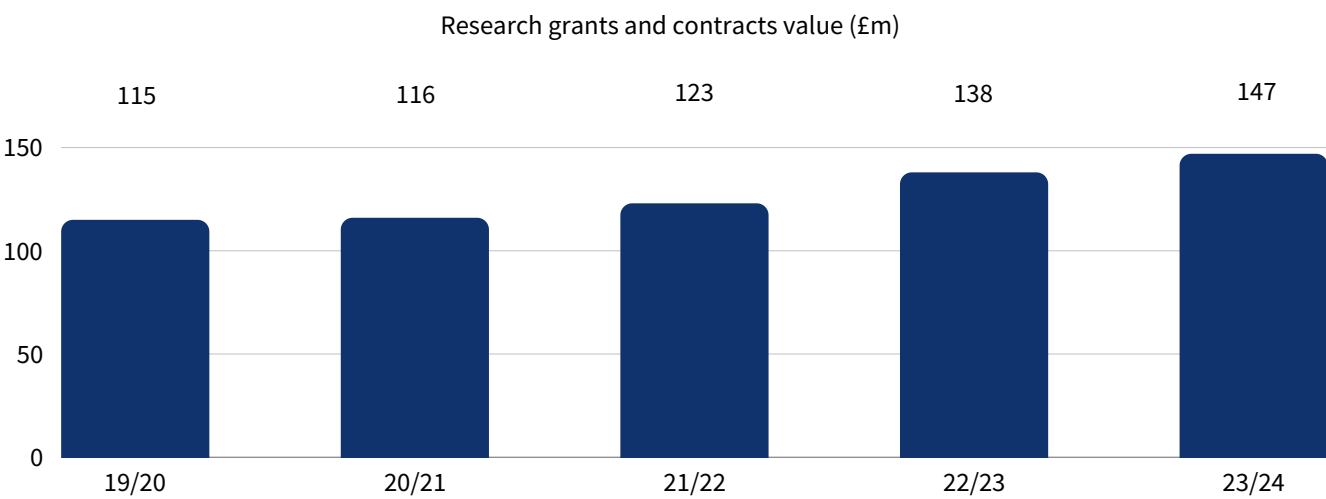
This year also saw the launch of the first round of our Enhancing Research & Innovation Cultures (ERIC) funding call. 18 innovative research culture projects, led by teams across the University, were funded. They included a mentoring scheme for mid-career scholars and underrepresented groups in the School of Politics and International Relations that helped researchers think strategically about career progression, develop skills to improve the quality of their outputs and recognise and capitalise on their competitive advantage. Funding was also awarded to the Queen Mary Postdoc Conference, which brought together postdoctoral researchers across all faculties to co-create a vision for how to improve the postdoc experience at Queen Mary in the years to come. The conference provided postdoctoral researchers with an opportunity to build a range of key professional skills as leaders, communicators and effectors of change that will support them in their future career. We are delighted that the Postdoc Conference has been shortlisted for a 2024 Vitae Impact, Culture and Engagement Award.

# Performance in strategy areas

Field-Weighted Citation Impact, measuring the impact of our research publications, rose to 2.90 in 2023/24 from 2.25 in 2019/20 and we are consistently in top five in the Russell Group.



£147m Research Grant and Contract income in 2023/24, up from £115m in 2019/20





# People, Culture and Inclusion

## Vision

We aim to be the most inclusive University of our kind anywhere, recognising that our community of students and staff is at the heart of everything we do. Queen Mary was the

first University to link its vision of inclusivity to the realisation of its academic mission.

## Risks

A failure to attract diverse pools of candidates, to evidence diversity in promotions outcomes, and to create an inclusive working environment, may lead to low levels of staff engagement and wellbeing.

A failure to provide an inclusive environment for our diverse learners may lead to impacts of belonging, retention and success.

## Achievements

The People, Culture and Inclusion Enabling Plan has four core objectives:

- To increase the diversity of our staff body and support the career progression of people from different backgrounds.
- To create an inclusive culture across the University and become an exemplar institution by 2030.
- To improve and publish our equality, diversity and inclusion data, monitor progress and evaluate the impact of our actions.
- To place inclusion at the heart of the student experience.

In 2023/24 our workforce is more diverse and representative of the communities we serve compared to any previous year. Our institution-wide commitment to progressing Race Equality was recognised with the awarding of our first Race Equality Charter Bronze Award and our Faculty of Medicine and Dentistry continue to pave the way for Gender Equality across the sector with their first Athena Swan Gold Award. These award frameworks help us to demonstrate, and independently affirm, our work to become ‘most inclusive of our kind’.

This year Queen Mary recognised citizenship contributions via our Staff Affinity Networks, responding to volunteer feedback and investing in Staff Voice; we created our first Disability Inclusion Action Group to lead our strategic disability inclusion work, and we launched our first ever Race Equality and Gender Equality Staff Networks.

Two of our Professional Services Directorates commenced their gender equality self-assessment journey through the Athena Swan Charter framework.

We have introduced a comprehensive suite of training to tackle and prevent bullying, harassment and misconduct, as well as introducing ‘Enhancing Inclusion’, a skills and evidence-based EDI development programme for our staff.

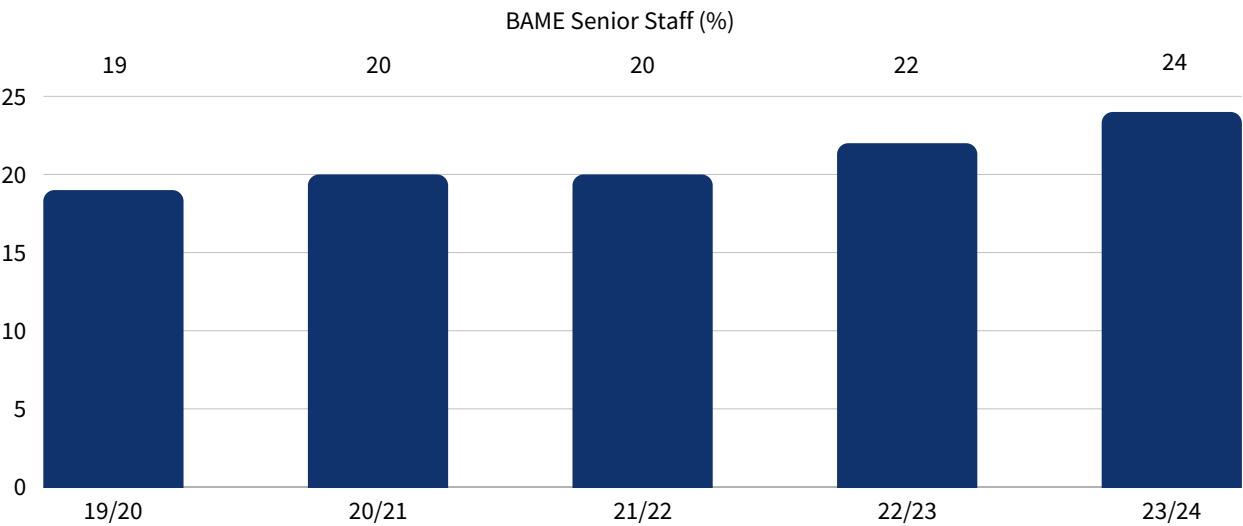
We have revised and enhanced our approach to equality analysis, moving our focus away from compliance and towards a framework that supports colleagues to make decisions in line with our aims and values.

Since the implementation of an all staff annual staff survey in 2022, staff survey results have seen a 4% favourable increase in staff reporting that Queen Mary values diversity (71%), and a 5% increase in staff reporting “I feel I belong at Queen Mary” (64%). Staff survey data is analysed to identify any differential experience and to ensure that action planning addresses relevant areas highlighted by staff.

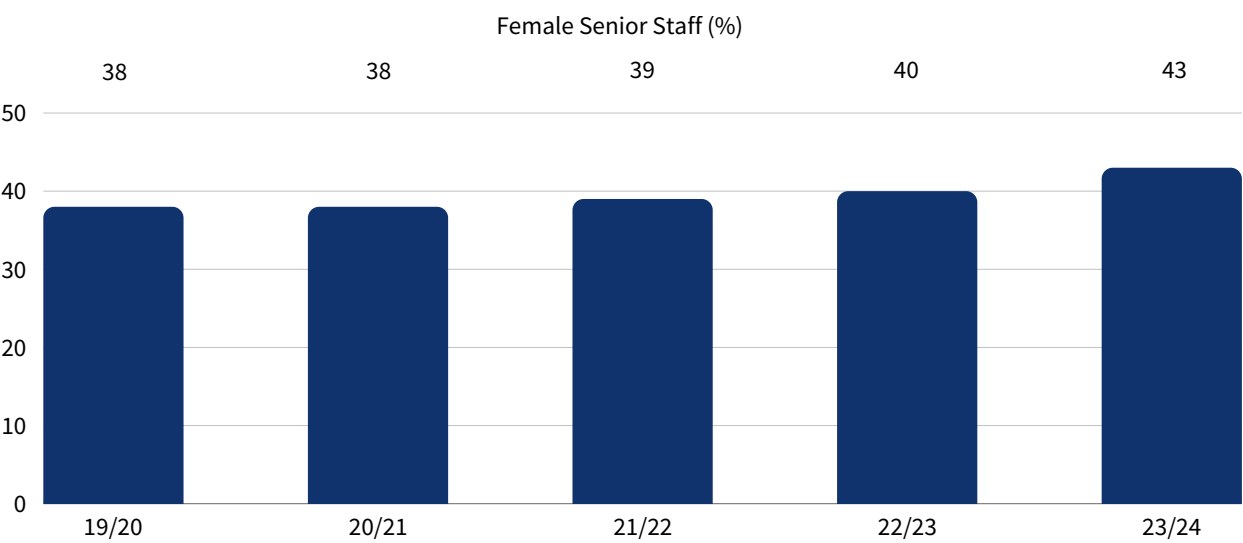
Our 2024 Pay Gap Report included for the first time disability pay gap reporting alongside ethnicity and gender pay gap reporting. The University is not required to report on ethnicity and disability pay gaps however chooses to report this data and to identify and publish action plans in response – including intersectional actions that support the University to progress our diversity and inclusion aims and objectives.

# Performance in strategy areas

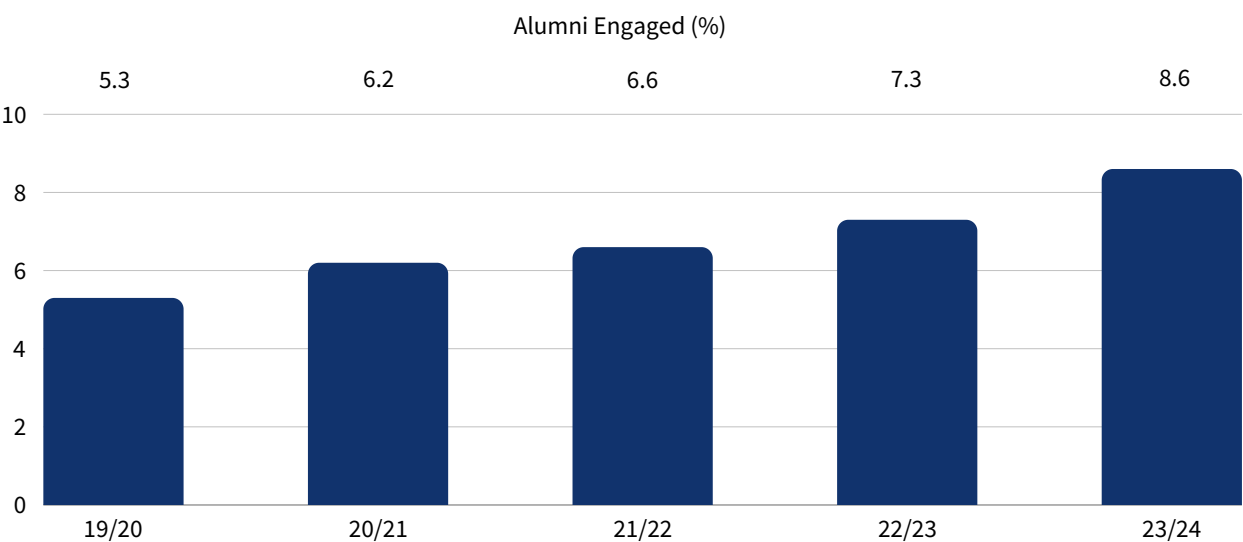
24 per cent of senior staff are Black, Asian or minority ethnic (BAME), an increase of 5 per cent since 2019/20.



43 per cent of senior staff are female, an increase of 5 per cent since 2019/20.

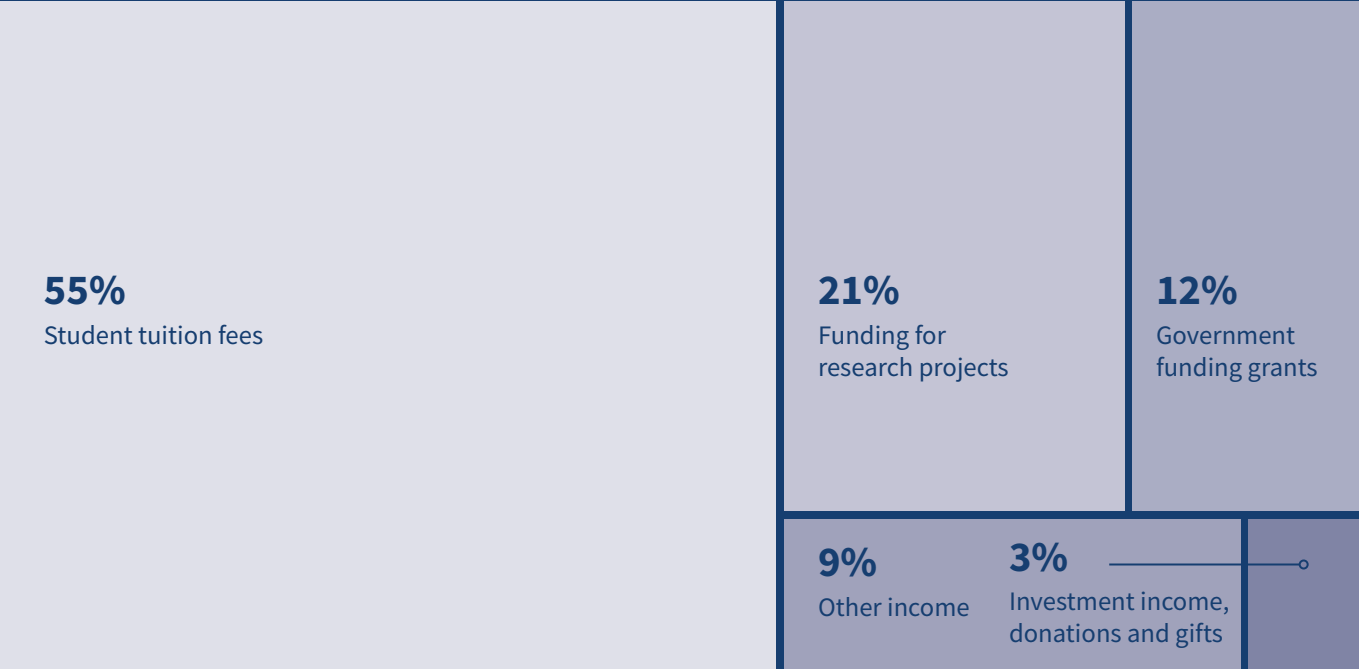


The percentage of our contactable alumni engaged rose to 8.6 per cent, up from 5.3 per cent in 2019/20.

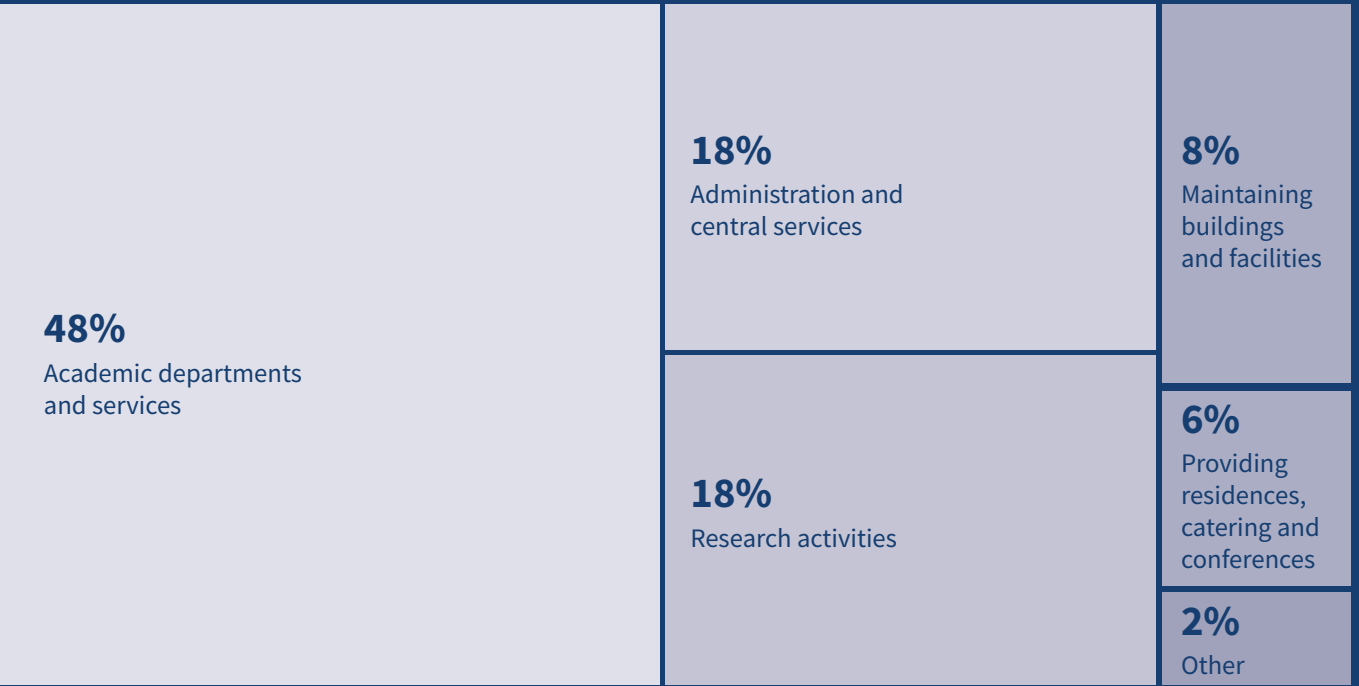


# Financial Review of 2023/24

## Income



## Expenditure



The expenditure chart above excludes the movement in pension provision in the year. The underlying financial performance of the University continued to be strong and in line with the 2030 Strategy, however with a reduced level of surplus generated compared to previous years. This reflects the pressures on the University's cost base and an inability of income sources to keep pace with these, given the fact that one of the main income sources (home undergraduate fee) has been fixed for a number of years.



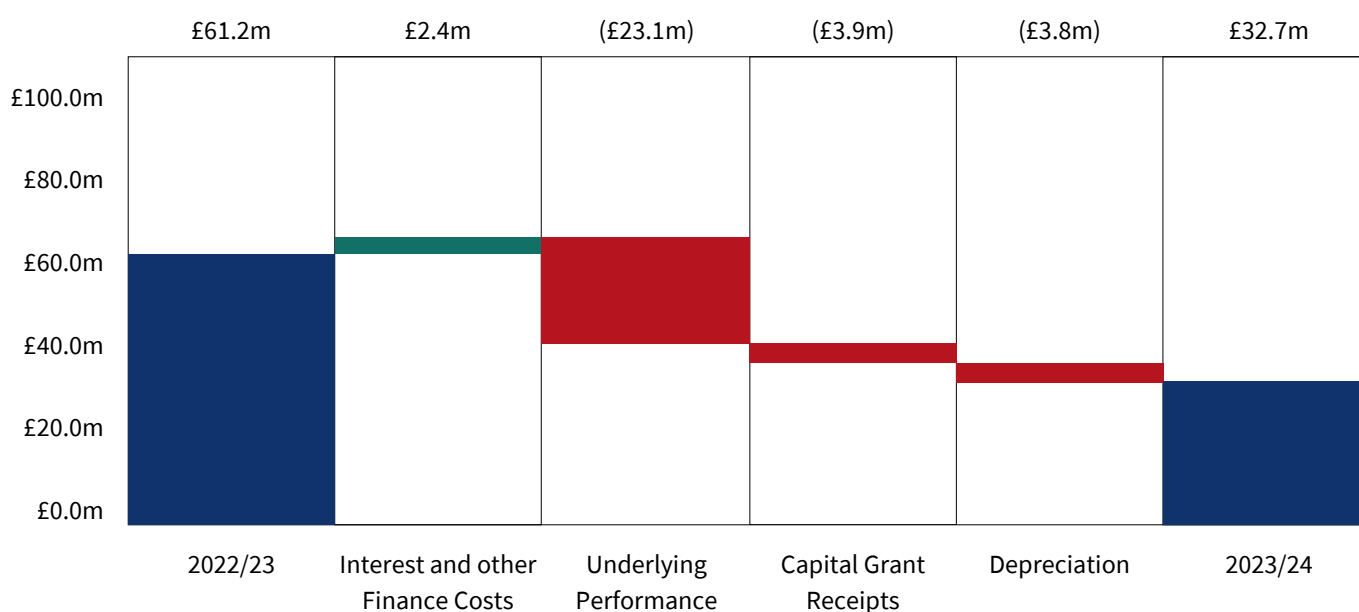
## Underlying cash generation

The definition of underlying cash generation has been agreed by the 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:

	2023/24	2022/23
	£'000	£'000
<b>Surplus/(deficit) before other gains/(losses) and share of operating profit/(loss) of associates</b>	<b>191,147</b>	<b>76,513</b>
Depreciation and amortisation	32,677	28,843
Interest payable	10,912	13,293
Investment Income	(21,851)	(13,772)
Pension Provision	(158,423)	(15,356)
Capital Grants	(9,553)	(13,487)
Taxation	(1,220)	(1,035)
Realised Gains	146	622
Net expenditure funded by endowments	910	652
Strategic Fund Expenditure	14,135	7,549
<b>Underlying Cash Generation</b>	<b>58,880</b>	<b>83,822</b>

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



## Income

Total income grew by £42.7m to £722.5m, whilst income excluding capital grants grew by £46.6m to £712.9m.

Income	2023/24	2022/23	Change
	£ millions	£ millions	%
Tuition fee	396.8	382.9	4%
Funding body grants*	80.0	80.0	0%
Research*	145.4	133.8	9%
Other income, investment income & donations*	90.7	69.6	32%
<b>Total before capital grants</b>	<b>712.9</b>	<b>666.3</b>	<b>7%</b>
Capital grants	9.6	13.5	-29%
<b>Total income</b>	<b>722.5</b>	<b>679.8</b>	<b>6%</b>

\*Excluding capital grants and income

The increase in tuition fee income reflects growth in overseas student numbers with increases primarily in full time international students where fee income increased by £12.3m (6 per cent increase). There was a slight decrease in full time home and EU students fee income which decreased by £1.8m (1 per cent decrease). Total student numbers as at 1 December census point were broadly in line with last year at 32,396

(2023: 32,431) with increases in overseas students offset by a reduction in home students and a marginal shift in mix of provision with a decrease in undergraduate students offset by an increase in postgraduate students. Student numbers (headcount at 1 December, which excludes students starting later in the academic year) are summarised below:

Student numbers	2023/24	2022/23	Change
	Numbers	Numbers	%
Student Numbers	32,396	32,431	0%

By level of study:

Undergraduate	22,899	23,061	-1%
Postgraduate	9,497	9,370	1%

By fee status:

Home (UK and EU)	17,998	18,480	-3%
Overseas (International)	14,398	13,951	3%

By location:

Queen Mary (London)	25,112	25,338	-1%
Overseas (incl. China)	5,638	5,408	4%
Distance Learning	1,646	1,685	-2%

Funding body grants decreased slightly from £87.2m to £86.8m. The revenue element of these grants remained

constant at £80.0m (2022/23 £80.0m), whilst the capital element decreased slightly to £6.9m (2022/23 £7.2m).



Research grant and contract income excluding capital grants increased by 9 per cent to £145.4m.

Other income excluding capital grants increased by £14.0m to £67.0m with increases in all categories of income except other services rendered which decreased slightly. The largest increase was in residences, catering and conference income which increased by £9.4m to £31.9m, the majority of which was driven by a new nominations agreement for the provision of student residences.

Investment income has increased by £8.1m to £21.9m as a result of increases to the interest rates available on the investment of surplus cash.

Donations and endowment income decreased by £1.0m to £1.9m (2022/23 £2.9m).

## Operating expenditure

The finalisation of the USS 2023 Valuation resulted in a complete reversal of the cumulative pension provision and a credit to staff costs in the Income and Expenditure account of

£158.4m in 2023/24. Excluding this, expenditure increased by 11 per cent to £689.7m.

Expenditure	2023/24	2022/23	Change
	£ millions	£ millions	%
Staff costs	388.3	346.3	12%
Other operating expenses	257.8	230.3	12%
Depreciation and amortisation	32.7	28.8	14%
Interest and other finance costs	10.9	13.3	-18%
<b>Total expenditure before pension provisions</b>	<b>689.7</b>	<b>618.7</b>	<b>11%</b>
Pension provision movements	(158.4)	(15.4)	
<b>Total expenditure after pension provisions</b>	<b>531.3</b>	<b>603.3</b>	<b>-12%</b>

Staff costs increased by 12 per cent, reflecting the increase in staff numbers in the year from 4,839 FTE to 5,280 FTE, along with pay increases which were implemented in the year, being partly offset by reductions in the USS employer contributions from 1 January 2024. Other operating costs increased by 12 per cent to £257.8m as a result of increased research grant funded expenditure, utility bills cost increases, resourcing

needed to support the University's ongoing investment in areas such as student support and welfare and the effects of inflation. Depreciation and amortisation increased from £28.8m to £32.7m as a result of capital projects completed in the year. Interest and finance costs decreased by £2.4m as a result of a decrease to the net interest charge on the USS and LHMC pension scheme provisions.

## Tangible Assets and Intangible Assets

The University continued to invest in improvements to its estates and IT infrastructure with total capital expenditure in 2023/24 of £58.3m (2022/23 £59.6m). Capital expenditure included the following major project spend:

1. £7.8m expenditure incurred as part of an ongoing project to construct a new building for the School of Business and Management. The project is expected to be completed in 2027.
2. £7.0m of expenditure incurred as part of a project to refurbish and repurpose the Garrod building at Whitechapel. This building is home to the Institute of Health Science

Education and the refurbishment delivered new teaching and study spaces as well as new facilities for the Students' Union. The total project cost £14.0m and completed in August 2023.

3. £4.8m costs incurred on a project to develop a new life sciences building at Whitechapel which forms part of a masterplan for a new Life Sciences Cluster. This has an expected completion date of 2029 and £16.2m had been incurred at 31 July 2024 out of a total project budget of £156.9m.

4. £3.5m costs incurred on the refurbishment and fit out of new office space at Charterhouse Buildings which was completed in May 2024, supporting the Faculty of Medicine and Dentistry.
5. £2.8m costs incurred on a project to remodel and refurbish the Queens Building. The project is expected to

complete in Autumn 2026 and will provide multi-purpose social learning and event space as well as housing student facing services.

## Investments

Non-current investments increased by £5.3m to £51.6m. There were additions of £3.4m, disposals of £2.7m and an increase in the fair value of investments held of £4.6m. Current

investments decreased by £12m in the year primarily due to less of Queen Mary's surplus funds being held on longer term deposit.

## Cash and borrowings

Consistent with our strategy to improve our financial resilience, year-end cash balances remained high at £163.5m, an increase of £17.6m. The University has private placement loan notes with a principal value of £160m. The nature of the 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 2024 was £131.9m (2022/23: £131.4m), with a fair value increase of £0.5m being recognised in the Statement of Comprehensive Income and Expenditure (2022/23: £15.5m decrease). 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. The University and its subsidiaries also have bank loans totalling £59.0m (2022/23 £61.1m).

## Pensions

The main pension schemes in which the University participates are USS, SAUL and the NHS pension schemes. A deficit recovery plan was put in place as part of the 2020 USS valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. Following the completion of the 2023 USS valuation, the deficit recovery plan was no longer required as the scheme was in surplus on a technical provisions basis. Queen Mary was therefore no longer required

to make deficit recovery contributions from 1 January 2024 and accordingly released the remaining provision to the consolidated statement of comprehensive income and expenditure.

The cost of employer pension contributions decreased in the year from £47.7m to £46.2m mainly as a result of the reduction in USS contribution rate from 21.6% to 14.5% from 1 January 2024.

## Financial outlook

The University's operating environment has continued to present challenges through the 2023/24 year, most notably due to changing patterns in international student recruitment.

The 2024/25 budget was approved in March 2024 with planned income of £749m and operating cash generation of £77m, incorporating the resources required to continue the delivery of the University's strategy.

Although student numbers remained flat in 2023/24, growth had been targeted, meaning tuition fee income was less than budgeted: this was managed by delivering offsetting savings on the University's planned expenditure during

the year. Mindful of the changes in student recruitment patterns, the University has reviewed its growth targets as part of 2024/25 budget setting. Inflationary pressures on the University's cost base which have been particularly acute in the recent two years have now been embedded in the University's cost base, with provision made within forward looking budgets and plans for these. These changes in student recruitment and inflationary cost pressures can be seen in the financial performance in these financial statements: 2023/24 was the second financial year where operating expenditure grew by significantly more than income (11% and 7% respectively), reducing the surplus generated. Over the longer term, management of the University's finances



will present more challenges than previously anticipated, exacerbated by the continued cash flat regulated fee for home undergraduates, and the University will need to continue to adapt and review how it delivers its core activity to improve financial performance. However forward looking budgets and forecasts indicate that the University will continue to be able to generate the funds to support the overall strategy and the University's financial position as shown in these financial statements is resilient.

As set out earlier in these financial statements, the University (and UK Higher Education sector) is exposed to various external risks including economic risks such as interest rate movements and inflation, risks surrounding changes to international and domestic student demand and mobility, government policy on sector funding, geopolitical events, industrial relations, pension costs and the economic health of the countries in which our students are domiciled. All of these various risk factors and the potential financial impacts associated with them are considered in our future strategic planning.

Whilst recognising these challenges management have modelled a number of scenarios. The most significant risks to cash generation are overseas student recruitment, and the assumptions used within the budget with regards to these have been tested as part of the assessment of Going Concern.

In coming to its final decision that the Going Concern basis is appropriate, Council considered scenarios where student recruitment and tuition fee income and inflationary pressures deviated from the central case used within the budget to gauge the financial impact on the institution and mitigatory strategies which the University would employ if necessary. Council concluded that whilst significant risks exist, the current financial position of the University, and indications of future student numbers, mean that the budget is stretching but achievable.

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 potential 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). Council also noted the mitigations which could be employed to conserve cash in a stressed scenario, 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 was achievable. Having made these assessments Council has determined that Queen Mary continues 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 to obtain a better understanding of the governance, management and legal structure of the University. It relates to the year ended 31 July 2024 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 of Public Life.

The University's governing body has adopted the CUC Higher Education Code of Governance 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, equality of opportunity and freedom of speech within the law, which are enshrined in its Royal Charter.

## Constitution and Governing Body

The University is formed from the union of the following four institutions.

- The Medical College of St. Bartholomew's Hospital in the City of London was incorporated by a Royal Charter granted in 1921, having been a constituent body under the University of London since 1900.
- Westfield College was incorporated by a Royal Charter granted in 1933, having been a School of the University of London since 1902.
- Queen Mary College was incorporated by a Royal Charter in 1934, having been a School of the University of London since 1907, when it was known as East London College.
- The London Hospital Medical College became a corporate body under the National Health Service Act 1946, having been an unincorporated general medical school of the University of London since 1900.

Queen Mary College and Westfield College merged by virtue of the Queen Mary and Westfield College Act 1989 and were incorporated as Queen Mary and Westfield College, University of London by a Royal Charter granted in 1989. The Medical College of St. Bartholomew's Hospital and The London Hospital Medical College were united with Queen Mary and Westfield College by virtue of the Queen Mary and Westfield College Act 1995. The Royal Charter of 1989 remained in force following the merger but was amended in 2008 to provide for the College to award its own degrees, in 2010 to reflect the outcomes from a governance review, and again in 2013 to change the name of the College to Queen Mary University of London. A Supplemental Charter was granted to Queen Mary University of London in 2023 to recognise its status as a University whilst remaining as a member institution of the University of London.

The Royal Charter and Ordinances are the primary governing instruments of the University 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.

The Council is the University's supreme governing body with ultimate responsibility for the strategic direction and affairs of the University. Its specific responsibilities include approval of the financial strategy and securing the University's assets. The membership of Council is set out at the end of these Financial Statements. The majority of members are external to the University, to bring independent expertise from a range of sectors and professional spheres and collectively to hold the executive to account. The Chair of Council is elected from among the external members. 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 and Principal of the University and the President of the Students' Union are ex officio members. No members of Council receive remuneration for their role, apart from staff members, including the President and Principal, and the President of the Students' Union, solely in the context of their employment.

Subject to the overall superintendence and control of Council, Senate is the body responsible for governing the academic activity of the University and draws its membership from the academic staff and students, with a majority of elected members. It has specific responsibilities for maintaining academic standards, the quality of the student experience, academic freedom and freedom of speech within the law.

Council keeps its own effectiveness and that of its committees under regular review. Members' views on the effectiveness of Council and its committees are solicited and considered annually. Council also considered the outcome of a full and robust external review of corporate governance effectiveness in October 2022, reflecting the frequency and scope of reviews recommended in the CUC Higher Education Code of Governance.

The University maintains a Register of Interests of members of Council and the Senior Executive Team which is published

on the Council webpages. The Register is updated at least annually and includes details of charity trusteeships.

## The Role of the President and Principal

The President and Principal is appointed by Council as chief academic and accountable officer to head the University. The President and Principal is accountable to Council for carrying out the academic, corporate, financial, estate and human resource 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 such as those 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 which in the year ended 31 July 2024 comprised 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 Chief Financial Officer, the Chief Operations Officer, and the Chief Governance Officer and University Secretary.

## Committees of Council

Council has five committees to which it delegates much of its detailed work. These are:

- Finance and Investment Committee;
- Audit and Risk Committee;
- Governance Committee;
- Remuneration Committee;
- Honorary Degrees and Fellowships Committee.

Each committee is formally constituted with written terms of reference and specified membership, including a significant proportion of external members, from whom the committee chair is drawn. Each committee reports regularly to Council.

Finance and Investment Committee oversees 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:

- 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;
- approving a strategy for borrowing, investment of funds and raising of monies.

Audit and Risk Committee oversees and provides assurance to Council on the University's procedures for external and internal audit, financial control and risk management. 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 whistleblowing procedure and receives regular reports on cases.

Audit and Risk Committee has adopted the CUC Higher Education Code of Governance and the University's practices are compliant with its provisions. The membership of Audit and Risk Committee is set out at the end of these Financial Statements.

Governance Committee fulfils the role and expectations of a nominations committee within the CUC Higher Education Code of Governance. It also performs detailed work on behalf of Council in relation to processes for evaluating governance effectiveness and maintaining the governing instruments of the University.

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, it also approves annual objectives and reviews performance. Remuneration



Committee has adopted the Higher Education Senior Staff Remuneration Code and the University's practices are compliant with its provisions.

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.

## 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 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 directorates.

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

## 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 Royal Charter and Ordinances and the Regulatory Framework for Higher Education in England.

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 2024 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. 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, based on work undertaken in accordance with its approved audit plan, on the overall adequacy and effectiveness of the University's framework of governance, risk management and control, 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.

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, approval of the Financial Statements and for ensuring that these Financial Statements:

- comply with all relevant legislation, and the Terms and Conditions for higher education institutions issued by Office for Students (OfS). These Terms and Conditions require the Council, through the President and Principal (as the designated office holder), to prepare Financial Statements for each financial year which show a true and fair view of the state of the University's affairs, and of its income and expenditure, gains and losses, changes in reserves and cash flows for the year; and
- are prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, and Financial Reporting Standard (FRS) 102.

The Financial Statements are adopted by Council following review by Finance and Investment Committee and on the recommendation of 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 the President and Principal, has taken reasonable steps to:

- ensure that funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions of the Accounts Direction and any other terms and conditions attached to them;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the University's assets and prevent and detect corruption, fraud, bribery and other irregularities; and
- secure the economical, efficient and effective management of the University's resources and expenditure.

The key elements of the University'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 Council following review by Finance and Investment Committee and Audit and Risk Committee;
- an internal audit programme approved by Audit and Risk Committee and carried out by an external firm of auditors; and
- regular reviews of financial performance involving variance reporting, sensitivity analysis and updates of forecast outturn.

Council's review of the effectiveness of the system of internal financial control is informed by the work of the internal auditors, 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 Members of Council of Queen Mary University of London

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2024 and of the Group's and the University's income and expenditure, gains and losses, changes in reserves and of the Group's and the University's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

We have audited the financial statements of Queen Mary University of London ("the University") and its subsidiaries ("the Group") for the year ended 31 July 2024 which comprise

the Consolidated and Institution Statement of Comprehensive Income and Expenditure, the Consolidated and Institution Statement of Changes in Reserves, the Consolidated and Institution Statement of Financial Position, the Consolidated and Institution Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

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

FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members of 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 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 the Council Members with respect to going concern are described in the relevant sections of this report.

## Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to



determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we

conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

## **Opinion on other matters required by the Office for Students (“OfS”) UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education**

In our opinion, in all material respects:

- Funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS, 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

- The requirements of the OfS’s Accounts Direction (OfS 2019.41) have been met.

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

- The University’s grant and fee income, as disclosed in note 1 and 2 to the accounts, has been materially misstated.
- The University’s expenditure on access and participation activities for the financial year, as has been disclosed in note 10 to the accounts, has been materially misstated.

## **Responsibilities of the Members of Council**

As explained more fully in the Responsibilities of Council, the Members of Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Members of Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members of Council are responsible for assessing the Group 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 the Members of Council either intends to liquidate the Group or the University or to cease operations, or have 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.

### **Extent to which the audit was 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.

## Non-compliance with laws and regulations

Based on:

- Our understanding of the Group, University and the sector in which it operates;
- Discussion with management and those charged with governance (including the Audit and Risk Committee and internal audit provision);
- Obtaining and understanding of the Group and University's policies and procedures regarding compliance with laws and regulations; and
- Direct representation from the Accountable Officer

we considered the significant laws and regulations to be The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities Act 2011, Corporate and VAT legislation and Employment Taxes.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect

on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and registration with the Office for Students and their ongoing conditions of registration.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

## Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance (including the Audit and Risk Committee and internal audit provision) regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Considered management's incentives and opportunities for fraudulent manipulation of the financial statements;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition, posting inappropriate journal entries to manipulate financial results and management bias in significant judgements and accounting estimates.

Our procedures in respect of the above included:

- Testing a sample of income transactions throughout the year, and around the year end to ensure that income recognition is in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, the Financial Reporting Standard (FRS 102) and stated accounting policies;
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted by individuals outside of their expected job roles, and others deemed unusual based on our expectations;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to the actuarial assumptions used in the valuation of defined benefit scheme liabilities and the assumptions used in the valuation of loan notes;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and relevant regulators to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility; and
- Direct enquiry of the Accountable Officer.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the Members of Council, as a body, in accordance with Section 75 of the Higher Education Research Act 2017 and the charters and statutes of the University. Our audit work has been undertaken so that we might state to the University's Council those matters we are

required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Members of Council as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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**James Aston MBE**  
(Senior Statutory Auditor)

**25 November 2024**

For and on behalf of BDO LLP, Statutory Auditor  
Gatwick, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



# Consolidated and Institution Statement of Comprehensive Income and Expenditure

## for the year ended 31 July 2024

		Year ended 31 July 2024		Year ended 31 July 2023	
	Notes	Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
<b>Income</b>					
Tuition fees and education contracts	1	396,824	390,014	382,856	376,877
Funding body grants	2	86,879	86,879	87,247	87,247
Research grants and contracts	3	147,182	146,827	138,229	137,843
Other income	4	67,861	64,456	54,793	52,277
Investment income	5	21,851	21,728	13,772	13,710
Donations and endowments	6	1,872	2,344	2,922	2,255
<b>Total income</b>		<b>722,469</b>	<b>712,248</b>	<b>679,819</b>	<b>670,209</b>
<b>Expenditure</b>					
Staff costs (excluding USS provision movement)	8	388,352	382,478	346,263	341,450
USS pension provision movement	8	( 158,423)	( 158,423)	( 15,356)	( 15,356)
Total staff costs	8	229,929	224,055	330,907	326,094
Other operating expenses		257,804	256,494	230,263	227,958
Depreciation and amortisation	12,13	32,677	31,735	28,843	27,857
Interest and other finance costs	9	10,912	10,234	13,293	12,568
<b>Total expenditure</b>	10	<b>531,322</b>	<b>522,518</b>	<b>603,306</b>	<b>594,477</b>
<b>Surplus/(deficit) before other gains/(losses) and share of operating profit/(loss) of associates</b>		<b>191,147</b>	<b>189,730</b>	<b>76,513</b>	<b>75,732</b>
Share of profit/(loss) in associates		( 75)	-	468	-
Gain/(loss) on investments		4,790	4,709	452	414
Loss on disposal of tangible assets		-	-	-	-
Fair value movement in unsecured notes		( 504)	( 504)	15,534	15,534
<b>Surplus/(Deficit) before tax</b>		<b>195,358</b>	<b>193,935</b>	<b>92,967</b>	<b>91,680</b>
Taxation	11	( 1,220)	( 1,106)	( 1,035)	( 857)
<b>Surplus/(deficit) for the year</b>		<b>194,138</b>	<b>192,829</b>	<b>91,932</b>	<b>90,823</b>
Share of other comprehensive income of associates and subsidiaries		( 309)	-	( 408)	-
Actuarial gain/(loss) in respect of pension schemes	31	( 16)	( 16)	476	476
<b>Total comprehensive income and expenditure for the year</b>		<b>193,813</b>	<b>192,813</b>	<b>92,000</b>	<b>91,299</b>
Represented by:					
Endowment comprehensive income and expenditure for the year		4,299	4,299	302	302
Restricted comprehensive income and expenditure for the year		145	( 145)	591	5
Unrestricted comprehensive income and expenditure for the year		189,369	188,659	91,107	90,992
Attributable to the Institution		193,813	192,813	92,000	91,299
Attributable to the non-controlling interest		-	-	-	-
		<b>193,813</b>	<b>192,813</b>	<b>92,000</b>	<b>91,299</b>
<b>Surplus/(deficit) for the year attributable to:</b>					
Non-controlling interest		-	-	-	-
Institution		194,138	192,829	91,932	90,823
All items of income and expenditure relate to continuing activities					

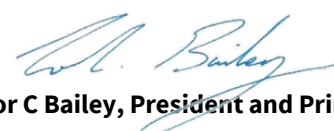
# Consolidated and Institution Statement of Financial Position

As at 31 July 2024

		As at 31 July 2024		As at 31 July 2023	
	Notes	Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
<b>Non-current assets</b>					
Intangible assets	12	5,754	5,754	4,936	4,936
Tangible assets	13	709,627	701,903	684,671	676,035
Investments	14	51,589	54,918	46,320	49,730
Investments in associates	15	410	589	517	315
		<u>767,380</u>	<u>763,164</u>	<u>736,444</u>	<u>731,016</u>
<b>Current assets</b>					
Stock		941	941	800	800
Trade and other receivables	16	134,229	135,601	118,440	121,179
Investments	17	196,379	196,379	208,379	208,379
Cash and cash equivalents	24	163,549	158,567	145,963	140,121
		<u>495,098</u>	<u>491,488</u>	<u>473,582</u>	<u>470,479</u>
Less: Creditors: amounts falling due within one year	18	<u>( 209,058)</u>	<u>( 209,861)</u>	<u>( 192,805)</u>	<u>( 192,899)</u>
<b>Net current assets/(liabilities)</b>		<u>286,040</u>	<u>281,627</u>	<u>280,777</u>	<u>277,580</u>
<b>Total assets less current liabilities</b>		<b>1,053,420</b>	<b>1,044,791</b>	<b>1,017,221</b>	<b>1,008,596</b>
Creditors: amounts falling due after more than one year	19	( 196,781)	( 185,432)	( 199,763)	( 187,418)
<b>Provisions</b>					
Pension provisions	20	-	-	( 154,632)	( 154,632)
Other provisions	21	( 136)	( 136)	( 136)	( 136)
		<u>856,503</u>	<u>859,223</u>	<u>662,690</u>	<u>666,410</u>
<b>Total net assets</b>		<u>856,503</u>	<u>859,223</u>	<u>662,690</u>	<u>666,410</u>
<b>Restricted Reserves</b>					
Income and expenditure reserve - endowment	22	48,040	48,040	43,741	43,741
Income and expenditure reserve - restricted	23	4,585	2,607	4,440	2,752
<b>Unrestricted Reserves</b>					
Income and expenditure reserve - unrestricted		803,883	808,576	614,514	619,917
		<u>856,508</u>	<u>859,223</u>	<u>662,695</u>	<u>666,410</u>
Non-controlling interest		<u>( 5)</u>	<u>-</u>	<u>( 5)</u>	<u>-</u>
<b>Total Reserves</b>		<u>856,503</u>	<u>859,223</u>	<u>662,690</u>	<u>666,410</u>

The financial statements were approved by Council on 21 November 2024 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 2024

	Notes	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
<b>Cash flow from operating activities</b>					
Surplus/(deficit) for the year before taxation		195,358	193,935	92,967	91,680
<b>Adjustments to operating activities</b>					
Depreciation(tangible assets)	13	31,124	30,182	27,335	26,349
Amortisation (intangible assets)	12	1,553	1,553	1,508	1,508
Impairment of asset	13	-	-	-	-
(Gain)/Loss on investments		( 4,790)	( 4,709)	( 452)	( 414)
Management fees included in investments		117	117	-	-
Share of (profit)/loss in associates		75	-	( 468)	-
(Increase)/decrease in stock		( 141)	( 141)	( 454)	( 454)
(Increase) in current debtors		( 15,542)	( 14,074)	( 23,318)	( 23,279)
Fair value movement in unsecured notes		504	504	( 15,534)	( 15,534)
Increase/(Decrease) in creditors		15,448	16,225	2,843	2,570
Increase/(Decrease) in USS deficit recovery pension provision	20	( 158,423)	( 158,423)	( 15,452)	( 15,452)
Increase/(Decrease) in other provisions		-	-	96	96
Cash payment to reduce LHMC pension deficit		( 42)	( 42)	-	-
Donations in kind	6	( 188)	( 188)	-	-
<b>Adjustments for investing or financing activities</b>					
Investment income	5	( 21,851)	( 21,728)	( 13,772)	( 13,710)
Interest payable on loans and finance leases	9	7,444	6,766	7,401	6,676
Net charge on pension scheme	9	3,468	3,468	5,892	5,892
New endowments	6	( 120)	( 120)	( 104)	( 104)
Loss on disposal of tangible assets		-	-	-	-
Capital grant income		( 9,553)	( 9,553)	( 13,487)	( 13,487)
<b>Net cash generated from operating activities</b>		44,441	43,772	55,001	52,337
Taxation		( 1,105)	( 1,106)	( 934)	( 857)
<b>Net cash generated from operating activities after tax</b>		43,336	42,666	54,067	51,480



# Consolidated and Institution Statement of Cash Flows

## (continued)

### for the year ended 31 July 2024

	Notes	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>Cash flows from investing activities</b>					
Capital grant receipts		9,553	9,553	13,487	13,487
Disposal of non-current asset investments		-	-	-	-
Purchase of non-current asset investments		( 450)	( 450)	-	-
Realised gain on investments		146	146	621	621
New investments in associates		( 274)	( 274)	( 315)	( 315)
Disposal proceeds fixed assets		-	-	-	-
Investment income		21,559	21,436	13,772	13,710
Payments made to acquire tangible assets		( 55,909)	( 55,879)	( 57,955)	( 57,908)
Payments made to acquire intangible assets		( 2,371)	( 2,371)	( 1,691)	( 1,691)
Disposal of current assets		750	750	-	-
Movements on bank deposits		11,250	11,250	( 53,126)	( 53,126)
<b>Net cash (used by) investing activities</b>		<b>( 15,746)</b>	<b>( 15,839)</b>	<b>( 85,207)</b>	<b>( 85,222)</b>
<b>Cash flows from financing activities</b>					
Loan interest		( 7,924)	( 7,245)	( 7,889)	( 7,164)
Interest element of finance lease		( 1)	( 1)	( 1)	( 1)
Endowment cash received		120	120	104	104
New unsecured loans		-	-	-	-
Repayments of amounts borrowed		( 2,065)	( 1,121)	( 1,983)	( 1,085)
Capital element of finance lease payments		( 134)	( 134)	( 133)	( 133)
<b>Net cash (used by) financing activities</b>		<b>( 10,004)</b>	<b>( 8,381)</b>	<b>( 9,902)</b>	<b>( 8,279)</b>
<b>Increase in cash and cash equivalents in the year</b>		<b>17,586</b>	<b>18,446</b>	<b>( 41,042)</b>	<b>( 42,021)</b>
Cash and cash equivalents at beginning of the year		145,963	140,121	187,005	182,142
Cash and cash equivalents at end of the year		163,549	158,567	145,963	140,121
	24	17,586	18,446	( 41,042)	( 42,021)

# Consolidated and Institution Statement of Changes in Reserves

## for the year ended 31 July 2024

Consolidated	Income and expenditure account			Total (excluding non- controlling interest) £'000	Non- controlling interest £'000	Total £'000
	Endowment (note 22)	Restricted (note 23)	Unrestricted			
	£'000	£'000	£'000			
<b>As at 1 August 2022</b>	43,439	3,849	523,407	<b>570,695</b>	( 5)	<b>570,690</b>
Surplus or (deficit) from the statement of comprehensive income and expenditure	302	591	91,039	<b>91,932</b>	-	<b>91,932</b>
Other comprehensive income or (expenditure)	-	-	68	<b>68</b>	-	<b>68</b>
<b>Total comprehensive income or (expenditure) for the year</b>	302	591	91,107	<b>92,000</b>	-	<b>92,000</b>
<b>As at 1 August 2023</b>	43,741	4,440	614,514	<b>662,695</b>	( 5)	<b>662,690</b>
Surplus or (deficit) from the statement of comprehensive income and expenditure	4,299	145	189,694	<b>194,138</b>	-	<b>194,138</b>
Other comprehensive income or (expenditure)	-	-	( 325)	<b>( 325)</b>	-	<b>( 325)</b>
<b>Total comprehensive income or (expenditure) for the year</b>	4,299	145	189,369	<b>193,813</b>	-	<b>193,813</b>
<b>As at 31 July 2024</b>	48,040	4,585	803,883	<b>856,508</b>	( 5)	<b>856,503</b>

# Consolidated and Institution Statement of Changes in Reserves (continued) for the year ended 31 July 2024

Institution	Income and expenditure account			Total (excluding non- controlling interest) £'000	Non- controlling interest £'000	Total £'000
	Endowment (note 22)	Restricted (note 23)	Unrestricted			
	£'000	£'000	£'000			
<b>As at 1 August 2022</b>	<b>43,439</b>	<b>2,747</b>	<b>528,925</b>	<b>575,111</b>	<b>-</b>	<b>575,111</b>
Surplus or (deficit) from the statement of comprehensive income and expenditure	302	5	90,516	<b>90,823</b>	-	<b>90,823</b>
Other comprehensive income or (expenditure)	-	-	476	<b>476</b>	-	<b>476</b>
<b>Total comprehensive income or (expenditure) for the year</b>	<b>302</b>	<b>5</b>	<b>90,992</b>	<b>91,299</b>	<b>-</b>	<b>91,299</b>
<b>As at 1 August 2023</b>	<b>43,741</b>	<b>2,752</b>	<b>619,917</b>	<b>666,410</b>	<b>-</b>	<b>666,410</b>
Surplus or (deficit) from the statement of comprehensive income and expenditure	4,299	( 145)	188,675	<b>192,829</b>	-	<b>192,829</b>
Other comprehensive income or (expenditure)	-	-	( 16)	<b>( 16)</b>	-	<b>( 16)</b>
<b>Total comprehensive income or (expenditure) for the year</b>	<b>4,299</b>	<b>( 145)</b>	<b>188,659</b>	<b>192,813</b>	<b>-</b>	<b>192,813</b>
<b>As at 31 July 2024</b>	<b>48,040</b>	<b>2,607</b>	<b>808,576</b>	<b>859,223</b>	<b>-</b>	<b>859,223</b>



# Statement of Principal Accounting Policies

## for the year ended 31 July 2024

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### **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**

The university's operating environment has continued to present challenges through the 2023/24 year, most notably due to changing patterns in international student recruitment.

The 2024/25 budget was approved in March 2024 with planned income of £749m and operating cash generation of £77m, incorporating the resources required to continue the delivery of the university's strategy.

Although student numbers remained flat in 2023/24, growth had been targeted, meaning tuition fee income was less than budgeted: this was managed by delivering offsetting savings on the university's planned expenditure during the year. Mindful of the changes in student recruitment patterns, the university has reviewed its growth targets as part of 2024/25 budget setting. Inflationary pressures on the university's cost base which have been particularly acute in the recent two years have now been embedded in the university's cost base, with provision made within forward looking budgets and plans for these. These changes in student recruitment and inflationary cost pressures can be seen in the financial performance in these financial statements: 2023/24 was the second financial year where operating expenditure grew by significantly more than income (11% and 7% respectively), reducing the surplus generated. Over the longer term, management of the university's finances will present more challenges than previously anticipated, exacerbated by the continued cash flat regulated fee for home undergraduates, and the university will need to continue to adapt and review how it delivers its core activity to improve financial performance. However forward looking budgets and forecasts indicate that the university will continue to be able to generate the funds to support the overall strategy and the university's financial position as shown in these financial statements is resilient.

As set out earlier in these financial statements, the University (and UK Higher Education sector) is exposed to various external risks including economic risks such as interest rate movements and inflation, risks surrounding changes to international and domestic student demand and mobility, government policy on sector funding, geopolitical events, industrial relations, pension costs and the economic health of the countries in which our students are domiciled. All of these various risk factors and the potential financial impacts associated with them are considered in our future strategic planning.

Whilst recognising these challenges, management have modelled a number of scenarios. The most significant risks to cash generation are overseas student recruitment, and the assumptions used within the budget with regards to these have been tested as part of the assessment of Going Concern. In coming to its final decision that the Going Concern basis is appropriate, Council considered scenarios where student recruitment and tuition fee income and inflationary pressures deviated from the central case used within the budget to gauge the financial impact on the institution and mitigatory strategies which the University would employ if necessary. Council concluded that whilst significant risks exist, the current financial position of the University, and indications of future student numbers, mean that the budget is stretching but achievable.

# Statement of Principal Accounting Policies (Continued)

## for the year ended 31 July 2024

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### Going Concern (continued)

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 potential 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). Council also noted the mitigations which could be employed to conserve cash in a stressed scenario, 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 was achievable. Having made these assessments Council has determined that Queen Mary continues 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 2024. 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.

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.

# Statement of Principal Accounting Policies (Continued)

## for the year ended 31 July 2024

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### Income recognition (continued)

- 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.

# Statement of Principal Accounting Policies (Continued)

## for the year ended 31 July 2024

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### Accounting for retirement benefits (continued)

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.

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 any 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.



# Statement of Principal Accounting Policies (Continued)

## for the year ended 31 July 2024

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### 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 £25,000 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.

# Statement of Principal Accounting Policies (Continued)

## for the year ended 31 July 2024

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### 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 £25,000 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.
- 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.

# Statement of Principal Accounting Policies (Continued)

## for the year ended 31 July 2024

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### 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.

# Statement of Principal Accounting Policies (Continued)

## for the year ended 31 July 2024

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### 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.



# Statement of Principal Accounting Policies (Continued)

## for the year ended 31 July 2024

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### 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

At 31 July 2023, QMUL's balance sheet included a liability of £154,870,566 for future contributions payable under the deficit recovery agreement implemented following the 2020 valuation, when the scheme was in deficit. No deficit recovery plan was required following the completion of the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date QMUL was no longer required to make deficit recovery contributions. The pension provision was therefore no longer required and the remaining liability was released to the consolidated statement of comprehensive income and expenditure. Further disclosures relating to the deficit recovery liability can be found in note 20.

#### 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.

# Notes to the Financial Statements

## for the year ended 31 July 2024

### 1 Tuition fees and education contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Full-time home and EU students	143,442	137,497	145,222	139,951
Full-time international students	225,047	224,200	212,736	212,096
Part-time students	7,961	7,943	7,512	7,444
Short course fees	3,966	3,966	3,885	3,885
Other fees and support grants	3,651	3,651	3,479	3,479
Education contracts	12,757	12,757	10,022	10,022
	<b>396,824</b>	<b>390,014</b>	<b>382,856</b>	<b>376,877</b>

### 2 Funding body grants

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>Recurrent grant Revenue</b>				
Office for Students	27,528	27,528	24,561	24,561
Research England	42,407	42,407	45,242	45,242
<b>Capital</b>				
Office for Students	-	-	-	-
Research England	4,661	4,661	6,905	6,905
<b>Specific grants Revenue</b>				
Office for Students	1,780	1,780	2,108	2,108
Research England	1,825	1,825	2,534	2,534
<b>Capital</b>				
Office for Students	2,250	2,250	300	300
Research England	-	-	-	-
<b>Higher Education Innovation Fund</b>				
Research England	6,428	6,428	5,597	5,597
	<b>86,879</b>	<b>86,879</b>	<b>87,247</b>	<b>87,247</b>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

<b>3 Research grants and contracts</b>		<b>Year ended 31 July 2024</b>		<b>Year ended 31 July 2023</b>	
		<b>Consolidated</b>	<b>Institution</b>	<b>Consolidated</b>	<b>Institution</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Research councils		44,771	44,771	43,302	43,302
Research charities		49,871	49,747	45,548	45,516
Government (UK and overseas)		31,081	31,081	26,604	26,587
Industry and commerce		17,069	16,912	20,345	20,090
Other		4,390	4,316	2,430	2,348
		<b>147,182</b>	<b>146,827</b>	<b>138,229</b>	<b>137,843</b>
Included within Research grants and contracts above are capital grants of:		<b>1,783</b>	<b>1,783</b>	<b>4,460</b>	<b>4,460</b>
<b>4 Other income</b>		<b>Year ended 31 July 2024</b>		<b>Year ended 31 July 2023</b>	
		<b>Consolidated</b>	<b>Institution</b>	<b>Consolidated</b>	<b>Institution</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Residences, catering and conferences		31,928	31,930	22,537	22,632
Other services rendered		5,756	6,167	6,045	6,455
Health Authorities		12,283	12,283	11,045	11,045
Other revenue income		17,035	13,217	13,344	10,323
Other capital income		859	859	1,822	1,822
		<b>67,861</b>	<b>64,456</b>	<b>54,793</b>	<b>52,277</b>
<b>5 Investment income</b>		<b>Year ended 31 July 2024</b>		<b>Year ended 31 July 2023</b>	
		<b>Consolidated</b>	<b>Institution</b>	<b>Consolidated</b>	<b>Institution</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	Notes				
Investment income on expendable endowments	22	345	345	326	326
Investment income on permanent endowments	22	833	833	777	777
Other investment income		20,673	20,550	12,669	12,607
Net return on pension scheme	31	-	-	-	-
		<b>21,851</b>	<b>21,728</b>	<b>13,772</b>	<b>13,710</b>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

6	Donations and endowments		Year ended 31 July 2024		Year ended 31 July 2023	
			Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
	New endowments	22	120	120	104	104
	Donations with restrictions	23	1,044	1,516	2,389	1,676
	Unrestricted donations		708	708	429	475
			<b>1,872</b>	<b>2,344</b>	<b>2,922</b>	<b>2,255</b>

Income donated for capital expenditure:	<b>171</b>	<b>171</b>	-	-
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Donations income includes donations in kind totalling £188,038 (2023: nil) of which £170,795 (2023: £nil) relates to capital equipment.

7	Grant and Fee Income	Year ended 31 July 2024		Year ended 31 July 2023		
		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	31,558	31,558	26,969	26,969
	Other bodies (Grant income from other bodies)	2	55,321	55,321	60,278	60,278
	Research awards (Fee income for research awards (exclusive of Vat))	1&3	7,497	7,497	7,031	7,031
	Non-qualifying (Fee income from non-qualifying courses (exclusive of Vat))	1	17,581	17,581	14,988	14,988
	Taught (Fee income for taught awards (exclusive of Vat))	1	374,214	367,403	363,470	357,490
			486,171	479,360	472,736	466,756

Fee income above consists of tuition fee income net of fee waivers. Research awards fee income includes £2,467,695 (2023: £2,633,216) of tuition fees funded from research grants (note 3).



# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 8 Staff costs

		Year ended 31 July 2024		Year ended 31 July 2023	
	Notes	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Staff costs:					
Salaries		306,458	301,223	269,466	265,043
Social security costs		31,942	31,486	27,726	27,489
Movement in holiday pay accrual		545	537	401	411
Other pension costs		46,246	46,071	47,700	47,537
Compensation for loss of office		3,161	3,161	970	970
		<u>388,352</u>	<u>382,478</u>	<u>346,263</u>	<u>341,450</u>
Pension provision movements:					
Movement on USS provision	20	( 158,423)	( 158,423)	( 15,356)	( 15,356)
		<u>( 158,423)</u>	<u>( 158,423)</u>	<u>( 15,356)</u>	<u>( 15,356)</u>
		<u>229,929</u>	<u>224,055</u>	<u>330,907</u>	<u>326,094</u>

	2024	2023
<b>Compensation for loss of office:</b>	<b>Consolidated</b>	<b>Consolidated</b>
Total amount of compensation for loss of office	£ 3,161,442	£ 969,916
Number of people to whom this was payable	218	121

	2024	2023
<b>Average FTE staff numbers by major category:</b>	<b>Consolidated No.</b>	<b>Consolidated No.</b>
Academic, education and research	2,640	2,501
Professional services	2,053	1,787
Technical services	303	267
Operational services	284	284
	<u>5,280</u>	<u>4,839</u>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 8 Staff costs (continued)

#### Remuneration of the President and Principal:

##### Professor Colin Bailey

	2024	2023
	£	£
Emoluments:		
Basic Salary	341,948	328,922
Benefits in kind - taxable		
Utilities, service charge and furniture in Principal's accommodation	9,784	8,702
Taxable accommodation	400	400
Total remuneration before pension contributions	352,132	338,024
Pension Contributions to USS	8,976	20,722
Total remuneration including pension contributions	361,108	358,746

#### Justification for the total remuneration package for Professor Colin Bailey

The President and Principal is the chief academic and executive officer of the University with 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 CBE has been the University's President and Principal since September 2017. He was appointed following an international search, which was overseen by Council, and his salary at the time was set close to the median compared to other Russell Group universities. Professor Bailey made clear in advance his intention to waive any salary increase or bonus that the Committee may wish to award between 2017/18 and 2020/21.

In 2021, Council re-appointed Professor Bailey for a further five years considering his significant contribution in the role. Council also increased Professor Bailey's basic salary from £300,000 to £316,180 after four years in which his actual salary had remained constant. This uplift corresponded to the national cost of living increases awarded to members of staff at the University between 2018/19 and 2021/22 and ensured that Professor Bailey's salary increased at the same rate, or less, compared to the salaries of other staff at the University in a context of financial austerity caused by the Coronavirus pandemic and after a year in which no cost of living increases were awarded across many sectors.

In consideration of Professor Bailey's performance in the role and noting how his salary compared to the market, Remuneration Committee agreed further uplifts to his basic salary which were aligned to the national cost of living increases awarded between 2022/23 and 2023/24 (3% from August 2022; 5% from August 2023, the first 2% taking effect from February 2023), thereby maintaining the relationship between Professor Bailey's emoluments and the median value for other members of staff at the University.

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 8 Staff costs (continued)

#### Justification for the total remuneration package for Professor Colin Bailey (continued)

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.

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 2023/24 was 6.3% of salary (compared to the full contribution rate of 21.6%) until 31 December 2023, and then reduced to 0.0% of salary (compared to the full contribution rate of 14.5%) from 1 January 2024.

Remuneration Committee publishes an Annual Report with further information about the President and Principal’s remuneration, performance and objectives:

[www.qmul.ac.uk/governance-and-legal-services/governance/council/committees/remuneration-committee/](http://www.qmul.ac.uk/governance-and-legal-services/governance/council/committees/remuneration-committee/)

Relationship between Professor Colin Bailey's emoluments and the median value for all staff employed by the University:	2024 Median	2023 Median
Basic Salary (median calculated as full-time equivalent for the salaries of all staff)	8.4	8.5
Total remuneration (median calculated as full-time equivalent for the remuneration of all staff)	7.5	7.7

#### Trustees (Council Members)

The Trustees neither received nor waived any emoluments during the year (2023: £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 2024 no trustees were reimbursed for expenses (2023: 3 trustees reimbursed £781).

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 8 Staff costs (continued)

#### 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.

	2024	2023
	£	£
Emoluments:		
Salary	2,099,593	2,196,927
Benefits in kind	10,184	9,102
Severance	-	-
Total remuneration before pension contributions	2,109,777	2,206,029
Pension Contributions to USS	218,618	287,004
Total remuneration including pension contributions	2,328,395	2,493,033

The number of staff who earned a basic salary of over £100,000 in the year	2024	2023
	No.	No.
£100,000 - £104,999	33	35
£105,000 - £109,999	27	34
£110,000 - £114,999	27	16
£115,000 - £119,999	19	23
£120,000 - £124,999	12	28
£125,000 - £129,999	29	7
£130,000 - £134,999	17	3
£135,000 - £139,999	7	7
£140,000 - £144,999	7	6
£145,000 - £149,999	3	12
£150,000 - £154,999	7	5
£155,000 - £159,999	5	1
£160,000 - £164,999	5	1
£170,000 - £174,999	2	2
£180,000 - £184,999	2	0
£195,000 - £199,999	0	2
£200,000 - £204,999	0	1
£205,000 - £209,999	3	1
£235,000 - £239,999	1	0
£325,000 - £329,999	0	1
£340,000 - £344,999	1	0
	207	185

The salary bandings above exclude London Allowance as this is not considered to be part of basic pay.



# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 9 Interest and other finance costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Loan interest	7,443	6,765	7,400	6,675
Finance lease interest	1	1	1	1
Net charge on pension schemes	3,468	3,468	5,892	5,892
Other	-	-	-	-
	<b>10,912</b>	<b>10,234</b>	<b>13,293</b>	<b>12,568</b>

### 10 Analysis of total expenditure by activity

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Academic and related expenditure	333,376	327,790	305,787	301,042
Administration and central services	124,184	123,958	114,024	113,977
Premises	56,354	55,499	48,823	48,035
Residences, catering and conferences	42,648	41,038	26,776	25,795
Research grants and contracts	121,842	121,745	112,841	112,540
Pension Provision	( 158,423)	( 158,423)	( 15,356)	( 15,356)
Other expenses	11,341	10,911	10,411	8,444
	<b>531,322</b>	<b>522,518</b>	<b>603,306</b>	<b>594,477</b>

	2024	2023
	Consolidated	Consolidated
		£'000
<b>Other operating expenses include:</b>		
External auditor's remuneration in respect of audit services for current year (excluding non-recoverable VAT)	259	248
External auditor's remuneration in respect of non-audit services (excluding non-recoverable VAT)	7	7
Operating lease rentals		
Land and buildings	15,169	8,865
Other	568	563

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 10 Analysis of total expenditure by activity (continued)

#### Access and Participation

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Access Investment	1,165	1,165	1,030	1,030
Financial Support	8,078	8,078	9,084	9,084
Support for Disabled Students	1,087	1,087	961	961
Research and Evaluation	106	106	102	102
Total Spend	<b>10,436</b>	<b>10,436</b>	<b>11,177</b>	<b>11,177</b>
Of which staff costs	<b>1,685</b>	<b>1,685</b>	<b>1,626</b>	<b>1,626</b>

A link to Queen Mary's Access and Participation Plan 2023/24 can be found at:

<https://www.qmul.ac.uk/media/qmul/media/publications/QMUL-2020-21-to-2024-25-Access-and-participation-plan.pdf>

This sets out how we will address risk to equality of opportunity across the full student lifecycle, including our investment plan. To note a new plan will take effect as of 2025/26.

The investment to support activities described within our Access and Participation Plan is funded from the Higher Fee Income.

The Access and Participation note in the Financial Statements of Queen Mary includes central expenditure incurred delivering the commitments outlined in the plan, as well as expenditure on specific projects within the Faculties. Also included is an allocation for wider faculty staff time spent on supporting disadvantaged and under-represented groups to access higher education. A significant amount of time of staff from across the University is devoted to access and participation for under-represented groups, and not all is captured here.

As well as the investment outlined above, Queen Mary also invests significantly in the Success and Progression of all students once they have started at the University, including under-represented groups. This support is significant and wide ranging and is not captured in these figures.

#### Access Investment

The Access Investment outlined above incorporates work carried out by the central Widening Participation Team, including a proportion of relevant staff salaries. This includes specific projects and programmes of work to support under-represented groups to access Higher Education, examples of which include the introduction of 'Access to Queen Mary' and 'QM Futures'. In addition, the investment includes discipline-specific activity delivered by the Faculties.

Access spend has increased by 13% compared to 2022/2023 increasing to £1,165k (2022/23: £1,030k), as we continue to deliver a full suite of activities both virtually and face-to-face in schools and colleges and on our campuses. We continue our work with a range of organisations to increase the breadth and reach of our activities, including The Access Project, Advancing Access, AccessHE, Realising Opportunities and Coach Bright.

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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### 10 Analysis of total expenditure by activity (continued)

#### Access and Participation (continued)

##### Financial Support

Queen Mary University of London provides bursaries to all students whose household income, as assessed by Student Finance England, meets our published 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 a bursary of £1,000 per annum. We review our modelling annually to predict the number of students entitled to bursaries and the budget that should be allocated to this in the Access Agreement. In 2023/24 we distributed bursaries of over £7.6m (2022/23: £8.5m) to eligible students. External research that we commissioned in 2019 demonstrated the value and importance of these bursaries to student participation and success therefore Queen Mary continues to be committed to this means of financial support to its students. We continue to closely monitor and review the impact of our bursary through consultation with our Student Body and administration of the OfS Financial Toolkit Survey Tool. Queen Mary also continues to provide targeted financial support to particular cohorts of students. Examples include Sanctuary Scholarships for asylum seekers totalling over £14k (2022/23: £65k, due to the conflict in Ukraine), and a targeted fund for Care Experienced and Estranged students totalling over £93k (2022/23: £100K). In addition, we distributed just under £44k of Go Study Abroad bursaries (2022/23: £30k), to support students who would otherwise have not been able to take part in overseas initiatives.

Furthermore, in 2023/24 Queen Mary distributed approximately £329k to students in financial need from our Financial Assistance Fund (2022/23: £251k).

##### Support for Disabled Students

The support for Disabled Students includes the expenditure by the central Dyslexia and Disability Service, including the student premium. Support for disabled students has increased by 13% to £1,087k (2022/23: £961k).

Faculties and academic departments have additional direct expenditure supporting disabled students. This is not captured in these figures.

##### Research and Evaluation

Research and evaluation is vital to ensure all our activities deliver impact. This spend includes our ongoing subscription to HEAT (which increases our ability to track the impact of activities on participants over time), the delivery of student-led research projects to inform the development of our widening participation curriculum through, for example, in-school focus groups, and the development of University business intelligence tools to more effectively monitor widening participation cohorts at every stage of the applicant funnel and student journey. The spend includes a proportion of relevant salaries, including those of the Strategic Planning team, recognising their continued role in developing business intelligence tools. Research and Evaluation spend in 2023/24 has increased by 3% compared to prior year.

##### Staff

The investment in staff includes those staff working in the Disability and Dyslexia team, the Widening Participation team and a proportion of staff time in the Strategic Planning team. It also includes faculty staff time related to specific projects or programmes of work.

Staff from across the University spend a significant proportion of their time supporting our approach to Access and Participation for under-represented groups. This staff time is not captured in the figures above.

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 11 Taxation

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>Current tax</b>				
Current tax expense	1,105	1,106	934	857
<b>Current tax expense</b>	<u>1,105</u>	<u>1,106</u>	<u>934</u>	<u>857</u>
<b>Deferred tax</b>	115	-	101	-
<b>Total tax expense</b>	<u><u>1,220</u></u>	<u><u>1,106</u></u>	<u><u>1,035</u></u>	<u><u>857</u></u>

#### 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 2024

### 12 Intangible Assets

	Software £'000	Assets in the Course of Construction £'000	Total £'000
<b>Consolidated and Institution</b>			
<b>Cost</b>			
As at 1 August 2023	30,687	2,082	32,769
Additions	-	2,371	2,371
Transfers	1,915	(1,915)	-
Disposals	(2,448)	-	(2,448)
<b>As at 31 July 2024</b>	<b>30,154</b>	<b>2,538</b>	<b>32,692</b>
<b>Amortisation</b>			
As at 1 August 2023	27,833	-	27,833
Charge for the year	1,553	-	1,553
Disposals	(2,448)	-	(2,448)
<b>As at 31 July 2024</b>	<b>26,938</b>	<b>-</b>	<b>26,938</b>
<b>Net book value</b>			
<b>As at 31 July 2024</b>	<b>3,216</b>	<b>2,538</b>	<b>5,754</b>
As at 31 July 2023	2,854	2,082	4,936

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 13 Tangible assets

	Freehold Land and Buildings	Leasehold Land and Buildings	Plant and Machinery	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
Consolidated	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>						
As at 1 August 2023	583,979	84,688	38,086	122,220	52,593	881,566
Additions	-	-	-	30	56,050	56,080
Transfers	40,202	4,596	3,508	18,748	(67,054)	-
Impairment	-	-	-	-	-	-
Disposals	(2,480)	-	(9,202)	(8,968)	-	(20,650)
<b>As at 31 July 2024</b>	<b>621,701</b>	<b>89,284</b>	<b>32,392</b>	<b>132,030</b>	<b>41,589</b>	<b>916,996</b>
<b>Depreciation</b>						
As at 1 August 2023	67,390	21,469	20,047	87,989	-	196,895
Charge for the year	10,753	3,670	3,116	13,585	-	31,124
Disposals	(2,480)	-	(9,202)	(8,968)	-	(20,650)
<b>As at 31 July 2024</b>	<b>75,663</b>	<b>25,139</b>	<b>13,961</b>	<b>92,606</b>	<b>-</b>	<b>207,369</b>
<b>Net book value</b>						
<b>As at 31 July 2024</b>	<b>546,038</b>	<b>64,145</b>	<b>18,431</b>	<b>39,424</b>	<b>41,589</b>	<b>709,627</b>
As at 31 July 2023	516,589	63,219	18,039	34,231	52,593	684,671
<b>Institution</b>						
<b>Cost or valuation</b>						
As at 1 August 2023	576,599	84,688	33,015	118,413	52,593	865,308
Additions	-	-	-	-	56,050	56,050
Transfers	40,202	4,596	3,508	18,748	(67,054)	-
Impairment	-	-	-	-	-	-
Disposals	(2,480)	-	(9,202)	(8,968)	-	(20,650)
<b>As at 31 July 2024</b>	<b>614,321</b>	<b>89,284</b>	<b>27,321</b>	<b>128,193</b>	<b>41,589</b>	<b>900,708</b>
<b>Depreciation</b>						
As at 1 August 2023	66,060	21,470	17,006	84,737	-	189,273
Charge for the year	10,605	3,670	2,778	13,129	-	30,182
Disposals	(2,480)	-	(9,202)	(8,968)	-	(20,650)
<b>As at 31 July 2024</b>	<b>74,185</b>	<b>25,140</b>	<b>10,582</b>	<b>88,898</b>	<b>-</b>	<b>198,805</b>
<b>Net book value</b>						
<b>As at 31 July 2024</b>	<b>540,136</b>	<b>64,144</b>	<b>16,739</b>	<b>39,295</b>	<b>41,589</b>	<b>701,903</b>
As at 31 July 2023	510,539	63,218	16,009	33,676	52,593	676,035

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 13 Tangible assets (continued)

Consolidated tangible assets include the following leasehold assets:

	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
Net Book Value:						
As at 31 July 2024	-	64,145	-	234	-	64,379
As at 31 July 2023	-	63,218	-	367	-	63,585

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 2024 includes land with a cost of £290,373,000 (2023: £290,373,000) which is not depreciated.

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

	31 July 2024 Consolidated £'000	31 July 2023 Consolidated £'000
Cost	3,002	3,002
Accumulated depreciation	( 2,634)	( 2,501)
Charge for year	( 134)	( 134)
Net book value	234	367

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.

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 14 Non-Current Investments

	Subsidiary companies	Other Investments	Shared Equity Property	Total
	£'000	£'000	£'000	£'000
<b>Consolidated</b>				
As at 31 July 2023	-	45,320	1,000	<b>46,320</b>
Additions to managed portfolio	-	2,946	-	<b>2,946</b>
Disposals from managed portfolio	-	( 2,681)	-	<b>( 2,681)</b>
Additions to listed and unlisted shares	-	450	-	<b>450</b>
Transfers to current investments	-	-	-	<b>-</b>
Change in fair value - managed investment portfolio	-	4,127	-	<b>4,127</b>
Movements on cash balances in portfolio	-	( 183)	-	<b>( 183)</b>
Change in fair value of other investments	-	610	-	<b>610</b>
<b>As at 31 July 2024</b>	<b>-</b>	<b>50,589</b>	<b>1,000</b>	<b>51,589</b>
<b>Institution</b>				
As at 31 July 2023	3,516	45,214	1,000	<b>49,730</b>
Additions to managed portfolio	-	2,946	-	<b>2,946</b>
Disposals from managed portfolio	-	( 2,681)	-	<b>( 2,681)</b>
Additions to listed and unlisted shares	-	450	-	<b>450</b>
Transfers to current investments	-	-	-	<b>-</b>
Change in fair value - endowment investment portfolio	-	4,127	-	<b>4,127</b>
Movements on cash balances in portfolio	-	( 183)	-	<b>( 183)</b>
Change in fair value of other investments	-	529	-	<b>529</b>
<b>As at 31 July 2024</b>	<b>3,516</b>	<b>50,402</b>	<b>1,000</b>	<b>54,918</b>

Cash balances held by our investment managers are included within the total fixed asset investment portfolio above. As such the additions, disposals and other movements in the year which solely affect the fixed asset investment cash balance are not included in the cash flow statement for the year as they are non-cash movements.

Movements on cash balances in portfolio include management fees of £117,000 (2023: £107,000).

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 14 Non-Current Investments (continued)

	As at 31 July 2024 Consolidated	As at 31 July 2024 Institution	As at 31 July 2023 Consolidated	As at 31 July 2023 Institution
	£'000	£'000	£'000	£'000
<b>Other non-current investments consist of :</b>				
Listed shares				
hVIVO plc (was Open Orphan)	1,173	1,009	691	599
Actual Experience plc	-	-	20	20
Poolbeg Pharma plc	171	148	102	88
	<b>1,344</b>	<b>1,157</b>	<b>813</b>	<b>707</b>
Unlisted shares				
Amber Therapeutics Limited	241	241	165	165
Biomoti Limited	221	221	221	221
Biophilica Limited	50	50	50	50
CVCP Properties PLC	53	53	53	53
DAACI Holdings Limited	500	500	500	500
Dragonfly Technology Solutions Ltd	200	200	-	-
Keratify Limited	83	83	83	83
Kinomica Limited	972	972	720	720
Landr Audio Inc	263	263	263	263
Newrotex Limited	40	40	40	40
	<b>2,623</b>	<b>2,623</b>	<b>2,095</b>	<b>2,095</b>
Managed Investment Portfolio				
Equities	19,658	19,658	17,117	17,117
Fixed interest stocks	4,566	4,566	3,209	3,209
Other investments	21,893	21,893	21,399	21,399
Cash holdings	505	505	687	687
	<b>46,622</b>	<b>46,622</b>	<b>42,412</b>	<b>42,412</b>
	<b>50,589</b>	<b>50,402</b>	<b>45,320</b>	<b>45,214</b>

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



# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 15 Investments in associates

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
<b>As at 1 August 2023</b>	<b>517</b>	<b>315</b>	250	298
Additions	274	274	315	315
Disposals	-	-	( 298)	( 298)
Transfer from non-current investments	-	-	-	-
Share of profit/(loss)	( 75)	-	468	-
Share of Corporation Tax	-	-	( 77)	-
Change in reserves	( 306)	-	( 141)	-
<b>As at 31 July 2024</b>	<b>410</b>	<b>589</b>	517	315

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

	Country of Registration	Equity Holding	Proportion held	Principal Activity
AeroSolar Limited	England	Ordinary	50.00%	Solar cells technology
BioMin Technologies Limited	England	Ordinary	18.30%	Dental materials
Chromosol Limited	England	Ordinary	33.40%	Optical amplifier technology
Emdot Limited	England	Ordinary	27.60%	Inkjet printing technology
Enterika Limited	England	Ordinary	44.90%	Food supplement
IoNa Therapeutics Limited	England	Ordinary	20.00%	Supplement for disease prevention
Nemisindo Limited	England	Ordinary	30.00%	Software development
Nilocas Limited	England	Ordinary	20.90%	Cardiac diagnostics
RoEx Limited	England	Ordinary	26.80%	AI music mixing software
Tabletop R&D Limited	England	Ordinary	30.00%	AI-based technology for games
StealthyX Therapeutics Limited	England	Ordinary	43.30%	Drug delivery
Vision Semantics Limited	England	Ordinary	25.50%	CCTV analytics
Warblr Limited	England	Ordinary	33.30%	Software development
William Harvey Research Limited	England	Ordinary	40.00%	Research

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

Vision Semantics (HK) Limited	Hong Kong	Ordinary	25.50%	CCTV analytics
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# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 16 Trade and other receivables

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Research grant receivables	65,912	65,910	61,618	61,616
Other trade receivables	35,752	35,449	31,702	31,107
Other receivables	2,706	2,716	1,659	1,537
Prepayments and accrued income	26,988	26,685	20,454	20,190
Amounts due from subsidiary companies	-	4,662	-	6,529
Amounts due from associate companies	179	179	200	200
	<b>131,537</b>	<b>135,601</b>	115,633	121,179
Amounts falling due after one year:				
Other receivables	2,692	-	2,807	-
	<b>134,229</b>	<b>135,601</b>	118,440	121,179

Amounts due from associate companies are trading balances.

Amounts due from subsidiaries include inter-company balances of £4,590,710 (2023: £5,753,102) with QMUL Malta Ltd and £4,216 (2023: Nil) with QMUL Paris Ltd which is repayable on demand. The remaining £66,864 (2023: £775,907) is a trading balance.

### 17 Current Investments

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
As at 1 August 2023	208,379	208,379	154,503	154,503
Additions	-	-	750	750
Disposals	( 750)	( 750)	-	-
Movements on deposits	( 11,250)	( 11,250)	53,126	53,126
As at 31 July 2024	<b>196,379</b>	<b>196,379</b>	208,379	208,379
<b>Current investments consist of :</b>				
Property	-	-	750	750
Bank Deposits	196,379	196,379	207,629	207,629
	<b>196,379</b>	<b>196,379</b>	208,379	208,379

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Secured Loans	997	-	944	-
Unsecured loans	1,171	1,171	1,121	1,121
Obligations under finance leases	134	134	134	134
Trade payables	35,556	35,517	26,727	26,665
Social security and other taxation payable	8,683	8,661	7,772	7,754
Research grants/contracts in advance	79,251	79,245	72,696	72,769
Accruals and deferred income	69,468	68,624	72,319	70,861
Amounts owed to subsidiaries	( 2)	3,437	-	3,536
Other creditors	13,800	13,072	11,092	10,059
	<b>209,058</b>	<b>209,861</b>	<b>192,805</b>	<b>192,899</b>

Amounts due to subsidiaries includes £3,114,435 (2023: £3,126,585) due to QMW Developments Ltd and £Nil (2023: £241,359) due to QMUL Paris Ltd which are repayable on demand. The remaining £322,428 (2023: £167,668) are trading balances.

### 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.

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Donations	-	-	252	-
Grant income	6,547	6,547	5,535	5,535
Tuition income	4,675	4,675	3,158	2,794
Other income	12,653	12,653	15,704	15,704
	<b>23,875</b>	<b>23,875</b>	<b>24,649</b>	<b>24,033</b>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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

	Note	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Obligations under finance leases		45	45	179	179
Secured loans		11,349	-	12,345	-
Unsecured loans and notes		177,422	177,422	178,089	178,089
Other creditors		7,965	7,965	9,150	9,150
		<b>196,781</b>	<b>185,432</b>	<b>199,763</b>	<b>187,418</b>
Analysis of secured and unsecured loans and notes:					
<b>Due within one year or on demand</b>	18	<b>2,168</b>	<b>1,171</b>	2,065	1,121
Due between one and two years		2,253	1,206	2,167	1,171
Due between two and five years		7,463	3,960	7,116	3,795
Due in five years or more		179,055	172,256	181,151	173,123
<b>Due after more than one year</b>		<b>188,771</b>	<b>177,422</b>	190,434	178,089
<b>Total secured and unsecured loans</b>		<b>190,939</b>	<b>178,593</b>	192,499	179,210
Unsecured loans repayable by 2042		46,672	46,672	47,793	47,793
Unsecured notes repayable by 2049		105,000	105,000	105,000	105,000
Fair value movement on unsecured notes repayable by 2049		( 28,079)	( 28,079)	( 28,583)	( 28,583)
Unsecured notes repayable by 2058		55,000	55,000	55,000	55,000
Secured loans repayable by 2034		12,346	-	13,289	-
		<b>190,939</b>	<b>178,593</b>	192,499	179,210

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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

Included in loans and notes are the following:

#### Unsecured bank loan:

Lender	Amount £'000	Term	Interest rate	Borrower
Lloyds Bank PLC	40,726	2042	Fixed 5.01%	QMUL
Lloyds Bank PLC	5,946	2042	Variable 0.30% above SONIA rate	QMUL
	<u>46,672</u>			

#### Unsecured notes:

Lender	Amount £'000	Term	Interest rate	Borrower
Metropolitan Life Insurance Company *	42,200	2049	Fixed 2.97%	QMUL
Metropolitan Tower Life Insurance Company *	13,000	2049	Fixed 2.97%	QMUL
MetLife Insurance K.K. *	6,800	2049	Fixed 2.97%	QMUL
Brighthouse Life Insurance Company of NY *	4,500	2049	Fixed 2.97%	QMUL
Pensionskasse des Bundes Publica	8,500	2049	Fixed 2.97%	QMUL
New York Life Insurance Company *	19,000	2049	Fixed 2.97%	QMUL
New York Life Insurance & Annuity Corporation *	11,000	2049	Fixed 2.97%	QMUL
Pension Insurance Corporation Plc	55,000	2058	Fixed 3.10%	QMUL
* Fair value movement	( 28,079)			
	<u>131,921</u>			

#### Secured bank loan:

Lender	Amount £'000	Term	Interest rate	Borrower
Barclays Bank PLC	<u>12,346</u>	2034	Fixed 5.27%	Queen Mary Bioenterprises Ltd
<b>Total loans and notes</b>	<u><u>190,939</u></u>			

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 2024 is £12,345,133 (2023: £13,289,046). The loan is secured on the Innovation Centre which has a net book value at 31 July 2024 of £7,650,410 (2023: £8,316,587).



# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 20 Pension Provisions

<b>Consolidated and Institution</b>	<b>Obligation to fund deficit on USS Pension £'000</b>	<b>Obligation to fund deficit on SAUL Pension £'000</b>	<b>Defined Benefit Pension Obligation £'000</b>	<b>Total Pension Provisions £'000</b>
As at 1 August 2023	154,870	-	( 238)	<b>154,632</b>
Contributions paid for deficit recovery plan	( 4,982)	-	( 42)	<b>( 5,024)</b>
Change in assumptions	( 153,441)	-	-	<b>( 153,441)</b>
Unwinding of discount	3,553	-	-	<b>3,553</b>
Actuarial gain	-	-	16	<b>16</b>
Net return on assets	-	-	( 84)	<b>( 84)</b>
Transfer to Current Assets	-	-	348	<b>348</b>
<b>As at 31 July 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) at 31 July 2023 arose from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. The provision was based on the deficit recovery plan implemented following the 2020 actuarial valuation which required deficit payments of 6.2% of salaries from 1 April 2022 to 31 March 2024 and then payments of 6.3% of salaries from 1 April 2024 to 30 April 2038.

Following the completion of the 2023 valuation, no deficit recovery plan was required because the scheme was in surplus on a technical provisions basis. QMUL was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly the outstanding provision has been released to the consolidated statement of comprehensive income and expenditure.

#### Defined Benefit Pension Obligation

At 31 July 2024 the assets of the LHMC pension scheme exceeded its liabilities and as such there is a surplus which QMUL can recover through refunds from the scheme. The net pension asset has therefore been transferred from liabilities to Current Assets.

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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### 21 Other Provisions

<b>Consolidated and Institution</b>	<b>Other Provisions £'000</b>
As at 1 August 2023	136
Utilised in year	( 73)
Additions in year	110
Unused amounts reversed	( 37)
<b>As at 31 July 2024</b>	<b>136</b>

<b>Institution</b>	<b>Other Provisions £'000</b>
As at 1 August 2023	136
Utilised in year	( 73)
Additions in year	110
Unused amounts reversed	( 37)
<b>As at 31 July 2024</b>	<b>136</b>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 22 Endowment Reserves

Restricted net assets relating to endowments are as follows:

<b>Consolidated</b>	<b>Restricted permanent endowments £'000</b>	<b>Unrestricted permanent endowments £'000</b>	<b>Expendable endowments £'000</b>	<b>2024 £'000</b>	<b>2023 £'000</b>
<b>As at 1 August 2023</b>					
Capital	26,199	2,416	-	<b>28,615</b>	28,688
Accumulated income	2,362	-	12,764	<b>15,126</b>	14,751
	28,561	2,416	12,764	<b>43,741</b>	43,439
Recategorisation - capital	-	-	-	-	-
Recategorisation - accumulated income	-	-	-	-	-
	28,561	2,416	12,764	<b>43,741</b>	43,439
 New endowments	-	-	120	<b>120</b>	104
Unrealised Gains/(Losses) on investments	2,651	132	1,251	<b>4,034</b>	( 141)
Management fee applied to Capital	( 76)	( 7)	( 34)	<b>( 117)</b>	( 107)
Investment income	768	65	345	<b>1,178</b>	1,103
Expenditure	( 156)	( 65)	( 695)	<b>( 916)</b>	( 657)
Repayment of Benevolence Loans	-	-	-	-	-
 <b>Total endowment comprehensive income for the year</b>	<b>3,187</b>	<b>125</b>	<b>987</b>	<b>4,299</b>	<b>302</b>
 <b>As at 31 July 2024</b>	<b>31,748</b>	<b>2,541</b>	<b>13,751</b>	<b>48,040</b>	<b>43,741</b>
 <b>Represented by:</b>					
Capital	28,774	2,541	-	<b>31,315</b>	28,615
Accumulated income	2,974	-	13,751	<b>16,725</b>	15,126
	31,748	2,541	13,751	<b>48,040</b>	43,741
 <b>Analysis by type of purpose:</b>					
Centre for Commercial Law Studies	20,884	-	1,824	<b>22,708</b>	20,496
Lectureships	650	-	91	<b>741</b>	654
Scholarships and bursaries	6,261	-	2,073	<b>8,334</b>	7,454
Research support	823	2,017	6,168	<b>9,008</b>	8,524
Prize funds	2,638	-	29	<b>2,667</b>	2,390
General	492	524	3,566	<b>4,582</b>	4,223
	31,748	2,541	13,751	<b>48,040</b>	43,741
 <b>Analysis by asset:</b>					
Non-current asset investments				<b>46,622</b>	42,412
Cash and cash equivalents				<b>1,418</b>	1,329
				<b>48,040</b>	43,741

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 23 Restricted Reserves

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Reserves with restrictions are as follows:				
<b>As at 1 August 2023</b>	<b>4,440</b>	<b>2,752</b>	3,849	2,747
Transfers	-	-	-	-
	<b>4,440</b>	<b>2,752</b>	3,849	2,747
New grants	<b>2,709</b>	<b>1,131</b>	2,145	2,013
New donations	<b>1,044</b>	<b>1,516</b>	2,389	1,676
Investment income	<b>29</b>	-	13	-
Capital grants utilised	<b>( 859)</b>	<b>( 859)</b>	( 1,822)	( 1,822)
Expenditure	<b>( 2,778)</b>	<b>( 1,933)</b>	( 2,134)	( 1,862)
<b>Total restricted comprehensive income for the year</b>	<b>145</b>	<b>( 145)</b>	591	5
<b>As at 31 July 2024</b>	<b>4,585</b>	<b>2,607</b>	4,440	2,752
<b>Analysis of restricted funds by type of purpose:</b>				
	£'000	£'000	£'000	£'000
Scholarships and bursaries	<b>1,254</b>	<b>298</b>	1,213	319
Research support	<b>757</b>	<b>389</b>	625	470
Other	<b>2,574</b>	<b>1,920</b>	2,602	1,963
	<b>4,585</b>	<b>2,607</b>	4,440	2,752

### 24 Cash and cash equivalents

	As at 1 August 2023 £'000	Cash flows £'000	As at 31 July 2024 £'000
<b>Consolidated</b>			
Cash and cash equivalents	145,963	17,586	163,549
Bank overdraft	-	-	-
	<b>145,963</b>	<b>17,586</b>	<b>163,549</b>
<b>Institution</b>			
Cash and cash equivalents	140,121	18,446	158,567
Bank overdraft	-	-	-
	<b>140,121</b>	<b>18,446</b>	<b>158,567</b>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 25 Consolidated reconciliation of net debt

	As at 1 August 2023	Cash Flows	Other non- cash changes	Change in fair value	As at 31 July 2024
	£'000	£'000	£'000	£'000	£'000
Analysis of net debt:					
Cash and cash equivalents	145,963	17,586	-	-	<b>163,549</b>
Current investments - deposits	207,629	( 11,250)	-	-	<b>196,379</b>
Borrowings: amounts falling due within one year					
Secured loans	( 944)	944	( 997)	-	<b>( 997)</b>
Unsecured loans	( 1,121)	1,121	( 1,171)	-	<b>( 1,171)</b>
Obligations under finance leases	( 134)	134	( 134)	-	<b>( 134)</b>
	<b>( 2,199)</b>	<b>2,199</b>	<b>( 2,302)</b>	<b>-</b>	<b>( 2,302)</b>
Borrowings: amounts falling due after more than one year					
Secured loans	( 12,345)	( 1)	997		<b>( 11,349)</b>
Unsecured loans	( 178,089)		1,171	( 504)	<b>( 177,422)</b>
Obligations under finance leases	( 179)		134		<b>( 45)</b>
	<b>( 190,613)</b>	<b>( 1)</b>	<b>2,302</b>	<b>( 504)</b>	<b>( 188,816)</b>
Net debt	<b>160,780</b>	<b>8,534</b>	<b>-</b>	<b>( 504)</b>	<b>168,810</b>



# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 26 Financial Instruments

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
<b>Financial assets</b>				
<b>Measured at fair value through income and expenditure</b>				
Managed Investment Portfolio	46,622	46,622	42,412	42,412
Listed non-current investments	1,344	1,157	813	707
Current investment property	-	-	750	750
<b>Measured at amortised cost</b>				
Cash and cash equivalents	163,549	158,567	145,963	140,121
Bank deposits	196,379	196,379	207,629	207,629
<b>Measured at undiscounted amount receivable</b>				
Research grant receivables	65,912	65,910	61,618	61,616
Trade and other receivables	41,150	38,165	36,168	32,644
<b>Equity instruments measured at cost less impairment</b>				
Shares not listed	2,623	2,623	2,095	2,095
Investments in Associates	410	589	517	315
	<b>517,989</b>	<b>510,012</b>	<b>497,965</b>	<b>488,289</b>
<b>Financial liabilities</b>				
<b>Measured at fair value through income and expenditure</b>				
Unsecured notes	68,421	68,421	67,917	67,917
<b>Debt instruments measured at amortised cost</b>				
Unsecured notes	63,500	63,500	63,500	63,500
Loans	59,018	46,672	61,082	47,793
Finance Leases	179	179	313	313
<b>Measured at undiscounted amount payable</b>				
Trade and other payables	35,556	35,517	26,727	26,665
	<b>226,674</b>	<b>214,289</b>	<b>219,539</b>	<b>206,188</b>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 27 Capital and other commitments

Provision has not been made for the following capital commitments:

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
Commitments contracted for	<b>10,244</b>	<b>10,244</b>	15,099	15,099

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 2024 the value of the loan balance stood at £12,345,133 (2023: £13,289,046). 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:

Consolidated and Institution	As at 31 July 2024			As at 31 July 2023
	Land and Buildings £'000	Plant and Machinery £'000	Total £'000	Total £'000
Payable during the year	15,169	568	<b>15,737</b>	9,428
<b>Future minimum lease payments due:</b>				
Not later than 1 year	15,854	442	<b>16,296</b>	9,712
Later than 1 year and not later than 5 years	53,472	142	<b>53,614</b>	34,398
Later than 5 years	76,635	-	<b>76,635</b>	85,799
<b>Total lease payments due</b>	<b>145,961</b>	<b>584</b>	<b>146,545</b>	129,909

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 30 Subsidiary undertakings

	Country of Registration	Equity Holding	Proportion held	Principal Activity
Queen Mary University of London holds directly the following shares in subsidiary companies:				
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.

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 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 2024		
	USS %	SAUL %	NHS %
Employees' contributions - career revalued benefits scheme	6.1	6.0	5.2 - 12.5*
Employer's contributions	14.5	21.0	23.7

	At 31 July 2023		
	USS %	SAUL %	NHS %
Employees' contributions - career revalued benefits scheme	9.8	6.0	5.1 - 13.5*
Employer's contributions	21.6	21.0	20.6

\* tiered contribution rates depending on salary

	31 July 2024		31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>Employer Pension Contributions</b>				
Contribution to USS	34,356	34,196	37,383	37,219
Contribution to SAUL	7,810	7,810	6,890	6,889
Contribution to NHS	4,073	4,065	3,422	3,429
Contribution to other pension schemes	7	-	5	-
	<b>46,246</b>	<b>46,071</b>	<b>47,700</b>	<b>47,537</b>

	31 July 2024		31 July 2023	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
<b>Statement of comprehensive income</b>				
<b>- net pension cost in year</b>				
USS	(120,515)	(120,675)	27,497	27,333
SAUL	7,810	7,810	6,890	6,889
NHS	4,073	4,065	3,422	3,429
LHMC	(68)	(68)	(55)	(55)
Other	7	-	5	-
	<b>(108,693)</b>	<b>(108,868)</b>	<b>37,759</b>	<b>37,596</b>

The net pension cost in the year consists of the employer pension contributions and the movement in pension provision or pension asset.

#### Other comprehensive income - actuarial loss / (gain) in respect of pension schemes

LHMC	16	16	(527)	(527)
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#### Statement of Financial Position - Pension scheme liability (note 20)

USS	-	-	154,870	154,870
LHMC	-	-	(238)	(238)
	<b>-</b>	<b>-</b>	<b>154,632</b>	<b>154,632</b>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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### 31 Pension Schemes (continued)

#### (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.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total net cost charged to the Consolidated Statement of Comprehensive Income and Expenditure is £120,515,000 credit (2023: £27,497,000 charge) including the movement on the deficit recovery provision of £154,870,566 credit (2023: £9,885,637 credit).

Deficit recovery contributions due within one year for the university are £4,981,472 (2023: £11,878,765).

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 20, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. QMUL was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the consolidated statement of comprehensive income and expenditure.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

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

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

<https://www.uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles>

#### CPI Assumption:

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030

Pension increases (subject to a floor of 0%)

Benefits with no cap: CPI assumption plus 3bps

Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps

Discount rate (forward rates, I have re

Fixed interest gilt yield curve plus:

Pre-retirement: 2.5% p.a.

Post retirement: 0.9% p.a.



# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 31 Pension Schemes (continued)

#### (i) USS (continued)

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme’s experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 years	23.7	24.0
Females currently aged 65 years	25.6	25.6
Males currently aged 45 years	25.4	26.0
Females currently aged 45 years	27.2	27.4

#### (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 2023. 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 2024 and are due to be reviewed at SAUL's next formal valuation in 2026.

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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### 31 Pension Schemes (continued)

#### (ii) SAUL (continued)

At the 31 March 2023 valuation SAUL was 105% funded on its Technical Provisions basis. As SAUL was in surplus on its Technical Provisions basis, no deficit contributions were required. The Trustee and the Employers have agreed that the ongoing Employers' contributions will fall from a rate of 21% of CARE Salaries to 19% of CARE Salaries from 1 September 2024.

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 2023 was £3,096 million representing 105% of the 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.

As there was a Technical Provisions surplus at 31 March 2023, no deficit contributions were required following the 2023 valuation and there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by QMUL.

#### (iii) NHS Pension Scheme

The University participates in the NHS Pension Scheme (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 permitted 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). All active members moved to the 2015 CARE scheme on 1 April 2022.

The employer contribution rate for the period 1 April 2019 to 31 March 2024 was 20.6 per cent of pensionable pay, increasing to 23.7 per cent from 1 April 2024. The employer contribution rate is set through a process known as the scheme valuation. A scheme valuation is carried out every four years and it measures the full cost of paying pension benefits (to current pensioners). The most recent 2020 scheme valuation identified the need to increase the employer contribution from 20.6 per cent to 23.7 per cent from 1 April 2024 to 31 March 2027.

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.

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 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 2021 and revealed a funding shortfall of £366,000. Under the recovery plan dated 31 October 2022 the University has agreed to pay contributions with the view to eliminating the shortfall by 31 July 2028. In accordance with the Scheme's current schedule of contributions dated 31 October 2022, £38,350 is payable annually on each 1 August, increasing each year by the increase in the Consumer Prices Index. Additionally, the University meets the ongoing running expenses of the scheme together with any PPF levies.

The movement in the Surplus / (Deficit) in the year was:

	Value at 31 July 2024 £000	Value at 31 July 2023 £000
Surplus / (Deficit) in scheme at 1 August	238	87
Contribution by employer	42	96
Current service cost	15	5
Return on assets excluding interest income	69	(426)
Actuarial gain / (loss)	(16)	476
Surplus / (Deficit) in scheme at 31 July	<u>348</u>	<u>238</u>

Queen Mary has recognised the surplus at 31 July 2024 in full on the basis that it can recover the surplus through refunds from the Scheme.

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. £68,000 has been credited to the Consolidated Statement of Income and Expenditure account in the year (2023: £55,000 credit).

#### (v) Defined contribution scheme

One of QMUL's subsidiaries offered a defined contribution scheme to its staff. The cost for the year was £6,568 (2023: £5,336).

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 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 Serena-Amani Al Jabbar	The President of the Students' Union 2023-24	Director	QMSU Services Ltd	117	416	359	16
Mr Tahmid Khan	The President of the Students' Union 2024-25	Director					
Ms Serena-Amani Al Jabbar	The President of the Students' Union 2023-24	Chair of Trustees	Queen Mary Students' Union	29	2,975	316	18
Mr Tahmid Khan	The President of the Students' Union 2024-25	Chair of Trustees					
Prof Colin Bailey	Principal	Director	The Russell Group of Universities	-	93	-	-
Prof Colin Bailey	Principal	Trustee	UCAS	-	160	-	-
Prof Colin Bailey	Principal	Director and Board Member	UCEA	-	5	-	-
Prof Colin Bailey	Principal	Trustee and Board Member	University of London	209	2,504	60	3
Mr Gil Baldwin	Member of Council	Chairman	Xim	10	-	10	-
Mr Ken Batty	Member of Council	Non-Executive Director	Tavistock and Portman NHS Trust	31	-	-	-
Prof Sir Mark Caulfield	Vice Principal	Non-Executive Director	Barts Health NHS Trust	20,167	5,868	8,731	1,050
Prof Sir Mark Caulfield	Vice Principal	Trustee	William Harvey Research Foundation	36	-	-	-

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 32 Related Party Disclosures (continued)

Name	Position at Queen Mary	Description of Appointment	Related Party	Income £'000	Expenditure £'000	Debtor £'000	Creditor £'000
Prof Sir Mark Caulfield	Vice Principal	Non-Executive Director	Barking, Havering & Redbridge University Hospitals NHS	-	87	-	-
Prof Sir Mark Caulfield	Vice Principal	Trustee and President	British Pharmacological Society	1	-	-	-
Prof Sir Mark Caulfield	Vice Principal	Board Member	UCL Partners	38	-	14	-
Dr Sharon Ellis	Chief Operations Officer	Governor	Homerton NHS Foundation Trust	8	131	-	1
Dr Sharon Ellis	Chief Operations Officer	Council Member	Research England	55,329	-	-	-
Ms Celia Gough	Member of Council	Director	Veolia Group Companies	-	38	-	-
Ms Isabelle Jenkins	Member of Council	Partner	PwC LLP	-	380	-	-
Ms Karen Gibson	Member of Remuneration Committee	Director					
Prof Andrew Livingston	Vice Principal	Director	Exactmer Limited	48	-	11	-
Dr Philippa Lloyd	Vice Principal	Trustee	LHMC pension scheme	84	16	348	-
Dr Philippa Lloyd	Vice Principal	Trustee	The Medical College Of Saint Bartholomew's Hospital Trust	1,993	1	648	-
Dr Alix Pryde	Member of Council	Trustee	Institute of Physics	93	4	-	30



# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 33 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.

		Year ended 31 July 2024	Year ended 31 July 2024	Year ended 31 July 2023	Year ended 31 July 2023
		£'000	£'000	£'000	£'000
<b>Expendable Net Assets</b>					
Net Assets without donor restrictions	Statement of Financial Position - Net assets without donor restrictions		<b>803,878</b>		614,509
Net Assets with donor restrictions	Statement of Financial Position - Net assets with donor restrictions		<b>52,625</b>		48,181
Secured and Unsecured related party receivable	Statement of Financial Position - Related party receivable and Related party note disclosure	<b>10,498</b>		6,778	
Unsecured related party receivable	Statement of Financial Position - Related party receivable and Related party note disclosure		<b>10,498</b>		6,778
Property, plant and equipment, net (includes Construction in progress)	Statement of Financial Position - Property, Plant and equipment, net	<b>709,393</b>		684,304	
Property, plant and equipment - pre-implementation	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation		<b>476,938</b>		490,266
Property, plant and equipment - post-implementation without outstanding debt for original purchase	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase		<b>190,866</b>		141,445
Construction in progress	Note of the Financial Statements - Statement of Financial Position - Construction in progress		<b>41,589</b>		52,593
Lease right-of-use asset, net	Statement of Financial Position - Lease right-of-use assets, net	<b>234</b>		367	
Lease right-of-use asset post-implementation	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset post-implementation		<b>234</b>		367
Intangible assets	Statement of Financial Position - Goodwill (and other intangibles)		<b>5,754</b>		4,936
Post-employment and pension liabilities	Statement of Financial Position - Post-employment and pension liabilities		-		154,632

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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

		Year ended 31 July 2024	Year ended 31 July 2024	Year ended 31 July 2023	Year ended 31 July 2023
		£'000	£'000	£'000	£'000
<b>Expendable Net Assets (continued)</b>					
Long-term debt - for long term purposes	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	<b>190,939</b>		192,499	
Long-term debt - for long term purposes pre-implementation	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process		<b>190,939</b>		192,499
Lease right-of-use asset liability	Statement of Financial Position - Lease right-of-use asset liability	<b>179</b>		313	
Post-implementation right-of-use leases	Statement of Financial Position - Lease right-of-use asset liability post-implementation		<b>179</b>		313
Net assets with donor restrictions: restricted in perpetuity	Statement of Financial Position - Perpetual Funds		<b>52,625</b>		48,181
<b>Total Expenses and Losses</b>					
Total expenses without donor restrictions - taken directly from Statement of Activities	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)		<b>531,322</b>		603,306
Non-Operating and Net Investment (loss)	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)		<b>( 25,737)</b>		( 30,294)
Net investment losses	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)		<b>( 26,641)</b>		( 14,224)

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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

		Year ended 31 July 2024 £'000	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000	Year ended 31 July 2023 £'000
<b>Modified Net Assets</b>					
Net assets without donor restrictions	Statement of Financial Position - Net assets without donor restrictions		803,878		614,509
Net assets with donor restrictions	Statement of Financial Position - total Net assets with donor restrictions		52,625		48,181
Intangible assets	Statement of Financial Position - Goodwill (and other intangibles)		5,754		4,936
Secured and Unsecured related party receivable	Statement of Financial Position - Related party receivable and Related party note disclosure	10,498		6,778	
Unsecured related party receivable	Statement of Financial Position - Related party receivable and Related party note disclosure		10,498		6,778
<b>Modified Assets</b>					
Total assets	Statement of Financial Position - Total Assets		1,262,478		1,210,026
Intangible assets	Statement of Financial Position - Goodwill (and other intangibles)		5,754		4,936
Secured and Unsecured related party receivable	Statement of Financial Position - Related party receivable and Related party note disclosure	10,498		6,778	
Unsecured related party receivable	Statement of Financial Position - Related party receivable and Related party note disclosure		10,498		6,778
<b>Net Income Ratio</b>					
Change in Net Assets Without Donor Restrictions	Statement of Activities - Change in Net Assets Without Donor Restrictions		189,369		91,107
Total Revenue and Gains	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)		700,618		666,047

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

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

Primary Reserve Ratio:		Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
<b>Expendable Net Assets</b>			
Net Assets without donor restrictions	Statement of Financial Position - Unrestricted Income and Expenditure reserve	803,878	614,509
Net Assets with donor restrictions	Note 22 (Endowment Reserves) and Note 23 (Restricted Reserves)	52,625	48,181
Restricted in perpetuity	Note 22 (Endowment Reserves) and Note 23 (Restricted Reserves)	( 52,625)	( 48,181)
Other intangible assets	Note 12 (Intangible assets)	( 5,754)	( 4,936)
Property, Plant and Equipment	Note 13 (Tangible Assets) NBV at 31 July less the lease right-of-use assets below	( 709,393)	( 684,304)
Lease right-of-use assets	Note 13 (Tangible Assets)	( 234)	( 367)
Post employment pension liability	Note 20 (Pension Provisions)	-	154,632
Line of credit for long term purposes	Note 19 (Creditors: amounts falling due after more than one year)	190,939	192,499
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)	179	313
Related party receivable	Note 32 (Related Party Disclosures)	( 10,498)	( 6,778)
		<u>269,117</u>	<u>265,568</u>
<b>Total Expenses and Losses Without Donor Restrictions</b>			
Total Operating Expenses	Note 10 (Analysis of total expenditure by activity)	531,322	603,306
Other components of net periodic pension costs	Consolidated Statement of Comprehensive Income and Expenditure - Actuarial losses in respect of pension schemes	16	( 476)
Investments, net of annual spending, gain /loss	(Gain)/ loss on investments	-	( 452)
Other gains /losses	Fair value movement in unsecured notes and Note 15 (Investment in Associates)	889	( 15,593)
		<u>532,227</u>	<u>586,785</u>

# Notes to the Financial Statements (Continued)

## for the year ended 31 July 2024

### 33 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	<b>803,878</b>	614,509
Total Net Assets with Donor Restrictions	Note 22 (Endowment Reserves) and Note 23 (Restricted Reserves)	<b>52,625</b>	48,181
Goodwill (and other Intangibles)	Note 12 (Intangible Assets)	<b>( 5,754)</b>	( 4,936)
Related party receivable	Note 32 (Related Party Disclosures)	<b>( 10,498)</b>	( 6,778)
		<b>840,251</b>	650,976

##### Modified Assets

Total assets	Statement of Financial Position - Current and Non-current Assets	<b>1,262,478</b>	1,210,026
Goodwill (and other intangibles)	Note 12 (Intangible Assets)	<b>( 5,754)</b>	( 4,936)
Related party receivable	Note 32 (Related Party Disclosures)	<b>( 10,498)</b>	( 6,778)
		<b>1,246,226</b>	1,198,312

#### 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	<b>189,369</b>	91,107
		<b>189,369</b>	91,107

##### Total Revenues and Gains Without Donor Restrictions

Total Operating Revenue and Other Additions	Consolidated Statement of Comprehensive Income and Expenditure - Total Income	<b>722,469</b>	679,819
Investment return appropriated for spending	Note 5 (Investment income)	<b>( 21,851)</b>	( 13,772)
Sale of fixed assets, gains (losses)	Consolidated Statement of Comprehensive Income and Expenditure - Loss on disposal of tangible assets	-	-
		<b>700,618</b>	666,047

# 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.

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## COUNCIL MEMBERSHIP

### Chair

Lord Clement-Jones CBE

### Treasurer

Ms Isabelle Jenkins

### Vice-Chair

Ms Melissa Tatton CBE

### Ex Officio Members

The President and Principal

Professor Colin Bailey

The President of the Students' Union 2023/24

Ms Serena-Amani Al Jabbar (tenure 01/08/2023 to 31/07/2024)

The President of the Students' Union 2024/25

Mr Tahmid Kahn (tenure 01/08/2024 to 31/07/2025)

### Nominees of the President and Principal

### Tenure ends

Vacant

Vacant

### Elected Members [Staff]

Professor Kavita Datta

30/09/2025

Professor Mangala Patel

30/09/2025

Professor Yang Hao

30/09/2025

Professor Anthony Phillips

25/09/2027

Dr Natalie McCloskey

25/09/2027

### External Members

Mr Gil Baldwin

01/03/2026

Mr Ken Batty

10/01/2026

Lord Clement-Jones CBE

30/04/2025

Ms Patricia Gallan

01/01/2027

Ms Celia Gough

01/09/2024

Mr Malcolm Hitching (from 01/10/2024)

01/10/2028

Mr Indy Hothi

01/01/2027

Ms Isabelle Jenkins

07/01/2026

Ms Maryanne Matthews

10/01/2026

Dr Alix Pryde

31/12/2027

Ms Melissa Tatton CBE

31/12/2027

Mr Peter Thompson

29/11/2025

Mr Rob Whiteman (from 01/07/2024)

01/07/2028

## AUDIT AND RISK COMMITTEE MEMBERSHIP

### Chairman [an external member of Council]

Mr Peter Thompson

### Up to four other external members of Council

Ms Patricia Gallan

Ms Celia Gough (to 01/09/2024)

Mr Indy Hothi

Mr Malcolm Hitching (from 01/10/2024)

### Up to two co-opted members

Mr James Hedges

Ms Simona Fionda (to 20/01/2024)



# 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.

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## Chair

President and Principal	Professor Colin Bailey
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## Other Members

Vice-Principal and Executive Dean (Science and Engineering)	Professor Wen Wang
Vice-Principal and Executive Dean (Humanities and Social Sciences)	Professor Frances Bowen
Vice-Principal (Education)	Professor Stephanie Marshall
Vice-Principal (International)	Professor Helen Bailey (appointed 09/09/2024)
Vice-Principal (Research and Innovation)	Professor Andrew Livingston
Vice-Principal and Executive Dean (Health)	Professor Sir Mark Caulfield
Vice-Principal (Policy and Strategic Partnerships)	Dr Philippa Lloyd
Chief Governance Officer and University Secretary	Mr Jonathan Morgan
Chief Financial Officer	Ms Karen Kroger
Chief Operations Officer	Dr Sharon Ellis

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