

Financial Statements 2021/22



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Introduction:

Highlights of the year from the Vice-Chancellor



Over the past two years, Oxford Brookes adapted successfully and at pace to the challenges of the pandemic. The increased digital capability developed by staff during lockdown is now being harnessed for on-campus provision, with increased use of 'lecture capture', captioning, collaborative blogs, online polls and quizzes all helping to expand the learning experience of students.

We also put in place extra support for both new and returning students after disruptions to learning caused by the pandemic, with rolling inductions and additional academic support. Comprehensive guidance and support was also available for staff working on campus and for those returning to campus after lockdown.

Despite the difficulties, it is encouraging that the hard work and successes of the University have been recognised. We were in The Guardian league table's top 50 universities in their 2022 rankings, and we were rated 6th in the UK for teaching in the Times Higher Education Young University Rankings 2022. Our international reputation for the quality of our courses was recognised in the QS World University Rankings by Subject 2022, which placed Oxford Brookes 'amongst the world's top universities' in 16 individual subject areas.

Our 2035 Strategy with the additional Guiding Principle of Inclusivity continues to be central to our work. With Inclusivity we are restating our commitment to creating an environment in which we celebrate, value and provide equal opportunities for all. Just one example is Brookes Engage, a programme open to sixth-form students from under-represented groups across the UK who are interested in progressing to university.

This year saw the search for the University's new Chancellor, who we were delighted to confirm in October 2022 as actor Paterson Joseph. Throughout the selection process, our staff, students and the Nominations Committee were hugely impressed by Paterson's passion for education as a force for good, both at Oxford Brookes, and across society more broadly. We very much look forward to working with him over the coming years.

The University had another excellent year for research funding amidst the post-pandemic challenges. Researchers won £6.62m in external grant income which, whilst lower than the record levels of 2020/21, is still higher than any previous year.

In May 2022, the latest Research Excellence Framework (REF 2021) found that 97% of the University's research was internationally recognised or higher. And in July we learned that our success in 15 subject areas across all faculties has resulted in a 15% increase in quality-related research (QR) funding from 2022-23. We also received around £350k additional QR funding in 2021-22 to support the development of research culture, partnerships and participatory research.

We continue to focus on making significant improvements to our campuses. They include completing work on the Oxford Brookes Enterprise Centre. A collaborative project with Oxfordshire Local Enterprise Partnership, the University created the new centre by redeveloping the International and Tonge buildings. This provides start-up companies and small businesses with lab and office spaces, experts and professional networks, to help them grow.

Work also began on a groundbreaking project which saw Oxford Brookes become the first UK university to install an advanced technology heating system, which is predicted to reduce carbon emissions on campus by 20%.

Over the following pages you can read more about how our staff, students and partners are continuing to do great things across a range of important areas including student experience, research and knowledge exchange, and community initiatives.

Just one example is a Safer Streets initiative, when the University partnered with local agencies, businesses and the University of Oxford. Another scheme, Nightsafe Oxford, was also launched to support the safety of women and girls at night.

We support other local events and campaigns too, including the Oxford Pride festival, celebrating the LGBT+ community, and the British Heart Foundation Pack for Good, where students donate unwanted items to campus collection banks. Our students and staff also continue to take part in local schemes such as OxClean and Friends of South Park through activities including litter picking during the Oxford Spring Clean campaign

I look forward to further great examples of positive initiatives over the coming year and take pride in being one of the UK's top modern universities with a local, national and international reputation for teaching and research excellence.

PROFESSOR ALISTAIR FITT
VICE-CHANCELLOR

Financial highlights

During the year to 31 July 2022 (2021 figures in brackets) the University group*:

- Achieved all financial targets and key performance indicators
- Incurred an operating deficit of £15.8m (£5.6m deficit)
- Excluding actuarial pension adjustment and a decrease in the holiday pay accrual, generated an operating surplus of £6.3m before write offs (£13.5m surplus)
- Generated income of £216.6m (£207.2m).

Financial strength

At the balance sheet date the University Group had:

- Generated a net inflow of cash from operating activities of £30.5m (£40.8m)
- Cash and short-term deposits of £126.7m (£127.8m)
- Net current assets of £90.4m (£94.7m)
- Total net assets of £291.2m (£152.7m)
- Pension scheme deficits of £6.1m (£138.5m).

Investments and borrowings

During the year the University Group:

- Invested in fixed assets, including intangibles £29.8m (£15.8m).

*These financial statements represent the University Group, which consists of Oxford Brookes University and Oxford Brookes Enterprises Limited.



Committee members

Board of Governors (Trustees)

The membership of the Board of Governors, who are also Trustees, up to the date of signing the financial statements, were as follows:

Independent Members

Peter Vicary-Smith (Chair)	Director of theconsumerfirst ltd, Independent Non-Executive Director, Northumbrian Water Ltd
Paul Feldman	CEO of Jisc (until September 2021), Independent Member of Governing Body of Pearson College, Independent Board Member of HEANet (Republic of Ireland), Board member of GEANT (Netherlands), Independent Member of Audit Committee of Science Museum Group
Julia Harrington	Head of Queen Anne's School (until December 2021), CEO and Director of BrainCanDo, registered charity number: 1170784, Trustee of Berkshire Women's Aid, Council member ASCL, Trustee Chartered College of Teaching
Karen Hayzen-Smith	Director of Group Finance Johnson Matthey plc
Simon Jones	Fellow of the British Computer Society and engaged in a range of IT and leadership advisory roles
Simon Mumford	Partner at Pinsent Masons LLP
Anup Mysoor	Board Member of Oxfam's Enterprise Development Programme, Governor at Rye St Antony School, Founder of Pink Rainbow Scholarships
Ankush Nandra	Vice-President Finance & CFO International, AstraZeneca
Marek Pruszewicz	Director of Communications, IPPF, Director, Ian Fleming Publications Ltd
Osama Rahman	Director of the Data Science Campus, Office for National Statistics Advisory Board Member, CEPEO (UCL) & MiSOC, University of Essex
Katrina Sinclair (until 13.10.21)	People Business Partner for Apple and the company's Executive Coach for Retail Senior Leadership in the UK
Sarah Stevens	Director of Policy at the Russell Group
Lyn Williams	Chairman of Trustees of Uniac Pension Fund (for Unilever), various other trustee positions
John Zealley	Senior Managing Director at Accenture Ltd
Katherine Ryan	Deputy Chair of the Board / Co-opted Governor (until 31.12.23)

Student and Staff Governors

Tannah Collier (until 10.06.22)	President of the Students' Union, Oxford Brookes University
Saskia Clubb (from 11.06.22)	President of the Students' Union, Oxford Brookes University
Professor Roger Dalrymple	Programme Lead in the Faculty of Humanities & Social Sciences, Oxford Brookes University (Teaching Staff Governor) Associate Dean Student Outcomes from December 2019
Adrian Thomas	Director Global Student Recruitment, Oxford Brookes University (Non-teaching Staff Governor)

Co-opted Committee Members

Jeremy Dawson (until 10.12.21)	Partner, Dawson Partnerships
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Ex-Officio Member

Professor Alistair Fitt	Vice-Chancellor, Oxford Brookes University
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Finance and Resources Committee

John Zealley (Chair)	Independent Governor
Julia Harrington	Independent Governor
Simon Mumford	Independent Governor
Anup Mysoor	Independent Governor
Ankush Nandra	Independent Governor
Marek Prusewicz	Independent Governor
Peter Vicary-Smith	Ex-Officio

Audit Committee

Lyn Williams (Chair)	Independent Governor
Karen Hayzen-Smith	Independent Governor
Simon Jones	Independent Governor
Paul Feldman	Independent Governor
Jeremy Dawson (until 10.12.21)	Co-opted member

People Committee (established on 17 February 2021)

The Remuneration Committee was subsumed within the People Committee. It has a specialist function (part of its ToR) and holds a Remuneration Meeting once per year

Julia Harrington (Chair)	Independent Governor
John Zealley	Independent Governor
Anup Mysoor	Independent Governor
Simon Jones	Independent Governor
Osama Rahman	Independent Governor
Sarah Stevens	Independent Governor
Peter Vicary-Smith	Ex-Officio
Sarah Thonemann	Ex-Officio

Nominations Committee

Peter Vicary-Smith (Chair)	Independent Governor
Simon Mumford	Independent Governor
Ankush Nandra	Independent Governor
Katherine Ryan	Co-opted Governor (Board)
Professor Roger Dalrymple	Teaching Staff Governor
President of the Students' Union	when considering the appointment of a Chancellor

Vice-Chancellor's Group

Professor Alistair Fitt	Vice-Chancellor
Cathy Burleigh	Chief Financial Officer
Brendan Casey	Registrar and Chief Operating Officer
Sarah Thonemann	Chief People Officer
Professor Linda King	Pro Vice-Chancellor, Research and Global Partnerships
Professor Anne-Marie Kilday (until 31.07.22)	Pro Vice-Chancellor, Student Experience and University Communities
Professor Roger Dalrymple (from 01.08.22)	Interim Pro Vice-Chancellor, Education
Professor Astrid Schloerscheidt	Pro Vice-Chancellor and Dean of Faculty of Health and Life Sciences
Professor Joe Tah	Pro Vice-Chancellor and Dean of Faculty of Technology, Design and Environment
Professor Lucy Mazdon (from 01.01.22)	Pro Vice-Chancellor and Dean of Humanities and Social Sciences
Dr Abbey Halcli (from 01.09.21)	Interim Pro Vice-Chancellor and Dean of Humanities and Social Sciences
Professor Tim Vorley	Pro Vice-Chancellor and Dean of Oxford Brookes Business School

Advisors

Bankers

Barclays Bank plc
Public Sector Team
Level 27
1 Churchill Place
London
E14 5HP

External Auditors

Mazars
90 Victoria Street
Bristol
BS1 6DP

Internal Auditors

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street Snow Hill
Birmingham
B3 2DT

Legal Structure

Oxford Brookes University is a higher education corporation established under the Education Reform Act 1988 ("ERA"). The University's powers are defined in section 124 of the ERA, as amended by the Further and Higher Education Act 1992 and subject to any relevant regulations, orders or directions made by the Secretary of State or Privy Council, and are principally to provide further and higher education, carry out research and to publish the results connected with that research.

The corporation has exempt charitable status as defined in the Charities Act 2011. The charitable purpose of the University

is the advancement of education for the public benefit. As an exempt charity the University is regulated by the Office for Students. The Board of Governors, both collectively and individually as trustees, have complied with the duty to have due regard to the guidance on public benefit published by the Charity Commission and in particular its supplementary public benefit guidance on the advancement of education. Further information on the delivery of the University's charitable objectives for the public benefit can be found in the Operating and Financial Review.

Strategic report:

Strategy 2035

The Board of Governors of Oxford Brookes University presents its results, including those of its subsidiaries, for the year ended 31 July 2022. The University is operating within a new Strategy developed for 2020/21 and beyond. We have worked closely with our students, staff, local community and other stakeholders to create this strategy which sets out our focus and priorities until 2035.

Oxford Brookes University's charitable purpose is the advancement of education. The key beneficiaries are our students. Through our students, as well as through knowledge exchange and other community engagement, wider society also benefits. We deliver this charitable purpose for the public benefit by delivering the University's Strategy 2035, set out below, and through specific public benefit initiatives set out later in this document.

Vision

Oxford Brookes University is distinctive in nature. It is a modern, forward-thinking institution rooted in and connected to a city with a rich history of culture and learning. Through our excellence in teaching, research and knowledge exchange we make the world a better and fairer place.

Mission

We are internationally respected for our bold leadership and innovation in education; for helping organisations to develop sustainably; and for impactful research that is changing the world.

We equip people with the skills, knowledge, mind-set, and attributes required to face new challenges and thrive in a complex, uncertain world. We inspire and drive collective progress through individual endeavour. Our inclusive and friendly community is our greatest asset. We embrace supportive challenge as a catalyst for change. Through the open exchange of knowledge and ideas, by prioritising the progression of equality, diversity and inclusion and seeking out the new, we shape tomorrow.

Values

In the development and nurturing of intellectual and enterprising creativity we make our highest contribution to society. Social responsibility demands that all aspects of our activity should be sustainable. Equality, inclusivity and the celebration of diversity must be the foundation for all we do. We will never be content with anything other than a wholehearted commitment to the quality of the student experience. We will continue to enhance the value – and the perception of value – of our social as well as educational mission.

Strategic goals

The core fundamentals of the University are Education and Enterprise, Research and Innovation, Partnerships and Place and People and Culture. These four fundamental areas are the pillars of the Strategy. For each pillar we have an overarching vision statement, a five-year strategic plan, and a set of two-year immediate priorities in light of the coronavirus pandemic and the University's plan for recovery and innovation in the face of this.

Education and Enterprise

Oxford Brookes is a student-centred University. Our overarching aim is to deliver an outstanding educational experience which enables each of our graduates to be skilled, confident and successful. This will be achieved within a collaborative and inclusive community of scholars and practitioners, working together to make an impact on society.

Research and Innovation

Our portfolio of research excellence builds on our distinctive disciplinary base, fosters interdisciplinary and collaborative working, and delivers transformational social, cultural and economic benefit for our communities both locally and globally. We will strengthen our inclusive and connected research community, increase our collaborations with regional and global partners and enhance our capacity to drive forward sustainable innovation, knowledge exchange and enterprise. We will advance opportunities to lead and contribute to local, national and international initiatives using our expertise and facilities.

People and Culture

Our ambition is to create a vibrant, inclusive and supportive community distinguished by strong collaboration and communication between academic and professional practitioners, between academics from different disciplines and between academics and students. This in turn will foster a place where students, educators, researchers, innovators and entrepreneurs can flourish and excel. We are committed to continuously developing and supporting diversity, inclusivity and openness to foster a trust-based culture.

Partnerships and Place

In 2035, our place within the vibrant and globally-recognised innovation ecosystem that is Oxford, will be a source of distinction, attracting an inclusive and diverse community of students and staff from across the UK and the world. Our location and the opportunities it offers will underpin our position as one of the country's leading modern, forward-thinking and supportive universities.

Our Guiding Principles

Inclusivity

We take positive steps to create an environment in which we celebrate, value, and provide equal opportunity to all. This new Guiding Principle sits alongside our established Guiding Principles and was launched as part of our new Strategy 2035.

Generosity of spirit

We believe people flourish in a culture of respect and support, where we celebrate difference and thrive on each other's success. Our students manifest a generosity of spirit as they progress in the world.

Confidence

We have confidence in our staff and students, and we know that we prepare our graduates well for a fulfilling and valuable life. Through their success, we continue to earn our outstanding reputation.

Enterprising creativity

We're adaptable and flexible, and consider a fresh approach in everything we do – because we know our sustainability depends on a pioneering spirit.

Connectedness

Our academic excellence is underpinned by a history of learning by doing. Our connections and our Oxford roots are fundamental to our students' experiences and our successful future.

Achieving our strategic commitments: Education and student experience

During the academic year 2021/22, Oxford Brookes resumed on-campus learning and teaching after the blended and online approaches introduced due to the public health restrictions of the pandemic. The increased digital capability that staff developed during this period has been effectively harnessed in the return to on-campus provision, enhancing such areas of the learning experience as the practice of 'lecture capture', captioning, and media storage in the Panopto media player. There was also increased pedagogic use of the Google suite of applications such as shared documents, online polls, collaborative blogs and wikis, and self-paced formative quizzes.

To support new and returning students after the disruptions to learning journeys caused by the pandemic, additional rolling inductions and academic literacies support were provided by the University's Transitions Team and Centre for Academic Development respectively.

The review year was the second year of implementation of the new Academic Framework under which programmes, particularly in Year One of study, have become increasingly linear and involve a greater component of compulsory modules than previously. This development is central to our strategic commitment to further develop a core undergraduate proposition which offers all students on all programmes sustained engagement with core graduate attributes and employability skills and aptitudes, as specified in the Education and Enterprise pillar of Strategy 2035.

Student feedback

Students insights regarding the return to on-campus learning were gathered by means of the National Student Survey (published 6 July 2022) and our own internal Brookes Student Survey (which involves the same question set as the NSS with some additional bespoke questions reflecting our institutional priorities). Response rates were lower than pre-pandemic (a

trend reflected nationally) but an increase in overall satisfaction was recorded in both surveys: 73% in the NSS; 66% in the BSS. NSS and BSS action planning will be seeking to build on these gains and also to address the gap between the University's current satisfaction rate and the sector average which is some 3% higher at 76.29%.

Intensive preparations have also continued for the University's submission to the Teaching Excellence and Student Outcomes Framework in which we will be looking to build upon the University's achievement of a 'Silver' award in 2017. The TEF framework's emphasis on good continuation and progression indicators mirrors our own institutional emphasis on these dimensions of the student learning journey in our Education and Enterprise strategy.

Inclusive practice and culture development

Finally, our institutional focus on inclusivity has continued to inform multiple strands of educational development work in the year under review. A central development has been the piloting and refining of the Oxford Brookes Inclusive IDEAS model (the acronym standing for Inclusive learning and teaching; Digital inclusivity; Employability learning; Assessment for learning; Sustainability mindset). This inclusive curriculum model, key to both our Education and Enterprise strategy and our strategic objectives in respect of access and participation, will enable the systematic development of inclusive learning and teaching practices and cultures across the University's full portfolio of programmes. The initiative also aligns with an end-of-year repooling of our educational development unit as the Centre for Academic and Educational Development and of our Student Support provision - all of which we anticipate will bring further gains in building learning community and student engagement and wellbeing moving forward.



Achieving our strategic commitments: Research and knowledge exchange

Oxford Brookes continues to build on its strong reputation for high-quality, impactful research, innovation and knowledge exchange (KE).

In 2021/22 the University had another excellent year of research, knowledge exchange and intellectual property (IP) income, despite the challenges of the Covid-19 pandemic that have continued to impact on research and related activities. The University benefited from increases in both consultancy (£1.71m) and IP (£5.32m) income, compared to the previous year. Researchers also won £6.62m in external grant income, which whilst lower than the record levels of last year, is still higher than any other previous year.

At faculty level, combined research, knowledge exchange and IP income amounted to £1.56m for the Faculty of Technology, Design and Environment (TDE), £1.20m for Oxford Brookes Business School (OBBS), £2.15m for the Faculty of Humanities and Social Sciences (HSS), and £8.86m for the Faculty of Health and Life Sciences (HLS). HLS and HSS contributed the majority of consultancy income and HLS contributed entirely to IP income. Three research fellows from the Department of Biological and Medical Sciences have jointly won a significant award of over £1.4m from the Biotechnology & Biological Sciences Research Council. This was to continue their work on functional genomics to increase our understanding of how organisms are made, how they function and how we can intervene to treat diseases when normal function is disrupted.

In May 2022, we obtained the results of our submission to Research Excellence Framework REF 2021 and in July we learned that our success in 15 subject disciplines across all faculties has resulted in a 15% increase in QR (quality-related research) funding from 2022-23. We also received c. £350k additional QR funding in 2021-22 to invest in supporting the development of research culture and to support partnerships and participatory research.

As a result of our sustained increase in innovation and knowledge exchange activities, as assessed by our annual HE-Business Community Interaction (HE-BCI) return to Higher Education Statistics Agency HESA, we received the maximum 10% increase in our HEIF (Higher Education Innovation Funding) award for 2021-22 (£1.35m). We use HEIF to invest in our innovation and KE activities. Oxford Target Therapeutics (OTT) was successfully spun out from Biological and Medical Sciences, with the new company renting space in our Bioinnovation Hub and providing employment for two research students. OTT received support from a series of Innovate UK ICURe awards during the spin-out process.

Our new Enterprise Centre, partially funded by OxLEP, opened in January 2022, and we committed to establish a new directorate in 2022-23 to support our future research, innovation and enterprise ambitions.



Achieving our strategic commitments: Infrastructure and services

The estate and halls of residence

As society continued to respond to the impact of Covid-19 in 2021-22, the Estates and Campus Services directorate again played a leading role in the University's response to the pandemic. This included work to ensure that our estate remained Covid-secure as well as adapting to changes in Covid-19 guidance. We saw a phased return to campus of greater numbers of staff, with changes to spaces and processes to reflect an increased level of hybrid working.

A range of improvements to University buildings and infrastructure took place over the year. An example was the completion of work on the Oxford Brookes Enterprise Centre. The University's existing International and Tonge buildings were redeveloped for this project in collaboration with the Oxfordshire Local Enterprise Partnership. The spaces provide companies with access to lab spaces, experts and professional networks.

Work also began on a project which saw Oxford Brookes become the first UK-based university to complete the operational installation of an advanced technology heating system which is predicted to reduce carbon emissions on campus by 20%.

The brand new, state-of-the-art Geo-Exchange Heating System has been installed on the University's Gipsy Lane site in Headington, Oxford. It will provide approximately 1.2GW of heating per year and replace fossil fuels which have been used until now. The system is based on a collection of 14 coaxial boreholes, each of which circulates an environmentally friendly glycol in a sealed loop at depths of over 200m, to extract from and store energy in the ground.

In November 2021, the University received planning permission from Oxford City Council for the redevelopment of Clive Booth Student Village which will benefit students and the wider community. Work began on demolishing the former buildings which will be replaced as part of the redevelopment, with construction now taking place.

The University was also pleased to receive planning permission in June 2022 for the development of two important buildings on our Headington Hill site which will transform STEM and creative industries activity.

This exciting development will create cutting-edge, sustainable spaces that allow our students, staff and researchers to flourish, boost local collaboration and meet the needs of business. Given the uncertain economic climate currently being felt nationally and globally, this significant investment in innovative facilities to meet the future requirements of industry and entrepreneurship is particularly important. Construction of the new buildings is expected to begin in late 2022.

IT infrastructure and services

The University's IT strategy continues to align with Oxford Brookes' goals, delivering IT platform and service excellence, enhancing educational technology services, and facilitating the transformation and delivery of strategic information.

As well as continuing to progress major infrastructure programmes, projects and service improvements that have been delivered include:

- complete rebuild and replacement of the University's firewall
- replacement and upgrade to Wi-Fi provision in Brookes-managed halls of residence
- supporting Estates and Campus Services-enabling works for Clive Booth Student Village and Headington Hill site redevelopment projects.

The coming year will focus on supporting Oxford Brookes' blended learning provision, the Estates Strategy and the continued investment in the University's digital architecture –

connectivity, hosting and IT security management. To further support this a new Digital Strategy will be developed in late 2022 and into early 2023.

Environmental sustainability

Oxford Brookes takes a holistic approach to environmental sustainability. We recognise the complexity of our organisation, the social, economic, and environmental impact of our operations, as well as our key role in research and as educators. We therefore continually strive to improve our performance, using an accredited environmental management system (EMS) and relevant policies and strategies covering all aspects of sustainability.

The University's environmental sustainability objectives are guided by the framework of our externally certified ISO14001:2015 internationally recognised EMS. The EMS enforces an environmental policy that sets out our principles and goals and is supported by a series of strategies outlining our key vision, drivers and objectives for each key aspect of environmental sustainability. Aspect-specific action plans to measure, report, and communicate our performance via assigned, time-bound and SMART targets. These policies, strategies, and action plans are reviewed at least annually by the Vice-Chancellor's Group and are externally available on our dedicated website.

Highlights for the last academic year include the declaration of a climate emergency, with a new 'Decarbonisation Strategy' launch, aligning with science-based targets, setting interim 2030 targets, and a 2040 net-zero target commitment. This year's progress has seen the delivery of an innovative Geo-exchange project detailed on this page, heat decarbonisation projects, and the delivery of effective utility management policies.

Decarbonisation is a key area for delivery for this academic year, workstreams include the delivery of a new decarbonisation strategy and roadmap, further heat decarbonisation projects, gas demand reduction projects, and renewable generation. We have delivered a new forward-thinking sustainable building design criterion, biodiversity strategy, ethical finance policy and sustainability engagement strategy, running parallel with our continual improvement programmes for our waste, transport, water, procurement, sustainable catering, research, education and communication strategies.

We have completed our annual ISO14001 surveillance audit, and this was passed in October 2022. The University's EMS context was found to be clearly defined, leadership has been effectively demonstrated and commitment levels and processes for delivery were clearly evident. The intended outcomes of an EMS include protecting and enhancing our environmental performance, demonstrating continual improvement, fulfillment of compliance obligations, achieving financial/operational benefits, and communicating performance to build long-term success. All appropriate Permits, Licences, and Consents are in place and up to date and we have demonstrated full compliance with environmental legislation along with a depth of knowledge and planning for future legislative changes. We received no areas of non-conformance (for the fourth year in a row) and four areas of best practice.

Oxford Campus Vision

In response to the evolving needs of the University, our senior committees have agreed to the principle of moving our small number of courses at Harcourt Hill over to Headington Campus. It had already been agreed that all remaining activity would be moved from Wheatley Campus. The University is still at an early stage of developing these proposals, and the movement of activity currently based at both campuses will not take place until the start of the 2024/25 academic year at the earliest.

Achieving our strategic commitments: External

Oxford Brookes is committed to leading the intellectual, social and economic development of the communities it serves through teaching, research and creativity, achieving the highest standards in Oxfordshire and across all our communities.

Sharing knowledge

As an institution dedicated to learning, sharing our knowledge is core to our mission. We continue to engage and share knowledge through:

- the Public Engagement Network (PEN), established to share our research with our communities
- events and campaigns including the Curiosity Carnival, Black History Month, our Science Bazaar, LGBTQ+ History Month and the Oxford Human Rights Festival.

Inspiring young and old, Oxford Brookes aims to support individuals in achieving their aspirations. Activities this year have included sustained programmes such as Brookes Engage and the HE programme Study Higher, which encourage young people from disadvantaged areas to consider higher education and make a successful transition to university (see Public Benefit, page 19).

External partnerships

At Oxford Brookes, we value our strong partnerships with local agencies. We have continued our partnership with Team Oxford which aims to connect communities and improve mental and physical wellbeing across the city. The University also promotes volunteering opportunities to staff.

This year the University has partnered with local agencies, businesses and the University of Oxford on a Safer Streets initiative. Nightsafe Oxford, a network that supports the safety of women and girls at night, was also launched.

Brookes in the community

At Oxford Brookes we continually strive to enhance relationships with our neighbours and are proud of the contribution that we make to the local community.

We sponsor the Headington Festival and this year worked in collaboration with Headington Action on their Connected Communities project, which was launched at the festival. We support other local events and campaigns too, including the Oxford Pride festival, celebrating the LGBT+ community and the British Heart Foundation Pack for Good, encouraging students to donate their unwanted items to campus collection banks.

We also take part in local initiatives such as OxClean and Friends of South Park through activities such as litter picking during the Oxford Spring Clean campaign. In November the University declared a climate emergency and in mid-October launched Green Impact, audited by the NUS, where the University achieved the Bronze award through local sustainability initiatives on campus and beyond. We also joined partners across the city once again for Oxford Green Week, a city-wide initiative celebrating sustainability.

Sharing our facilities and activities

We welcome public use of our facilities, including our Centre for Sport, dental practice, library, Co-op store, exhibition space, venue hire and eateries. We also continue with activities such as our yearly series of free, open lectures and our annual Science Bazaar for families, along with six Science Saturdays, taking place on campus throughout the year.

These are just a few examples of how the University has continued to contribute to society – across all our communities.



Our staff

The overall staff full-time equivalent (FTE) increased from 1,900 to 1,937 (excluding hourly paid staff) in the last year, with academic and senior staff making up 45% of the workforce.

Supporting Equality, Diversity and Inclusion (EDI)

Reflecting the strong institutional commitment to inclusivity expressed in our guiding principles, the Equality Diversity and Inclusion Advisory Group (EDIAG) is chaired by the Vice-Chancellor and continues to operate as the central forum for coordination and oversight of the University's responsibilities and activities in this area. The Access and Participation Group (APG) reports directly to the Vice-Chancellor's Group on our Access and Participation Plan, with representation on the EDIAG to ensure cohesion and linkage of relevant work supporting students and staff.

We continued to engage with external charter marks, sustaining our Disability Confident Employer status and our work at University and faculty level on the Athena Swan Charter for gender equality. The University maintained membership of the Stonewall Diversity Champions Programme and undertook internal review of areas of the Stonewall Workplace Equality Index. The Race Equality Steering Group progressed our Race Equality Action Plan and prepared for further work on the Advance HE Race Equality Charter through 2022/23.

Staff resourcing in support of EDI included an EDI Adviser and a new post of Race Equity and Equality Charter Consultant from January 2022. Both roles are located in the People Directorate. Faculties agreed internal arrangements to support their Athena Swan activity. Within Academic and Student Administration, the post of Student EDI Manager remained vacant, with some elements of student EDI support covered by the wider team. Our EDI work across the board was actively supported and enhanced by the work of our Staff Diversity Networks.

During 2021/22 a review of our EDI structure, governance and resourcing was undertaken by an external consultancy. The resulting recommendations led to a decision by the Vice-Chancellor's Group to invest in the senior role of EDI Director, along with an expanded team based within the People Directorate, to include a data specialist, with a remit covering both staff and student-facing activity. In addition, risks related to EDI controls and processes were examined by PricewaterhouseCoopers as part of the University internal audit cycle. Findings from this process will feed into the EDI Strategy to be developed by the new EDI Director, who will join us in January 2023.

Trade Union Facility Time Report

The Trade Union (Facility Time Publication Requirements) Regulations came into force on 1 April 2017. These regulations require relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation.

Table 1 – Relevant Union Officials

What was the total number of your employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
30	26.11

Table 2 – Percentage of time spent on facility time

How many of your employees who were relevant trade union officials employed during the relevant time spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage time	Number of employees
0%	11
1-50%	18
51-99%	1
100%	0

Table 3 – Percentage of pay bill spent on facility time

	cost
Total cost of facility time	£61,761
Total pay bill	£109,554,572
Percentage of the total pay bill spent on facility time	0.06%

Table 4 – Paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of the total paid facility time hours	54.2%
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Our students

The most recent HESA data for Oxford Brookes shows that total student numbers (headcount) for 2021/22 have dropped slightly, by just under -2%, to 17,502 (compared to 17,795 in 2020/21). This followed two years of growth in numbers.

Figure 1 illustrates the recent trends in total student numbers and also the breakdown by mode of study. The chart shows that there were drops in both full-time (-1%) and part-time (-4%) students. Despite the small drop in full-time numbers, the chart shows that they still remain higher than in many previous years. Following an increase in the previous year, part-time student numbers fell back again in 2021/22.

When looking at the data by level of study (Figure 2), it is clear that the drop in numbers has occurred at undergraduate level which saw a -4% decrease. In contrast, postgraduate numbers continued to grow (+5%) building on recovery in previous years. This is largely due to strong International postgraduate recruitment.

Figure 3 charts the full-time equivalent (FTE) of UK, International and EU domiciled students over time. This shows that the University's overall student FTE numbers dropped by -3% in the most recent year. A fall in UK students (-3%) contributed to this decrease although, following Brexit, the most noticeable drop is in EU numbers (-13%). International student numbers grew by 6%, continuing the positive trend seen since 2019/20, which had followed previous years of declining numbers.

Figure 1
Total student numbers (headcount)

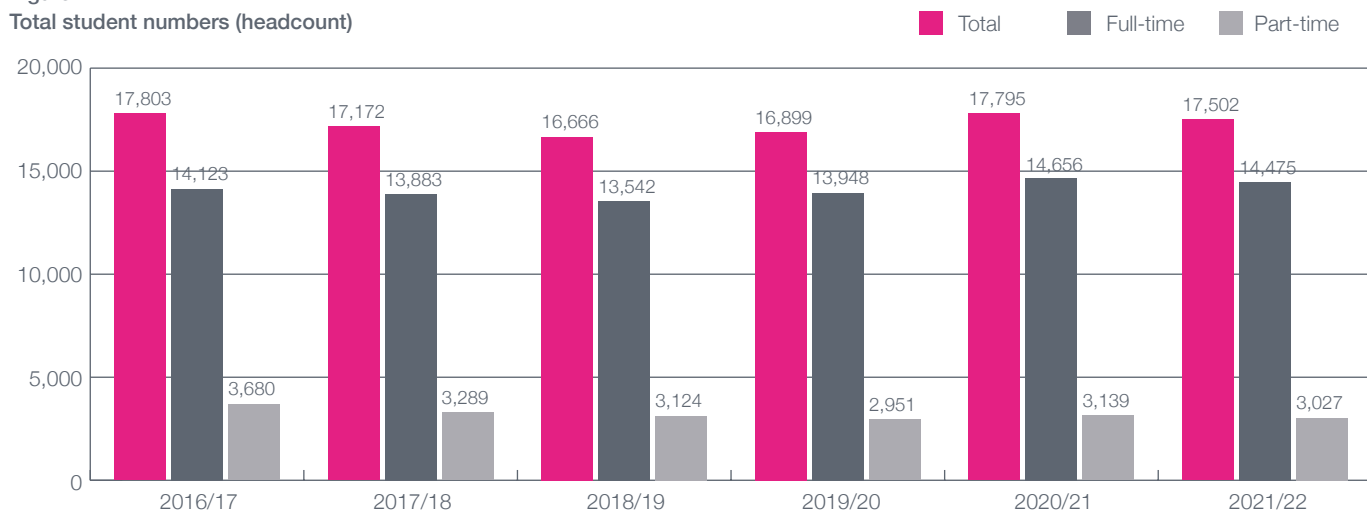


Figure 2
Undergraduate and postgraduate students (headcount)

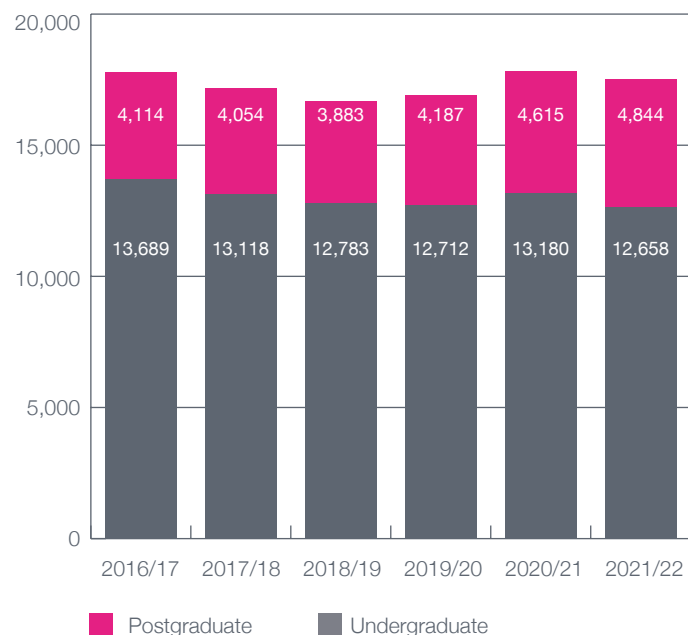
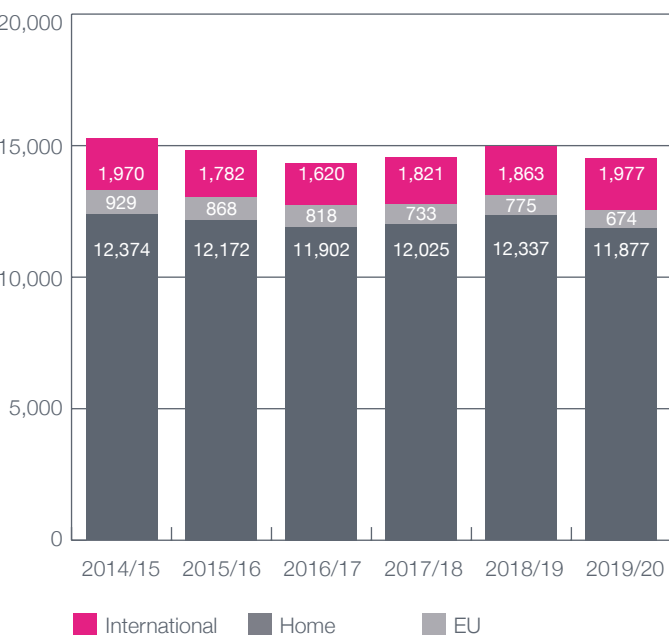


Figure 3
Home, EU and international students (FTE)



The data provided here have been directly sourced from the University's Higher Education Statistics Agency (HESA) returns. Figures for the current year are based on provisional HESA figures.

Financial results

The Financial KPI targets in relation to financial sustainability are:

- to achieve a level of operating surplus that generates sufficient cash to resource agreed strategic investment (i.e. achieve surpluses approved in the financial plans) – Achieved
- to contain staff costs to below 55% of turnover and aim for 50% – Achieved 51.21% (excluding holiday pay and actuarial movement)
- to maintain net current assets, ratio of 1:1, and aim for a ratio of current liabilities to current assets of 1:1.25 – Achieved 1:2.88
- to achieve all loan covenant ratios – Achieved

These demonstrate that all financial targets and bank covenants have been met.

The operating deficit was £15.8m, which includes LGPS and USS pension actuarial costs of £19.4m, pension interest costs of £2.5m, and the staff holiday accrual of £0.2m.

Risk management at both strategic and operational level is fully embedded, and Governors actively participate in the process. The University constantly strives to improve its environmental sustainability in the areas of travel, building energy use, ethical procurement, conservation and carbon reduction.

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2022

The University five-year financial forecasts show continued sustainable surpluses that reflect the latest student number forecasts, the Estates Investment Plan and IT Capital plan, and agreed efficiency targets across Faculties and Directorates. Key performance indicators between 2021 and 2022 are shown in the table below:

Key Performance Indicator	2022	2021
Operating Surplus / (Deficit)	-£15.8m	-£5.6m
Surplus / (Deficit) excluding one off items	-£15.6m	-£4.0m
Surplus / (Deficit) excluding one off items and pension actuarial adjustments	£6.3m	£13.5m
Total Income	£216.6m	£207.2m
EBITDA	£10.1m	£21.7m
EBITDA%	4.65%	10.49%
Total comprehensive income / (deficit) for the year	£138.4m	£47.4m
Operating surplus / (deficit) as a % of income	-7.31%	-2.69%
Unrestricted income and expenditure reserve excluding pension reserve as a % of income	90.68%	91.52%
External borrowings as % of income	90.24%	95.13%
Gearing: borrowing as % of reserves	67.12%	129.03%
Operating cash generation as a % of borrowing	15.58%	20.69%
Net cash flow from operating activities as a % of income	14.06%	19.68%
Staff number average headcount*	3,684	3,491
Staff numbers average FTE**	1,937	1,900
Staff costs as a % of income	60.25%	58.53%
Staff costs as a % of income excluding holiday pay increase and actuarial movement	51.21%	51.52%

Undergraduate student satisfaction:

With teaching	75.8%	76.2%
With course overall	73.5%	71.7%

Postgraduate student satisfaction with course overall	82%	78%
Research projects awarded in year	£8.7m	£6.3m

* Staff number headcount includes Associate Lecturers

** Staff number FTE excludes Associate Lecturers



Financial outlook

2021-22 Performance

The University achieved an outturn of £6.3m, £0.3m above the £6m target. This was an excellent achievement, overcoming a disappointing student intake, which was £8.8m below target plus a related decrease in student residences' occupancy of c. £4m. This mainly resulted from the increase in A Level grades awarded to the majority of students, who were internally assessed by their school following the disruption caused by Covid. Many of these students were accepted by the Russell Group, impacting Post 92's adversely. The decrease in the intake came mainly from a shortfall in the Home Undergraduate intake, which was below target by £5.3m. In addition to this, UG International was below target by £3.6m, Postgraduate Home by £1.8m offset partly by an increase in PG International of £3m. The shortfall was successfully addressed throughout the year through tight control of costs, mainly arising from savings of £4m on staff costs, achieved through rigorous vacancy management and further savings of c. £8m in non-pay areas across the University. The closing cash position was £126.7m, £9m higher than in the opening balance for 2022/23 in the approved 5 Year Financial Plan, of which £21m was due to capital slippage.

2022-23 outlook

The student intake for 2022/23 shows a strong recovery from the 2021/22 position. Whilst it is too early to be definitive, the indicative numbers show a significant increase in PG Overseas offsetting in financial terms, the shortfall in UG Home which is much less than in the previous year and a shortfall in PG Home. UG Home, whilst short of target, has improved significantly on the 2021/22 financial plan shortfall. The January intake is above target due to an increase in applications from PG Overseas which is being quantified. The impact on the surplus is expected to be an improvement in the financial position. Student residences' and houses to let occupancy levels are 96-100%

with some limited capacity remaining for the January intake. The University is reviewing space and resources available including accommodation to assess capacity for the January intake.

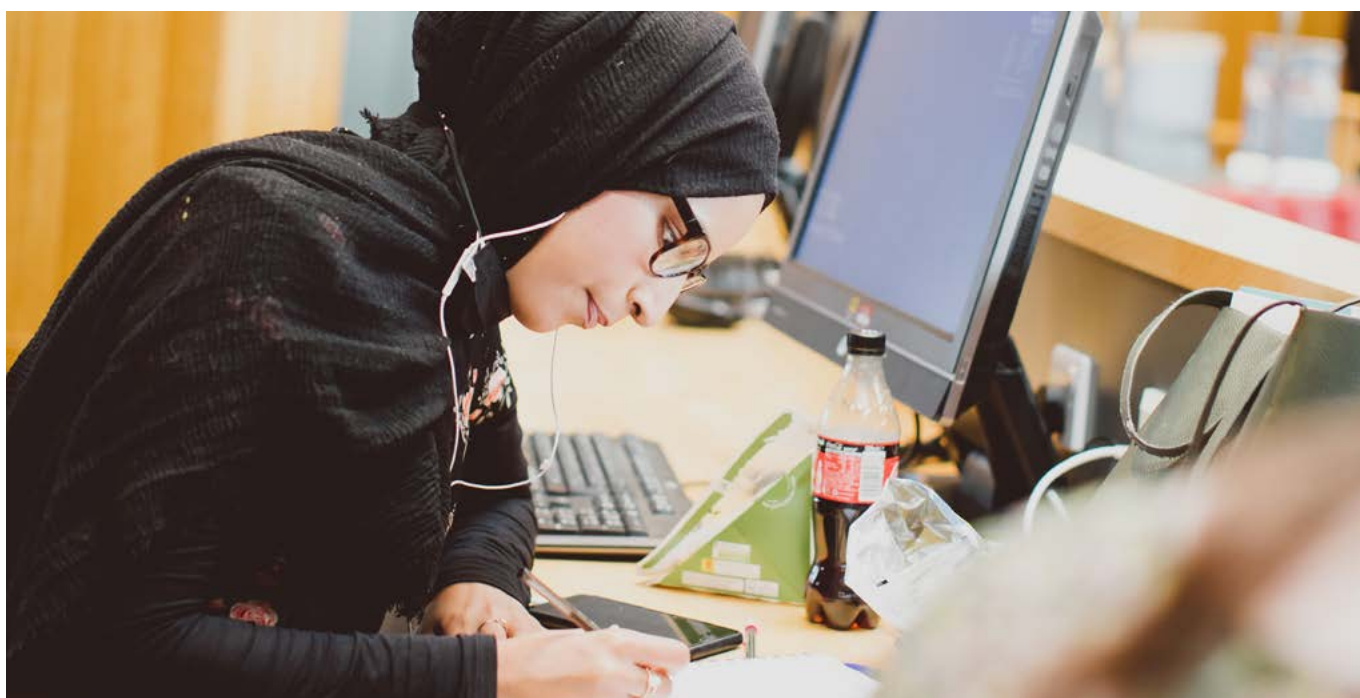
The budget target in 2022/23 is £4.1m. The increase against target in PG Overseas student numbers and student residences' occupancy rates, including an early review at the end of October, of other significant forecast movements in income and expenditure, indicate that the University should outperform the budgetary target. This position takes account of the challenging economic background, which includes rising inflation of 10.1% in September 2022 and an increase in the Bank of England base rate to 3% in November, alongside recruitment and retention challenges due to scarcity of supply and fierce market competition.

Investment

The future surpluses planned for the period from 2023/24 to 2026/27 rise steadily from £6m to £12m based on student number growth over the 5 year period of 13.9%.

The University is focussed on improving the 'Offer' to students, the 'UG Proposition', to ensure more students choose OBU as a first choice rather than an insurance choice, leading to a decrease in the dependency on Clearing. The University has also implemented a contextual admissions policy and is working to ensure appropriate support is in place to secure academic success. Investment in Access and Participation, including bursaries and scholarships, and hardship funding is £7.4m in 2022/23 rising to £8.1m in 2024/25.

The need to ensure quality of experience, academic excellence and adequate levels of student support remains the top priority for the University. It is committed to improving diversity and inclusion as well as environmental sustainability, and to progress the Oxford Campus Vision which sees the planned reduction of our other campuses in Oxford and the intensification of the main Gipsy



Lane site, starting with the sell off of the Wheatley campus. This will reduce the University footprint and improve the infrastructure and environment. We have invested £1.7m in Geo-thermal pumps which will reduce the need for fossil fuels by up to 20%.

The University continues to ensure that its annual plans generate sufficient cash to fulfil its Estates and IT ambitions. These ambitions will be achieved through the Estates Investment Plan (EIP) and the Halls Investment Plan (HIP), together with the IT Strategy and Strategic Change Programme of business change projects including IT Architecture.

Capital Investment over this period is in the region of £249m. The largest infrastructure projects are the Clive Booth Student Village (CBSV) due to deliver c. 300 rooms by 2023 Semester 1 and the New Headington Hill Building (NHHB) before the end of October 2024. The sale of the Wheatley campus is on track to complete in 2022/23. These are significant projects with dedicated project managers, regular monitoring and reporting to senior managers, the Vice-Chancellors Group (VCG), Finance and Resources Committee (F&RC) and the Board of Governors. There is continued investment in IT. In advance of the planning process VCG approved a number of investment business cases in year which aligned with the University Strategy in areas of Inclusivity, Environmental Sustainability and the Oxford Campus Vision as well as managing the strategic risk to achieving student recruitment targets. IT investment is £5.4m in 2022/23 and £16m over the 5 Year period. The IT Architecture plan will be delivered by 2023/24. A Digital Strategy for the University is being developed in 2022/23.

The Long Term Maintenance and Preventative Planned Maintenance budget is included at £0.75m for each of the 5 years of the plan. In addition, the business as usual essential maintenance and compliance budget remains in place at £3.4m in 2022/23, rising with inflation to £3.6m in 2026/27. The £1m underspend on maintenance in 2021/22 will be funded in 2022/23 if required.

Other income

The University continues to prioritise diversification of income.

Other income is £41.2m, and residences, catering and conferences a further £29m, totalling £70m in 2022/23 and rising to £41.5m (inflation not yet applied) and £37m respectively, totalling £78.5m by 2026/27. The residences income growth is partly driven by the intensification of the Clive Booth Student Village of c. £5m.

Research England QR Grant and Contract Research Income are £12m in 2022/23 and £64m over the 5 Year Plan period. Increases of £0.78m QR and £0.23m Higher Education Innovation Funding (HEIF) have been notified to the University for this year.

Transnational partnerships grew student numbers by 1,330 in 2021/22 and increased contribution by £1.3m, mainly through the partnership with Chengdu University.

New UK partnerships are approved to begin in 2022/23, consisting mainly of the Global Banking School (GBS), and a few smaller proposals. The GBS partnership starting with Health and Life Sciences (HLS) is forecast to deliver a contribution of £11.4m over the period 2022/23 to 2026/27. This is not currently included in the 5 year Plan as it was approved by the Board of Governors in October 2022. The Oxford Brookes Business School is planning to join the partnership in June 2023 which will be a significant increase in future income.

Cost control and VFM

The University has planned carefully to ensure its costs are fully reflected in its plans. £4.7m of savings are built into the 2022/23 plan of which £2.5m are recurrent. However, it could not have foreseen the rapid rise in inflation. An analysis of all University contracts has been undertaken by Procurement and Finance to identify where the biggest impact is likely to fall on renewal, continuing and new contracts to be issued in this academic year. An increase of £1.5m has been identified on utility costs and a further amount for other contracts is estimated at between £0.5m and £1m, for which the necessary provision will be made whilst maintaining the financial target. Recruitment and retention is a challenge in a very competitive environment and this will put some strain on containing staff costs.



Strong financial management and cost control throughout the forecast period is as important as ever; prioritising our resources to ensure that efficiencies can be achieved whilst continuing to prioritise activity to successfully deliver the University Strategy and key priorities in the years ahead. Procurement continues to work closely with Finance and the budget holders providing advice and support on tenders, contractual negotiation and management of contracts.

Cost of living

The University recognises the cost of living pressures on staff and students. It is already providing a range of price points across student accommodation to offer affordable options, whilst maintaining the overall increase at 2.3%, in line with the increase in student maintenance grants. We continue to offer targeted bursaries and have increased the amount of hardship funds available to help students. Further measures to provide a wide range of services such as affordable hot meals and discounts on commonly used services is being planned for delivery in Semester 1, 2022. We are currently exploring a range of ways to support our staff, including the provision of financial advice and a Staff hardship Fund.

Risk management

The University assesses its financial risks and presents this alongside the five-year financial plans in order to stress test and demonstrate the deliverability of the plans. This is an integral part of the approval process. It also identifies and implements risk action plans to manage strategic and operational risks which are monitored and reported in the year. The strategic risks for 2022/23 were discussed and updated by two separate groups, of Directors, Deans, members of VCG and a Governor on the 6th and 7th of September 2022 and these were considered by the Risk Management Group (RMG) at its meeting on the 20th October, for onward approval by VCG, and submission to the Audit Committee. The 2022/23 risks identified as red are: failure to achieve student recruitment targets; inadequate data security systems and processes on an individual and organisational basis, such that a successful cyber attack could occur and/or a serious breach of data takes place; failure of IT infrastructure due to end of life condition such that service delivery is majorly disrupted; failure to maintain student route sponsorship licence; risk of not retaining or exceeding TEF silver; and, achievement of new quality metrics and good student outcomes. The risk that the growth in non-pay costs exceeds the 5 Year Financial Plan was assessed as medium. Plans are in place to identify and monitor the impact of inflation in year. The risk register is monitored by the VCG and reported to the Audit Committee and the Board of Governors at regular intervals during the year.

The annual financial risk and contingency planning workshop was held on 24 May 2022, to identify the key risks to the University's finances in 2022/23 to 2026/27. It was attended by senior and operational managers and a member of the governing body. The risks focussed on Home, and International recruitment; student residences' void rates; shortfall of income in Health and Life Sciences (HLS) from other income, short courses and the Objective Structured Clinical Examination for nurses (NMC test of competence) income stream; pay inflation; inflation on utilities; failure to achieve staff vacancy rates. The workshop output identified net financial exposure of £15.6m in 2022/23 which when assessed for likelihood was £5.8m. The total gross financial exposure was identified as £18.5m. A plan of the key corrective actions that could be taken if they occur is proposed in the Financial Risk Assessment. This position compares with the financial risk evaluated in the October 2021/22 plan of £5.2m

with an estimated total financial exposure of £12.3m.

The workshop also discussed and assessed external exceptional risks, such as, delay to sale of the Wheatley Campus and the potential for the financial plan to be impacted by any delay to the Clive Booth Student Village (CBSV) intensification project. The Wheatley sale is progressing to timetable in 2022/23 and the CBSV project is in progress and being managed. Other risks deemed to be manageable through proactive action are: the potential outcome of the Augar review; and the Universities Superannuation Scheme crystallisation of section 75 debt.

Treasury management

The University policy is to provide adequate liquidity and security in order to meet cash flow requirements and then seek the best available low-risk returns on its remaining cash. Average cash and investment balances held in the year 2021/22 were £126.7m and the return on investments for the period was £0.5m, which was 0.40% compared to 0.37% in the previous year. Of this £0.4m is attributable to the remaining £68m of the £75m private placement and the remaining £0.1m to cash balances. The loss on the £0.3m endowment fund was £3k. Deposits made in 2021/2022 which end in 2022/23 will show an increase in return as they benefit from being placed at higher rates. The Bank of England has raised its interest rate from 0.1% in August 2021 to 3.0% in November 2022.

There is an opportunity to improve the return on cash balances from the continuing increase in Bank Base Rate, although the amount of cash available will reduce due to the major infrastructure projects being undertaken in 2022/23. This is partly offset by the unconditional amount of the contract agreed on the sale of the Wheatley campus, of which 10% is in 2022/23, 40% in 2023/24 and 50% in 2024/25. The latest interest rate offers from some of the banks within our permitted credit ratings are 4.90%.

Due to the fall in the value of sterling, the University gained significantly on its US dollar to GBP exchange.

A monthly treasury management meeting is held to review investments and cash flow, for which the results are included in the quarterly Management Accounts reported to the Finance and Resources Committee and onwards to the Board of Governors.

Internal control environment

The University operates a strong internal control environment. The internal audit contract was tendered in June 2022 and awarded to PwC for a period of 3 years up to June 2025. The Board of Governors approved the appointment of the external auditors Mazaars at their meeting of 11 May 2021, from June 2021 for 4 years. The annual audit programme is agreed through discussion with governors and senior staff. This annual plan which includes the draft forward plan for 2022/23 is agreed with and reported to the Audit Committee. The Audit Committee meets four times a year, and receives the latest audit reports as well as follow up reporting on previous report recommendations. PwC findings in 2021/22 included 1 high, 29 low, 26 medium and 4 advisory rated recommendations. The University ensures that the actions arising from these reports are implemented and reports on progress to the Audit Committee.

The Audit Committee Annual Report is produced and scrutinised alongside the Internal Audit Annual Report and the External Auditor Annual Results report to ensure that the members are fully informed of the status of key controls, internal procedures and governance arrangements. The results have been positive this year; the University rating by PwC was 'generally satisfactory, with some improvements required' which is the expected rating for the majority of universities.

Going concern

The Financial outlook for 2022/23 is optimistic given student recruitment in UG Home and PG International has recovered strongly from the 2021/22 position which resulted in a shortfall against the budget of £8.8m. Student residences and houses to let are near full occupancy at 96-100%, with the potential for additional numbers of PG International above target in the January intake being carefully quantified. The early estimate is that the increase in PG International (+357) will balance out the shortfalls in target for UG (-268) and PG (-383) Home. The numbers for UG Home have improved compared to 2021/22, when the financial impact of the shortfall was £5.3m compared to £2.5m in 2022/23. There is a student fee contingency of £2m which in conjunction with the forecast numbers, including the increase in the January intake indicates that the overall position on student fees will be above plan.

There are plans in place to improve the UG Home 'Proposition' comprising a number of actions including changing the academic year, and introducing new programmes, which is focused on reducing reliance on Clearing in future years.

Procurement and Finance have put plans in place to identify and manage the impact of the rapid rise (10.1% in September and forecast to rise to 11%) in inflation on continuing, renewals and new contracts. It has allowed for a further £1.5m increase in utility costs and is assessing the impact on other areas of expenditure. The increase in the bank base rate means that there is an opportunity to increase the return on available cash balances.

Staff costs will benefit from a £1.2m saving, not included in the plan, on the employer contribution in the LGPS, extended to the end of March 2023 resulting from a prepayment of a £5m lump sum in July 2019.

The University outturn for 2021/22 was slightly above plan at £6.3m compared to the target of £6m, despite pressures from under recruitment, related high void rates on student residences and a drop in other related services, such as catering and conferences. Some £13m of savings were achieved, through early action and robust financial management. This rigorous approach to financial management is maintained in 2022/23.

Cash balances at the end of year were £126.7m, average cash balances were £126m. The Treasury Management Policy stipulates that the University must hold a minimum balance of £15m at all times. At no time has the University been at risk of breaching this requirement.

The University has an approved 5 Year Plan from 2022/23 to 2026/27 which meets its bank covenants. The covenants are being simplified and made consistent across all lenders, and the opportunity taken to allow more headroom on the leverage covenant over the next 5 years to provide sufficient capacity to complete the New Headington Hill Building (NHHB) for the Faculty of Technology, Design and Environment. This exercise, undertaken with the lenders is due to be finalised by the end of October.

The ambitious capital programme is also under close scrutiny, proactive management and regular reporting to the Board of Governors. The CBSV and the NHHB will be attractive to students and make a return on investment. The sale of Wheatley campus has been secured and the payments will be received between 2022/23 and 2024/25, of which 10% is due in 2022/23.

The planned surplus in 2022/23 is £4.1m; there is a strong expectation that it will be exceeded based on the current forecast position and the 2021/22 outcome. The capital programme major projects are rigorously managed and reported to the Board of Governors.

In making these statements, the Board of Governors has considered the Going Concern Report from the Chief Financial Officer and they consider that the University is a 'going concern' from the date of approval of the Financial Statements on the 13th December 2022 for the following 12 months.

The University is well placed to manage its business risks successfully, despite the economic shock imposed by a combination of war in Ukraine, Brexit and market uncertainty. The Board of Governors has a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future, such that the going concern basis of accounting continues to be adopted in preparing these annual financial statements.

Conclusion

The University is looking forward with confidence. The delivery of its major infrastructure plans will have a significant impact on attracting students to live and study at the University. It is focussed on improvement plans to attract more UG Home students to make the University their first choice and lessen the dependency on Clearing. Progress on securing overseas students continues to be successful; the University is ensuring that space and teaching resources are available to ensure that it has capacity to deliver a high standard of student experience and academic excellence to all its students. It continues to invest in the Oxford Campus Vision, with a pipeline of potential future projects, and to deliver its 2035 Strategy. It is aware of the challenge posed by the high cost of living in Oxford, and is delivering a range of measures designed to help manage costs and provide support for staff and students. It maintains a wide focus on the opportunities offered by growing Research, global and UK partnerships, and other diverse options for the delivery of education. The growth and success of the University is grounded on its financial sustainability.

Public benefit

In making decisions on the University's activities, the Governors have given due regard to, and taken into account, the Charity Commission guidance on public benefit in exercising their powers and duties. As an exempt charity, providing higher education and research, Oxford Brookes University's charitable purpose is the advancement of education. The key beneficiaries are our students. Through our students, as well as through knowledge exchange and other community engagement, wider society also benefits.

A large number of the ways in which Oxford Brookes meets its charitable purpose and objective are set out in this report's previous sections, relating to the delivery of the Strategy 2035. For examples of research across all areas of the University which demonstrate public benefit, see Research and Knowledge Exchange on page 9, and for examples of community engagement and wider partnerships, see External on page 11.

Encouraging progression to university for under-represented groups

Oxford Brookes continues to deliver a comprehensive programme of activity to raise awareness of higher education and to support students from under-represented groups who have the academic ability and potential to succeed and progress to university. We work with students from as young as age 10, through key transition points in their educational journey. Alongside our work with schools and colleges, we continue to provide free, open access online resources to support students who are considering higher education, which we launched during the Covid pandemic.

Our flagship programme is Brookes Engage, an 18-month programme of monthly activities designed to help students in Years 12 and 13 make a successful transition to university. The programme is open to students across the UK who are interested in progressing to university.

We are the lead institution for the collaborative partnership Study Higher, one of the 29 consortia funded by the Office for Students as part of the Uni Connect programme.

Study Higher aims to increase the number of young people from disadvantaged backgrounds in higher education. Since the partnership started in its current form in 2017, we have worked with just under 30,000 students across Berkshire, Buckinghamshire, Oxfordshire and Swindon through a range of collaborative projects.

Providing alternative ways to access Higher Education

Oxford Brookes works with local further education colleges through our Associate College Partnerships (ACPs). These enable the University to provide an alternative route into higher education and offer opportunities to attain qualifications closer to home in an environment that students from under-represented groups often find more accessible.

We also offer a range of higher and degree apprenticeships, both through our ACP partners and our main on-campus provision. Apprenticeships enable individuals to work alongside gaining a higher level qualification, and in this way provide a route into degree level study for those who would not otherwise be able to access it.

Financial support

Oxford Brookes University provides financial support to students, in line with its Access & Participation Plan which is approved by the Office for Students.

During the 2021/22 financial year, support from Oxford Brookes included:

- Oxford Brookes bursaries and scholarships – £4.44m to 2,941 students
- Additional financial aid:
 - Home student hardship fund (undergraduate) – £632k
 - International student fund – £82k
 - Home student hardship fund (postgraduate) – £18k
 - Disability financial aid – £43k
 - Springhill – £38k

Corporate Governance and Internal Control

Introduction

The University is committed to best practice in all aspects of its corporate governance and has regard to the voluntary Governance Code of Practice contained in the Committee of University Chairmen's 'Guide for Members of Higher Education Governing Bodies in the UK', published in 2009 and re-issued as the 'Higher Education Code of Governance' in 2014. The latest revision was in September 2020.

The code identifies seven primary elements of governance that underpin the value and beliefs articulated in the 'Nolan Principles of public life' with the addition of eight aims and principles particular to the nature of higher education. The University is confident that it has in place all of the primary elements and meets the requirements of the supporting 'must' statements that prescribe essential components within each element.

The summary below describes the manner in which the University has applied the principles set out in the UK Corporate Governance Code issued by the London Stock Exchange in 2016 in so far as they relate to universities. Its purpose is to help the reader of the financial statements to understand how the principles have been applied.

The Board of Governors

The Board of Governors, which meets formally five times a year, is responsible for the University's long-term objectives and for strategies in relation to the educational character and mission of the University and for providing overall financial and organisational control. The Board comprises 13 (independent) Governors, 2 co-opted members, the Chief Executive (the Vice-Chancellor), two Governors representing university staff teaching and non-teaching, and the President of the Students' Union. There is a clear separation of the role of the non-executive Chair from that of the Vice-Chancellor.

The Vice-Chancellor is the accountable officer responsible for satisfying the Board that all conditions of receiving and using grant aid from the Office for Students (OfS) have been met. The University's constitution places responsibility for the University's operations with the Vice-Chancellor who as the accountable officer, supported by the Vice-Chancellor's Group, implements the Board's policies and develops and manages the University's business.

A majority of the Board must, by law, be independent of the University, and they bring with them a wealth of expertise from their respective fields of business and professional activity. Board members are appointed in accordance with the requirements of the Education Reform Act 1988 and appointment processes and terms of office are laid out in the procedures for the appointment of Governors adopted by the Board. A new term of appointment model (2/3/3) for Governors was approved by the Board in 2020 subject to mutual agreement.

No board member may serve more than two consecutive terms of four years, other than the Vice-Chancellor and the student Governor, who may remain members as long as they hold the position of Vice-Chancellor and President of the Students' Union respectively. The Standing Orders of the Board make provision, by resolution, for the extension of the member's term of office beyond the normal limit of eight years where that is necessary to allow the member to serve a maximum term of four years as either Chair or Deputy Chair.

Vice-Chancellor's Group

The Vice-Chancellor's Group comprises the Vice-Chancellor, two Pro Vice-Chancellors with specific responsibility for Education and for research and global partnerships, respectively, the Registrar and Chief Operating Officer, the four Pro Vice-Chancellor Deans of Faculty, the Chief Financial Officer and the Chief People Officer (CPO). The team meets formally on a weekly basis.

It is constituted to advise the Vice-Chancellor and support decision-making and also serves as a body which can be used by the Vice-Chancellor for briefing, consultation and communication with senior managers and/or staff as a group.

Finance and Resources Committee

The Finance and Resources Committee meets at least five times a year. Membership consists of six independent Governors and one co-opted member. The committee is responsible to the Board of Governors for:

- advising the Vice-Chancellor, on a recommendation to the Board, for the coming year's recurrent and capital budgets, and on the cash flow forecast and draft balance sheet arising
- recommending for approval by the Board, a rolling five-year strategic plan, including financial plans (both revenue and capital) projected five-year cash flow and balance sheets, taking account of the requirements of the Bank Lenders, the private providers of finance and of the OfS
- recommending the Estates Investment Plan to the Board, and monitoring and reviewing its application and implementation
- recommending the IT Strategy to the Board, and monitoring and reviewing its implementation
- reviewing changes to and the implementation of other key University strategies from time to time, as necessary
- reviewing and recommending to the Board borrowing or other financial vehicles necessary to fund the strategy, and the release of funds for specific projects
- recommending to the Board, the acquisition or disposal of lands and buildings.

These are the key areas but are not the full terms of reference.

Audit Committee

The Audit Committee meets at least four times a year. Membership consists of up to four Governors and three co-opted members. The committee is responsible for advising the Board on:

- the effectiveness of the internal audit service and ensuring that their recommendations are appropriately executed
- the effectiveness of internal control and risk management procedures
- the work of the external auditors and whether they are effectively carrying out their responsibilities to the Board of Governors by reporting that the University's financial statements present a true and fair view of the year's activities
- the existence of satisfactory arrangements to promote economy, efficiency and effectiveness
- the approval of the financial statements

- the systems and processes whereby assurance is obtained on the quality of all data returns.

People Committee

The People Committee was established on 17 February 2021 to assist the Board of Governors and the University in its oversight role of those functions to ensure that the University's strategic objectives as defined within the University strategy and the associated People and Culture Pillar are achieved. Additionally, it oversees policy and best practice in the determination of remuneration. The Committee must also ensure that the legal and compliance requirements as they relate to people, culture and remuneration are being met.

Membership consists of four independent Governors and the Chief People Officer.

The Committee also has a remuneration function, which is undertaken annually to review the policy for the remuneration of the senior staff appointed by the Board of Governors. Membership consists of four independent Governors. The Vice-Chancellor attends at the request of the committee for specific matters. The Vice-Chancellor is excluded from matters concerning his own remuneration.

Nominations Committee

The Nominations Committee comprises six Governors including the Vice-Chancellor. It is responsible for advising the Board on the appointment of new Governors and co-opted Governors.

Academic Board

The Academic Board of the University is chaired by the Vice-Chancellor and comprises representatives of both the academic and related areas of the University, a proportion of whom are elected representatives. The Pro Vice-Chancellor for Student and Staff Experience (now renamed Education) carried out a review of the governance of student experience groups across the University, with a view to improving the coherence and efficiency of the structures for decision-making and action.

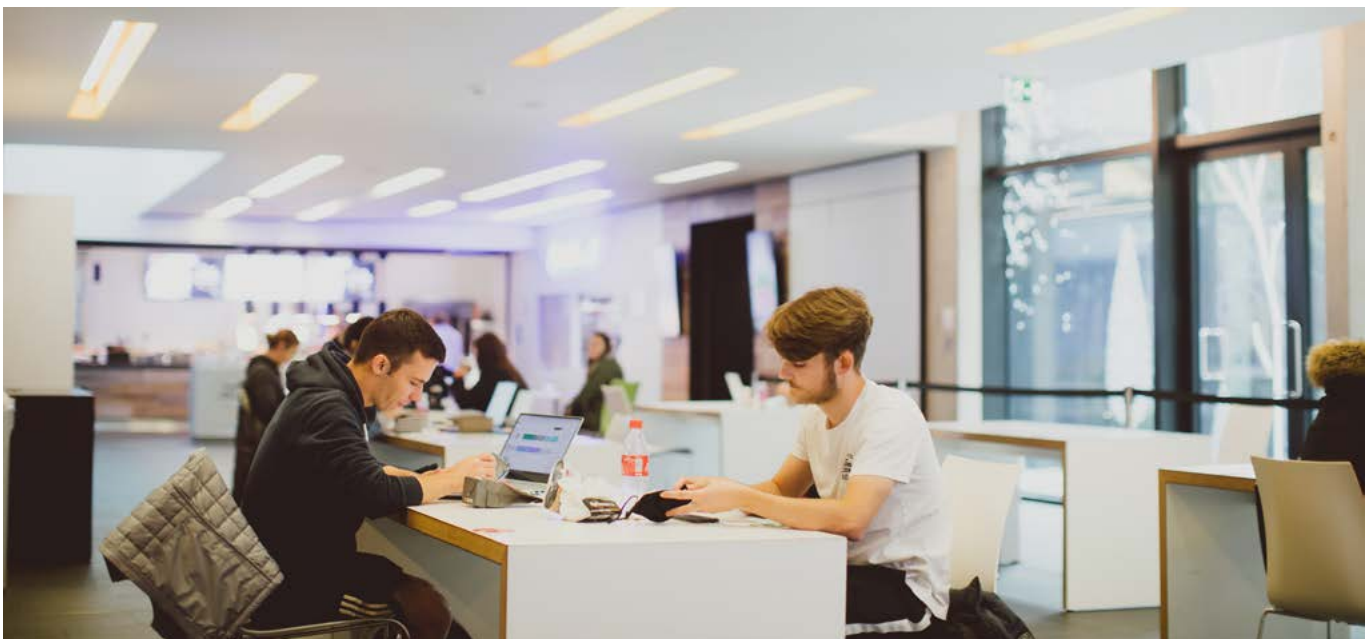
The new committee structure was approved at the Academic Board meeting on the 30 October 2018. The Academic Board is responsible for:

- general issues relating to the research, scholarship, teaching and courses at the University, including criteria for the admission of students; the appointment and removal of internal and external examiners; policies and procedures for assessment and examination of the academic performance of students; the content of the curriculum; academic standards and the validation and review of courses; the procedures for the award of qualifications and honorary academic titles; and the procedures for the exclusion of students for academic reasons
- considering the development of the academic activities of the University and the resources needed to support them and for advising the Vice-Chancellor and the Board of Governors thereon
- advising on such other matters as the Board of Governors or the Vice-Chancellor may refer to the Academic Board.

Internal control

The key elements of the University's systems of internal financial control, which are designed to discharge the responsibilities of the Board of Governors, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash-flow budgets
- regular reviews of academic performance and monthly reviews of financial results involving variance reporting and quarterly updates of the forecast outturn
- 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

- comprehensive financial regulations, detailing financial controls and procedures, approved by the Finance and Resources Committee and the Board of Governors
- a professional internal audit team whose annual programme is approved by the Audit Committee.

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

Charitable status

The University is an Exempt Charity as defined by the Charities Act 2011. From April 2018 the OfS replaced HEFCE as the Principal Regulator for higher education providers which are exempt charities, and University financial statements are prepared in accordance with the provisions of the OfS. Where activities undertaken by the University may fall outside the terms of its charitable status, these are undertaken through Oxford Brookes Enterprises Limited. The majority of the profits of that company are gift-aided annually to the University. All the activities operated directly by the University are of a charitable nature and as such not liable to corporation tax.

In accordance with the Education Reform Act 1988, the Board of Governors of Oxford Brookes University ('the Board') is responsible for the administration and management of the affairs of the University and is required to present audited financial statements for each financial year.

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that the financial statements are prepared in accordance with the powers and duties of previous legislation. These are the Education Reform Act 1988, Further and Higher Education Act 1992 and the Higher Education Act 2004. They must also comply with the Regulatory Framework issued by the OfS in April 2018 and amended from time to time, the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, and applicable United Kingdom Law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102. The Board, through its designated office-holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the institutional surplus or deficit and cash flows for that year.

In causing the financial statements to be prepared, the Board has to ensure that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable UK law and accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- financial statements are prepared on the going-concern basis unless it is inappropriate to presume that Oxford Brookes University will continue in operation. The Board is satisfied that the University 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.

The Board has taken reasonable steps to ensure the University:

- has a robust and comprehensive system of risk management, control and corporate governance. This includes arrangements for the prevention and detection of corruption, fraud, bribery and irregularities
- has regular, reliable, timely and adequate information to monitor performance and track the use of public funds
- plans and manages its activities to remain sustainable and financially viable
- informs the Office for Students of any material change in its circumstances, including any significant developments that could impact on the mutual interests of the University and the Office for Students
- uses public funds for proper purposes and seeks to achieve value for money from public funds
- complies with the mandatory requirements relating to audit and financial reporting, set out in the Office for Students Audit Code of Practice and in the Office for Students annual accounts direction.

The Board of Governors is responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Disclosure of information to auditors

The members who held office at the date of approval of the financial statements confirm that, so far as they are aware, there is no relevant audit information of which the University's auditors are unaware; and each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the University's auditors are aware of that information.

Risk management

The University's strategic risk management process continues to provide effective systems for the identification of the major strategic and financial risks facing the University. During 2021/22 the VCG, Audit Committee and Board of Governors monitored the highest level strategic risks whilst other risks continued to be managed as part of the established management arrangements.

The key elements of the University's approach during the year, designed to discharge the responsibilities of the Board of Governors were:

- a review of the University's approach and attitude to risk. This included active participation from senior management and the Board of Governors
- two workshops to identify evaluate and categorise by severity, risks which impacted on the achievement of strategic objectives
- the production of a new risk register
- the development of risk improvement plans to address the highest categories of risk and the confirmation of the delegation of responsibility to manage the less significant risks
- regular monitoring by the VCG of the risk register and of the implementation of improvement plans for the eight highest severity risks
- regular meetings of the Risk Management Working Group, a small group of senior managers, chaired by the Registrar and Chief Operating Officer, to review the output of the risk management process and to consider improvements and developments to the process itself and the development of additional risk management procedures at an operational level. The Group has no delegated authority itself but provides an effective forum to allow the Registrar and the Chief Financial Officer to fulfil their responsibilities
- regular reports both to the Board and the Audit Committee on the development of the process, the most severe risks and progress with improvement plans
- high level involvement and support which included the Vice-Chancellor taking an active part in one of the risk workshops and chairing the VCG which considered the risk register and improvement plans and other reports on key aspects of the University's performance. Several members of the VCG and most Directors took an active part in at least one of the various workshops
- that the Internal Audit team based their plan of work on the University's risk analysis, modified by their assessment. In addition, the Internal Audit Team reviewed the University's system of risk management
- a workshop convened to specifically review the main risks to the University's financial plans, and to predetermine what actions might be taken if certain events occurred
- a series of workshops to produce new risk registers and improvement plans for each directorate.

Review of the effectiveness of internal control and risk management

At its meeting in December 2022 the Board of Governors consider the effectiveness of the arrangements for internal control and risk management that have been in place for the financial year to 31 July 2022 and up to the date of signing the annual financial statements. The Board of Governors came to a conclusion, based upon the Annual Report of the Audit Committee and other internal audit and management assurances, regarding whether the arrangements in place were satisfactory to provide effective internal control and risk management throughout this time. The conclusion reached at the meeting was one of adequate assurance.

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.



Peter Vicary-Smith
Chair of Governors



Professor Alistair Fitt
Vice-Chancellor

Independent Auditors' Report

Opinion

We have audited the financial statements of Oxford Brookes University ('the University') and its subsidiaries ('the Group') for the year ended 31 July 2022 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, the Consolidated and University Statement of Changes in Reserves, the Consolidated and University Statement of Financial Position, the Consolidated Cash Flow 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 FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and University's affairs as at 31 July 2022 and of the Group's and University's income and expenditure, gains and losses, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and 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 Board of Governors with respect to going concern are described in the relevant sections of this report.

Other information

The Board of Governors is responsible for the other information. The other information comprises the information included in the Annual 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, except to the extent

otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify 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.

Responsibilities of Board of Governors

As explained more fully in the Statement of Responsibilities of the Board of Governors set out on page 22, the Board of Governors 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Governors are responsible for assessing the Group and 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 Board of Governors either intend to liquidate all or part of the University Group 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the University Group and its operations, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: OfS requirements, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money

laundering and non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the University Group is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the University Group which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as pensions legislation and the OfS Accounts Direction

In addition, we evaluated the Board of Governors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to defined benefit pension obligations, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Board of Governors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Other Required Reporting

Opinion on other matters prescribed in the OfS Audit Code of Practice issued under the Further and Higher Education Act 1992

In our opinion, in all material respects:

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and University and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Board of Governors' Report.

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

- the provider's grant and fee income, as disclosed in the notes to the accounts, is materially misstated; or
- the provider's expenditure on access and participation activities, as disclosed in the accounts, has been materially misstated.

Use of the audit report

This report is made solely to the Board of Governors as a body in accordance with the University's articles and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the Board of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and University and the Board of Governors as a body for our audit work, for this report, or for the opinions we have formed.

Mazars LLP

Richard Bott (Senior Statutory Auditor)
Mazars LLP
Chartered Accountants and Statutory Auditor
Address 90 Victoria Street, Bristol, BS1 6DP

Date: 19/12/22

Financial statements

Consolidated and University statement of comprehensive income and expenditure for the year ended 31 July 2022

	Note	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	1	136,959	136,921	142,757	142,757
Funding body grants	2	16,309	16,309	17,074	17,074
Research grants and contracts	3	8,666	8,666	6,324	6,324
Other income	4	54,104	52,457	40,456	38,568
Investment income	5	135	135	35	35
Donations and endowments	6	385	385	518	518
Total income		216,558	214,873	207,164	205,276
Expenditure					
Staff costs	7	130,471	129,790	121,263	120,466
Other operating expenses	10	76,029	75,042	64,160	63,087
Depreciation, amortisation and impairment	11,12	17,689	17,672	17,081	17,063
Interest and other finance costs	8	8,081	8,081	8,169	8,169
Total expenditure	9	232,269	230,584	210,673	208,785
(Deficit) / Surplus before other gains and losses		(15,711)	(15,711)	(3,509)	(3,509)
(Loss) on disposal of fixed assets	12	(126)	(126)	(2,115)	(2,115)
Gain (Loss) on investments		(3)	(3)	54	54
(Deficit) / Surplus before tax		(15,840)	(15,840)	(5,570)	(5,570)
Taxation		-	-	-	-
(Deficit) / Surplus for the year		(15,840)	(15,840)	(5,570)	(5,570)
Actuarial (loss) / gain in respect of pension schemes	29	154,284	154,284	52,952	52,952
Total comprehensive (expense) income for the year		138,444	138,444	47,382	47,382
Represented by:					
Endowment comprehensive (expense) for the year		(53)	(53)	(89)	(89)
Restricted comprehensive income for the year		(63)	(63)	(153)	(153)
Unrestricted comprehensive income for the year		139,166	139,166	48,230	48,230
Revaluation reserve comprehensive income for the year		(606)	(606)	(606)	(606)
Attributable to the University		138,444	138,444	47,382	47,382
Attributable to the non-controlling interest		-	-	-	-
		138,444	138,444	47,382	47,382

Consolidated and University statement of change in reserves for the year ended 31 July 2022

Consolidated	Income and expenditure account			Revaluation reserve	Total
	<i>Endowment</i>	<i>Restricted</i>	<i>Unrestricted</i>		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2020	1,328	1,024	2,858	100,138	105,348
Deficit from the income and expenditure statement	(89)	(153)	(5,328)	-	(5,570)
Other comprehensive income	-	-	52,952	-	52,952
Transfers between revaluation and income and expenditure reserve	-	-	607	(607)	-
Release of endowment and restricted capital funds spent in year	-	-	-	-	-
Total comprehensive expense for the year	(89)	(153)	48,231	(607)	47,382
Balance at 1 August 2021	1,240	871	51,089	99,531	152,730
Surplus/(deficit) from the income and expenditure statement	(53)	(63)	(15,724)	-	(15,840)
Other comprehensive income	-	-	154,284	-	154,284
Transfers between revaluation and income and expenditure reserve	-	-	606	(606)	-
Release of endowment and restricted capital funds spent in year	-	-	-	-	-
Total comprehensive income for the year	(53)	(63)	139,167	(606)	138,445
Balance at 31 July 2022	1,187	808	190,256	98,925	291,177
University	Income and expenditure account			Revaluation reserve	Total
	<i>Endowment</i>	<i>Restricted</i>	<i>Unrestricted</i>		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2020	1,328	1,024	2,767	100,138	105,257
Deficit from the income and expenditure statement	(89)	(153)	(5,328)	-	(5,570)
Other comprehensive income	-	-	52,952	-	52,952
Transfers between revaluation and income and expenditure reserve	-	-	607	(607)	-
Release of endowment and restricted capital funds spent in year	-	-	-	-	-
Total comprehensive expense for the year	(89)	(153)	48,231	(607)	47,382
Balance at 1 August 2021	1,240	871	50,998	99,531	152,639
(Deficit)/surplus from the income and expenditure statement	(53)	(63)	(15,725)	-	(15,840)
Other comprehensive income	-	-	154,284	-	154,284
Transfers between revaluation and income and expenditure reserve	-	-	606	(606)	-
Release of endowment and restricted capital funds spent in year	-	-	-	-	-
Total comprehensive income for the year	(53)	(63)	139,165	(606)	138,443
Balance at 31 July 2022	1,187	808	190,163	98,925	291,082

Consolidated and University Statement of Financial Position as at 31 July 2022

	Note	As at 31 July 2022		As restated at 31 July 2021	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Intangible assets	11	11,583	11,583	12,444	12,444
Fixed assets	12	416,939	416,501	404,382	403,907
Investments	14	194	644	194	644
		<u>428,717</u>	<u>428,728</u>	<u>417,020</u>	<u>416,995</u>
Current assets					
Stock	15	34	9	34	11
Trade and other receivables	16	11,729	14,155	11,836	12,903
Investments	17	80,277	79,777	29,501	29,501
Cash and cash equivalents	24	46,380	45,409	98,249	96,558
		<u>138,421</u>	<u>139,352</u>	<u>139,620</u>	<u>138,973</u>
Less: Creditors: amounts falling due within one year	18	(48,056)	(49,093)	(44,965)	(44,387)
Net current assets		90,365	90,259	94,656	94,586
Total assets less current liabilities		<u>519,082</u>	<u>518,987</u>	<u>511,676</u>	<u>511,581</u>
Creditors: amounts falling due after more than one year	19	(221,785)	(221,785)	(220,444)	(220,444)
Provisions					
Pension provisions	21	(6,120)	(6,120)	(138,500)	(138,500)
Other provisions	21	-	-	-	-
Total net assets		<u>291,177</u>	<u>291,082</u>	<u>152,731</u>	<u>152,638</u>
Restricted Reserves					
Income and expenditure reserve – endowment reserve	22	1,187	1,187	1,240	1,240
Income and expenditure reserve – restricted reserve	23	808	808	871	871
Unrestricted Reserves					
Income and expenditure reserve – unrestricted		190,256	190,162	51,089	50,998
Revaluation reserve		98,925	98,925	99,531	99,531
Total Reserves		<u>291,177</u>	<u>291,082</u>	<u>152,731</u>	<u>152,638</u>

The financial statements on pages 26 to 58 were approved by the Board of Directors on 13 December 2022 and signed on its behalf by:



Peter Vicary-Smith
Chair of Governors



Professor Alistair Fitt
Vice-Chancellor

Consolidated cash flow statement for the year ended 31 July 2022

	Note	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Cash flow from operating activities			
(Deficit) for the year before tax		(15,840)	(5,570)
Adjustment for non-cash items			
Depreciation	12	16,132	15,466
Amortisation of intangibles	11	1,555	1,615
Loss on disposal of fixed assets	12	126	2,115
Service concession lease premium	13	(125)	(125)
(Increase)/decrease in stock	15	(0)	(4)
(Increase) in debtors		107	(786)
(Decrease)/increase in creditors		2,527	7,038
Increase in pension provision		21,904	17,523
(Decrease)/increase in general provision	21	-	(793)
Adjustment for investing or financing activities			
Investment income	5	(135)	(35)
Interest payable	8	5,607	5,644
Endowment income	22	(17)	(77)
Capital grant income		(1,391)	(1,231)
Net cash inflow from operating activities		30,451	40,779
Cash flows from investing activities			
Capital grants receipts		5,219	1,532
Investment income		135	35
Withdrawal of deposits		-	41,056
New deposits		(50,777)	-
Payments made to acquire tangible assets		(25,630)	(11,123)
Payments made to acquire intangible assets		(793)	(1,213)
Proceeds from sale of tangible assets		21	-
Net cash inflow / (outflow) used in investing activities		(71,825)	30,286
Cash flows from financing activities			
Interest paid		(5,417)	(5,480)
Interest element of finance lease and service concession payments		(172)	(164)
New endowments		17	77
New unsecured loans		-	-
Repayments of amounts borrowed		(1,647)	(1,603)
Capital element of finance lease and service concession payments		(3,275)	(3,174)
Net cash inflow (outflow) used in financing activities		(10,494)	(10,344)
Increase in cash and cash equivalents in the year		(51,869)	60,721
Cash and cash equivalents at beginning of the year	24	98,249	37,528
Cash and cash equivalents at end of the year	24	46,380	98,249

Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS102). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets and derivative financial instruments).

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2022. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of income and expenditure from the date of acquisition or up to the date of disposal. 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 and joint ventures are accounted for using the equity method.

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

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

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

Going Concern

Financial sustainability remains central to all future planning. The end of year cash position is £126.7m. This is an improvement of £9m on the 2021/22 budget. Whilst it results partly from slippage in the capital programme, it is not anticipated that this will all be required in 2022/23. The additional cash carried forward, actions being taken to slow non-urgent staff recruitment and improved income position in 2022/23, together with the ability to delay other parts of the capital programme, means that covenants will be comfortably met.

Looking beyond 2022/23, the University's five-year financial plans demonstrate that it is operating on a going concern basis and will comply with its covenants. There are key mitigations in place to avoid any breach from occurring, including: circa £50m of unallocated cash identified as 'Headroom Available for Investment' which is yet to be prioritised and can be delayed, of which £15m relates to 2024/25; £9m increase in cash funds carried forward from 2021/22 and an increase in the Wheatley sale receipt.

The University activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The financial position of the University, its cash flows, liquidity position and borrowing facilities are described in the Financial Highlights section and the cash flow statement is in the main body of the annual financial statements.

The University continues to meet its scheduled repayments and remains compliant with its covenants that are attached to the externally raised debt. The 2022/23 Financial Plan and forecasts show that this will continue to be the case.

In making these statements, the Board of Governors has considered the Going Concern Report from the Chief Finance Officer and they consider that the University is a going concern from the date of approval of the Financial Statements on 13 December 2022 for the following 12 months.

The University is well placed to manage its business risks successfully, despite the reduction in students and increase in voids this year. It remains cautious in the face of the uncertainty facing the higher education sector during this time, building in financial resilience and flexibility to its plans. The Board of Governors has a reasonable expectation that the university has adequate resources to continue in operational existence for the foreseeable future, such that the going concern basis of accounting continues to be adopted in preparing these annual financial statements.

Grant funding

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

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

Donations and endowments

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

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

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

There are four main types of donations and endowments identified within reserves:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.

2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.
3. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

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

Accounting for retirement benefits

Retirement benefits to employees of the University are provided by defined benefit schemes that are funded by contributions from the University and employees. Payments are made to the Teachers' Pension Scheme (TPS), the Universities' Superannuation Scheme (USS) and the Local Government Pension Scheme (LGPS) administered by Oxfordshire County Council. These are all independently administered schemes. Pension costs are assessed on the latest actuarial valuations of the scheme and are accounted for on the basis of charging the cost of providing pensions over the year during which the University benefits from the employees' services.

The TPS is a multi-employer pension scheme and the University is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as defined contribution schemes and the contributions are recognised as they are paid each year.

The assets of the LGPS are measured using closing market values. LGPS liabilities are measured using the projected unit method and discounted at the current rate of return on high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from the employee service in the year is charged to staff costs and the interest on the liabilities is charged to interest and other finance costs to the operating surplus in The Consolidated Statement of Comprehensive Income and Expenditure. Actuarial gains and losses are also recognised in The Consolidated Statement of Comprehensive Income and Expenditure.

Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The Group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit 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 either through reduced contributions in the future or through refunds from the plan.

Employment benefits

Short-term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

Finance leases

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

Service Concession Arrangements

Fixed assets held under service concession arrangements are recognised on the Statement of Financial Position at the present value of the minimum lease payments when the assets are bought into use with a corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

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 minimum lease term.

Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses with the following exceptions:

1. Freehold land had been revalued to fair value on the date of transition to the 2015 FE HE SORP. Going forward the land is measured on the basis of deemed cost, being the revalued amount at the date (31 July 2014) of the revaluation.
2. Freehold and leasehold properties vested in the University under the Education Reform Act 1988, at valuation. The valuation as at 1 April 1991 was carried out by an independent firm of chartered surveyors and rating consultants on the basis of depreciated replacement cost in the case of buildings, except where a market value was more appropriate, and current use market value in the case of land. Going forward the valuation on conversion is treated as deemed cost in the financial statements.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

All assets are regularly reviewed for indications of impairment. Where there is impairment the difference between the assessed recoverable value of the building and its written down cost is charged to the Consolidated Statement of Comprehensive Income and Expenditure.

Land and buildings

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the University.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful lives as follows:

Freehold buildings including refurbishments	10 to 50 years
Long Leasehold property	The lower of the length of the lease, the life of the building, or 50 years

No depreciation is charged on assets in the course of construction.

Equipment

Equipment, including computers and software, costing less than £10,000 is recognised as expenditure. All other equipment is capitalised.

Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

Equipment	3 to 10 years
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Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

Intangible assets

Intangible assets are amortised over 3-20 years representing the remaining estimated economic life of the assets.

Impairment

A review for impairment of a tangible fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the tangible fixed asset may not be recoverable.

Financial instruments

The University has chosen to apply the provisions of sections 11 and 12 of FRS102 in full. Financial assets and financial liabilities are recognised in the University's balance sheet when the University becomes a party to the contractual provisions of the instrument. A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a new basis, or to realise the asset and settle the liability simultaneously.

The University's financial assets and liabilities all meet the criteria for basic financial instruments prescribed within FRS102 Section 11.8. All financial assets and liabilities are initially recognised at the transaction price plus any additional directly attributable transaction costs. They are subsequently measured as follows:

- *Investments*

Investments are measured at cost less impairment. Non-current asset investments are held on the Balance Sheet at amortised cost less impairment. Current asset investments are held at fair value with movements recognised in the Surplus or Deficit.

- *Short-term debtors and creditors*

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other operating expenses.

- *Loans*

Loans which are basic financial instruments are initially recorded at transaction price, net of transaction costs. Subsequently, they are measured at amortised cost using the effective interest method.

Investment in subsidiary

Investments in subsidiaries are carried at cost in the University's Financial Statements.

Stock

Goods held for resale are included at the lower of cost and net realisable value. Library books and other consumable stocks held by academic departments are excluded.

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 (maturity being less than three months from the placement date), highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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.

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. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Paragraph 1 of schedule 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

All subsidiary companies are liable to Corporation Tax and Value Added Tax in the same way as any other commercial organisation. The University's principal activities are exempt from Value Added Tax, but certain ancillary supplies and services are liable to Value Added Tax at various rates. Expenditure includes irrecoverable Value Added tax charged by suppliers to the University.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

Unrestricted reserves are balances where there is no restriction on the use of funds.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Defined benefit pension schemes (note 29)

The University has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligations depend on a number of factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors, in liaison with the actuarial valuer, in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS102. The management are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual obligations under the recovery plan in existence at the date of approving the financial statements.

Service Concession (note 13)

The University has two service concession arrangements; judgement has been used in determining when the infrastructure and related liability should be recognised. The first contract is until 2050, but Oxford Brookes is able to nominate rooms yearly, with the option of nominating 0-100%, there is the following clause in the agreement.

If Oxford Brookes University does not reserve 100% of the 750 rooms, then Oxford Brookes University cannot provide accommodation for more than 46% of the student population in each academic year, over the term of the contract.

The University has made the decision to include a one-year asset and associated liability rather than an asset and liability over the life of the contract as it nominates rooms one year at a time and could provide accommodation for the students via third parties if necessary.

The second contract is until 2030, and the infrastructure asset created has been capitalised and will be depreciated on a straight line basis over the 10-year life of the contract. An associated liability has been created which will be released at the same rate as the depreciation.

Revaluation of Land

In the 2016/17 financial statements the University performed a one off revaluation of its land on transition to FRS 102. The District Valuation office carried out the revaluation on the basis of Fair Value which is defined as:

The amount for which an asset could be exchanged, a liability settled, or equity instrument granted, between knowledgeable, willing parties in an arm's length transaction.

The valuations were prepared on an appropriate basis in accordance with the RICS valuation – Professional Standards 2014 and are suitable for financial statements purposes.

Where land is associated with a building the valuer has apportioned the land on a basis of overall value of the property. The valuer has described that the apportionment between land value and buildings value should be 40%:60%. For campus assets the valuer applied depreciated cost methodology. For student residences assets, the valuer applied fair value methodology by reference to market value.

Notes to the financial statements

1 Tuition fees and education contracts

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Full-time home and EU undergraduate students	88,529	88,529	97,777	97,777
Part-time home and EU undergraduate students	1,152	1,152	1,118	1,118
Full-time home and EU postgraduate students	6,583	6,583	8,021	8,021
Part-time home and EU postgraduate students	6,157	6,157	5,687	5,687
International students	32,056	32,056	27,363	27,363
Health Authorities	416	416	420	420
Other course fees	1,179	1,141	1,438	1,438
Research student tuition fees	847	847	883	883
Further Education	41	41	50	50
	136,959	136,921	142,757	142,757

2 Funding body grants

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Recurrent grant				
Office for Students	5,584	5,584	5,870	5,870
Research England	5,710	5,710	5,569	5,569
Education and Skills Funding Agency	331	331	474	474
Specific grants				
Higher Education Funding Council	1,090	1,090	1,634	1,634
Higher Education Innovation Fund	2,043	2,043	2,016	2,016
Release of Capital grant	1,391	1,391	1,231	1,231
Other	161	161	280	280
	16,309	16,309	17,074	17,074

3 Research grants and contracts

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Research Councils	4,387	4,387	3,178	3,178
UK-based charities	1,125	1,125	982	982
UK Central Government, Local Authorities	1,496	1,496	1,321	1,321
UK Industry, commerce, Public Corporations	288	288	59	59
European Commission	1,021	1,021	506	506
EU other	143	143	187	187
Other overseas	206	206	90	90
	8,666	8,666	6,323	6,323

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

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Grant and Fee income				
Grant income from the OfS	8,064	8,064	8,735	8,735
Grant income from other bodies	16,911	16,911	14,662	14,662
Fee income for research awards (exclusive of Vat)	847	847	883	883
Fee income from non-qualifying courses (exclusive of Vat)	1,220	1,182	1,488	1,488
Fee income for taught awards (exclusive of Vat)	134,892	134,892	140,386	140,386
	161,934	161,896	166,154	166,154

4 Other income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Residences, catering and conferences	23,211	22,555	17,859	16,736
Other income	30,893	29,902	22,597	21,832
	54,104	52,457	40,456	38,568

5 Investment income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Investment income on endowments	15	15	5	5
Other investment income	120	120	30	30
	135	135	35	35

6 Donations and endowments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
New endowments	17	17	77	77
Donations with restrictions	408	408	399	399
Unrestricted donations	(40)	(40)	41	41
	385	385	518	518

7 Staff costs

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Staff Costs :				
Salaries	85,927	85,252	82,531	81,733
Social security costs	9,461	9,457	8,834	8,834
Severance payments	158	158	92	92
Movement on USS provision	3,212	3,212	(150)	(150)
Movement on LGPS provision	16,219	16,219	15,149	15,149
Other pension costs	15,493	15,493	14,808	14,808
Total	130,471	129,790	121,264	120,466

In 2022 17 (2021: 17) members of staff received severance payments

	Year ended	Year ended
	31 July 2022	31 July 2021
	£	£
Emoluments of the Vice-Chancellor:		
Salary		
Professor Alistair Fitt	236,800	233,300
Pension contributions to USS		
Professor Alistair Fitt	13,221	4,666
	250,021	237,966

In addition the Vice-Chancellor received £3.3k (2021:nil) athenaeum subscription

Justification of Vice-Chancellor's salary

In determining the remuneration of the Vice-Chancellor, the practice of the Remuneration Committee has been to position the Vice-Chancellor's salary at or around the median basic pay for all HE institutions with a similar turnover and subject to the factors below:

- Proportionate pay and the general level of pay rises in the university sector
- Comparability with staff in other universities based on comparative information (such as CUC and UCEA surveys);
- The performance in post of the Vice-Chancellor, as reported by the Chair of Governors based on a review against the year's objectives, and the report of the Vice-Chancellor on the performance of other posts;
- The need to recruit and retain well qualified staff;
- The views of the senior staff and, if requested, by those staff, their representatives; and
- The University's charitable purpose and, in particular, the Good Pay Guide for Charities and Social Enterprises issued by the Association of Chief Executives of Voluntary Organisations.

The Vice-Chancellor declined to accept the recommended salary increase to £244,000pa in July 2017, in light of this decision no salary increase was offered in July 2020 for the 2020-2021 academic year.

Median Pay Ratios

- The head of the provider's basic salary is 6.9 times the median pay of staff (2021 6.8), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The head of the provider's total remuneration is 6.3 times the median total remuneration of staff (2021 5.9), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

7 Staff costs continued

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

	Year ended 31 July 2022	Year ended 31 July 2021
	No.	No.
£100,000 to £109,999	2	-
£110,000 to £119,999	4	2
£120,000 to £129,999	4	3
£130,000 to £139,999	7	7
£140,000 to £149,999	-	-
£150,000 to £159,999	-	-
£160,000 to £169,999	1	1
£170,000 to £229,999	-	-
£230,000 to £239,999	1	1
	<u>19</u>	<u>14</u>

Average staff numbers by major category :	No.	No.
Teaching and research including management	1,017	1,008
Associate lecturers	1,253	1,068
Support	1,414	1,415
	<u>3,684</u>	<u>3,491</u>

Employees can have more than one contract of employment and, if these contracts are in different categories, the employee will be counted more than once.

£110k compensation paid (2021:£7.4k) for loss of office payable to a senior post-holder.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs includes compensation paid to key management personnel. Key management personnel at Oxford Brookes University are members of the Vice-Chancellor's Group.

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Key management personnel compensation	1,445	1,460

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Access and Participation		
Access Investment	844	824
Financial Support	88	70
Disability Support (excluding expenditure included in the two categories above)	512	486
Research and Evaluation	160	130
	<u>1,604</u>	<u>1,510</u>

Harpur Trust v Brazel

The conclusion of the Harpur Trust v Brazel case in July 2022 determined that workers who only work for part of the year, but who are on permanent contracts, are effectively entitled to the same holiday allowance as workers who work all year. The University is reviewing its position to ensure it is in compliance with the Court's interpretation of the relevant regulations and is considering the impact on existing and past contracts. The University is currently unable to determine with any certainty whether a provision is required to be reflected in the Financial Statements for the year ended 31 July 2022 and the quantum of any such provision. It is acknowledged that any liability which may arise will need to be recognised in future years.

7 Staff costs continued

Related Party Transactions

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

Professor Alistair Fitt

Vice-Chancellor of Oxford Brookes University:

Employed by Oxford Brookes University

Director of The Office of the Independent Adjudicator for Higher Education

Purchase transactions of £56.3k (2021:£120.5k) during the year and nil outstanding at 31st July 2022 (2021:nil).

There were no sales transactions during the year (2021:nil)

Director of Venturefest Oxford Ltd

Purchase transactions of £6k (2021:nil) during the year and nil outstanding at 31st July 2022 (2021:nil)

There were no sales transactions during the year (2020:£3.6k).

There were no sales transactions during the year (2021:nil)

Director of Oxfordshire Local Enterprise Partnership Ltd

There were no purchase transactions during the year (2021:£6k) and nil outstanding at 31st July 2022 (2021:nil).

There were no sales transactions during the year (2021:nil).

Director of Oxford Expression Technologies Ltd

Purchase transactions of £2k (2021:£3.5k) during the year and nil outstanding at 31st July 2022 (2021:nil).

There were no sales transactions during the year (2021:nil).

Professor Anne Trefethen

Spouse of Alistair Fitt (Vice-Chancellor)

PVC and Trustee of Oxford University

Purchase transactions of £224.5k during the year (2021:£196k) and nil outstanding at the 31st July 2022 (2021:£26k).

Sales transactions of £1.4k (2021:£0.6k) during the year and £1.2k outstanding at 31st July 2022 (2021:£0.5k).

Director of JISC, Eduserv

Purchase transactions of £676k during the year (2021:£476k) and £2.5k outstanding at the 31st July 2022 (2021:£26.3k).

Sales transactions of £13.3k (2021:£6.6k) during the year and nil outstanding at 31st July 2022 (2021:nil).

Paul Feldman, Governor

Independent Governor of Pearson College

Purchase transactions of £3.7k during the year (2021:£22.5k) and nil outstanding at the 31st July 2022 (2020:nil).

Sales transactions of £1.8k (2020:£1.8k) during the year and nil outstanding at 31st July 2022 (2021:nil).

Osama Rahman, Governor

Director of the Data Science Campus, Office for National Statistics

There were no purchase transactions during the year.

Sales transactions of £3.7k during the year and nil outstanding at 31st July 2022.

Advisory board member, CEPEO, University College London

Purchase transactions of £12k during the year and nil outstanding at the 31st July 2022.

Sales transactions of £85.2k during the year and £21.3k outstanding at 31st July 2022.

Simon Jones, Governor

Member of audit committee at JISC

Purchase transactions of £676k during the year (2021:£476k) and £2.5k outstanding at the 31st July 2022 (2021:£26.3k).

Sales transactions of £13.3k (2021:£6.6k) during the year and nil outstanding at 31st July 2022 (2021:nil).

Co-Opted Governor, St Michael's Primary School

Purchase transactions of £3.2k during the year (2021:£3.9k) and nil outstanding at the 31st July 2022 (2021:nil).

Sales transactions of £0.4k (2021:£0.4k) during the year and nil outstanding at 31st July 2022 (2021:nil).

Peter Vicary-Smith

Non-Executive Director of British Medical Association (BMA)

Purchase transactions of £2.5k during the year and nil outstanding at the 31st July 2022.

There were no sales transactions during the year.

John Zealley

Geography Department Development Committee, Cambridge University

Purchase transactions of £4.2k during the year and nil outstanding at the 31st July 2022.

There were no sales transactions during the year.

Exeter University SETSquared start up mentoring Organisation

There were no purchase transactions during the year.

Sales transactions of £8.5k during the year and nil outstanding at the 31st July 2022.

8 Interest and other finance costs

Notes	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Loan interest	5,435	5,435	5,479	5,479
Finance lease interest (service concession finance charge)	13 172	172	164	164
Net charge on pension scheme	29 2,473	2,473	2,525	2,525
	8,081	8,081	8,168	8,168

9 Analysis of total expenditure by activity

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Academic and related expenditure	87,967	86,554	80,239	78,813
Administration and central services	84,518	84,491	77,532	77,387
Premises (including service concession cost)	29,562	29,673	26,853	26,957
Residences, catering and conferences	19,647	19,291	17,859	17,463
Research grants and contracts	8,260	8,260	6,224	6,199
Other expenses	2,315	2,315	1,966	1,966
	232,269	230,584	210,673	208,785

Access and Participation

Access Investment	999	999	879	879
Financial Support	5,234	5,234	5,838	5,838
Disability Support	377	377	402	402
Research and Evaluation (i)	172	172	139	139
	6,781	6,781	7,258	7,258

(i) 1,604k of these costs are already included in the overall staff costs figures included in the financial statements, see note 7

Link to Access and Participation Plan
www.officeforstudents.org.uk/advice-and-guidance/the-register/search-for-access-and-participation-plans/#/AccessPlans/provider/10004930

10 Other operating expenses

Notes	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Premises related:				
Maintenance	12,985	12,949	11,857	11,852
Rent	6,246	6,354	5,159	5,244
Books, publications and periodicals	1,825	1,825	1,780	1,780
Information technology related equipment; supplies and consumables	5,533	5,462	5,105	5,052
Other equipment supplies and consumables	2,430	2,409	1,876	1,867
Food and catering supplies and services	2,662	2,615	688	683
Stationery, photocopying and printing	781	684	795	717
Temporary staff, professional services and consultants	8,666	7,884	5,422	4,567
Other hired and contracted services	10,362	10,362	9,335	9,335
Examiners' fees	35	30	49	49
Communications and marketing	4,711	4,691	4,297	4,293
Placements, teaching practice and educational visits	480	479	300	299
Conferences, training and tuition fees	580	577	285	285
Subscriptions and copyright fees	4,349	4,344	3,932	3,925
Transport and travel related	3,479	3,509	834	849
Student Union grant	1,083	1,083	1,014	1,014
External auditors' remuneration in respect of audit services	142	135	108	102
External auditors' remuneration in respect of other services		-	-	-
Internal auditors' remuneration	128	128	131	131
Insurance	515	515	462	462
Bursaries, scholarships and other financial support to student	8,932	8,932	8,853	8,853
Other costs	106	75	1,877	1,727
	76,029	75,042	64,159	63,087

11 Intangible assets: Software

	Intangible assets £'000	Intangible assets in the course of construction £'000	Total £'000
Consolidated			
Cost or valuation			
At 1 August 2021	21,237	343	21,580
Additions	301	482	783
Transfers	130	(130)	-
Disposals	(381)	-	(381)
At 31 July 2022	21,287	695	21,982
Accumulated amortisation			
At 1 August 2021	9,136	-	9,136
Charge for the year	1,555	-	1,555
Disposals	(292)	-	(292)
At 31 July 2022	10,399	-	10,399
Net book value			
At 31 July 2022	10,888	695	11,583
At 31 July 2021	12,101	343	12,444
University			
Cost or valuation			
At 1 August 2021	21,237	343	21,580
Additions in the year	301	482	783
Transfers	130	(130)	-
Disposals	(381)	-	(381)
At 31 July 2022	21,287	695	21,982
Accumulated amortisation			
At 1 August 2021	9,136	-	9,136
Charge for the year	1,555	-	1,555
Disposals	(292)	-	(292)
At 31 July 2022	10,399	-	10,399
Net book value			
At 31 July 2022	10,888	695	11,583
At 31 July 2021	12,101	343	12,444

12 Tangible assets

	Freehold Land and Buildings	Long Leasehold Property	Service Concession Arrangement	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Assets held for sale	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Consolidated							
Cost or valuation							
At 1 August 2021	403,518	42,454	3,248	31,663	13,248	54,477	548,608
Additions	1,878	-	3,655	6,548	16,946	-	29,028
Transfers	-	-	-	1,660	(1,660)	-	-
Disposals	(431)	-	(3,248)	(2,561)	(17)	(316)	(6,573)
At 31 July 2022	404,965	42,454	3,655	37,310	28,518	54,161	571,063
Consisting of valuation as at:							
31 July 2014	45,801	-	-	-	-	-	45,801
Cost	359,164	42,454	3,655	37,310	28,518	54,161	525,262
	404,965	42,454	3,655	37,310	28,518	54,161	571,063
Depreciation							
At 1 August 2021	93,344	18,522	-	20,377	-	11,984	144,227
Charge for the year	7,812	1,113	3,275	3,534	-	398	16,132
Disposals	(431)	-	(3,275)	(2,502)	-	(28)	(6,236)
At 31 July 2022	100,724	19,635	-	21,410	-	12,354	154,123
Net book value							
At 31 July 2022	304,241	22,819	3,655	15,900	28,518	41,807	416,939
At 31 July 2021	310,174	23,932	3,248	11,286	13,248	42,493	404,381
University							
Cost and valuation							
At 1 August 2021	402,700	42,454	3,248	31,576	13,248	54,477	547,703
Additions	1,878	-	3,655	6,548	16,966	-	29,048
Transfers	-	-	-	1,660	(1,660)	-	-
Disposals	(431)	-	(3,248)	(2,561)	(17)	(316)	(6,573)
At 31 July 2022	404,147	42,454	3,655	37,223	28,538	54,161	570,178
Consisting of valuation as at:							
31 July 2014	45,801	-	-	-	-	-	45,801
Cost	358,346	42,454	3,655	37,223	28,538	54,161	524,377
	404,147	42,454	3,655	37,223	28,538	54,161	570,178
Depreciation							
At 1 August 2021	93,000	18,522	-	20,291	-	11,984	143,797
Charge for the year	7,794	1,113	3,275	3,534	-	398	16,115
Disposals	(431)	-	(3,275)	(2,502)	-	(28)	(6,236)
At 31 July 2022	100,363	19,635	-	21,324	-	12,354	153,676
Net book value							
At 31 July 2022	303,783	22,819	3,655	15,899	28,538	41,807	416,501
At 31 July 2021	309,700	23,932	3,248	11,285	13,248	42,493	403,906

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

	Year ended 2022	Year ended 2021
	£'000	£'000
Cost	1,097	1,065
Accumulated depreciation	(673)	(625)
Charge for year	(50)	(48)
Net book value	374	392

12 Tangible assets continued

Revaluations

- As a result of the Education Reform Act 1988, freehold and leasehold properties occupied by the University together with the equipment contained therein were vested in the University with effect from 1 April 1989. A professional valuation was carried out in 1991 on the inherited buildings. The valuation, which was 1 April 1991, was on the basis of depreciated replacement costs in the case of buildings except where a market value was more appropriate, and current use market value in the case of land. The total valuation amounted to £64,380k.
- On transition to the FE HE SORP the University has performed a one-off revaluation of its freehold land to fair value as at 31 July 2014. This revaluation increased the value of the land by a net £73,565k (revaluation of £79,034k less impairment of £5,469k) from £33,119k to £106,684k.

The following land areas were revalued.

	£'000
Student accommodation	38,586
Headington, Gipsy Lane site	7,215
Wheatley Campus	27,764
Total	73,565

Depreciation, amortisation and impairments

	£'000
Fixed assets accumulated depreciation charge for the year	16,132
Intangible assets (software) accumulated amortisation charge for the year	1,555
Impairments	-
Total depreciation, amortisation and impairments	17,687

13 Service Concession Arrangements

The University has one on Balance Sheet arrangement where service delivery has commenced.

In 2001 the University entered into a 32 year contract with a third party provider for the provision and maintenance of Cheney Hall of residence, providing accommodation to 750 students. On 31 July 2009 the lease was extended by 17 years to 31 July 2050.

The University received a lease premium of £5.2m, which is amortised over the remaining life of the lease.

The University nominates the number of rooms it requires on a yearly basis; it has the option to reserve all or none of the rooms.

The assets and liabilities relating to one year of this scheme are therefore recognised on the University's Balance Sheet.

Movement in Service concession arrangement assets

The asset value of the service concession included in the Statement of Financial Position as at 31 July 2022 is £3,655k (2021:£3,248k).

Movement in Service concession arrangement liabilities

The total liabilities relating to the service concession included in the Statement of Financial Position as at 31 July 2022 were £3,655k (2021: £3,248k). The sum of £3,275k was repaid during the year.

Future commitments

The following table analyses the University's future commitments in relation to service concession arrangements.

	Payable in 1 year £'000
Liability repayments	3,655
Finance Charge	192
Service Charge	1,672
Total	5,519

The notes below give more information on the University's current service concession arrangements:

a) Service concession arrangements included in the Statement of Financial Position

Lease Premium

The value of the remaining unamortised lease premium in long term liabilities as at 31 July 2022 was £3,375k (2021: £3,500k). £125k was released in the year to 31 July 2022 (2021:£125k)

14 Non-Current Investments

	Subsidiary companies	Other fixed assets investments	Total
	£'000	£'000	£'000
Consolidated			
At 1 August 2021	-	194	194
At 31 July 2022	-	194	194
University	£'000	£'000	£'000
At 1 August 2021	450	194	644
At 31 July 2022	450	194	644

Other non-current investments consist of :

	Consolidated and University
Oxford Expression Technologies	70
CVCP Properties plc	34
MetaGuideX LTD	90
	<u>194</u>

15 Stock

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Goods held for resale	34	9	34	11
	<u>34</u>	<u>9</u>	<u>34</u>	<u>11</u>

16 Trade and other receivables

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Research grants receivables	1,225	1,188	1,067	1,067
Other trade receivables	2,744	2,309	3,325	2,725
Other receivables	22	1,300	211	185
Prepayments and accrued income	7,738	7,734	7,233	7,233
Amounts due from subsidiary companies	-	1,625	-	1,693
	11,729	14,155	11,836	12,903

17 Current investments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Short term deposits	80,277	79,777	29,501	29,501
	80,277	79,777	29,501	29,501

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

At 31 July 2022 the weighted average interest rate of these fixed rate deposits was 1.21% per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 96 days. The fair value of these deposits was not materially different from the book value.

18 Creditors: amounts falling due within one year

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Unsecured loans	1,712	1,712	1,647	1,647
Obligations under finance leases	50	50	46	46
Service concession arrangements (note 13)	3,655	3,655	3,248	3,248
Trade payables	2,110	2,126	2,919	2,731
Social security and other taxation payable	2,207	2,565	2,354	2,373
Accruals and deferred income	34,238	34,902	30,962	30,553
Other creditors	4,083	4,083	3,789	3,789
	48,056	49,093	44,965	44,387

19 Creditors: amounts falling due after more than one year

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Deferred income	24,047	24,047	20,847	20,847
Lease premium	3,375	3,375	3,500	3,500
Unsecured loans	193,715	193,715	195,428	195,428
Concessionary loans	325	325	325	325
Finance lease	323	323	344	344
	221,785	221,785	220,444	220,444

Analysis of unsecured loans:

Due within one year or on demand (Note 18)	1,712	1,712	1,647	1,647
Due between one and two years	3,589	3,589	3,477	3,477
Due between two and five years	5,879	5,879	5,680	5,680
Due in five years or more	184,247	184,247	186,270	186,270
Due after more than one year	193,715	193,715	195,427	195,427
Total unsecured loans	195,427	195,427	197,074	197,074

The University's long-term loans are currently held with Barclays, Lloyds, Santander and private placements with Babson, PRICOA, Allianz and Great-West Life and Annuity. The University had a revolving credit facility for £25,000k, this was cancelled at the 30 April 2020.

The loans are unsecured. Of the bank loans outstanding £6,000k is fixed at a rate of 5.3% until 1 August 2022, when it reverts back to 4.99%, £6,100k is fixed at 5.97%, £6,100k is fixed at 5.91%, £6,100k at 5.8%, £12,500k is fixed at 5.66% until 1 August 2022 when it reverts back to 5.34%, £6,300k is a SONIA + Margin linked loan, £9,000k is fixed at 3.97%, £11,000k is fixed at 4.04% and £12,500k is fixed at 5.0%.

The private placement outstanding £75,000k is fixed for 25 years at 3.08%, £10,000k is fixed at 3.53% for 15 years, £15,000k is fixed at 3.76% for 20 years, £25,000k is fixed at 3.91% for 25 years and £10,000k is fixed at 3.94% for 30 years.

The concessionary loan is with Salix finance, no interest is payable on this loan, the loan supports energy efficiency upgrades.

20 Financial instruments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Financial assets				
<i>Financial assets that are equity instruments measured at cost less impairment</i>				
Other investments	194	194	194	194
<i>Financial assets that are debt instruments measured at amortised cost</i>				
Trade and other receivables*	6,694	10,282	6,549	7,616
	6,888	10,476	6,743	7,810

*restatement relates to an addition in trade and other receivables on University 2020

Financial liabilities measured at amortised cost

Loans	195,427	195,427	197,074	197,074
Trade and other payables	17,587	18,695	18,337	18,564
	213,014	214,122	215,411	215,638

21 Pension and other provisions

	Obligation to fund deficit on USS Pension	Pension scheme provision under FRS102 (note 29b)	Total Pensions Provisions
	£'000	£'000	£'000
Consolidated			
At 1 August 2021	1,977	136,523	138,500
Utilised in year	(93)		(93)
Additions in 2021/22	3,322	(135,609)	(132,287)
At 31 July 2022	5,206	914	6,120

	Obligation to fund deficit on USS Pension	Pension scheme provision under FRS102 (note 29b)	Total Pensions Provisions
	£'000	£'000	£'000
University			
At 1 August 2021	1,977	136,523	138,500
Utilised in year	(93)	-	(93)
Additions in 2021/22	3,322	(135,609)	(132,287)
At 31 July 2022	5,206	914	6,120

USS deficit

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

22 Endowment Reserves

Restricted net assets relating to endowments are as follows:

	Expendable endowments	
	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Balance at 1 August 2021	1,240	1,328
New endowments	17	77
Investment income	15	5
Expenditure	(86)	(171)
Total endowment comprehensive income for the year	(53)	(89)
At 31 July 2022	1,187	1,240
Analysis by asset		
Cash & cash equivalents	1,187	1,240
	1,187	1,240

23 Restricted Reserves

Reserves with restrictions are as follows:

	Endowments	
	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Balances at 1 August 2021	870	1,024
New donations	408	399
Expenditure	(471)	(553)
Total endowment comprehensive income for the year	(63)	(153)
At 31 July 2022	807	870

24 Cash and cash equivalents

	At 1 August 2021	Cash Flows	At 31 July 2022
	£'000	£'000	£'000
Consolidated			
Cash and cash equivalents	98,249	(51,869)	46,380
	98,249	(51,869)	46,380

25 Consolidated reconciliation of net debt

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Net debt 1 August 2020	(72,963)	(94,447)
Movement in cash and cash equivalents	(51,869)	60,721
Movement in current investments	50,776	(41,056)
Other non-cash changes	1,258	1,819
Net debt 31 July 2021	(72,797)	(72,963)
Change in net debt	166	21,484

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Analysis of net debt:		
Cash and cash equivalents	46,380	98,249
Current Investments	80,277	29,501
Borrowings: amounts falling due within one year		
Unsecured loans	(1,712)	(1,647)
Service concession arrangements (note 13)	(50)	(46)
Obligations under finance leases	(3,655)	(3,248)
	121,241	122,809
Borrowings: amounts falling due after more than one year		
Unsecured loans	(193,715)	(195,427)
Obligations under finance leases	(323)	(345)
Net debt	(72,797)	(72,963)

26 Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2022:

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Authorised and contracted	6,243	5,416	7,111	7,111
Authorised but not contracted	9,651	7,037	8,181	8,181
	15,894	12,453	15,292	15,292

The University has given written undertakings to support the subsidiary companies at twelve months from the date of approval of these financial statements.

27 Lease obligations

Total rentals payable under operating leases:

	Year ended 31 July 2022			Total	Year ended 31 July 2021
	Land and Buildings	Plant and Machinery	Other leases		
	£'000	£'000	£'000		
Payable during the year	4,593		2,125	6,718	6,893
Future minimum lease payments due:					
Not later than 1 year	4,502		1,436	5,938	6,464
Later than 1 year and not later than 5 years	4,300		30	4,330	5,138
Later than 5 years	50,466		0	50,466	51,019
Total lease payments due	59,268	-	1,466	60,734	62,621

28 Subsidiary undertakings

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

Company	Principal Activity	Status	Note
Oxford Brookes Enterprises Ltd	Consultancy and Management of conference and related commercial facilities	100% owned	16
Oxford Brookes Services Ltd	Dormant	100% owned	

29 Pension Schemes

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

- Teachers' Pension Scheme England and Wales (TPS), for academic and related staff
- Local Government Pension Scheme (LGPS), for non-teaching staff
- Universities' Superannuation Scheme (USS), for staff who are already in the USS scheme when they join Oxford Brookes University

All schemes are defined-benefit schemes, the assets of which are held in separate trustee administered funds.

	Year Ended 31 July 22	Year Ended 31 July 21
	£'000	£'000
TPS: contributions paid	8,636	8,215
LGPS:		
– contributions paid	5,863	5,689
– FRS102 Charge	16,219	15,149
USS		
– contributions paid	979	998
– FRS102	3,212	(150)
	34,909	29,901

29a Teachers' Pension Scheme (TPS)

A formal actuarial review of the TPS is undertaken by the Government Actuary not less than every four years. The primary purpose is to set the employer contribution rate. The actuarial valuation of the TPS pertaining to the financial periods including September 2019 to March 2023 was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (the Directions). The valuation determines the rate of employer contributions payable and the initial employer cost cap (both of which are set out in the TPS regulations). The Directions also require results relating to scheme liabilities, notional assets and contribution rates to be reported.

As a result of the latest scheme valuation as at 31 March 2016 employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. The next valuation, based on data as at 31 March 2020, is underway and any changes to contributions will take effect in April 2024. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

Pension payments were reviewed in accordance with the Scheme regulations and were increased by 0.5% from 12 April 2021 (2020:1.7% increase).

2021-22 has been a relatively stable year for the Scheme. Recent years have seen significant provisions due to legal challenges to public sector pension schemes, however there were no legal challenges that would impact the scheme in this financial year.

Under the definitions set out in Section 28 of FRS 102, the TPS is a multi-employer defined benefit pension scheme, the assets of which are held separately from those of the University in independently administered funds. As the University is unable to identify its share of the assets and liabilities of the group scheme, it accounts for contributions as if they were to a defined contribution pension scheme. Contributions are charged to the statement of consolidated income in the year to which they relate. The University has set out below the information available on the deficit in the scheme and the contribution rates.

The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest Actuarial Valuation	31 March 2016
Expected return on assets	n/a
Long term salary growth	4.15% pa, 2.50% pa in excess of assumed CPI
Aggregated scheme assets	£196.1bn
Aggregated scheme liabilities	(£218.1bn)
During the year all employers paid the same contribution rate	23.6%
During the year all employee's' contribution varied dependent on time equivalent salary	between 7.4% and 11.7% members full

The value of pension payments made in year to the Teachers' Pension Scheme was £8,636k (2021: £8,215k)

29b Local Government Pension Scheme (Retirement Benefits) Disclosure for the accounting year ending 31 July 2022 Local Government Pension Scheme

Non-academic employees of the University can participate in the LGPS, a defined benefit scheme, with the assets held in separate trustee-administered funds.

The last formal triennial actuarial valuation of the scheme was performed as at 31 March 2016 by a professionally qualified actuary.

During the accounting period, the University paid contributions to the pension scheme at the rate of 14.4% of pensionable salaries. The University did not incur a deficiency charge for the year ending 31st July 2021, as in July 2019 the University made an advance payment of £5,000k.

The employee rate was between 5.5 and 12.5% of pensionable salaries.

The following information is based upon a full actuarial valuation of the fund at 31st March 2016 updated to 31st July 2020 by a qualified independent actuary.

Assumptions

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

	At 31 July 2022	At 31 July 2021
	%pa	%pa
Price Inflation (RPI)	3.15	3.1
Price Inflation (CPI)	2.55	2.6
Rate of increase in salaries	3.00	2.6
Rate of increase of pensions in payment for LGPS members	3.00	2.6
Discount rate	3.50	1.7

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65.

	Pensioner Male	Non-pensioner Male (currently aged 45)	Pensioner Female	Non- pensioner Female (currently aged 45)
At 31 July 2022	21.5	22.0	23.9	25.2
At 31 July 2021	21.7	22.3	24.1	25.4

29b Local Government Pension Scheme continued

Scheme assets and expected rate of return for LGPS

For accounting years beginning on or after 1 January 2015, the expected return and the interest cost have been replaced with a single net interest cost, which effectively sets the expected return equal to the discount rate.

The assets in the scheme were:

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Equities	73%	74%
Bonds	17%	17%
Property	9%	7%
Cash	1%	2%
Total	332,370	328,816
	31 July 2022	31 July 2021
	% pa	% pa
Expected return	3.50%	1.70%
Total return on fund assets	4,843	55,517

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Analysis of the amount shown in the balance sheet for LGPS:		
Scheme assets	333,885	328,816
Scheme liabilities	(334,799)	(465,339)
Deficit in the scheme – net pension liability recorded within pension provisions (Note 21)	(914)	(136,523)
Current service cost	22,155	20,853
	7	0
Total operating charge:	22,162	20,853
Analysis of the amount charged to interest payable/credited to other finance income for LGPS		
Interest cost	8,044	6,325
Expected return on assets	(5,588)	(3,816)
Net charge to other finance income	2,456	2,509
Total profit and loss charge before deduction for tax	24,618	23,362

Cumulative actuarial loss recognised as other comprehensive income for LGPS

	At 31 July 2022	At 31 July 2021
	£'000	£'000
Cumulative actuarial losses recognised at the start of the year	136,523	171,817
Cumulative actuarial losses recognised at the end of the year	914	136,523

29b Local Government Pension Scheme continued

Analysis of movement in the present value of LGPS liabilities

	Year to 31 July 2022	Year to 31 July 2021
	£'000	£'000
Present value of LGPS liabilities at the start of the year	465,339	444,358
Current service cost (net of member contributions)	22,155	20,853
Past service cost	7	0
Interest cost	8,044	6,325
Actual member contributions (including notional contributions)	2,782	2,673
Actuarial loss/(gain)	(155,268)	9,254
Change in demographic assumptions	(1,717)	(3,852)
Actual benefit payments	(8,499)	(7,970)
Experience (gain)/loss on defined benefit obligation	1,956	(6,302)
Present value of LGPS liabilities at the end of the year	334,799	465,339

Analysis of movement in the fair value of scheme assets

	Year to 31 July 2022	Year to 31 July 2021
	£'000	£'000
Fair value of assets at the start of the year	328,816	272,541
Return on assets less interest	(745)	52,052
Interest on assets	5,588	3,816
Actual contributions paid by University	5,943	5,704
Actual member contributions (including notional contributions)	2,782	2,673
Actual benefit payments	(8,499)	(7,970)
Fair value of scheme assets at the end of the year	333,885	328,816

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

Remeasurements in other comprehensive income

	Year to 31 July 2022	Year to 31 July 2021
	£'000	£'000
Return on fund assets in excess of interest	(745)	52,052
Change in financial assumptions	155,268	(9,254)
Change in demographic assumptions	1,717	3,852
Experience gain on defined benefit obligation	(1,956)	6,302
Remeasurement of the defined liability	154,284	52,952

29c The Universities Superannuation Scheme

The institution participates in the Universities Superannuation Scheme (USS). The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities to the University and members due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme. Throughout the current and preceding years, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and

liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the institution recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the Statement of consolidated Income. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Pension costs

The total cost charged to the Statement of Consolidated Income is £864k (2020:£249k credit), which is made up of the following entries:

	Year Ended 31 July 2022	Year Ended 31 July 2021
	£'000	£'000
Employer contributions paid	979	998
Interest Payable – Unwinding of discount	17	16
Element of employer contributions allocated against the deficit	(110)	(95)
Difference between actual contributions and past expectations	3,322	(56)
Total amount charged to Statement of Comprehensive Income	4,208	864
Brought Forward Pension Provision	1,977	2,112
Movement	3,339	(41)
Cash payments made to USS	(110)	(95)
Carried forward Pension Provision (Note 21)	5,206	1,977

The latest available completed actuarial valuation of the Retirement Income Builder is at 31 March 2020 (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 2020 valuation was the sixth 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. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles.

Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% pa Post retirement: 1.00% pa
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% pa to 2030, reducing linearly by 0.1% pa to a long-term difference of 0.1% pa from 2040

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

2020 valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa 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:

	2022	2021
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	1.08%	0.87%
Pensionable salary growth	2.6%	2.6%

30 US Department of Education required disclosure

The following table is provided solely in satisfaction of the university's obligations to facilitate access to US federal financial aid as required by the US Department of Education, and has been prepared and presented in-line with their specific requirements. All figures presented are based upon FRS 102 recognition and measurement principles, in line with the statement of accounting policies, and are presented in GBP. It is not advised that it be used for any other purpose and all values within it can be found elsewhere within these financial statements. The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

		Weighting	Composite Score
Primary Reserve Ratio =	3.73		
Strength Factor x 10	37.28		
Strength Factor	3.00	40%	1.20
Equity Ratio =	0.51		
Strength Factor x 6	3.08		
Strength Factor	3.00	40%	1.20
Net Income Ratio =	0.64		
Strength Factor	33.05		
Strength Factor	3.00	20%	0.60
Total Composite Score			3.00
Rounded Composite Score			3.00

Primary Reserve Ratio

If the strength factor for any ratio is more than or equal to 3, then the strength factor score for the ratio is 3

Primary Reserve Ratio =	Expendable Net Assets / Total Unrestricted Expenses and Losses	
Primary Reserve Ratio =	3.73	
Strength Factor x 10	37.28	
Maximum	3.00	
14	Total Net Assets	291,177
30	Total Expenditure	232,269
32	(Loss) on disposal of fixed assets	126
35	Actuarial (loss) / gain in respect of pension schemes	(154,284)
		78,111

Equity Ratio

If the strength factor for any ratio is more than or equal to 3, then the strength factor score for the ratio is 3

Equity Ratio =	Net Assets/Total Assets	
Equity Ratio =	0.51	
Strength Factor x 6	3.08	
Maximum 3	3.00	
15	Restricted Reserves	1,996
16	Unrestricted Reserves	289,181
17	Total Reserves	291,177
8	Total Assets	567,173

Net Income Ratio

If the strength factor for any ratio is more than or equal to 3, then the strength factor score for the ratio is 3

Net Income Ratio =	Change in Net Assets in Unrestricted Reserves / Total Revenues and Gains in Unrestricted Reserves	
Net Income Ratio =	0.64	
Strength Factor	33.05	
Strength Factor	-1.00	
Maximum 3	3.00	
38	Unrestricted comprehensive income for the year	138,560
25	Total Income	216,558
24	Donations and endowments Restricted	408
33	Gain (Loss) on investments	(3)
		216,147

Statement of Financial Position

1	Intangible assets	11,583	Note 11
2	Tangible assets	416,939	Note 12
3	Non-Current Investments	194	Note 14
4	Stock	34	Note 15
5	Trade and other receivables	11,764	Note 16
6	Current Investments	80,277	Note 17
7	Cash and cash equivalents	46,380	Note 24
8	Total Assets	567,173	SoFP
9	Current Liabilities: amounts falling due within one year	(48,091)	Note 18
11	Non-Current Liabilities: amounts falling due after more than one year	(221,785)	Note 19
12	Pension provisions	(6,120)	Note 21
13	Other provisions	0	Note 21
14	Total Net Assets	291,177	SoFP
15	Restricted Reserves	1,996	Notes 22/23
16	Unrestricted Reserves	289,181	SoFP
17	Total Reserves	291,177	SoFP

30 US Department of Education required disclosure continued

Statement of Comprehensive Income & Expenditure			
18	Tuition fees and education contracts	136,959	Note 1
19	Funding body grants	16,309	Note 2
20	Research grants and contracts	8,666	Note 3
21	Other income	54,104	Note 4
22	Investment income	135	Note 5
23	Donations and endowments Unrestricted	(23)	Note 6
24	Donations and endowments Restricted	408	Note 6
25	Total Income	216,558	Income Statement
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26	Staff costs	130,471	Note 7
27	Other operating expenses	76,029	Note 10
28	Depreciation and amortisation	17,689	Note 12
29	Interest and other finance costs	8,081	Note 8
30	Total Expenditure	232,269	Note 9
31	(Deficit) / Surplus before other gains and losses	(15,711)	Income Statement
32	(Loss) on disposal of fixed assets	(126)	Income Statement
33	Gain (Loss) on investments	(3)	Income Statement
34	(Deficit) / Surplus for the year	(15,840)	Income Statement
35	Actuarial (loss) / gain in respect of pension schemes	154,284	Note 30
36	Total comprehensive (expense) income for the year	138,444	Income Statement
37	Restricted comprehensive income for the year	(116)	Income Statement
38	Unrestricted comprehensive income for the year	138,560	Income Statement
39	Change in Net Assets	138,444	Income Statement
40	Net Assets, Beginning of Year	152,731	SoFP
41	Net Assets, End of Year	291,177	SoFP

31 Events after the reporting date

CPI Assumption

Pension Increase Orders are used to set the level of pension increases with effect from 1 April of each year, with reference to the change in CPI inflation over the 12 months to the previous September, which was announced in October. This was 9.9% and was considerably higher than the CPI assumption set by employers as at 31 July 2022. Although Pension Increase orders have always been set with reference to the September CPI for the last 10 years and the September RPI for the preceding 20 years, they are not automatically set and they are only known with absolute certainty when the Pension Increase Order is enacted by Parliament, which is usually in April of the following year. Similarly, the likely level of the forthcoming Pension Increase Order 2023 was not known at 31 July. Consequently, no adjustment has been made to recognise the possible 2023 Pension Increase Order within the CPI assumption.