

Financial Statements

For the year to 31 July 2024

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Chair's foreword

I am pleased to present the King's College London Annual Report and Accounts for 2023-24 which again show a strong financial performance in a year of significant achievement. The income and expenditure account shows an extraordinary surplus of £326.7m, but this is driven by the release of a liability provision to support the financial recovery of the Universities Superannuation Scheme (USS). In removing the impact of the USS provision, King's made a surplus of £4m, and if we exclude the impact of philanthropic donations, an operating deficit of £19m (page 7). Our operating deficit reflects the acceleration of our spending on strategic investments, and our day to day operations showed a financial performance consistent with our plans.

The King's community is robust and supportive and we exhibit our core value of service to society in our work. I reflected last year on the traumas in international relations, and this has clearly had a significant impact on many in our community in the past year. I commend the efforts of the Vice-Chancellor & President, Professor Shitij Kapur, in bringing together our staff and students in discussion and discourse on the terrible events in Israel and Gaza in the past year. We are a university not a government, and our policy of values-based impartiality has disappointed some of our community. We must protect the abilities of our community to discuss, debate and often disagree, within an environment where all can respect views appropriately stated when those views are not universally shared.

In 2023-24, we considered more of the longer term challenges facing King's and UK universities in general. We have seen a decade of almost uninterrupted growth – even during the Covid period. King's recruitment of students was marginally below our plan in 2023, and we are aware of many other universities who missed their targets in the last year. As a Council, we were informed by the King's Policy Institute on longer term trends and government and public attitudes to the increase in international students benefitting from UK higher education. The King's strategy is to continue modest levels of growth in international and home students in the next three years.

In 2023-24, we continued our progress towards the ambitions of our Vision 2029 and Strategy 2026. The impressive London Institute of Healthcare Engineering on the St Thomas' Hospital campus and standing opposite the Palace of Westminster was completed and is operational. We also agreed major investments to support our cell therapy and viral vectors research, together with a large scale strategic expansion of physical and natural sciences, with synchronised increases in teaching and research.

We are aware that much of our very impressive income growth in the past decade has been accompanied by a similar expenditure growth. The next rolling three year operational plan seeks to balance income growth with improved productivity and efficiency. Finance Committee of Council will monitor the outcomes of initiatives in the coming year. Similarly, when considering new capital investments, Estates Strategy Committee is mindful of the utilisation of the assets to be created, and the new ways of working we expect of our staff.

In the coming year, we will take our part possession (with our partner South London and Maudsley NHS Foundation Trust) of the Pears Maudsley Children's and Young People's building at Denmark Hill. We will complete the necessary refurbishment work to vacate the Virginia Woolf Building and rehouse activity within the King's estate. There are also major works planned within the NHS estate we occupy for cancer sciences and our smart clinical trials, largely funded by very generous philanthropic donations and the UK research Partnership Infrastructure Fund. Our strong financial position and the continued high demand for a King's education give us the confidence to make significant investments for the future of our world class university.

This is my last year as Chair of the King's Council. It has been a privilege and a pleasure to hold this role, and I must thank my fellow Council members for their work and support over the last eight years since 2016. I would also thank the three King's Presidents over this time – Ed Byrne, Evelyn Welch and Shitij Kapur – for their unfailing commitment to the success of the King's community and this wonderful institution as we approach the 200th anniversary of our formation.

I am delighted to be able to pass the honour of being Chair of King's Council to Lord Simon Stevens from January 2025.

The Rt Hon the Lord Geidt GCB GCVO OBE QSO FKC
Chair of Council

The King's strategy is to continue modest levels of growth in international and home students in the next three years.

In 2023-24, we continued our progress towards the ambitions of our Vision 2029 and Strategy 2026.

The next rolling three year operational plan seeks to balance income growth with improved productivity and efficiency.

Our strong financial position and the continued high demand for a King's education give us the confidence to make significant investments for the future of our world class university.

Vice-Chancellor & President's report

This is my fourth annual report, and once again I will start with expressing my wholehearted gratitude for the contribution of colleagues and students to the King's community in the past year. We are seeing substantial challenges to our successful strategy of expansion of the past decade, and we will respond to these. Our response will be consistent with our values, and the way in which the King's community habitually support each other.

The financial statements show a year of solid achievement. The recognition of the improved long term prospects of the Universities Superannuation Scheme (USS) distorts the 'bottom line' of our income and expenditure statement, and the real position of the University after removing the impact of the USS deficit provision would effectively be a very small surplus of £4m, or a deficit of £19m on day to day operations after excluding the impact of philanthropic giving (page 7). This is consistent with our plan to make investments to enhance our future prospects, and to catch up with the costs of these investments through continued income growth and improving our productivity and the efficiency of our work.

The past year has seen important improvements in the rewards we were able to provide to colleagues within King's. The national pay award for 2023 was higher than recent years, and King's was able to enhance this by increasing the London Weighting element of pay by £1,000 from £4,000 to £5,000 per full time member of staff. We have increased holiday entitlement by 3 days, and enhanced our support packages for maternity and paternity periods and early childcare costs. It is also very pleasing to note the improved financial status of our two main pension schemes – USS and the Superannuation Arrangements of the University of London (SAUL) – and that this has allowed a prudent improvement in the benefits for pensioner members of the schemes.

There are undoubted pressures within UK higher education, and King's will not be immune from these. In 2023-24, while we increased our income by 3% to almost £1.3 billion, we fell a little short of our student recruitment plans. We were able to meet our overall budget targets, but our experience and that of other universities strongly suggests that the period of rapid and sustained growth in international students may be at an end.

The convening power of King's has allowed us to initiate discussions and debates about the future of UK higher education and the financial sustainability of our plans. I am grateful to the King's Policy Institute and other colleagues and visiting faculty for framing the issues in such a constructive way.

Establishing a sustainable financial model for King's is essential for our future. A university does not strive for shareholder value as a company would. But without this solid financial base, we cannot contemplate with confidence the investments necessary to enhance our academic future, to support our ambitions for our students, and to give colleagues the most fulfilling careers. We are a world class university, with the inherent advantages of a London location, sometimes in partnership with our high performing NHS partners. We need to make the right decisions for the future, and then have sufficient funds to enact the decisions.

In the future, we will not be able to rely only on the growth of income from tuition fees. We are working to secure greater productivity in the way we work and use our considerable estate assets. We have also built efficiency targets into our professional services and administrative budgets from 2024-25 and have set targets for procurement savings in our purchase of goods and services. These will be monitored closely by our leadership teams in faculties and professional services, and reported to the Finance Committee of Council.

We have made great progress in our estate over the past decade. In the past year, we completed the London Institute of Healthcare Engineering (LIHE), and this magnificent building is now supporting our work in healthcare engineering and that of start up and well established companies as we seek to enhance research and enterprise.

There have been delays in the completion of the Pears Maudsley Centre for Children and Young People (CYP) – a joint project with South London and Maudsley NHS Foundation Trust providing both research and clinical facilities – but we expect to take possession of our part of the building in early 2025.

LIHE and CYP are both supported by major philanthropic giving. We will also see large scale developments in cancer sciences in the coming year because of a significant gift, and areas like the King's Business School as well as our health activities benefit greatly from the generosity of our supporters. We are very grateful for the financial and other support provided by the wider community of King's supporters.

In the coming year, we will be making a very significant decision on the development of the Bush House South West Wing. The development of this building will complete the King's Crescent on the Strand and should provide both significantly enhanced student facilities and room for strategic academic expansion. We will also complete the work to rehouse activities within existing King's estate after the ending of our lease of the Virginia Woolf Building on Kingsway. We will also complete a number of projects to improve the ways that our students interact with university systems, and hopefully reduce (or indeed remove) the understandable frustration of our students and staff.

The problems of the world do not stop when they reach the boundaries of King's. Over the year, we have seen the strength of feeling of our staff and students over the terrible events in Israel and Gaza. I would want to thank the many people within King's who have sought dialogue and discussion, in the spirit of a university as the forum for ideas. We respect views that are not held universally, we protect the right to protest within our guidelines, and we must insist that the University is a safe and welcoming place for all students and staff and visitors. Our principle of values based impartiality has been tested in the past year. I would particularly thank the King's Dean Ellen Clark-King for her tireless work, and her unerring kindness and compassion.

I end, where I started, with an expression of gratitude for colleagues, our students and our supporters. It is your contribution that will enable us to achieve our ambitions for the future.

Professor Shitij Kapur MBBS PhD FMedSci(UK) FAAHMS (AUS)
Vice-Chancellor & President

The past year has seen important improvements in the rewards we were able to provide to colleagues within King's.

Establishing a sustainable financial model for King's is essential for our future.

We are working to secure greater productivity in the way we work and use our considerable estate assets.

We will also complete a number of projects to improve the ways that our students interact with university systems, and hopefully reduce (or indeed remove) the understandable frustration of our students and staff.

Key facts

2023-24
£348.2m

Total comprehensive income for the year

2022-23
£78.6m

2023-24
(£19.3m)

Operating surplus/(deficit) excluding movement on the pension provision, donations and endowments

2022-23
£44.4m

2023-24
£80.4m

EBITDA and pension movement (earnings before interest, tax, depreciation, amortisation and pension movement)

2022-23
£144.9m

2023-24
£326.7m

Surplus for the year before revaluation gains

2022-23
£128.3m

2023-24
£1,269.7m

Total income

2022-23
£1,230.0m

2023-24
103.3%

Unrestricted reserves as a % of total income

2022-23
81.3%

2023-24
£23.9m

Net cash inflow from operating activities

2022-23
£60.4m

2023-24
1.9%

Net cash inflow from operating activities as a % of total income

2022-23
4.9%

2023-24
31.7%

External borrowings as a % of total income

2022-23
33.1%

2023-24
97 days

Net liquidity days (before movement in USS pension provision)

2022-23
124 days

2023-24
9,202

Staff numbers, full-time equivalent

2022-23
8,861

2023-24
34,043

Student numbers, full-time equivalent*

2022-23
34,496

2023-24
£292.6m

Research: new and renewed awards (forward order book)

2022-23
£283.0m

2023-24
£23.7m

Donations and endowments

2022-23
£28.9m

2023-24
AA-

Long-term issuer credit rating

2022-23
AA-

2023-24
38th

Times Higher Education World University Rankings

2022-23
35th

Operating and financial review for the year ended 31 July 2024

Financial Review

	2023-24	2022-23
Tuition fees and education contracts	630.5	607.8
Funding body grants	144.9	148.3
Research grants and contracts	256.9	236.3
Other income	186.9	190.7
Investment income	26.8	18.0
Donations and endowments	23.7	28.9
Total income	1,269.7	1,230.0
Staff costs	(740.3)	(667.9)
Other operating expenses	(449.0)	(417.2)
Earnings before Interest, Tax, Depreciation, Amortisation & Pension movement	80.4	144.9
Interest and other finance costs	(23.0)	(29.4)
Staff costs – movement on USS pension provision	329.9	68.5
Depreciation	(60.6)	(55.7)
Surplus/(deficit) before other gains/losses	326.7	128.3
Other gains and losses	26.3	1.0
Surplus/(deficit) for the year	353.0	129.3
Unrealised loss on revaluation of tangible assets	2.3	(50.7)
Change in fair value of hedging instrument	(7.1)	–
Total Comprehensive Income for the year	348.2	78.6

Financial performance

The table above summarises the financial performance for the year ended 31 July 2024. The Surplus and Total Comprehensive Income for the year is shown as £348.2m, compared with £78.6m in 2022-23. However, the transactions relating to the provision created over several years to indicate King's contributions to meet the deficit in the Universities Superannuation Scheme (USS) in 2023-24 significantly distort the underlying King's provision.

When removing the provision release and other transactions relating to the USS deficit, the Operating Surplus for the year would be £4m, and if Donations and endowments income was removed from this, the day to day operational activity and the revenue impact of investments would show a deficit of £19m.

We reported last year that the 31 March 2023 valuation of USS indicated that the deficit has been eliminated after changes in gilt and discount rates on future liabilities, and this was confirmed with a surplus at the valuation date of £7 billion. USS confirmed new contribution rates and enhanced member benefits as a result of the valuation. The USS Annual Report to 31 March 2024 shows a further marginal increase in the fund surplus to £9 billion, and the financial health of the scheme has improved, for the time being, a significant risk to King's.

Income grew by 3% compared with 2022-23, to £1.270 billion, while expenditure (excluding the effects of the USS deficit provision) increased by 8% to £1.266 billion. The significantly faster increase in expenditure was caused by the acceleration in our strategic investments consistent with our three year planning and increases in staff salaries.

King's ended the year with cash and cash deposits and current investments of £323.4m compared with £377.4m at 31 July 2023, having spent £100.7m to acquire or create capital assets (compared with £76.6m in 2022-23).

Derivation of Operating Financial Surplus

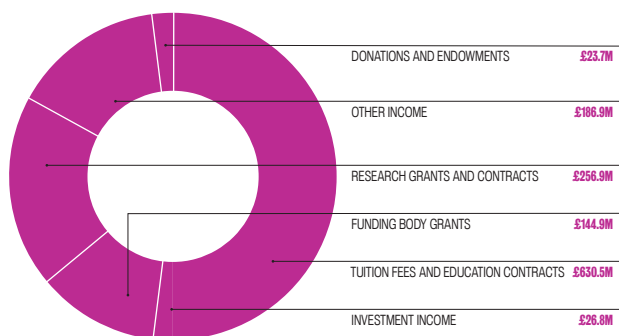
	2023-24 £m	2022-23 £m
Total Income	1,270	1,230
Total Expenditure	(943)	(1,102)
Surplus/(Deficit) before other gains and losses	327	128
Extract – (Decrease) in USS Pension Provision	(330)	(68)
Extract – USS Imputed Interest (Note 11)	8	13
Net Surplus	4	73
Extract – Donations and Endowments	(24)	(29)
Net Operating (Deficit)/Surplus	(19)	44

Table rounded to £ millions

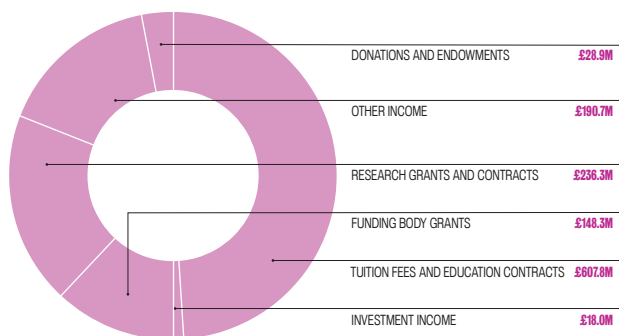
Income

Total income increased by £40m from £1.23 billion in 2022-23 to £1.27 billion, an increase of 3.3%. This was a slower rate of increase than seen in recent years, caused largely by a shortfall of £40m on student tuition fees against plans, partially offset by higher than budgeted investment income.

INCOME 2023-24 £M



INCOME 2022-23 £M



Tuition fee income remains the most important single component of our income. There was an increase in income of £23m (3.7%) on 2022-23, but this was £40m lower than our plan. Both undergraduate and post graduate taught student populations were below plan. New admissions were 1,400 FTE students below plan. Our income from students charged the international student fee increased by £5m to £347m. This represented 55% of tuition fee income and 27% of the King’s total income.

We have explained in the past the growing difficulty caused by the effective freezing of resources in nominal cash terms for home undergraduates student tuition and our teaching and research grants from funding bodies. The higher inflation of the past two years has reduced the real resource substantially. We are aware of the work of Universities UK in highlighting the material reduction in universities resources. While we have been able to supplement the resources from a growing recruitment of international students, each year of the freeze in resources increases the financial risk and our dependence on successful new student recruitment. It is a positive development that the government has recognised the deleterious impact of the continued by freeze in UK undergraduate student tuition fees with an increase of 3.1% from September 2025.

Research grants and contracts income increased to £257m, an increase of 9% on 2022-23, continuing the trend of the last 3 years. The financial value of new grants and contracts awarded in 2023-24 was £293m, a small increase on the previous year. The distribution of spending by funder was very similar to 2022-23, with the funding from the Research Councils being the highest value category of funder.

Other income showed a small fall from £190m to £186m after a healthy bounce back in 2022-23 from the years significantly impacted by COVID restrictions.

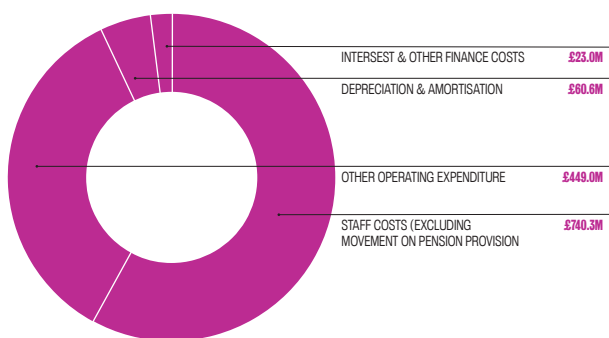
Investment income increased to £27m from 2022-23. By careful management of deposits, ensuring sufficient liquidity to meet our needs, we were able to earn a return comparable to the rate set by the Monetary Policy Committee of the Bank of England. Most of our cash deposits were held with Royal London Asset Management (RLAM), with whom King’s has a long standing and constructive relationship. We also made two 12 month fixed rate deposits with Santander Bank Plc totalling £60m. The average return on all of King’s cash for the year was 5.4%, with the RLAM money market funds returning 5.53%.

King’s enjoyed another excellent year for Donations and the receipt of new endowments, with almost £24m recognised in the income and expenditure statement. We are immensely grateful to all our supporters for their generosity which will allow us to advance our academic and service ambitions.

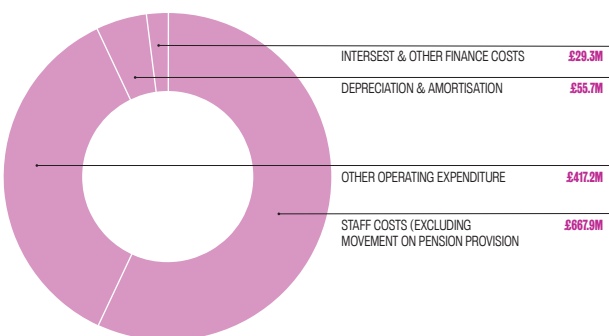
Expenditure

As described above, the impact of the movement in the USS pension provision had a highly distortive effect on the total expenditure stated in the income and expenditure statement. In 2022-23, King’s accounted for a £68m decrease in the provision, and in 2023-24, the provision was reduced to zero, releasing £330m from the balance sheet. Unless otherwise stated, the description below refers to expenditure, with the impact of the USS pension provision removed.

2023-24 EXPENDITURE EXCLUDING MOVEMENT ON PENSION PROVISION £M



2022-23 EXPENDITURE EXCLUDING MOVEMENT ON PENSION PROVISION £M

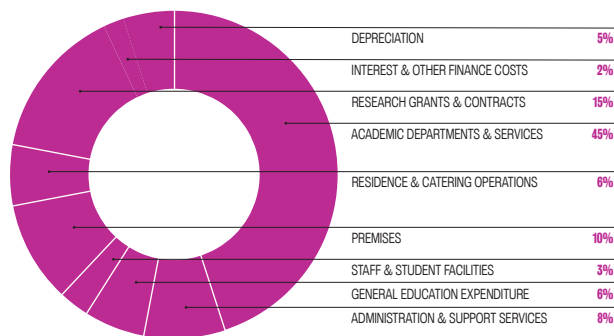


Expenditure in 2023-24 increased by £96m (8.2%) to £1.266 billion compared with 2022-23. Our salaries and wages costs increased by £72m (10.8%), as the combination of increased staff numbers, a higher national pay award and increases in our London Weighting allowance, partially offset by lower employer USS contribution rates, worked into our costs. A repeat of this level of increase is not sustainable when compared with likely income increases in the coming year.

Other operating expenditure increased by £32m (8%), the depreciation charge increased by £5m, as previous capital expenditures fed into the depreciation calculation, and interest costs decreased by £6m as the imputed costs of interest on the USS deficit provision were calculated for only 5 months of the year.

The graph below shows the breakdown of expenditure by activity area. During the year, The Finance Committee of Council has developed closer monitoring of business unit budgeting to improve the management towards financial and operational targets.

HOW KING'S INVESTED ITS MONEY £M



The Surplus before other gains and losses was £327m, which as explained above represents a day to day operating deficit of £19m, new donations and endowments of £24m, and net movements relating to the USS deficit provision of £322m.

In terms of other gains and losses, there was a helpful gain of £26m in our endowment asset valuation. During the year, the Investment Sub-Committee of Council maintained the mandate from Council to eliminate fossil fuel holdings in the Endowment Fund, subject to a screening out of any trivial holdings. All other environmental, social and governance (ESG) ambitions were met in full. The annual report of the Investment Committee of Council indicated that the gain on investments at 9.4% was below the expected benchmark return of 14.5%, and the Committee has asked for further detailed information on the performance of some funds.

The Total Comprehensive Income for the year is shown as a gain of £348.2m.

Balance sheet

As a result of our activities and revisions to valuations and in particular the elimination of the provision against a contribution to the USS deficit, the total net assets shown on the balance sheet have increased from £1.321 billion to £1.669 billion.

Capital investment

After recognising the value of asset creation in the year and charging depreciation, total Tangible Assets increased by £43m to £1.585 billion. Our payments to acquire new fixed assets increased from £77m in 2022-23 to £101m in 2023-24.

During the year, we recognised the full completion of the major construction works on our London Institute of Healthcare Engineering on the St Thomas' Hospital campus. Unfortunately, there have been considerable delays in the practical completion of the Pears Maudsley Children and Young People's building at Denmark Hill. King's will partner South London and Maudsley NHS Foundation Trust (SLAM) in the building. In consideration of the expenditures made by SLAM and the proximity to completion, King's has contributed £10m of our contractual commitment to SLAM as a part payment. We expect practical completion within 2024, and the start of occupation and use in 2025.

In the coming year, King's is likely to make major progress on very large projects with the development of the Bush House South West Wing which will provide essential student facilities and teaching space and largely complete the King's frontage on to The Strand, continue the work of the estate and equipment investment in our King's Interdisciplinary Science project, complete the necessary refurbishment of our estate to transfer activity from the Virginia Woolf Building at the termination of our lease, and begin major works on clean room facilities for cell therapy and viral vectors.

Endowment asset investments

Our Endowment Asset investments increased from £301m to £325m. The Endowments released the appropriate income agreed at the start of the year to support King's activities. During the year and since the year end, there have been discussions with student and staff unions on the ethical screening of the Endowment investments, particularly in light of events in Israel and Gaza.

The Investment Sub-Committee of Council meets four times a year to review policy and individual fund performance, fully supported by the professional advisors Cambridge Associates.

Treasury management

Our cash balance of £323m, consisting of £263m of very short term deposits and £60m of fixed rate 12 month deposits, represents a reduction of £54m on 2022-23. This remains a very strong position and was expected to fall as the rate of capital expenditure increased. During the year, Finance Committee of Council adopted a revised Treasury Management policy based around the three fundamental risks of protecting the value of the initial capital, ensuring that there was sufficient liquidity for the normal operations of the University, and a reasonable rate of return is achieved against the appropriate benchmark measures.

The year end cash and current investment total of £323m represented 97 days of our annual expenditure.

Borrowings

There have been no major changes in our borrowing profile in the year, and our repayments have been structured into the medium- and long-term future. Our first major 'bullet' repayment of a loan is due in April 2031, with £60m repayable. King's has notionally set aside part of our cash holdings to build up a balance sufficient to meet this payment and others due in the medium term.

There are a number of covenants attached to our debts, and all USS institutions are measured against USS created balance sheet ratios. King's remains comfortably within all our debt covenants, with significant headroom on most of the measures. For the USS balance sheet ratios, there is an underperformance against two ratios, however, this is unlikely to trigger any action or alarm by USS.

Budgeting and Planning

King's has established a rigorous planning and budgeting process, encompassing three years of operational and financial planning. The intention is to ensure that our 2029 Vision and 2026 Strategy are fully reflected in annual plans and to give greater certainty over the medium term with rolling three-year plans. In 2024-25, we will develop our plans and ambitions in detail for the period to 2030, in the light of significant work in King's and recognising the changed external environment.

In order to make the innovative physical, digital and staffing investments essential for our ambitions, King's has set a target to create an investment fund of £100m per annum (in real terms in 2023-24 prices). While King's current financial performance is strong, in 2023-24, we generated £56m from operations before depreciation and investments. Over the next three years, King's has agreed a plan to increase the operating surplus each year towards this real terms £100m target. The target for operations in 2024-25 is a £72m surplus, and this has been built into the agreed budgets for our activities. While this is a higher surplus than targeted before and represents 5.5% of budgeted operational income, it remains below the intended £100m investment spend. It is likely that we will continue to bridge the gap between operating surpluses and the investment target by running down our cash balances in a controlled manner and attracting new external funding, including additional philanthropic funding.

If King's is in the fortunate position of exceeding income targets in 2024-25, we will seek to constrain expenditure to the budget position to move closer to our targeted investment spending.

The investments already agreed and those in the future must have very clear quantitative and qualitative benefits. As these benefits are delivered, they will themselves feed into our financial performance to increase the capacity for further strategic investments. During 2023-24, we agreed the first benefit dividends and have incorporated these into budgets.

Risks and Uncertainties

It is to be hoped that we have moved through the great uncertainty of the immediate COVID-19 period, and it is very much to be hoped that there is no recurrence of the health emergency, which at times felt like an existential threat to universities and wider society. However, the prospect of a 'business as usual' period is not hugely attractive to UK higher education institutions.

The tone of the new government towards universities is more positive than that of its predecessor, and universities should be positive contributors to four of the government's five Missions – clean energy, faster economic growth, improving the NHS, and opportunity for all. The government is clearly operating within tight fiscal constraints, and it is a positive sign that the maximum home undergraduate tuition fee will see an increase from £9,250 to £9,535 in 2025-26, the first increase since 2017-18. However, even with this increase, CPI will have increased by 30% since the last increase in the tuition fee. Funding from the Office for Students for teaching, and from Research England for research as a result of the Research Excellence Framework, seems also to be largely fixed in nominal terms, and certainly not reflecting inflation indexation.

King's is a major recipient of research funds from sponsors – predominantly the Research Councils, UK Government departments and UK Charities. There has been considerable growth in the past three years, but the cost of large scale research facilities continues to increase. On benchmark evidence, our recovery of costs from research sponsors appears low, and a variety of actions are being taken to improve this position.

We are committed to giving our students an excellent teaching and overall student experience at King's, and for this to act as a springboard to a rewarding and fulfilling career. We would hope that our students would take the essential King's service ethos into the economy and wider society in the UK and other countries. Feedback from our students indicate that there is appreciation for the quality of our teaching and the direct interaction with King's academic staff. However, there are other areas of considerable concern, and we will be addressing these through a major transformation programme leading to greater and consistent Student Success. The transformation programme and the consequent changes to services to students and the ease with which our students can interact with King's will be expensive and the benefits will be seen gradually in the coming years. This is a long standing issue, and little improvement has been observed so far, despite significant input costs.

King's has great inherent strengths in our central London location and our partnerships with high performing NHS Trusts on our joint health campuses. We have proved ourselves good stewards of this unique estate and we continue to enhance the physical environment with high quality additions and sensitive and creative renovations of the existing estate. There is a significant cost to developments in London and on already intensively developed sites, and recent construction cost inflation has outstripped general inflation. We will continue to pay a considerable premium for the development of our magnificent physical infrastructure. The immediate decisions over the development of Bush House South West Wing may constrain other major developments until the benefits of this and other investments flow into our financial performance.

For the past twenty years, there has been substantial compound growth in international students studying in the UK, and a consequent increase in the income earned from tuition fees from these students. As described above, King's has greatly benefitted financially from this long-term trend, as well as academically and in terms of the diversity of our community. However, the recent pace of expansion in student numbers will be very difficult to sustain. This will impact on our financial plans, and place greater emphasis on gaining the optimum productivity and efficiency from our academic faculties and professional services. We must be aware of a greater threat and risk than the mere slowing of the pace of expansion. We live in a much less certain international environment than the first two decades of this century. The belief in 'globalisation' has waned considerably and international relations are more likely than before to be couched in mercantilist, zero-sum terms. This may lead to countries turning inwards, or into more confrontational blocs. The post-Brexit position of the UK and our relationship with our European neighbours is still in flux, and ill-considered and inflammatory statements on migration and the inclusion of international students and their families in net migration figures can create the impression of an unwelcoming environment for our students.

If there was a fundamental reversal in the trend of international student recruitment, King's would be severely financially compromised. Undoubtedly, our financial strength, cash reserves, the medium to long term structuring of borrowings, our academic strength and our asset base would provide a substantial buffer to this shock, and buy us much more time to change our business model than would be available at the great majority of UK institutions. However, the change would be very substantial and would likely require a wholesale review of and significant changes to our strategy.

We will be implementing significant changes in our student recruitment activities. We will be supplementing our activities in existing mature recruitment markets like China, and building capacity in other markets. The initial indications for the recruitment of students for 2024 entry are very positive, and this would imply that we will be close to our student number targets for 2024-25.

Conclusion

The financial result for King's for the financial year 2023-24 show a solid performance, though a slight downturn from recent years. Our financial strategy is to increase our day to day operating surplus to a level of at least £100m in 2023-24 prices, and thereby fund our intended level of investment. We are not at this point yet, but will take a further substantial step towards this level of surplus in 2024-25 with a budgeted day to day operational surplus of £72m. It is likely that our cash balance will reduce gently as major capital projects are undertaken. The projects are based on sound business cases and will in general improve our long term financial sustainability.

We recognise the internal and external risks of the environment in which we operate. The dependence on income from international student tuition fees is a concern, but we are seeking to consolidate and grow existing markets and diversify into other countries. Our world standing and global reputation is likely to be a significant advantage, should there be a further flight of student demand to the best universities in the world.

The coming years will be testing for UK universities. King's faces the challenges from a very solid financial base and with a clear and ambitious strategy. As we approach the 200th anniversary of the establishment of King's in 2029, we remain confident that we can fulfil our core objectives in teaching, research and our service to our immediate community and the world.

Enabling student success

King's commitment to students' academic and lifelong success shaped delivery of the student experience this year. There is much to celebrate. The University's approach to supporting students' mental health received accreditation through Student Minds – one of the very first such awards in the sector. There is still progress to be made, but King's is on the right path. Students continue to access support services in significant numbers, indicating issues and challenges remain for today's students. Surveys highlight that cost-of-living pressures are an issue for the majority of our students. King's has continued to invest in direct support services and creating an environment where students can progress successfully. King's increasingly diverse graduates continue to achieve excellent degree and employment outcomes, and the University continues to prioritise work on reducing award and continuation gaps.

Graduation

In 2023-24, King's hosted 29 graduation ceremonies, celebrating 12,613 graduates crossing the stage with the support of 33,172 guests. This year more graduation support packages were provided to help underrepresented students attend these milestone events. King's continued its graduation ceremony in Singapore so BSc Nursing graduates at Ngee Ann Academy could celebrate in person.

NSS and PTES highlights

Performance in both the National Student Survey (NSS) and Postgraduate Taught Experience Survey (PTES) remained stable.

King's improved its NSS response rate by 8% to achieve 78.4%, its highest on record and significantly above the sector average of 72.3%, from its largest ever population of final year undergraduates. Overall outcomes remained stable, with the University overall average positive measure at 75.5%. Teaching on my Course (83.2%) and Learning Resources (84.8%) continued to perform best. King's achieved improvements in Organisation & Management (+1.8%) to 68.5% and Student Voice (+1.4%) to 67.9%. However, Assessment & Feedback declined (-1.8%) to 66%, reinforcing the institutional focus on assessment through a Transforming Assessment for Students at King's initiative. We would aim to see a significant improvement in the student experience and hence student satisfaction in the coming years.

Demographic data indicates satisfaction gaps between different student groups, for example UK students and students with disclosed disabilities. Although Black students are less satisfied with teaching, they are most satisfied in four out of the seven core themes.

The majority of our 2024 respondents are from the 2021-22 intake year when, due to the increase in top A-level grades, King's significantly over-recruited. Despite this unplanned growth and its associated challenges, student satisfaction was not adversely affected from previous years and, in some cases, even improved.

The PTES response rate was 28%, 2% above last year and 4% above the sector average. Students studying on campus programmes responded at a rate of 35%, compared to 13% for distance learners. Overall Satisfaction was broadly stable at 82%. King's improved in seven out of the eleven themes, including Organisation & Management (+2.3%). Teaching & Learning (84.5%) and Resources & Services (88.8%) performed best. On campus courses outperformed online courses in all categories except Assessment & Feedback.

Demographic data indicates satisfaction gaps are narrowing in key areas such as disability. A significant number of respondents (68%) said they were impacted 'a lot' or 'a little' by cost-of-living pressures.

Sector benchmarking data is not yet available for 2024. However, in 2023 King's was broadly level with the sector for Overall Satisfaction (83%) ranking 50th out of 101 institutions. The overall satisfaction rate was 3% above the Russell Group average.

Inclusive Education

Inclusive Education is fundamental to fostering academic and lifelong success. It creates an environment in which everyone has equal opportunity to engage, progress, and succeed. It encourages the innovation and diversity of thought that makes King's a world-class teaching and research institution and centres the student experience at the heart of university structures, systems, and policies.

Whilst King's has been successful in attracting a diverse student body, there are stubborn gaps in student outcomes. Efforts to address these have had some impact, but they have not yet significantly moved the dial on key metrics like award and non-continuation gaps. To address these gaps, the University supports faculties to deliver action plans to improve continuation and attainment rates. King's also runs a faculty-based Improving Transition programme which works with faculties to continue to improve continuation gaps.

This year saw the introduction of a new transition programme for Students of Black Heritage. Alongside continuing to deliver the Inclusive Education Hub and Network and the Race Equality Inclusive Education Fund, steps were taken to enhance Inclusive Education through existing and evolving quality assurance and accountability processes.

The Disability & Inclusion team implemented King's Inclusion Plan process and institution-wide Disability Action Plan, and the roll-out of the Disability Inclusive Baseline continued. This year new essential training for staff on safeguarding and Disability Inclusion, including neurodiversity inclusion, has been introduced.

Other initiatives included:

- Development and re-launch of the Conversations About Race Programme
- Development and re-launch of the Civic Leadership Academy
- Student Inclusive Education Partners programme
- Lifecycle support for Priority Group Students
- Ongoing development of Personal Tutoring.

There are excellent foundations of inclusive practice at King's, but King's aims to accelerate its work and focus on a strategic, whole-institution approach. This approach is set out in King's new Access & Participation Plan.

Social Mobility & Widening Participation

King's offers a comprehensive programme of activity engaging young people throughout their time at school, alongside teachers, parents/carers, and other supporters. This work reduces educational inequality and supports learners' development, attainment, and confidence. It also promotes access to King's and other selective universities. King's programmes are underpinned by one of the largest widening participation research and evaluation teams in the country.

In 2023, the HEPI English Higher Education Social Mobility Index ranked King's top of the Russell Group and 4th overall for the social mobility of its graduates. King's proportion of full-time UK undergraduates from widening participation backgrounds is 46%, and the University is on track to deliver its 2023-24 Access and Participation Plan targets.

Over 10,000 underrepresented young people from primary schools, secondary schools and post-16 education engaged with Social Mobility & Widening Participation (SMWP) this year. New initiatives have included an enhanced programme of Medicine and Dentistry lectures attended by over 2,000 students, expansion of SMWP's flagship K+ programme, and a greater range of local community initiatives delivered with partners. New Be Well Hubs, which aim to destigmatise mental health challenges, were launched across local schools in Southwark and Lambeth in partnership with South London Listens and Citizens UK. King's also hosted the South London Listens accountability assembly. This brought together 500 residents, mental health trusts and NHS integrated care boards to celebrate and renew commitments to supporting the mental health of South Londoners.

This year, King's Parent Power parents helped plan and deliver a London mayoral election assembly and general election assembly which over 2,000 people attended. Parent Power, and its Spanish-speaking 'sister' programme Empoderando Familias, empowers parents and carers to enhance the higher education prospects of their children. King's has now partnered with The Brilliant Club and Citizens UK to establish eleven chapters nationwide.

Mental Health & Wellbeing

The mental health and wellbeing of King's students and staff is a core education commitment in Strategy 2026 and remains a key priority.

In 2023-24, King's was accredited the Student Minds University Mental Health Charter Award. To receive this award, students and colleagues across King's and KCLSU evidenced the scope and quality of work carried out to develop a 'whole university' approach to mental health and wellbeing. King's is one of only ten universities to have received the award. Work is now ongoing to ensure that the University continues to learn, develop, and improve provision for the King's community.

The 2023-24 NSS survey showed an increase in positivity around how well King's communicates mental health and wellbeing support information. Faculties and Departments are being further supported to increase students' awareness of King's mental health and wellbeing services.

This year, King's received funding from the Central & North West London NHS Foundation Trust for a Health Advice for Mandarin Speaking Students (HAMSS) role. The HAMSS role was cited in the Student Minds University Mental Health Charter assessment as an example of excellent practice; student satisfaction with the service is over 95%. Due to its success, funding has been extended and the NHS is also supporting an Eating Disorders Coordinator at King's. This role will help students who are experiencing an eating disorder to access the right support and resources and reduce the risk of their health deteriorating.

These roles form part of the growing Mental Health & Wellbeing Outreach and Training team. Thanks to Strategy 2026 funding from Organisational Development, the team now includes two full-time Mental Health trainers and a Staff Advice & Guidance role. This role focuses on supporting non-specialist staff with timely advice and input where there are concerns for a student.

Student Support & Wellbeing services have seen high demand for their services this year. Faculty Wellbeing received over 2,000 referrals and there were over 2,500 Student of Concern referrals. Disability Support & Inclusion experienced a record number of students accessing support, as did Money Housing & Advice who continue to help students manage the cost of living. Student Conduct & Appeals have worked hard to mitigate the impact of national and world events on the King's community whilst also embedding 'Consent Matters' training. This was completed by 16,000 students in 2023-24 and, along with the launch of Report + Support, is a key part of King's commitment to addressing issues around sexual harassment.

Focused work has taken place to develop the Support for Study pathway. The aim is to reduce wait times for Stage 3 Support for Study meetings and to ensure Counselling waiting times remain low.

Digital Education

The Essential Digital Skills programme prepares students by supporting their academic, professional, and personal development, and building confidence in the digital world.

This academic year 2,208 students enrolled on to the Essential Digital Skills programme. Of the participating students, 91% reported that they could apply what they learnt from the programme to their studies at King's, 85% reported using what they learnt to apply for jobs and further study, and 84% reported an increase in confidence in the digital world. The programme received an overall satisfaction rate of 91%.

Graduate Outcomes and Careers & Employability

King's Careers & Employability (KC&E) have had a successful year, with students and researchers engaging in large numbers across 5,300+ appointments and 449 events. King's continues to perform well in the Graduate Outcomes Survey, with the most recent release showing that 'highly skilled employment' of graduates remains above the 90% mark. The data also shows that 87% of respondents agreed that they were in work that was 'meaningful' to them, placing King's equal third in the Russell Group. These outcomes underpin King's performance in external league tables, for example placing 7th in the latest Times Higher UK rankings for 'graduate prospects'.

KC&E continues to prioritise inclusive employability development through the curriculum. To achieve this, the team works with Faculty academic staff and through major contributions to wider activities, such as operationalising the recommendations of the Student Minds University Mental Health Charter Award. This incorporates a focus on bespoke support for students from underrepresented groups and international students who face a range of diverse challenges during and after university. As part of this, KC&E has reviewed its digital education resources so they are simpler to use. It has also introduced Careers Essentials, a guide helping students effectively navigate the plethora of support available.

A thriving staff community

Our people are key to King's success. We continue to build a thriving staff community in which everyone is respected and supported to develop their potential within a positive and inclusive culture. This agenda is overseen by our Staff Culture & Strategy Committee, a sub-committee of Council, comprised of internal staff representatives and Non-Executive Council members.

Our efforts are underpinned by our institution-wide behavioural framework: Our Principles in Action, which guides us to include, challenge, support and connect in all that we do. We have started to re-embed the framework into all parts of our staff employment lifecycle, from the recruitment and interview process, performance development review cycle through to exit interviews.

Inclusion and belonging

In today's diverse and globalised world, fostering an environment of inclusion and belonging is more important than ever. These concepts are fundamental to creating workplaces and communities where everyone feels valued, respected, and able to contribute their best.

Our staff community networks continue to flourish, comprising our: Gender Equality Network (Elevate), Race Equality Network (REN), King's Climate Action Network, Parents & Carers' Network (NEST), LGBTQ+ Network (Proudly King's), Staff Disability Inclusion Network (Access King's) and Sustainability Champions. Each network now benefits from formalised recognition in the form of training support for network chairs and committee members, and an increased budget dedicated to supporting their work.

More detailed information about our progress in this area can be found in the Equality, Diversity & Inclusion section of this report.

Staff wellbeing and engagement

In December 2023, we launched My King's Benefits, an online hub offering clear signposting to the many services and resources that staff can access at no cost to them, from financial wellbeing and budgeting advice through to everyday spending discounts that have been made available through a new employee discount provider.

We launched our new Employee Assistance Programme in January 2024 which, in addition to 24/7 telephone support and counselling, offers clinically informed self-help resources and a career coaching service.

Throughout Spring 2024, we ran a Staff Experience Roadshow to further promote and encourage take up of our improved staff benefits. We visited locations across all campuses to promote the wide-ranging teams, networks, resources and services that contribute to our thriving staff community.

In early 2024, we relaunched King's Staff 100. This diverse panel of staff volunteers come together regularly to discuss and feed into strategic decision-making on issues relating to our thriving staff community ambitions. Two productive in-person sessions have taken place, the outcomes of which have contributed to professional services staff career progression activities and University-wide programmes of work to prevent and manage bullying and harassment.

We also launched our Staff Wellbeing Advocates Group whose remit is to champion and spread awareness of our expanding mental health and wellbeing support for staff, share best practice and make recommendations to strengthen our activities.

Staff Survey

King's is committed to offering our staff meaningful opportunities to share their employee voice, ensuring their insights shape our institutional direction.

Following the delivery of the Staff Survey 2023, more than 200 action plans have now been developed across King's in response to local feedback and findings. In parallel, an institutional action plan was formulated by the University Executive, to harmonise a small number of collective goals and priorities focused on five broad themes: Inclusion, Belonging & Wellbeing; Pay & Recognition; Processes, Decision-Making & Workload; Career Success & Further Development; and Visible Leadership.

A Staff Survey Check In activity is planned over a two-week period in November 2024, to offer colleagues a further opportunity to share their experience of working at King's and provide a temperature check on progress made since the initial survey.

Development and progression

King's is committed to empowering staff to build their chosen careers, both at King's and beyond, and across the range of job roles and specialisms. A key component of this is a portfolio of robust, progressive and organisationally relevant learning and development opportunities.

We continue to expand the volume of our KCLyceum leadership programmes, welcoming larger cohorts onto our Emerging and Strategic Leaders programmes. We are also developing a pilot academic and professional services leadership programme, sponsored by the respective Senior Vice Presidents for these staff groups.

We continue to deliver programmes, some specifically for managers and others for all staff, to support personal and career development. In 2024-25, these will be delivered as two-day in-person masterclasses, enabling an increase in both the frequency and variety of programmes. This approach responds directly to ongoing requests for programmes to support peer-to-peer connectivity and accessibility by all grades and roles across King's.

Supporting these programmes and masterclasses, 2024-25 will also see the introduction of new learning pathways, focusing on management, personal and career development. Replacing the existing learning hubs, each pathway will be comprised of eight core modules, delivered as webinars, and designed to build capability, connectivity and confidence. A comprehensive diagnostic exercise will precede the launch of these pathways, to ensure the thematic content aligns to the needs of the wider King's community.

Further linked resources and activities will be made available to support staff career development. These include curated LinkedIn Learning playlists, a bi-annual Professional Services mentoring programme, termly Career Conversations and dedicated management and coaching apprenticeship programmes.

Sustainable research and innovation excellence

Our enquiry-driven research delivers transformative insights and solutions that have the power to advance and accelerate global progress. Research is a principal component of the University's mission, contributing both knowledge generation and societal impact. It underpins our objectives in education and service and secures our place as one of the world's leading universities.

Research England Quality-Related (QR) Grant

Following strong performance in the Research Excellence Framework in 2021, alongside continual improvement in other relevant metrics (charity funding, industry funding, PhDs), our QR grant from Research England was £82m for 2023-24.

This was supplemented by one-off (non-recurrent) allocations of £2m for regional innovation and for overseas development. King's was also allocated £1m for policy support, and £1m for research culture.

King's received an allocation from the Research Capital Investment Fund of £8m for 2023-24.

Research Income

King's research has been on a growth trajectory, following concerted efforts from academic leadership, academic staff and professional services. This has occurred despite increasing pressures on the budgets of external research funders.

The research income received by King's for 2023-24 (based on actual spend on awarded grants from this and previous years) was £257m, an increase of 9% (£21m) on the previous year. This income was from sources including UKRI (27%), research charities (28%), Government (22%) and industry (11%), demonstrating a healthy diversity of portfolio and therefore likely resilience. £63m of this income was for overheads (a 27% increase on the previous year), supporting the financial sustainability of our research endeavour.

New Research Awards

We have had an extremely successful year in research grant-winning terms, building on our previous years of particularly strong performance to generate £293m of new awards (a 3% increase on last year).

There were notable increases in awards from industry and from QR-bearing UK charities, and to two Faculties: Nursing, Midwifery & Palliative Care and the Institute of Psychiatry, Psychology & Neuroscience.

King's also received a number of high-value research related awards that are not included in the above data (due to sector regulations on award classification). These include:

- £10m from Research England's UKRPIF research capital (matched by £20m from industry and charity), to create a cutting-edge research facility at Guy's campus – focused on understanding the mechanisms of disease in each individual patient.
- 2x EPSRC Centres for Doctoral Training (c.£7.5m each) in surgical engineering and in health data science.
- The UKRI Total Body PET Clinical Research Facility (£13m), one of only two in the UK.
- Leverhulme Trust PhD Programme in Knowledge Orders Before Modernity.

Highlights

King's secured a substantial number of 'strategic' awards in 2023-24. A selection of these are listed below for illustration (noting that this is not a comprehensive list, and that some recent awards will contribute to next year's figures):

- UKRI Maximising UK Adaptation to Climate Change Hub (£4m).
- Charity award from Heart of Racing LLC for a major programme on the effects of COVID on brain development (£14m).
- MRC Human Functional Genomics Hub, focused on brain development (£4m).
- European Research Council synergy awards in women's political representation (£5m), and surgical robotics (€10m).
- European Research Council Advanced Grants (£2m each) in hydrodynamics as a unifying theory of physics, mapping injury (politics, war studies), and gene editing.
- British Heart Foundation Centre of Research Excellence (£4m).
- NIHR Policy Research Units (£25m total) in palliative care, health and care workforce, child health, addictions, and mental health.

Commercialisation and industry partnerships

Industry Partnership and Translation Support

September 2023 saw King's College London rank:

- in the top 20% for Research Partnerships, Working with Business, and Working with the Public and Third Sector (above average for the peer group, for the third consecutive year) and in the top 20% for IP and Commercialisation (average for the peer group).
- in the Knowledge Exchange Framework (the annual assessment of higher education institutions that measures how universities transfer their knowledge to different types of partners in order to benefit the economy and society).

King's received £36m in new awards from industry in 2023-24, with examples below indicating the breath of activity.

The Unilever King's Biosciences Innovation Hub is now expanded in 2023-24 to host 7.5 Unilever employees, resulting in 8 new research projects awarded in 2023-24, including 3 new PhD studentships, 2 projects utilising King's core Research Facilities and supporting King's infrastructure, as well as knowledge-exchange and outreach activities.

The Department of Physics and Science Card Ltd agreed a new 1-3 year research collaboration on 'Neuromorphic Imaging for Levitating Sensors' enhancing the profile of the King's Quantum Centre. This project aims to combine advanced 'neuromorphic' imaging technology with cutting-edge sensor technology in the form of levitated sensors to create levitated sensors to detect forces of biological, chemical, or mechanical-origin gas flows and high-tech material development.

An Innovate UK-KTN Knowledge Transfer Partnership (KTP) between Department of Informatics and Controlplane Ltd titled 'KubeSec-AFM: Kubernetes Security Assurance through Formal Methods' was secured. This project will develop automated tools for the security of the Kubernetes platform, which is a critical piece of Cloud technology used by most Fortune-100 companies, as well as by governments in national infrastructure, but is vulnerable to cyber threats. The outputs of the project will empower global users to secure their critical infrastructure.

Our recent I@King's strategic collaboration with Apollo Therapeutics is a good example of supporting our early-stage IP pipeline, obtaining venture investment and seeing projects tailored to meet commercial development goals. Last year 7 new projects were identified for Apollo support, and at least four have progressed to full IP Licences with Apollo.

In addition, Innovation@King's own independent Translation Research Office (TRO) has supported greater than 25 projects with more than £1 million of commercial development fund (CDF) support. 22% of awardees were early career researchers and over 40% were female.

One example of a project supported is the SlowMo2 digital intervention to reduce paranoia that received CDF funding to develop a minimal viable product. The supported team have recently received a NICE Early Value Assessment (EVA) recommendation and approved use in NHS. The team are using the implementation study to provide the real world data to address the gaps highlighted in the EVA and this is the first evidence based, UKCA marked digital therapeutic for treating paranoia.

The TRO has been successful in growing external translation research income:

- £1.3 million from NIHR's Invention for Innovation (i4i) Product Development Awards was secured (Professor Allan Young) for co-development of a therapy for Bipolar Disorder.
- £1.3 million from MRC's-Developmental Pathway Funding Scheme (DPFS) to Dr Hubertus Himmerich looking at oral ketamine in Treatment Resistant Depression and severe enduring anorexia
- TRO supported Professor John Strang from IOPPN in 5 applications to the NIHR i4i Addictions call, securing 3 out the 4 funded nationally.
- £3 million from NIHR's Healthtech Research Centre secured by Professor Dag Aarsland for development of innovative technology in Dementia.
- Professor Graham Lord our incoming SVP Health was supported with a £7 million application (largest ever made by KCL) to MRC-Developmental Pathway Funding Scheme (DPFS) for a 24-patient clinical trial inTreg Advanced Cell Therapy for Inflammatory Bowel Disease.
- The Beauhurst report published in September 2023 ranked King's 4th in the UK for equity investment into our spinouts at £134 million. Companies formed on IP licensed from King's continue to do well.

Some examples of the success of King's associated commercial ventures are set out below.

- **Pheon Therapeutics**, an Antibody-Drug Conjugate (ADC) specialist developing next generation ADCs for a wide range of hard-to-treat cancers announced a \$120m Series B financing to fund development of its differentiated ADC pipeline.

- **Epsilogen Ltd**, a global leader in the development of immunoglobulin E (IgE) antibodies to treat cancer, and Lonza, a global development and manufacturing partner announced the first time GMP manufacturing of a therapeutic IgE antibody has been achieved at scale.
- In November 2023, **AviadoBio** announced it had FDA IND clearance and fast track Designation for its treatment of Frontotemporal Dementia with Progranulin (GRN) Mutations and by April 2024 the first patient was treated in the ASPIRE-FTD clinical trial.
- In December 2023, King's licensed patents claiming novel activatable nanoparticles utilising Magnetic Resonance (MR) imaging and Focused Ultrasound (MRgFUS) as experimental anti-cancer agents to the spin out **Apeikon Ltd** who received a seed investment to address unmet clinical needs.

Knowledge with purpose: service and impact

Addressing global challenges by uniting our ambitions

For almost two hundred years, King's has been at the forefront of global progress, using our knowledge to improve the world around us. This is why service stands alongside education and research as the three pillars of our commitment to society in our academic mission.

Over the past year, we have strengthened our Strategy 2026 ambition to be impact-driven in all we do by launching a whole-university approach that unites education, research and service to respond to critical global challenges.

This collective approach, called **One King's Impact**, works across disciplinary and university boundaries to enhance the difference we can make in the world. It aims to unite our large, multi-faculty organisation to maximise the extensive positive contributions we already make, as well as unlock new multidisciplinary opportunities for collaboration across and beyond King's.

A revolutionary impact culture

One King's Impact combines our education, research and service activities to:

- Address vast, complex and interconnected global problems that do not adhere to academic boundaries
- Cultivate a multidisciplinary approach that unites disciplines, professions, communities and experiences
- Support a revolutionary type of impact culture that focuses on real-world, scalable solution development

A university-wide consultation helped us determine five King's Impact Priorities to focus our expertise where we can make a distinct contribution:

- ♦ [A thriving and sustainable planet](#) – One we safeguard and steward with urgency
- ♦ [Whole-life health for mind and body](#) – Through pioneering advancements in prevention, medicine and healthcare
- ♦ [Advancing equality and social mobility](#) – So that access and attainment are not defined by background
- ♦ [Peace and justice in a turbulent world](#) – To strengthen resilience and forge pathways to sanctuary
- ♦ [Technology for good](#) – Designing a future that empowers us to live well with technology.

A coordinated portfolio of work will support each of the Impact Priorities, rooted in social purpose and spanning departments, faculties, students, professional services staff and alumni, collaborating with external organisations, industry partners, charities and policymakers to make a positive difference in our world.

We have launched a dedicated £1m [One King's Impact Fund](#) to accelerate the programme, bringing together multidisciplinary teams to co-design and co-produce projects that directly support the five priorities. The first round of funding was allocated in Summer 2024 to a range of projects that exemplify this impact-driven approach.

An [Impact Leaders Board](#) of experts from diverse fields spanning law, business, finance, public sector, charities and UK Government was established in 2023-24 to provide cross-sector advice, peer support and mentorship to the programme. In addition, an [Impact Changemakers](#) network of students, staff, alumni and external partners has been established to facilitate idea-sharing and access to training and support, as well as driving awareness and fostering connections among members.

Making a difference at home and abroad

Our innovative partnerships locally, nationally and globally deliver on our commitment to social impact and serving the communities we work with and for.

A leading university for impact

The 2024 Times Higher Education Impact Rankings saw King's ranked in top 2% of global universities for social and environmental impact when assessed against the United Nations' Sustainable Development Goals (SDGs). We also achieved first in the world for 'SDG 12: Responsible Consumption and Production', recognising the efforts made by the entire King's community to make the University more sustainable.

For more on our sustainability strategy, see p27.

A culture of volunteering

[King's Volunteering](#) entered its second year of bringing people and partners together through community service. Since launching in 2022, students and staff have worked with over 100 different charities and logged over 14,530 volunteer hours. In the last year, King's Volunteering delivered 37 events, including knitting squares for Little Village's 'baby blanket project' in an initiative to help families keep warm. A Trustee Fair, hosted in partnership with King's Organisational Development team, [encouraged staff to become charity trustees](#) by connecting them with CEOs and directors from London-based charities.

Supporting forcibly displaced academics and students

This year, King's was awarded [University of Sanctuary status](#) in recognition of our work to ensure safety, solidarity and empowerment for people who have been forcibly displaced from their home countries. The award submission was led by King's sector-leading Sanctuary Programme, which is in its ninth year of delivering education, research and social and policy impact initiatives to tackle the pressing global challenge of forced displacement.

The Sanctuary Programme also co-hosted '[Academic Sanctuaries Symposium: Ukraine and Beyond](#)', which brought together leading voices across UK higher education to reflect on and consider improvements to the support provided to people whose studies or research has been disrupted by forced displacement.

Expanding education opportunities for young Africans

[The Afe Babalola Centre for Transnational Education](#) was launched at a signing event in Nigeria in July 2024, officially formalising our partnership with the Afe Babalola University. The Centre aims to provide young Africans with access to employment and higher education, as well as nurturing leadership attributes, creative problem-solving and entrepreneurial skills. As a significant step towards this goal, King's and the Centre are facilitating the co-development of a Postgraduate Certification which will upskill educators at scale, helping them in turn to directly improve the lives of students in and beyond Africa.

Our impact in London

We are collaborating across London and deepening our connections with our home boroughs of Lambeth, Southwark and Westminster to make a positive difference within our local communities.

Accelerating healthcare technology creation

In partnership with Guy's and St Thomas' NHS Foundation Trust, King's received £16m from the UK Research Partnership Investment Fund to establish the [London Institute for Healthcare Engineering](#). The Institute will engage multinationals, businesses and start-ups simultaneously to rapidly translate research in healthcare engineering into products and technologies that will benefit patients.

King's School of Biomedical Engineering & Imaging Sciences, in collaboration with the Entrepreneurship Institute and Innovation at King's, has launched a MedTech Accelerator to provide an acceleration stream for aspiring entrepreneurs in medical devices, including medical software and AI.

King's is also leading a partnership with Queen Mary University London, City, University of London, and St. George's University London to deliver the [MedTech Venture Builder](#), a programme to accelerate the translation of promising medical technologies into robust, investment-ready healthcare ventures. High-potential MedTech companies from across the UK will receive customised, executive support from experts in commercial translation from the partner institutions.

Supporting growth of London's science and technology ecosystem

British Land, AustralianSuper and King's signed a Memorandum of Understanding aimed at establishing a [dedicated science and technology innovation campus](#) at Canada Water. The partnership establishes a framework for collaboration which will support growth and education in science and technology innovation industries in East London.

Leading conversations on responsible AI

King's Institute for Artificial Intelligence continues to bring together colleagues in different disciplines with an interest in AI. [King's 'Festival of AI'](#) 2024 saw 1,000 people attend events across five days in May. One of the events, co-hosted with Business LDN, saw industry experts, thought leaders, government representatives and innovators explore the potential for London to become a global leader in AI innovation and implementation.

Science Gallery London, King's flagship gallery space, presented the exhibition '[AI: Who's Looking After Me?](#)', which was named as one of the best free exhibitions in London by the Evening Standard and Condé Nast Traveller and seen by over 30,000 people. The Gallery also hosted an accompanying events programme presented with partners including London Data Week, BBC World Service and King's [Digital Futures Institute](#), with expert panel discussions exploring [transparency](#), [regulation](#), and AI's implications for [healthcare](#).

Addressing the impact of the cost-of-living crisis

Academics from the Department of Political Economy were part of a team behind a new report on the cost-of-living crisis presented at a Greater London Assembly summit. Researchers collaborated with charities, grassroots organisations, policymakers and residents of Lambeth, Southwark and Westminster, to better understand the impact of the cost-of-living crisis and how to mitigate its effects.

Celebrating empowered parents

Parent Power, a collaboration between King's Social Mobility & Widening Participation Department and South London Citizens, [won the London Higher Award for local impact](#), recognising the outstanding contribution the project has made to the local London community. Parent Power harnesses the power of parents to inspire young people from underrepresented groups to pursue higher education. To date, the scheme has trained hundreds of parents in university access, student finance and tutoring.

Supporting mental health at school

In collaboration with South London Citizens, South London & Maudsley NHS Foundation Trust and local authorities, King's Social Mobility & Widening Participation Department developed [Be Well Schools](#). These schools provide a safe space for open discussions on mental health, with trained champions available to signpost students, staff, parents and carers to appropriate services.

Cultural collaborations

[King's Culture](#) presented a programme of exhibitions and events within Bush House Arcade and outdoors on the pedestrianised streets of Strand Aldwych. 'Glowbot Garden', a three-day installation of huge interactive creatures on the Strand Campus, was seen by over 22,300 people. During 'Glow: Illuminating Innovation', a programme exploring women's role in the evolution of Extended Reality, the footfall across the Strand increased by 36.8%. A collaboration with the Department of Mathematics called 'It All Adds Up: Global Discoveries in Maths' saw visitors, including Year 9-11 students, enjoy the discovery space, with 43% of interviewed attendees sharing that they learnt about a new mathematical discovery.

National

We are working with partners across the UK to increase the benefits of our combined impact beyond the capital.

Redressing health disparities in the south of England

In response to a Nuffield Trust report highlighting the scarcity of GPs per patient in Portsmouth, King's will deliver a medical degree through [a new branch campus](#) in the University of Portsmouth Medical School. This dynamic approach to education is an unprecedented opportunity for both institutions, combining King's prestigious medical education with the University of Portsmouth's expertise in rare diseases, genomics and neurology. The first intake of students started their studies in September 2024.

Shaping inclusive and equitable creative industries across the UK

A King's report for the All-Party Parliamentary Group (APPG) for Creative Diversity focused on 'What Works' to support diversity and inclusion in creative education and the talent pipeline, with a focus on the 16+ age category. The report, launched at the House of Commons by Chi Onwurah MP, Chair of the APPG, identified critical points for intervention for the creative industries, education providers and policymakers to ensure the UK's creative industries are inclusive and equitable.

Tackling current and emerging challenges in UK social care policy

A partnership between King's Policy Institute, the Florence Nightingale Faculty of Nursing, Midwifery & Palliative Care, the King's Fund and Leeds Beckett University was selected to deliver **an MSc-level qualification for policy professionals** in the UK Government's Department of Health and Social Care. The course, covering the social care and health system in its broadest sense, will equip participants for future roles as leading social care and health policymakers.

Comparing gender equality across local areas

King's Global Institute for Women's Leadership **developed a new index** to compare UK's first sub-national measure of gender equality. The index provides a benchmarking tool to aid research and policy intervention, with a specific focus on areas such as paid and unpaid work, money, health and wellbeing, and violence against women.

Addressing the policy needs of LGBTQ+ communities

King's Global Cultures Institute's Queer@King's research centre is leading on **a new initiative** with the House of Lords to address the policy needs of LGBTQ+ communities in the UK. The project will bring together Parliamentarians, civil society organisations and academics to consider how research about queer lives can inform policymaking that affects those lives.

Supporting those affected by life-limiting illnesses

King's **hosted the inaugural meeting** for the new NIHR Policy Research Unit in Palliative and End of Life Care. The unit, which is co-led by King's and the University of Hull, with partners Lancaster University, University of Leeds, and University of Cambridge, will support policy makers to improve care, and reduce inequalities, for children and adults affected by life-limiting illnesses, and their families and carers, including into bereavement.

Analysis and insights on a unique year for democracy

Throughout the 2024 UK General Election, King's experts **provided analysis** on major policy areas, priorities, voter influences and key moments in the campaigns. King's marked the election evening with **a livestream**, hosted by the Policy Institute, UK in a Changing Europe, Strand Group, King's Global Institute for Women's Leadership, International School for Government and the NIHR Health and Social Care Workforce Research Unit.

Global

We work collaboratively in every region of the world, through the development of equitable partnerships with like-minded institutions. Our commitment to international collaboration enriches educational experiences and supports joint research that contributes to the prosperity of local and global communities.

Developing innovative education programmes and impactful research in Europe

The **Circle U. Alliance** of European universities, of which King's is a founding member, received funds from the European Commission to develop innovative education programmes that support Circle U.'s ambition to build an inclusive, research-intensive, impactful alliance. One of its key initiatives, the Circle U. Open Campus, will offer a new virtual campus and gateway for students seeking diverse educational opportunities within the alliance.

Joint research with African and European partners to address global challenges and build capacity

King's is co-leading three new **Africa-Europe Clusters of Research Excellence (CoREs)** in Engineering, Peace Building and Creative Economies. CoREs are a new form of collaboration between some of the best researchers from both continents, striving for equitable partnerships in an unequal world. Resources committed by the partners will address UN Sustainable Development Goals.

Scholarships for African leadership and peacebuilding

A new scholarship will support two UK students of African heritage to study the MSc Global Leadership & Peacebuilding. The course, which looks at mutually reinforcing links between global leadership, peace and society, especially in developing nations, equips students to be next-generation leaders and peacebuilders.

Strengthening ties in South Korea

King's Business School and Yonsei School of Business in Seoul **signed a Memorandum of Understanding** to strengthen their ties. The partnership will explore opportunities for cultural interchange, scholarly collaboration and other forms of academic co-operation.

Fostering scientific discoveries with the Midwestern United States

King's signed a Memorandum of Understanding with Purdue University, Indiana to collaborate on research into semiconductors, hardware for AI and computer chips, as well as deepening existing ties between the two institutions to accelerate research and education. Research into semiconductor technology, a vital foundation for AI systems, will be facilitated through PhD student and staff exchange programmes.

Training nurses in Hong Kong

King's Florence Nightingale Faculty of Nursing, Midwifery & Palliative Care has [signed a new partnership](#) with Hong Kong University School of Professional and Continuing Education. The partnership will enable King's to deliver the MSc Clinical Nursing programme to students based in Hong Kong, with research-based education supporting nurses to develop as leaders in healthcare practice.

Supporting the shared security and defence priorities of AUKUS

King's [PLuS Alliance academic partnership](#) with Arizona State University and University of New South Wales continues to thrive. This year, our flagship program, Security & Defence PLuS, expanded and formalised to enhance collaborative efforts in research, education, and policy. The programme aims to become the 'go-to' supporting AUKUS (the strategic alliance between Australia, the UK and the US) and other related security and defence challenges.

The three enablers

Our four strategic goals are supported by three key enablers, which set out how we intend to support delivery of our strategy.

- We are working towards a *Simple, Nimble and Effective* King's: improving consistency, addressing complex processes and enhancing our systems and services.
- We are working towards a *Physical and Digital Estate which is Integrated and Accessible*, evolving our estate to meet the changing needs of students, staff and community.
- We are ensuring we have *Sustainable Finances* through growing and diversifying our income streams and improving value for money of our estate and services.

Going Concern

The senior officers of the University and Council, as is their responsibility, have considered the going concern status of King's, and are confident the University is, and will continue to be, a going concern for the foreseeable future (defined externally as a period greater than 12 months from the approval date of these financial statements). These financial statements have therefore been prepared on a going concern basis.

In coming to this conclusion, the senior officers and Council have taken the following actions;

- Prepared detailed income and expenditure, and cash flow budgets and forecasts for the 2024-25 financial year, with due regard to sensitivity of income to home and overseas student numbers, updated with knowledge of student enrolments.
- Prepared prudent income and expenditure, cash flow, and balance sheet forecasts for a period of five years and these will be shared with the Office for Students.
- Calculated and reviewed debt covenants on both an actual and forecast basis five years from the balance sheet date, to ensure it will not breach them based upon the University's financial strategy and plan.
- Reverse stress tested the University in a number of scenarios to see under what circumstances it would face an existential risk, including what would lead to a breach of debt covenants, or cash held being insufficient to meet payroll. With a mitigation plan devised for these circumstances.
- Had all budgets and forecasts scrutinised by the University's Finance Committee which has expert independent members.
- Considered the solvency and liquidity position of the University and the availability to it of debt finance as required, including active management of its credit rating (as provided by Standard & Poor's).
- Worked with Standard & Poor's to ensure a fair review of our credit rating (AA-) and outlook (Stable).
- Considered the severe but plausible downsides the University may be faced within the foreseeable future.

King's is in a strong financial position, and in our detailed financial and operational planning for the coming four years, we see considerable safety margins in our cash holdings, which were £263m plus £60m of cash deposits maturing in Spring 2025 at the balance sheet date. Although we believe that external loan finance would be available to us, we do not foresee the need to take further borrowing for at least the coming three financial years.

Forecasts

As described above, King's has brought operational and financial planning closely together in a rolling three-year plan. This establishes the expected activity – in terms of student numbers, research grants and contracts and other income, cost envelopes and target overall financial performance – for our constituent academic faculties and professional services directorates.

In each year, King's is expecting a marginal improvement in financial performance, leading to a surplus of 6% of turnover (before depreciation) in 2025-26. Further improvements in performance will be brought into subsequent rolling three-year plans, with a view to sustaining a minimum surplus of £100m (in 2023-24 real terms) by 2028-29. It is calculated that this would represent 7.5% of turnover before depreciation.

This level of surplus will be needed to fund our likely strategic ambitions for our estate, digital, academic and staffing developments. We believe that investment spending of £100m per annum is needed and appropriate for a world leading university of our scale based at the heart of London.

King's has expanded significantly in the last 10 years, and it is expected that expansion will continue, and that we will begin to gain the benefits of earlier investments in staffing and capacity. However, we are mindful of the risks of over-reliance on income growth in an increasingly competitive and uncertain world. Consequently, we will be seeking productivity gains in the future, and will seek to respond to the concerns raised by our staff community over the inefficiency of some of our systems and processes. We will also benefit as previous and new investments come to maturity and deliver the benefits included in the case for investment.

Severe but plausible downsides

For a risk to be an existential going concern issue it would likely need to lead to one of the following scenarios;

- ♦ The University breaches the terms of its registration with the OfS and loses the right to award degrees or receive funding through the student loans system.
- ♦ Cash falls to a level where the University can no longer meet its financial obligations, as they fall due.
- ♦ The University breaches its loan covenants and is then not able to renegotiate new terms with lenders meaning that the debt falls due, and the University is unable to make payment.
- ♦ Permanent or long-term loss of access to key, teaching, research, and administrative facilities.

Based upon our going concern review, no risk is currently considered to put the University into one of the above positions.

Mr Stephan Weiner

*Treasurer and Chair
of Finance Committee*

Malcolm Ace

*Vice President (Finance)
& Chief Financial Officer*

Corporate and social responsibility

Equality, Diversity & Inclusion

Equality, Diversity & Inclusion (EDI) is a central tenet of King's Strategy 2026, which commits to fostering a thriving staff community. Our priorities include diversifying the staff team, as well as tackling the Black, Asian and Minority Ethnic attainment gap. As well as embedding EDI into its organisational strategy, King's makes use of external expertise to provide a framework for progressing our goals, such as Athena Swan, the Race Equality Charter, Stonewall, Business Disability Forum and Working Families. We are proud of the progress we have made and remain committed to investing in the future of all staff so we can flourish personally and professionally, while being respected, valued and challenged to be our best.

New Resources

We have launched several new toolkits falling under the below topics:

EDI Data Monitoring, Call Me By My Name, Equality Impact Assessments, Gender Equality, Inclusion and Awareness Calendar, Inclusive Recruitment, LGBTQ+ Hub, Microaggressions, Neurodiversity, Family Friendly, Carers, Race Equality, Wellbeing, Intersectionality, Mental Health First Aiders, Mental Health, Microaggressions, Cultural Awareness, Stress Management, Menopause, Menstruation, Exit Interviews.

Work is also underway to develop toolkits for launch next year covering the following:

Bullying and Harassment, Religion and Belief, Cost of Living, Inclusive Communications, Unconscious Bias.

New EDI training sessions available on skills forge:

- Trans and Gender Identity in the Workplace (staff and managers sessions)
- Staff executing Equality Impact Assessments
- EDI committee and network training
- Tackling Microaggression
- Senior Leaders Equality Impact Assessments
- Supporting Mental Health at Work (staff and managers sessions)
- EDI Conversations and Foundation
- Psychological Safety and the Importance of Allyship
- Preventing Bullying & Harassment Training for Line Managers
- Unconscious Bias
- Creating a neuro-inclusive workplace
- Supporting employees through the menopause.

Disrupting Racism: Originally developed by Estates & Facilities, Disrupting Racism is a training programme that combines live sessions and self-directed study. Topics include unconscious bias, microaggressions and mental health and wellbeing. The course was open to all staff and 72 people signed up, 32 of whom were offered a place. We are now reviewing the content and participant feedback so that we can make any necessary amendments before running the course again.

Leadership and mentoring schemes

Newschemes

Senior Women Leadership Development Programme: Advance HE's Senior Women's Leadership Development Programme is designed specifically for women in senior positions in HE to help them take the next step up or extend their role, profile and impact. We have 4 staff members enrolled.

Leadership Plus: We are currently participating in a leadership programme for parents. As part of the 9-month programme, participants will have a senior leader mentor, expert career development support, group coaching, a supportive cross-sector network of peers and practical tools to overcome work/life hurdles.

Currently underway

Aurora: Aurora is for women, up to senior lecturer level or the professional services equivalent. The scheme has grown from a cohort of 8 in 2014 to 77 in the current year (5 receiving EDI funding).

B-Mentor: This is a cross-institutional scheme run by UCL. It is open to academic, research and professional services staff. Mentees must be from a Black, Asian and Minority Ethnic background, whilst mentors can be from any ethnic background. The 2024 cohort had 45 participants from King's.

Stellar HE: This scheme is a targeted leadership development programme to support Black, Asian and Minority Ethnic academics, researchers and Professional Services staff. The 2024 cohort has 18 participants, which will be the largest King's cohort since the inception of the scheme.

Into Academia Mentoring: This mentor scheme is for Black, Asian and minoritised ethnic students considering a career in academia. It was launched in January, with 74 students paired with 74 academics or researchers. We are working with the Policy Institute to evaluate the impact of the scheme. For our next cohort, we will be opening this scheme up to students from other underrepresented groups.

Wellbeing

Staff Wellbeing Network: This network will advocate for wellbeing and foster connectivity and support among staff.

Mental Health First Aiders: In collaboration with Counselling and Mental Health Support Services, we are creating a more active MHFAider community across King's.

Wellbeing Hub: A new SharePoint hub with health and wellbeing information on topics such as mental health and various health issues is being developed.

Wellbeing Festival: Our annual festival in early 2024 featured over 70 events on mental, physical, and financial health, with 600+ staff participating.

Wellbeing Events: The new Inclusion & Awareness Calendar aligns events with awareness days, promoting a unified, intersectional approach through collaboration with Staff Community Networks.

Suicide and Stress Prevention Training: In response to the University Mental Health Charter review, we are offering suicide prevention and stress prevention training. Two suicide prevention courses will take place in September 2024, with three stress prevention courses in July and September through King's Health Partnership with Maudsley Learning.

EAP: From 1 January 2024 we have launched a new employee assistance programme for all staff, this is provided by Vita Health.

OH: From 1 January 2024 Occupational health services for staff and students are now provided by Optima Health.

Mental Health and Outreach: We have recruited the following new roles, Staff Mental Health and Outreach Manager and Mental Health and Outreach Practitioner x 2. The Staff Mental Health Training & Guidance Team at King's College London focuses on providing comprehensive support, training, and guidance to staff across various departments, addressing mental health challenges and promoting well-being. Their work includes embedding dedicated mental health support pathways into institutional policies, developing bespoke mental health training like response to traumatic events, and conducting evaluations to continuously improve the offerings. The collaborative approach ensures that the team remains a key resource for fostering a mentally healthy workplace, directly working with Staff Wellbeing.

Bullying and harassment

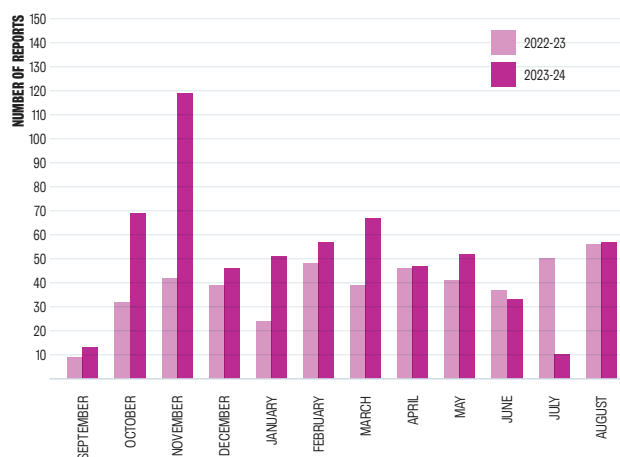
The 2023 Staff Survey showed that 11% of staff have experienced bullying or harassment and 18% have witnessed bullying and harassment.

Preventing and addressing bullying and harassment is a key part of the institutional action plan in response to the Staff Survey and our ambitions to build a thriving staff community and enable student success. Significant work has already taken place in this area in the last twelve months, including:

- Piloting new training for line managers on how to tackle bullying and harassment
- Increased communications to raise awareness of Report + Support
- Additional investment in roles under Thriving Staff Community
- Revision to the Non-Academic Misconduct Policy and Student Complaints Policy
- Redrafting the [King's Community Charter](#).

Report + Support: The University launched its new reporting tool, [Report + Support](#), in September 2022. In 2022-23, King's received 456 reports - 210 named and 246 anonymous. In 2023-24, King's received 661 reports (386 named and 275 anonymous), significantly exceeding the 456 submitted in 2022-23.

THE WAY THEY IT LOOKED LIKE BULLYING.
 Have you seen or experienced something that made you uncomfortable? Fill us in.
reportandsupport.yoururl.co.uk
 Supporting Anti-Bullying Week. CULTURE SHIFT logo



The significant number of reports received in October and November can be attributed both to reports at the start of the attacks and civilian deaths in Israel/Gaza and the response to the 'Anti-Bullying Week' comms campaign that ran mid-November. The sustained number of increased reports per month and over the year suggests that knowledge of Report + Support has grown in our staff and student communities, and that they are increasingly confident to use it as a tool to access support.

Disability Inclusion

Disability Inclusion remains a priority, with a particular focus on improving the support available to disabled staff. An Individual Adjustments Planner (IAP) has been piloted from January-July across 8 different pilot areas. The IAP aims to provide disabled staff and their line managers with a consistent framework to request, agree and implement workplace adjustments and we are working towards whole college roll out from January 2025.

Alongside the IAP we have also piloted a new Central Adjustments Fund of £50,000 which provides an additional funding source to ensure staff get the support they need. This Fund has been duplicated for the next academic year and data from the IAP and the Fund will be used to inform the ongoing resourcing for adjustments and process improvements.

The 2023-24 academic year also saw the launch of the Hidden Disabilities Sunflower, a collaborative project between EDI and the Disability Support & Inclusion team (Student Support & Wellbeing Services). The Sunflower lanyard is now available to staff, students and visitors with hidden disabilities from pick-up points across all campuses and 836 people have completed the Hidden Disabilities training.

This academic year has also been the last year with Professor Richard Trembath as Senior Sponsor for Disability Inclusion. Professor Trembath has chaired the Disability Inclusion Steering Group since 2021 and has played a vital role in bringing the disability inclusion agenda to the fore at King's.

Work is underway to update the Disability Inclusion Action Plan following a review of disabled students experience by DSI. The updated action plan will provide a more cohesive approach to improving disability inclusion, bringing together actions for the student journey, staff journey and cross cutting challenges.

Race Equality

Race Equality Maturity Model: The maturity model is a framework for assessing King's progress in this area, as well as prioritising areas of work. The Faculty of Life Sciences & Medicine (FoLSM) and Students & Education Directorate (SED) have both utilised the model in their action planning and we look forward to supporting more areas of King's to embed race equality into their work.

Inclusive recruitment: We have introduced an interview panel diversification scheme to support departments diversify their panels. We have trained over 70 volunteers.

Race Equality Charter mid-term review: We undertook a mid-term review in February, facilitated by AdvanceHE. This was attended by a newly identified self-assessment team (SAT). As part of the process, we RAG rated our Race Equality Action Plan (REAP); 45 actions were green, 32 actions were amber, and 16 actions were red.

LGBTQ+

We continue to work with Proudly King's to create an action plan to promote diversity, equality, and inclusion in the workplace, creating a more welcoming and supportive environment for all employees, regardless of sexual orientation or gender identity.

The actions we have undertaken to date are as follows:

- Development of a new LGBTQ+ toolkit (supported by Proudly King's)
- Trans and Gender Identity in the Workplace training sessions launched
- Gap analysis for further training sessions needed (working with Proudly King's)
- Regular all staff network leads meetings in place to ensure collaboration across all staff networks and to have an intersectional approach.

Religion and Belief

The Chaplaincy provides pastoral support to staff and students of all faiths and none. The Chaplaincy team includes Chaplains from Christian, Muslim, Jewish, Buddhist, Sikh and Hindu faith traditions.

King's Religion & Belief policy outlines how we support staff and students to practice their faith, as well as our commitment to tackling harassment based on religion or belief. We have also developed a religion and belief toolkit to provide further education and guidance.

We are currently planning antisemitism and anti-islamophobia training, which will be available to all staff.

Parents and Carers

Childcare provision: We are now providing parents and carers greater access and choice for discounted childcare for under threes with our Childcare Subsidy Scheme which offers a 20% subsidy on childcare costs with Ofsted registered providers. We also partner with Busy Bees Nurseries to offer staff access to 20% off their childcare fees.

Coaching Sessions for Parents and Carers: We have launched coaching sessions for parents and carers. This will assist parents and carers as they navigate both family responsibilities and professional aspirations.

Toolkits and resources: A parents and carers toolkit has been created to support staff and managers.

Maternity Support: We have adopted day one maternity rights for staff as well as increasing the amount of paid maternity leave available (20 weeks) and also increasing partners leave. We have signed up to the Maternity Pledge who are a social enterprise that provides support for the transition into motherhood and improves maternity leave and the return to work for new mothers.

Sustainability

King's continues to drive forward a whole-university approach to deliver significant system and behaviour change to enable a societal transition to environmental sustainability. The [King's Climate & Sustainability](#) (KCS) Team is working with colleagues across the University to deliver transformative action through the [King's Climate & Sustainability Action Plan](#).

An Education for Sustainability (Efs) implementation plan has been developed by KCS and approved by the College Education Committee. Key initiatives so far to support colleagues to systematically embed sustainability in the curriculum include the development of an Efs Toolkit for academic and teaching staff, an upcoming seminar series in collaboration with King's Academy and 12 Efs projects funded by [King's Academy](#), with further funding planned for 2024-25.

The KCS [seed fund](#), which aims to provide a platform to attract external funding for climate and sustainability research, has now awarded funding for 18 projects, with three further rounds of funding planned. A new climate and sustainability-focused capacity building programme for mid-career researchers has been co-developed with external facilitators, and the first research development workshop, focused on climate extremes and health, brought together different disciplines and funders to discuss potential areas for research collaboration, grant funding and philanthropic opportunities.

King's is committed to signing the new Concordat for the Environmental Sustainability of Research & Innovation Practice in 2025, and a process and implementation plan have been established.

In March 2024, the [Centre for Sustainable Business](#) (CSB) was officially launched. Through research, engagement, and teaching, CSB provides compelling insight and evidence to facilitate business in making the transition to sustainability and deliver positive impact for society and the environment. CSB combines the full breadth of King's multidisciplinary expertise on sustainability with a deep understanding of business to translate these into innovative insights and practical solutions.

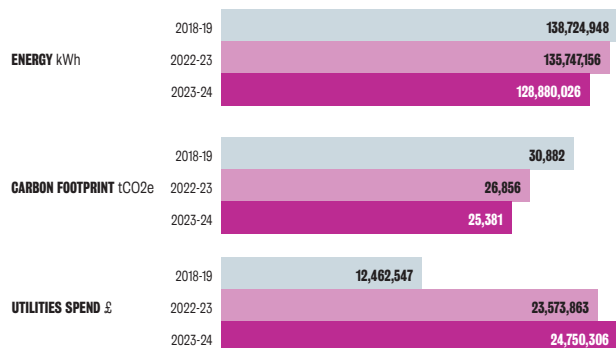
King's continues to be recognised externally for its sustainability achievements. The 2024 Times Higher Education Impact Rankings placed King's in the top 2% of global universities for environmental and social impact, and first in the world for Sustainable Development Goal 12 on Responsible Consumption and Production. King's Food won the University Catering Award and the Sustainability Award for reducing food waste and promoting sustainability at the Public Sector Catering Awards 2024.

Across 2023-24, KCS engaged almost 6,000 people via the KEATS [Sustainability & Climate module](#), events and sustainability networks such as the King's [Climate Action Network](#). The [Sustainability Champions](#) programme saw 59 staff teams receive awards for making sustainable changes to their offices and labs. Across the year, the KCS team organised 260 hours of educational and connecting events including [Climate & Sustainability Month](#), reaching over 4,000 people. Carbon Literacy training was piloted, and £21k was awarded to 7 student- and staff-led projects to enhance sustainability on campus via the [Sustainability Projects Fund](#).

KCS commissioned a cross-university Carbon Offsetting Working Group in February 2024 to develop an institutional approach to carbon offsetting and pricing. Their report and draft policy will undergo consultation in 2024-25. They recommend adhering to a science-based decarbonisation strategy that prioritises reducing emissions before engaging in any offsetting. To facilitate rapid decarbonisation, they also encourage embedding Internal Carbon Pricing in investment decisions.

King's achieved a 23% reduction in its scope 1 and 2 emissions (market based emissions) in the 2022-23 financial year against the 2018-19 baseline. This figure is projected to increase to 26% improvement on the baseline by the end of the 2023-24 financial year.

The following chart illustrates the reduction in energy and carbon (location based) for the last two financial years compared to the 2018-19 baseline.



*Figures above are based on location-based emissions.

The Directorate of Estates & Facilities (E&F) was re-certified to the Environmental Management System standard of ISO14001:2015, following an external audit in March 2024. E&F has continued to embed and progress sustainability in our operations, expanding the scope of the audit in line with changes to relevant processes and operations at King’s.

King’s continues to monitor its progress against a range of sustainability targets: from managing estates and providing sustainable food to engaging with local communities and driving Education for Sustainability.

Socially Responsible Procurement

King’s [Socially Responsible Procurement Strategy](#) seeks to ensure that we buy third party goods and services in ways that are beneficial to society, especially in our local boroughs of Lambeth, Southwark and Westminster. As a member of Social Enterprise UK, we strive to award contracts to Social Enterprises that reinvest their profits towards social and environmental sustainability objectives that match our own. Our ambition is to increase the number of companies in our supply chain that offer us societal benefits and to ensure our supply chain is ethical and responsible.

The Procurement Function is supporting King’s to meet the objectives of its [Climate & Sustainability Action Plan](#) and emissions reductions and net zero targets by putting in place processes that reduce unnecessary purchasing, and which favour sustainable goods and services. More generally it is developing a strategy to reduce the Universities supply chain emissions. It has also worked with the KCS to introduce a Sustainable Business Travel Policy and has put in place resources and booking processes to support this initiative.

Ethical Investment Policy

King’s has an [Ethical Investment Policy](#) and believes that the successful management of environmental, social and governance (ESG) issues is fundamental to creating value for investors. Companies that are successful in avoiding ESG risks tend to outperform in the longer term. King’s expects its investment managers to engage with companies through the judicious and transparent use of voting rights and informal dialogue to encourage better management of ESG risks and opportunities. This should include consideration of key ESG issues such as: Climate Change, Ecosystem Services, Environmental Management, Labour Standards, Human Rights, Public Health, Corporate Governance, Business Ethics and Sustainability Management and Reporting, including those companies in supply chains.

Modern Slavery Act

King’s conducts its business in compliance with the provisions of all applicable legislation and operates a zero-tolerance policy towards non-compliance with the Modern Slavery Act 2015. As such, the University is committed to ensuring that mechanisms are in place to prevent business being undertaken with an organisation that has not adopted appropriate steps to ensure that Modern Slavery is not present in any of its supply chains. King’s has also formed a partnership with Electronics Watch, the human rights monitoring organisation, to improve transparency of the IT electronics supply chain at King’s.

King’s College London seeks written assurances from prospective suppliers regarding their compliance with this legislation.

Council and Council committee membership

Members who served during 2023-24 and to the date of signing the Financial Statements

Council

Member	Period of office
The Rt Hon the Lord Geidt GCB GCVO OBE QSO FKC	Chair since 1 August 2016
Professor Shitij Kapur MBBS PhD FMedSci(UK) FAAHMS (AUS)	Ex officio since 1 June 2021
Alizeh Abrar	Ex officio from 1 August 2023 to 31 July 2024
Vivek Ahuja	Since 1 August 2020
Dr Natasha Awais-Dean	Since 1 August 2022
Tom Berry	Since 19 January 2023
Paul Cartwright	Since 1 August 2019
Dr Hillary Briffa	From 3 November 2021 to 31 July 2024
Donna Catley	Since 1 January 2022
Sir Jon Coles	Since 1 August 2019
Dr Joanna Davies	Since 24 September 2024
Paul Goswell	From 1 August 2015 to 31 July 2024
Vinay Jha	Since 1 November 2022
Sir Ron Kerr CBE FKC	Since 1 August 2019
Stephen Large FKC	Since 2 April 2020
Professor Rachel Mills CBE	Since 1 November 2022
Sheeba Naaz	From 18 November 2024
Professor Kim Piper	Since 1 August 2022
Clare Sumner CBE	Since 1 August 2019
Steven Suresh	Ex Officio from 1 August 2023 to 31 July 2024
Professor Richard Trembath	From 1 August 2021 to 31 July 2024
Nhuoc Lan Tu	Since 23 March 2016; Vice-Chair since 1 August 2021
Stephan Weiner	Honorary Treasurer since 1 January 2023
Jon Zehner	Since 1 August 2024

Chairs' Committee

Member	Period of office
The Rt Hon the Lord Geidt GCB GCVO OBE QSO FKC	Chair since 1 August 2016
Professor Shitij Kapur MBBS PhD FMedSci(UK) FAAHMS (AUS)	Ex officio since 1 June 2021
Paul Cartwright	Ex officio, since 1 August 2015
Paul Goswell	Ex officio, from 1 August 2015 to 31 July 2024
Clare Sumner CBE	Ex officio, since 1 August 2021
Nhuoc Lan Tu	Ex officio, since 1 August 2021
Stephan Weiner	Ex officio, Honorary Treasurer since 19 January 2023
Jon Zehner	Ex officio, since 1 August 2024

Finance Committee

Member	Period of office
Stephan Weiner	Chair and Honorary Treasurer since 19 January 2023
Professor Shitij Kapur MBBS PhD FRCPC FMedSci(UK) FAAHMS (AUS)	Ex officio since 1 June 2021
Malcolm Ace	Ex officio from 1 June 2023
Diego Cervantes-Knox	Since 1 April 2022
Sir Jon Coles	Since 1 March 2021
Beatrice Devillon-Cohen	Since 1 August 2019
Professor Paul Guest	Since 1 April 2022
Debbie Gupta	Since 1 January 2022
Philip Keller	From 1 August 2019 to 8 January 2024
Stephen Large FKC	Ex officio, since 2000
Isabel Neumann	Since 1 August 2019
Keith Nichols	From 1 January 2022 to 14 November 2023

Audit, Risk & Compliance Committee

Member	Period of office
Paul Cartwright	Chair, since 1 August 2019
Julienne Daghish	Since 1 August 2017
Dr Aleksander Ivetic	Since 1 August 2020
Waseem Malik	Since 1 August 2020
Julie Moonga	Since 1 November 2022
Professor Kim Piper	Since 1 November 2022
Nhuoc Lan Tu	Since 1 February 2017
Yolande Young	Since 21 November 2023
Vinay Jha	Since 22 November 2022

Investment Subcommittee

Member	Period of office
Simon Pryke	Member from 1 April 2015 to 31 July 2024, Chair from 1 August 2020 to 2 May 2024
Nick Wood	Since 1 August 2019, Chair from 3 May 2024
Professor Shitij Kapur MBBS PhD FRCPC FMedSci(UK) FAAHMS (AUS)	Ex-officio since 1 June 2021
Malcolm Ace	Ex officio, from 1 June 2023
Mouhammed Choukeir	Since 1 August 2019
Rob Gambi	From 1 April 2015 to 31 July 2024
Gary Greenberg	Since 1 August 2019
Nicky Richards	Since 1 August 2020
Professor Marion Thain	Vice Chancellor's Designate from 1 August 2021 to 31 July 2024

Estates Strategy Committee

Member	Period of office
Paul Goswell	Chair from 1 August 2015 to 31 July 2024
Jon Zehner	Chair since 1 August 2024
Professor Shitij Kapur MBBS PhD FRCPC FMedSci(UK) FAAHMS (AUS)	Ex officio since 1 June 2021
Malcolm Ace	Ex officio since 1 June 2023
Stephen Clifton	Since 1 August 2019
Michael Creamer	Since 1 August 2019
Davide Ferrari	Since 1 August 2022
Stephen Hughes	Since 1 August 2019
Helen Gough	Since 1 August 2020
Sir Ron Kerr CBE FKC	Since 1 August 2020
Stephen Large FKC	Ex officio, since 1 March 2020
Professor Graham Lord	Ex officio, since 1 August 2024
Professor Rachel Mills CBE	Ex officio since 1 September 2022
Nick O'Donnell	Ex officio, since 1 August 2017
Sanjeev Sharma	Since 1 August 2020
Professor Richard Trembath FKC	Ex officio, from 1 September 2020 to 31 July 2024

Fellowships & Honorary Degrees Committee

Member	Period of office
The Rt Hon the Lord Geidt GCB GCVO OBE QSO FKC	Chair since 1 August 2016
Professor Shitij Kapur MBBS PhD FRCPC FMedSci(UK) FAAHMS (AUS)	Vice-Chancellor & President since 1 June 2021
Catherine McGuinness	Since 1 August 2022
Professor Linda McKie	Since 1 August 2022
Rt Rev'd Dr Mark Oakley	Since 1 August 2022
Clare Sumner CBE	From 1 August 2019 to 31 July 2024
Professor Richard Trembath	Since 1 August 2019

Governance & Nominations Committee

Member	Period of office
Clare Sumner CBE	Member since 1 August 2020; Chair since 1 August 2021
The Rt Hon the Lord Geidt GCB GCVO OBE QSO FKC	Member since 1 August 2016; Chair until 31 July 2021
Professor Shitij Kapur MBBS PhD FRCPC FMedSci(UK) FAAHMS (AUS)	Ex officio since 1 June 2021
Natasha Awais-Dean	Since 1 August 2022
Paul Cartwright	Since 1 January 2023
Paul Goswell	From 1 August 2018 to 31 July 2024
Sheeba Naaz	Ex-officio from 18 November 2024
Steven Suresh	From 1 August 2023 to 31 July 2024

Remuneration Committee

Member	Period of office
Nhuoc Lan Tu	Member & Chair since 1 August 2021
The Rt Hon the Lord Geidt GCB GCVO OBE QSO FKC	Since 1 August 2016
Paul Cartwright	Since 1 August 2020
Paul Goswell	Since 1 August 2016
Stephan Weiner	Ex officio, Honorary Treasurer since 19 January 2023

Staff & Culture Strategy Committee

Member	Period of office
Nhuoc Lan Tu	Ex officio member & Chair since 1 January 2023 to 31 July 2024
Donna Catley	Since 1 January 2023, Chair since 1 August 2024
Dr Gemma Archer	31 January 2023 to 3 October 2023
Professor Stephen Bach	Ex officio from 1 January 2023 to 31 December 2023
Rev'd Dr Ellen Clark-King	Ex officio since 1 January 2023
Brent Dempster	Ex officio from 1 January 2023 to 31 July 2024
Sabrina Fernandez	Since 1 January 2023
Niamh Godfrey	From 1 January 2023 to 3 October 2023
Dale Haddon	Since 1 January 2023
Professor Humeira Iqtidar	From 1 January 2023 to 31 July 2024
Lorraine Kelly	Ex officio since 1 January 2023
Maria Kokkinou	Since 1 January 2023
Julia Kosowska	From 18 November 2024
Stuart MacDonald	Since 1 January 2023
Yeme Onoabhagbe	From 1 January 2023 to 3 October 2023
Fiona Roberts	Ex officio since 1 January 2024 to 14 November 2024
Dr Sasha Scambler	Since 1 January 2023
Steven Suresh	Ex officio from 1 August 2023 to 31 July 2024

Charitable status

The University is an 'exempt' charity under Schedule 3 of the Charities Act 2011. This means King's is not registered with the Charity Commission and has no charity registration number. Under the Charities Act 2006, King's and other universities that are exempt charities are regulated by the Office for Students (OfS) as 'principal regulator' on behalf of the Commission.

As the University's trustee, the Council is responsible for defining the strategic aims of King's and directing the activities of its Executive in the furtherance of these objects.

When setting objectives and planning activities, the Council and the Executive give careful consideration to the Charity Commission's general guidance and to its supplementary guidance on public benefit. Attention is also paid to guidance issued by the OfS in its role as principal regulator on behalf of the Commission.

The beneficiaries of the University's charitable activities during the year included:

- the University's undergraduate, postgraduate taught and postgraduate research students, who benefitted from the education provided by King's in their development as individuals and in their employment prospects
- the beneficiaries from the advancement of research by King's on its own and in conjunction with strategic partners
- society at large, reflected in the University's commitment to service as a strategic priority, and illustrated by the examples given above and many others.

Corporate governance

The following statement, covering the period of these financial statements and up to the date of their approval, is provided to enable readers of the financial statements of the University to obtain a better understanding of the governance and legal structure of King's. The University endeavours to conduct its business:

- a. in accordance with the conditions of registration set by the Office for Students (OfS) and the requirements of Research England
- b. in accordance with the seven principles identified by the Nolan Committee on standards in public life (selflessness; integrity; objectivity; accountability; openness; honesty; leadership) and
- c. in the light of the guidance to universities that has been provided by the Committee of University Chairs in its Higher Education Code of Governance (September 2020).

King's is an independent corporation whose legal status derives from a Royal Charter originally granted in 1829. Its objects, powers and framework of governance are set out in the Charter and supporting Statutes.

The Charter and Statutes require the University to have two bodies, the Council and the Academic Board, each with clearly defined functions and responsibilities, to oversee and manage its activities.

The Council is the supreme governing body responsible for the finance, property, investment and conduct of all affairs of the University including the strategic direction of the institution. The Council has independent members, from whom its Chair and Vice-Chair must be drawn, but also included in its membership are University staff members and the President of the student body. None of the independent members receives any payment, apart from the reimbursement of expenses, for the work that they do for the University.

The Academic Board is the academic authority of the University and draws its membership mainly from the academic staff and the students of the institution. It is the body responsible under delegated authority from the Council for the academic work of the University in teaching, examining and research. The Academic Board recommends major, strategic academic proposals to the Council and provides assurance to Council with respect to quality of academic programming.

Although the Council meets at least five times each academic year, most of its detailed business is handled by committees, in particular a Finance Committee; an Audit, Risk & Compliance Committee; a Remuneration Committee; an Estates Strategy Committee; a Staff and Culture Strategy Committee; a Fellowships & Honorary Degrees Committee and a Governance & Nominations Committee.

The Council also has a Chairs' Committee, comprised primarily of the Chairs of the key standing committees, to take urgent decisions between ordinary meetings when convening a special meeting of Council is not possible.

Each of these committees is formally constituted with written terms of reference and specified membership, including a significant proportion of independent members selected for their expertise and knowledge, from whom the Chairs are drawn. Each reports regularly to the Council.

The Finance Committee inter alia recommends to Council the University's annual revenue and capital budgets and monitors performance in relation to the approved budgets. It also approves comprehensive Financial Regulations for the conduct of the financial affairs of the University.

The Audit, Risk & Compliance Committee is responsible for meeting at least once annually with the external auditor to discuss audit findings, and with the internal auditors to consider their detailed internal audit reports and recommendations for the improvement of the University's systems of internal control, together with management's response and implementation plans. The Committee pays particularly close attention to the implementation of recommendations by management and follow-up to audit exercises. It receives and considers reports from OfS as they affect the University's business and receives reports from other statutory, regulatory or funding agencies concerning the University's compliance with relevant legislation and standards. It also reviews accounting policies and any major changes to the University's accounting principles and practice that are brought to its attention by the external auditor, internal audit or management.

The Remuneration Committee determines the annual remuneration of the Vice-Chancellor & President, Senior Vice Presidents, Vice Presidents and the College Secretary. The University follows the guidelines laid out in the Committee of University Chairs higher education remuneration code.

The Council undertook a Governance Review in 2023 supported by Advance HE. The agreed amendments to enhance good practice are now being implemented.

The principal academic and executive officer of King's is the Vice-Chancellor & President, who has a general responsibility to the Council for ensuring that the objects of the University are fulfilled and for maintaining and promoting the efficiency, discipline and good order of the University. The Vice-Chancellor & President is also, under the OfS Terms and Conditions of Funding, the designated Accountable Officer of the University and in that capacity can be summoned to appear before the Public Accounts Committee of the House of Commons.

The Ordinances of the University specify that the University Secretary should act as Secretary of the Council. Any enquiries about the constitution and governance of the University should be addressed to the University Secretary.

Statement on internal control

The Council, as the governing body of the University, has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding public and other funds and assets for which the Council is responsible, in accordance with the responsibilities assigned to the governing body in the Charter and Statutes and the OfS Terms and Conditions of Funding for Higher Education Institutions.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks; to evaluate the nature and extent of those risks; and to manage them efficiently and effectively. This process was in place for the year ended 31 July 2024 and up to the date of the approval of the financial statements. It accords with the OfS Conditions of Registration.

The Council has responsibility for reviewing the effectiveness of the system of internal control.

The following processes have been established:

- The Council considers the plans and strategic direction of the University on an annual basis.
 - The Audit, Risk & Compliance Committee independently reviews the effectiveness of internal control systems and the risk-management process.
 - The Council receives termly reports from the Chair of the Audit, Risk & Compliance Committee concerning issues of risk, internal controls and their effectiveness, which are informed by regular reports from senior management on the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects.
 - The University Executive has overall responsibility for Risk Management in the University and is supported in this task by the Vice Principal (Finance) and Chief Financial Officer who coordinates the processes which underpin risk management, including the production of a Corporate Risk Register, appropriate Risk Appetite Statements and balanced scorecards for each key risk.
 - The Audit, Risk & Compliance Committee reports to Council its findings in respect of the effectiveness of the risk-management process. This is informed by a regular report from the Vice Principal (Finance) and Chief Financial Officer which contains updates to the corporate risk register and risk-appetite statements, along with any other relevant developments in the control of risk at the University. In addition, the Committee has the opportunity to discuss specific risk management topics with senior managers with at least one area being selected for focus at every meeting.
- The Audit, Risk & Compliance Committee receives regular reports from the Director of Risk Assurance on the effectiveness of internal controls based on work undertaken in accordance with its approved internal audit plan.
 - The University has developed a suite of key performance indicators (KPIs), allowing the Council to monitor progress towards the achievement of strategic objectives. The corporate risk register makes clear links to relevant KPIs.
 - The University has an Internal Audit Unit, which sits within the College Secretariat. The Internal Audit Unit operates to professional standards as defined by the Institute of Internal Auditors. The Internal Audit Unit submits regular reports to the Audit, Risk & Compliance Committee that include an independent opinion on the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement, and follow-up reports on the implementation of previous audits.
 - The Council receives termly and annual reports from the Audit, Risk & Compliance Committee. Each report contains an opinion which includes an assessment of the effectiveness and adequacy of the overall system of internal control and the management of risk.

The Council's full review of the effectiveness of the system of internal control for the year ended 31 July 2024 was informed by the Audit, Risk & Compliance Committee, the work of the Business Assurance Directorate, and by reports of the executive managers within the University who have responsibility for the development and maintenance of the internal control framework. It was also informed by comments made by the external auditor in its management letter and other reports.

Statement of Council responsibilities in respect of the annual report and the financial statements

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

Company law requires the Council (the members of which are the Directors of the University company for the purposes of company law) to prepare financial statements for each financial year. Under that law it has elected to prepare the group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Terms and Conditions of Funding further require the financial statements to be prepared in accordance with the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction') and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education.

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

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education have been followed, subject to any material departures disclosed and explained in the financial statements
- assess the group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless it either intends to liquidate the group or the parent University or to cease operations, or has no realistic alternative but to do so.

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University's transactions and disclose with reasonable accuracy at any time the financial position of the parent University and enable it to ensure that its financial statements comply with the Companies Act 2006. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Council is also responsible for ensuring that:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation
- income has been applied in accordance with the University's Statutes
- funds provided by the Office for Students, UK Research and Innovation (including Research England) and the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the terms and conditions attached to them
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources
- securing the economical, efficient and effective management of the University's resources and expenditure.

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

Independent auditor's report to the Council of King's College London

Report on the audit of the financial statements

Opinion

We have audited the financial statements of King's College London ('the University') for the year ended 31 July 2024 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, Consolidated and University Statement of Changes in Reserves, Consolidated and University Balance Sheets, Consolidated Statement of Cash Flows and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2024, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended; and
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Basis for opinion

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

Going concern

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

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

Our conclusions based on this work:

- we consider that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and

- we have not identified, and concur with the Council's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the University's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the University will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the Audit, Risk and Compliance Committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for 'whistleblowing', as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Audit, Risk and Compliance Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, and taking into account possible pressures to meet loan covenants and performance targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that Group management may be in a position to make inappropriate accounting entries; and
- the risk that research income is not recognised in accordance with the relevant grant terms and conditions, the University's accounting policies or relevant accounting standards.

We did not identify any additional fraud risks.

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

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual postings to research income and cash accounts.
- For a sample of research projects, we tested whether expenditure was in line with the terms and conditions of the relevant contract and assessed whether associated income was included in the correct period and accounted for in accordance with the requirements of the relevant accounting standards.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

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

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

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

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

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

We have reported separately on the University's use of funds in the section of our audit report dealing with other legal and regulatory requirements.

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

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

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

Other information

The Council is responsible for the other information, which comprises the Chair's Foreword, Vice-Chancellor & President's Report, Operating and Financial Review, Corporate and Social Responsibility, Council and Council Committee Membership, Charitable Status, Corporate Governance and Statement on Internal Control. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Council's responsibilities

As explained more fully in its statement set out on page 36, the Council is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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

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

Report on other legal and regulatory requirements

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

In our opinion, in all material respects:

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

Matters on which we are required to report by exception

We are required by the Accounts Direction to report to you where the University has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the Group's and the University's expenditure on access and participation activities for the financial year disclosed in note 9 has been materially misstated.

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

We have nothing to report in these respects.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council, in accordance with section 13-18 of the Charters and Statutes of the University. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Council for our audit work, for this report, or for the opinions we have formed.

Rees Batley

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

28 November 2024

Statement of principal accounting policies

Accounting convention

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP) – Accounting for Further and Higher Education issued in 2019. They have also been prepared in accordance with the ‘carried forward’ powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Royal Charter, the Accounts Direction issued by the Office for Students (OfS), the Terms and conditions of funding for higher education institutions issued by the Office for Students and the Terms and conditions of Research England Grant.

The University is a public-benefit entity and has applied the relevant public-benefit requirement of FRS 102.

1. Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of endowment asset investments, and freehold land.

The functional currency of the University is Pounds Sterling, the currency of the United Kingdom, which is the primary economic environment the University operates in. The consolidated Financial Statements are also presented in Pounds Sterling. Foreign operations are included in accordance with the Foreign Currency Translation Policy set out below.

Judgements made by management in the application of these accounting policies that have a significant effect on the Financial Statements and estimates with a significant risk of material adjustment in the next year are discussed at the end of these sections.

2. Basis of consolidation

The consolidated financial statements consolidate the financial statements of King’s and all its subsidiary undertakings for the financial year to 31 July, with uniform accounting policies adopted by the University and its subsidiaries. Intra-company sales and profits are eliminated fully on consolidation.

Joint ventures are accounted for using the ‘Equity Method’. They are initially recognised at transaction cost adjusted each year to reflect the University’s share of the joint venture’s Comprehensive Income, recognised through Other Comprehensive Income. Joint ventures are reviewed annually to ensure that the investment is worth the carrying amount and a provision against the value created, if necessary.

In accordance with Section 9 of FRS 102, the consolidated financial statements do not include those of the King’s College London Students’ Union, in which the University has no financial interest and no control or significant influence over policy decisions.

The Institution has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the Institution in its separate financial statements.

3. Going Concern

The University continues to adopt the going concern basis in preparing these financial statements. In coming to this conclusion Council and the Officers of the University have undertaken the following actions:

- Prepared detailed income and expenditure, and cash flow budgets and forecasts for the 2024-25 financial year, with due regard to sensitivity of income to home and overseas student numbers.
- Prepared prudent Income and Expenditure, cash flow, and balance sheet forecasts for a period of five years.
- Calculated and reviewed debt covenants on both an actual and forecast basis five years from the balance sheet date, to ensure it will not breach them based upon the University’s financial strategy and plan.
- Reverse stress tested the University in a number of scenarios to see under what circumstances it would face an existential risk, including what would lead to a breach of debt covenants, or cash held being insufficient to meet payroll. With a mitigation plan devised for these circumstances.
- Had all budgets and forecasts scrutinised by the University’s Finance Committee which has expert independent members.
- Considered the solvency and liquidity position of the University and the availability to it of debt finance as required, including active management of its credit rating (as provided by Standard & Poor’s).
- Considered the severe but plausible downsides the University may be faced with in the foreseeable future such as cash falling to a level where the University can no longer meet its financial obligations as they fall due or breaches of loan covenants.

Based upon this Council is confident that the University has adequate resources to continue in operational existence for the foreseeable future, and will have sufficient funds to meet its liabilities as they fall due over a period of at least 12 months from the date of approval of these financial statements.

Council is not aware of any material uncertainties which would prevent the University from continuing as a going concern.

4. Recognition of income

Provision of goods and services

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 to the extent of the completion or provision of the service supplied.

Tuition fees and education contracts

Student-fee income is stated net of any expenditure that is a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which students are studying. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Agency

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.

Grants

Where the University receives income, such as grants, on a basis that is without commercial substance it accounts for this on a Non-Exchange Transaction basis. A Non-Exchange Transaction is defined as when:

'An entity receives value from another entity without directly giving approximately equal value in exchange.'

Government grants include funding council block grant, research grants from government sources, and other grants and donations from non-government sources (including research grants).

As set out in Section 24 of FRS 102, Government Grants, the University has opted to account for government grants as for other non-exchange transactions, under the performance model. Income is recognised within the Statement of Comprehensive Income when the grant is receivable (legal/contractual commitment) and performance related conditions specified in the agreement are met. In the absence of performance conditions income is recognised in full as soon as it becomes receivable.

Performance conditions are defined as follows:

'A condition that requires the performance of a particular level of service or units of output to be delivered, with payment of, or entitlement to, the resources conditional on that performance.'

Resources received in advance of completion of performance conditions are recognised on the balance sheet as deferred income and released to the Statement of Comprehensive Income as conditions are met. Where grants are received in arrears accrued income or receivable assets are recognised in line with income recognition.

For OfS/Research England funding grants relating to a single academic year, income is recognised in full in the period to which the grant relates. Grants relating to more than a single year are recognised pro-rata across the term of the grant.

Grants for the purpose of purchasing or constructing specific assets are recognised as income upon the asset being brought into use, or in line with phased completion of large construction projects where this is the performance condition. Grants where the University has discretion over the assets purchased or built and there is no performance condition are recognised in full as income when the grant becomes receivable.

Income is classified as 'Research Grants and Contracts' when it meets the Frascati definition of research as set out by the Organisation for Economic Co-operation and Development (OECD), and which is generally accepted within the Higher Education sector as the standard by which work is determined to be research. In the majority of cases research income is recognised in line with expenditure of the grant on the research area and any related contributions towards overhead costs, spend on appropriate research costs being the performance condition.

Donations, endowments, and non-government capital grants

Donations and endowments are non-exchange transactions which do not meet the definition of government or research grants and are accounted for under the performance model.

Donation and new endowment income is recognised within the Statement of Comprehensive Income when the grant is receivable (legal/contractual commitment) and performance-related conditions specified in the agreement are met. In the absence of performance conditions income is recognised in full as soon as it becomes receivable, being the earlier of receipt of the donation or contractual obligation from the donor.

Donations and endowments with donor-imposed restrictions are recognised in restricted income and restricted endowment reserves respectively and retained within the restricted reserves until such time as it is used in line with the restrictions, at which point the income is released to general reserves through a reserve transfer.

Restrictions are defined as:

'A requirement that limits or directs the purposes for which a resource may be used that does not meet the definition of a performance-related condition.'

Donations with no restrictions are recorded in unrestricted income reserves.

There are four main types of donations and endowments with restrictions, which are:

- ♦ restricted donations – the donor has specified that the donation must be used for a particular objective
- ♦ unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate income for the general benefit of the University
- ♦ restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University can convert the donated sum into income
- ♦ restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate income to be applied to a particular objective.

Donations for the purpose of purchasing or constructing specific assets are recognised as income upon the asset being brought into use, or in line with phased completion of large construction projects where this is the performance condition.

Investment Income

Investment income from short-term deposits is included in the Consolidated Statement of Comprehensive Income and Expenditure on a receivable basis.

Endowment investment income and appreciation is recorded in income in the year in which it arises, as either restricted or unrestricted income according to the terms of the individual endowment fund.

The University operates a total return endowment investment management policy for permanent endowments. This allows the spending of permanent endowment investment gains regardless of whether they are realised or unrealised capital gains or dividend and interest income. The Investment Subcommittee has adopted a total return spending rate of four per cent applied to the average ending portfolio valuation over the previous 12 quarters.

5. Employment benefits

Post-Employment Benefits (pensions)

The three principal pension schemes in which the University participates are the Universities Superannuation Scheme (USS), the Superannuation Arrangements of the University of London (SAUL) and the Department of Health's NHS Pension Scheme (NHSPS). The schemes are valued at least every three years by professionally qualified and independent actuaries.

SAUL is a defined benefit scheme, and with effect from 1 October 2016, USS changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits.

The assets of both schemes are held in separate trustee administered funds. Due to the mutual nature of the schemes, the assets are not attributed to individual institutions and scheme wide contribution rates are set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, as required by Section 28 of FRS 102 Employee Benefits, the University accounts for the schemes as if they are defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income represents the contributions payable to the schemes in respect of the accounting period.

A liability is recorded within provisions for any contractual commitment to fund past deficits within either USS or SAUL as determined by the scheme management. The provision being calculated on a discounted future cash flow basis and the associated expense and subsequent release being recognised as staff costs in the Statement of Comprehensive Income.

NHSPS is a statutory, unfunded, multi-employer, defined benefit scheme in which the University is unable to identify its share of the underlying liabilities and assets, and it is accounted for as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income represents the contributions payable to the scheme in respect of the accounting period. As the scheme is unfunded there is no requirement to provide for contractual commitments to fund past deficits.

Short-term Employee 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. A liability is recognised at each Balance Sheet date to the extent that employee holiday allowances have been accrued but not taken, the expense being recognised as staff costs in the Statement of Comprehensive Income.

6. 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 are stated 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, less accumulated depreciation and impairment losses.

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

7. Operating leases

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

8. Repairs and maintenance

Expenditure to ensure that a Property, Plant and Equipment asset maintains its previously recognised standard of performance is recognised in the Statement of Comprehensive Income in the period in which it is incurred. The University has a planned maintenance programme, which is reviewed annually.

9. Foreign currencies

Transactions denominated in foreign currencies are translated to sterling 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 retranslated to sterling at the foreign-exchange rate ruling at that date. Foreign-exchange differences arising on translation are recognised in the Consolidated Statement of Comprehensive Income and Expenditure. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

10. Intangible assets

Software licences and implementation costs

Software, licences, and their associated implementation costs, costing less than £50k are written off in the year of acquisition. All other software, licences, and associated implementation costs are capitalised at cost (including irrecoverable VAT and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended) and recognised as intangible assets.

Capitalised software and licences are depreciated over their useful economic life of up to five years or the remaining length of the licence, using the straight-line method.

11. Fixed assets

Freehold land

Freehold land is accounted for under a revaluation policy, being valued at cost at initial recognition and subsequently being revalued to fair value with positive movements recognised in Other Comprehensive Income and in a revaluation reserve. Negative movements in fair value are recognised in Other Comprehensive Income to the extent that they reverse previously recognised gains, or expenditure where they take the asset below its original cost. Fair value has been calculated without deduction for costs which may be incurred on any subsequent sale.

The University has a policy of ensuring a full revaluation takes place at least every five years, or more frequently where there is evidence of impairment, such that the market value is not materially different to the current value.

Buildings and Leasehold Land

Buildings and long leasehold land are stated at cost (including irrecoverable VAT and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended) less accumulated depreciation.

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

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

- Freehold buildings are depreciated on a straight-line basis over their expected useful lives of 50 years, and 100 years in respect of new-build property.
- Leasehold land is depreciated over the life of the lease.

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

Equipment and Plant

Equipment costing less than £50,000 per individual item or group of related items is written off in the year of acquisition. All other equipment is capitalised.

Capitalised equipment is stated at cost (including irrecoverable VAT and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended) and depreciated over its expected useful life:

- Plant - 15 years
- Capitalised leased equipment - 15 years.
- Fixtures and fittings – 15 years
- Equipment purchased on research grants – remaining term of the grant
- All other equipment – 5 years.

Depreciation methods, useful lives and residual values are reviewed during the preparation of each balance sheet.

Impairment

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income. Where indicators exist for a decrease in impairment loss on assets, the prior impairment loss is reversed only to the extent that it does not lead to a revised carrying amount higher than if no impairment had been recognised.

Borrowing costs

Borrowing costs are recognised as an expense in the Consolidated Statement of Comprehensive Income and Expenditure in the period in which they are incurred.

Disposal of fixed assets

Gains or losses on disposal of fixed assets are recognised as the difference between the consideration received (net of any VAT) and the carrying value of the asset at the date sale plus costs incurred in the sale.

12. Heritage assets

Heritage assets are books, manuscripts, specimens, objects or other assets that have historic, scientific, artistic, technological, geophysical or environmental qualities and are held and maintained principally for their contribution to knowledge and culture.

In so far as heritage assets are used as operational assets, as in the case of historic buildings, they are capitalised in accordance with the policies set out in point 11 above. Other heritage assets – principally printed materials, pictures and objects of scientific interest – are, for individual items exceeding £50,000, capitalised at cost or valuation on acquisition, but only where a reliable valuation is available. Valuations reflect any impairment or restrictions on use of the assets by the University. No assets acquired prior to 1 August 2000 have been capitalised, as reliable information concerning their cost or value on acquisition is not available.

Descriptions of the principal heritage assets held are set out in note 15 to the accounts.

13. Investment properties

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services.

As per section 16.3A of FRS 102, student accommodation is not classified as investment property as the University is a public benefit entity and the property is held primarily for the provision of social benefits.

Investment properties are measured initially at cost and subsequently at fair value, based on the valuation undertaken by an independent Chartered Surveyor and updated annually for market movement, with movements recognised in the Consolidated Statement of Comprehensive Income and Expenditure. Properties are not depreciated but are revalued or reviewed annually according to market conditions as at 31 July.

14. Investments

All investments will initially be recognised at cost and subsequently measured at fair value at each reporting date. Where fair value cannot be reliably measured or investments are not publicly traded, they will be measured at cost less impairment. All gains and losses on investment assets, both realised and unrealised, are recognised in the Statement of Comprehensive Income as they accrue.

Investments in listed shares (where shares are publicly traded or their fair value can be reliably measurable) are measured at market value.

Investments in subsidiary undertakings and associates are recognised at transaction cost less accumulated impairment losses.

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

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. They include term deposits, government securities and loan stock held as part of the University's treasury management activities. They exclude any such assets held as endowment asset investments. Highly liquid is considered to be holdings which can be liquidated in less than 3 months.

16. Taxation status

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011 and as such is 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 Sections 478–488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes. The University receives no similar exemption in respect of Value Added Tax but is unable to recover input tax incurred on the majority of its expenditure, most education and research being VAT-exempt activity. Irrecoverable VAT is included in the cost of the goods or services. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The University's subsidiary companies are subject to corporation tax and VAT in the same way as any other commercial organisation. However, no provision is made for deferred tax should the taxable profits of the subsidiary companies be gift-aided back to King's.

17. Provisions

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

King's regularly reviews the risks inherent in its educational and research activities and makes financial provision where appropriate.

In addition, the University operates its halls of residence on a self-financing basis and provides annually for the cost of long-term maintenance and regular refurbishment.

18. Financial Instruments

The University has adopted the option to apply the recognition, measurement, and disclosure requirements of sections 11 and 12 of FRS 102.

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 net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures are initially measured at fair value, which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the statement of comprehensive income. Where the investment in equity instruments are not publicly traded and where the fair value cannot be reliably measured the assets are measured at cost less impairment.

Financial assets are de recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of the ownership of the asset are transferred to another party.

Financial assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Financial Liabilities

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Financial liabilities are de recognised when the liability is discharged, cancelled, or expires.

Derivatives (interest rate swaps) are held on the Balance sheet at fair value with movements in fair value recorded in the Consolidated Statement of Comprehensive Income. The University has adopted and complied with the requirements of hedge accounting and as a result movements in fair value are recorded within Other Comprehensive Income. Any ineffective portion of the hedge is recognised immediately in income or expenditure. The hedging gain or loss recognised in Other Comprehensive Income is reclassified to income or expenditure when the hedged item is recognised in profit or loss or when the hedging relationship ends.

19. Significant accounting estimates and judgements

The preparation of King's financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income, and expenditure. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events. The estimates are reviewed on an ongoing basis and the related eventual actual results may differ from these estimates.

Accounting estimates

Key assumptions concerning the future and key sources of estimation uncertainty at the reporting date that may cause material adjustment to the carrying amounts of asset or liabilities are discussed with the external auditors, Audit and Risk Compliance Committee and Finance Committee during the year. The University considers certain accounting estimates relating to provisions and fixed assets as its significant accounting estimates as described as follows:

- The valuation of freehold land is performed by professionally qualified valuers in accordance with RICS Valuation – Global Standards and FRS 102. The fair value of land is based on estimates of either open market value or depreciated replacement cost.
- Tangible and intangible assets are assessed at the time the asset is acquired or construction is completed to establish their useful life. This assessment is based on historical experience with related assets and any awareness of future events. Depreciation is then calculated on a straight-line basis over the estimated useful economic lives of the assets.

Significant judgements

Judgements, apart from those above involving estimate uncertainty, that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognised in the financial statements are described as follows:

- FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as those provided by USS and SAUL. 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 any deficit) and the resulting expense recognised through the profit or loss account in accordance with section 28 of FRS 102. The University is satisfied that the schemes provided by USS and SAUL meet the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.
- The annual valuation of the University's investment properties and freehold land includes judgements which are based on discussions and expertise from the University's professionally qualified valuers.

- Research income is recognised in line with expenditure when it is judged by the University to have the right to receive funding from these bodies.
- Non-exchange transactions, such as donations, are recognised in line with their corresponding gift/grant agreements which are reviewed for any performance conditions or restrictions. The income is recognised when these conditions are judged to have been met.

Consolidated and University statement of comprehensive income and expenditure

For the year ended 31 July 2024

	Note	Consolidated		University	
		2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Income					
Tuition fees and education contracts	1	630,497	607,815	630,497	607,815
Funding body grants	2	144,921	148,294	144,921	148,294
Research grants and contracts	3	256,883	236,276	256,883	236,276
Other income	4	186,862	190,682	187,932	190,760
Investment income	6	26,801	17,972	26,723	17,954
Total income before donations and endowments		1,245,964	1,201,039	1,246,956	1,201,099
Donations and endowments	7	23,704	28,920	23,704	28,920
Total income		1,269,668	1,229,959	1,270,660	1,230,019
Expenditure					
Staff costs	8	(740,268)	(667,906)	(729,079)	(658,036)
Staff costs – movement on USS pension provision	8, 24	329,866	68,481	329,866	68,481
Other operating expenses	12	(448,971)	(417,182)	(461,200)	(427,166)
Depreciation and amortisation	14, 15	(60,587)	(55,745)	(60,608)	(55,773)
Interest and other finance costs	11	(23,006)	(29,346)	(23,006)	(29,346)
Total expenditure	12	(942,966)	(1,101,698)	(944,027)	(1,101,840)
Surplus before other gains and losses		326,702	128,261	326,633	128,179
Gain on other investments		1,313	–	1,313	–
Gain on endowment investments	18, 27	25,658	4,541	25,658	4,541
Loss on property investment	17	(711)	(3,515)	(711)	(3,515)
Surplus before tax		352,962	129,287	352,893	129,205
Taxation	13	(10)	(21)	–	–
Surplus for the year		352,952	129,266	352,893	129,205
Other comprehensive income					
Unrealised surplus/(deficit) on revaluation of tangible assets		2,329	(50,726)	2,329	(50,726)
Change in fair value of hedging financial instruments		(7,118)	–	(7,118)	–
Total comprehensive income for the year		348,163	78,540	348,104	78,479
Represented by:					
Endowment comprehensive income for the year	27	23,865	9,888	23,865	9,888
Restricted comprehensive income for the year	26	12,293	10,188	12,293	10,188
Unrestricted comprehensive income for the year	28	316,794	109,190	316,735	109,129
Revaluation reserve comprehensive income for the year		2,329	(50,726)	2,329	(50,726)
Cash flow hedge reserve comprehensive income for the year		(7,118)	–	(7,118)	–
		348,163	78,540	348,104	78,479

The consolidated income and expenditure of the university and its subsidiaries relates wholly to continuing operations.

There is no difference between the surplus/(deficit) stated above and the historical cost equivalent.

Total Comprehensive Income at historic cost in 2023-24 would have been £348,163k (2022-23 £78,540k).

The notes from page 51 onwards form part of the financial statements.

Consolidated and University statement of changes in reserves

For the year ended 31 July 2024

	Income and expenditure account			Cash flow hedge reserve	Revaluation reserve	Total
	Endowment £000	Restricted £000	Unrestricted £000			
Consolidated					£000	£000
Balance at 1 August 2022	291,094	11,925	454,975	–	484,321	1,242,315
Surplus for the year	9,888	10,188	109,190	–	–	129,266
Deficit on revaluation	–	–	–	–	(50,726)	(50,726)
Total comprehensive income for the year	9,888	10,188	109,190	–	(50,726)	78,540
Reserves transfer	–	(2,079)	2,079	–	–	–
Balance at 1 August 2023	300,982	20,034	566,244	–	433,595	1,320,855
Surplus for the year	23,865	12,293	316,794	–	–	352,952
Surplus on revaluation	–	–	–	–	2,329	2,329
Change in fair value of hedging financial instruments	–	–	–	(7,118)	–	(7,118)
Total comprehensive income for the year	23,865	12,293	316,794	(7,118)	2,329	348,163
Reserve transfer	–	175	(175)	–	–	–
Balance at 31 July 2024	324,847	32,502	882,863	(7,118)	435,924	1,669,018
	Income and expenditure account			Cash flow hedge reserve	Revaluation reserve	Total
	Endowment £000	Restricted £000	Unrestricted £000			
University					£000	£000
Balance at 1 August 2022	291,094	11,925	457,005	–	484,321	1,244,345
Surplus for the year	9,888	10,188	109,129	–	–	129,205
Deficit on revaluation	–	–	–	–	(50,726)	(50,726)
Total comprehensive income for the year	9,888	10,188	109,129	–	(50,726)	78,479
Reserve transfer	–	(2,079)	2,079	–	–	–
Balance at 1 August 2023	300,982	20,034	568,213	–	433,595	1,322,824
Surplus for the year	23,865	12,293	316,735	–	–	352,893
Surplus on revaluation	–	–	–	–	2,329	2,329
Change in fair value of hedging financial instruments	–	–	–	(7,118)	–	(7,118)
Total comprehensive income for the year	23,865	12,293	316,735	(7,118)	2,329	348,104
Reserve transfer	–	175	(175)	–	–	–
Balance at 31 July 2024	324,847	32,502	884,773	(7,118)	435,924	1,670,928

Consolidated and University balance sheets

As at 31 July 2024

	Note	Consolidated		University	
		2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Non-current assets					
Intangible assets	14	37,782	39,107	37,782	39,107
Tangible assets	15	1,584,999	1,541,744	1,586,880	1,543,646
Investments	17	58,166	59,660	58,166	59,661
Endowment investments	18	324,847	300,982	324,847	300,982
Investment in joint venture	17	2,832	2,832	2,832	2,832
		<u>2,008,626</u>	<u>1,944,325</u>	<u>2,010,507</u>	<u>1,946,228</u>
Current assets					
Trade and other debtors due within 1 year	19	190,057	182,758	189,796	181,833
Investments	20	60,000	–	60,000	–
Cash and cash equivalents		263,390	377,419	261,883	376,212
		<u>513,447</u>	<u>560,177</u>	<u>511,679</u>	<u>558,045</u>
Less: creditors: amounts falling due within one year	21	(428,677)	(429,296)	(426,880)	(427,098)
Net current assets/(liabilities)		<u>84,770</u>	<u>130,881</u>	<u>84,799</u>	<u>130,947</u>
Total assets less current liabilities		<u>2,093,396</u>	<u>2,075,206</u>	<u>2,095,306</u>	<u>2,077,175</u>
Creditors: amounts falling due after more than one year	22	(419,428)	(418,429)	(419,428)	(418,429)
Provisions					
Pension provisions	24	–	(330,972)	–	(330,972)
Other provisions	25	(4,950)	(4,950)	(4,950)	(4,950)
Total net assets		<u>1,669,018</u>	<u>1,320,855</u>	<u>1,670,928</u>	<u>1,322,824</u>
Restricted reserves					
Income and expenditure reserve – endowment reserve	27	324,847	300,982	324,847	300,982
Income and expenditure reserve – restricted reserve	26	32,502	20,034	32,502	20,034
Unrestricted reserves					
Income and expenditure reserve – unrestricted	28	882,863	566,244	884,773	568,213
Revaluation reserve		435,924	433,595	435,924	433,595
Cash flow hedge reserve		(7,118)	–	(7,118)	–
Total reserves		<u>1,669,018</u>	<u>1,320,855</u>	<u>1,670,928</u>	<u>1,322,824</u>

The financial statements on pages 47 to 77 were approved by the Council on 18 November 2024 and signed on its behalf by:

The Rt Hon the Lord Christopher Geidt
Chair of Council

Professor Shitij Kapur
Vice-Chancellor & President

Mr Stephan Weiner
Treasurer

Consolidated statement of cash flows

For the year ended 31 July 2024

	Note	2023-24 £000	2022-23 £000
Cash flow from operating activities			
Surplus for the year		352,952	129,266
Adjustment for non-cash items			
Depreciation and amortisation	14, 15	60,587	55,745
Loss on property investment	17	711	3,515
(Gain) on endowment investments	18	(25,658)	(4,541)
(Increase) in debtors		(7,299)	(30,876)
Increase/(Decrease) in creditors (excluding debt repayable in less than 1 year)		(1,229)	5,198
(Decrease) in lease premium on development property		(869)	(869)
Write down in value of investments	17	800	800
(Decrease) in pension provisions	24	(338,543)	(87,829)
Increase in other provisions	25	–	297
Adjustment for investing or financing activities			
Investment income	6	(26,801)	(17,972)
Interest payable	11	23,006	29,346
Endowment income	7	(1,773)	(9,653)
Disposal of tangible assets		529	1,547
Capital grant income	2, 7	(12,477)	(13,619)
Net cash inflow from operating activities		23,936	60,355
Cash flows from investing activities			
Proceeds from sale of endowment asset investments	18	30,625	37,897
Capital grants receipts	2, 7	12,477	13,619
Investment income	6	26,801	17,972
Payments made to acquire fixed assets		(100,717)	(76,605)
Change in non-current asset investments	17	(16)	(30)
New non-current endowment asset investments	18	(17,661)	(40,363)
Endowment asset investments change in cash balances	18	(11,171)	(2,881)
New current asset investment	20	(60,000)	–
Investment in joint venture		–	(1,200)
		(119,662)	(51,591)
Cash flows from financing activities			
Interest paid		(15,420)	(15,892)
Endowment cash received	7	1,773	9,653
Repayments of amounts borrowed		(4,656)	(4,371)
		(18,303)	(10,610)
Change in cash and cash equivalents in the year		(114,029)	(1,846)
Cash and cash equivalents at beginning of the year		377,419	379,265
Cash and cash equivalents at end of the year		263,390	377,419
Change in cash and cash equivalents in the year		(114,029)	(1,846)

Notes to the accounts

For the year ended 31 July 2024

1. Tuition fees and education contracts

	Consolidated and University	
	2023-24 £000	2022-23 £000
Full-time students charged home fees	177,594	167,788
Full-time students charged overseas fees	347,277	342,452
NHS contracted student fees	8,398	8,311
Part-time fees	38,228	39,539
Special and short course fees	42,444	35,115
Research Studentship and support grants	16,556	14,610
	630,497	607,815

2. Funding body grants

	Consolidated and University	
	2023-24 £000	2022-23 £000
Funding body teaching grants	38,930	38,251
Funding body research grants	81,869	87,074
Other funding body grants	11,645	9,350
Funding body capital grants	12,477	13,619
	144,921	148,294

3. Research grants and contracts

	Consolidated and University	
	2023-24 £000	2022-23 £000
Research Councils	69,528	68,363
UK central government, local authorities, health and hospital authorities	57,247	48,287
UK industry, commerce and public corporations	14,583	12,130
UK charitable bodies	58,063	60,594
EU government	19,355	17,699
EU Charities, Industry and Other	5,957	4,753
Overseas non EU	29,762	21,862
Other UK Sources	2,363	2,530
Other	25	58
	256,883	236,276

4. Other income

	Consolidated		University	
	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Academic departments costs reimbursed by NHS	14,972	14,877	14,972	14,877
Clinical excellence awards reimbursed by NHS	5,562	6,297	5,562	6,297
Residences, catering and conferences	74,503	69,097	74,503	69,097
Services rendered to NHS and related bodies	24,154	28,494	24,154	28,494
Gift aid payments from subsidiaries	–	–	1,110	217
Consultancy	21,896	22,211	21,925	22,127
Royalties	1,630	1,771	1,630	1,771
Commercial rental income	7,274	7,666	7,274	7,666
Other income	36,871	40,269	36,802	40,214
	186,862	190,682	187,932	190,760

5. Grant and fee income

The below table is provided in line with the requirements of the Office for Students' Accounts Direction and summarises the grant and fee income of the University by the nature and source of that income. All income included in the table is also included in notes 1 to 4.

	Consolidated and University	
	2023-24 £000	2022-23 £000
Grant income from the OfS	40,185	127,495
Grant income from other bodies	174,264	89,163
Fee income for research awards (exclusive of VAT)	16,556	14,610
Fee income from non-qualifying courses (exclusive of VAT)	42,476	35,301
Fee income for taught awards (exclusive of VAT)	571,464	557,905
	844,945	824,474

6. Investment income

	Consolidated		University	
	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Income on restricted permanent endowments (note 27)	3,095	2,549	3,095	2,549
Income on restricted expendable endowments (note 27)	379	320	379	320
Other interest receivable	21,972	14,908	21,894	14,890
Other investment income	1,355	195	1,355	195
	26,801	17,972	26,723	17,954

7. Donations and endowments

	Consolidated and University	
	2023-24 £000	2022-23 £000
Capital grants	–	–
New endowments (note 27)	1,773	9,653
Donations with restrictions	18,950	15,095
Unrestricted donations	2,981	4,172
	23,704	28,920

8. Staff

	Consolidated		University	
	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Staff costs:				
Wages and salaries	556,359	489,150	545,351	479,917
Redundancy payments	2,911	2,543	2,906	2,510
Social security costs	59,198	64,219	57,956	63,151
Pension contributions relating to current year service (note 31)	79,821	72,099	79,081	71,496
Permanently employed	698,289	628,011	685,294	617,074
Agency and contract staff costs	41,979	39,895	43,785	40,962
Staff costs (excluding pension provision)	740,268	667,906	729,079	658,036
Movement on USS pension provision	(329,866)	(68,481)	(329,866)	(68,481)
Staff costs	410,402	599,425	399,213	589,555

8. Staff costs (continued)

Agency and contract staff costs include amounts charged by third parties, including NHS Trusts, for contractors and job holders who are not directly employed by the University.

Redundancy payments have been made to 318 individuals as compensation for loss of office during 2023-24 (2022-23 240 individuals).

	2023-24	2022-23
Average number of directly employed staff, expressed as full-time equivalents:		
Academic/clinical, including research contract staff	4,590	4,556
Administrative and related staff	3,669	3,383
Technical	431	424
Cleaning and security	390	375
Other	122	123
	9,202	8,861

Remuneration of higher paid staff is the full-time equivalent basic annual salary prior to any adjustment for salary sacrifice. The number of staff are calculated on a full-time equivalent basis. Staff who joined or left part-way through a year but who would have received salary in these bands in a full year are not included. Where a proportion of the salary is directly reimbursed by the NHS, research funder, consultancy project or similar, only the portion paid by the University is disclosed.

	2023-24 Total Full-time equivalent	2022-23 Total Full-time equivalent		2023-24 Total Full-time equivalent	2022-23 Total Full-time equivalent
£100,000–£104,999	38.6	33.1	£195,000–£199,999	–	2.0
£105,000–£109,999	35.0	66.1	£200,000–£204,999	1.6	2.0
£110,000–£114,999	73.4	40.3	£205,000–£209,999	2.0	4.0
£115,000–£119,999	38.4	54.7	£210,000–£214,999	2.7	–
£120,000–£124,999	30.3	19.7	£215,000–£219,999	4.0	–
£125,000–£129,999	54.6	17.4	£220,000–£224,999	–	–
£130,000–£134,999	15.9	9.9	£225,000–£229,999	–	2.7
£135,000–£139,999	13.7	7.7	£230,000–£234,999	1.0	0.3
£140,000–£144,999	6.3	13.9	£235,000–£239,999	2.8	–
£145,000–£149,999	15.6	7.3	£240,000–£244,999	0.3	–
£150,000–£154,999	7.3	8.1	£245,000–£249,999	1.0	–
£155,000–£159,999	10.7	7.1	£255,000–£259,999	1.0	–
£160,000–£164,999	7.1	5.7	£285,000–£289,999	0.4	–
£165,000–£169,999	3.8	0.9	£295,000–£299,999	–	1.0
£170,000–£174,999	2.3	5.3	£310,000–£314,999	1.0	0.1
£175,000–£179,999	3.0	5.7	£325,000–£329,999	0.1	–
£180,000–£184,999	5.8	3.0	£400,000–£404,999	–	0.4
£185,000–£189,999	3.0	–	£410,000–£414,999	0.2	–
£190,000–£194,999	2.0	1.8			
				384.9	320.2

The accounts included a total amount of £504k in severance payments (including the cost of additional pension benefits purchased by the University) made to eight higher-paid employee in 2023-24, the equivalent payments made in 2022-23 were £597k made to seven higher-paid employees.

	2023-24 Number of roles	2023-24 £000	2022-23 Number of roles	2022-23 £000
Key management personnel remuneration	9	2,305	9	2,238

Key Management Personnel comprises the Senior Officers of the University (kcl.ac.uk/aboutkings/principal/seniorofficers/index) and includes the Vice-Chancellor & President.

8. Staff costs (continued)

Vice-Chancellor & President's pay statement.

In April 2019, HMRC announced changes to its interpretation of the relevant legislation that would result in the provision of any accommodation associated with employment becoming a taxable benefit from 6 April 2021. The taxable benefit in respect of accommodation for the year is derived from the market value of accommodation in line with HMRC's 'cost of providing living accommodation' rules.

King's identified, an administrative error, during the year that the tax associated with the current Vice Chancellor's accommodation benefit was not correctly recorded by the University in respect of the 2021-22 and 2022-23 tax years. The Remuneration Committee approved a 'tax equalisation' approach for the Vice Chancellor to cover the additional costs arising from the tax position in respect of previous tax years to recognise that this error was not the fault of the Vice Chancellor, and applied the same treatment to the 2023-24 tax year.

As a result, additional remuneration for the Vice Chancellor should have been recognised in respect of previous financial years as follows:

	Restated	Restated	
	2023-24	2022-23	
	£000	£000	
		2021-22	
		£000	
Emoluments of the Vice-Chancellor & President:			
Professor Shitij Kapur			
Salary	313	295	296
Accommodation*	40	40	38
Tax on accommodation	21	33	35
	374	368	369
Pension scheme contributions	54	63	63
	428	431	432
Previously disclosed total		414	399

*Figures have been updated to reflect the adoption of a restricted market value in relation to the accommodation benefit, as agreed with HMRC.

Context: King's is a world-class institution which aspires to the very highest standards of education and research. The University is a member of the Russell Group and is one of the world's leading research-intensive universities with a global reputation for excellence. In both the QS and TH World Rankings, King's is shown as a Top 40 World University. The University's Remuneration Policy for Senior Post Holders, which complies with the guidance issued by the Committee of University Chairs, recognises that King's recruits from a global talent pool in selecting its President & Principal (Vice-Chancellor) and that different pay models operate across universities in countries from which King's may seek to recruit. The policy establishes the set of peer institutions for salary comparison purposes with which King's is aligned. In 2024, the Remuneration Committee engaged Pricewaterhouse Coopers to undertake a benchmarking exercise against Russell Group universities and a wider selection of UK universities. Based on this benchmarking exercise, the strength of the University under Professor Kapur's leadership, and acknowledging the change in HMRC policy towards accommodation provided to vice-chancellors leading to a higher tax charge, there was a revision of salary.

Value: Professor Shitij Kapur took office in June 2021. He is an academic psychiatrist, a neuroscientist and an experienced senior academic leader. Professor Kapur was previously the Dean and Assistant Vice Chancellor for Health at the University of Melbourne. Prior to taking up the role in Melbourne he was Executive Dean of King's Institute of Psychiatry, Psychology & Neuroscience. Thus, he has brought not only international experience at a distinguished institution of considerable scale, but direct experience of King's, both of which have proven invaluable in his first two and a half years in office.

He has continued to focus on the University's key strategic goals and objectives, launching Strategy 2026, a renewed and reinvigorated plan for achieving the ambitions of Vision 2029. Under his leadership King's has grown from about 30,000 students to 36,000 students, has increased its research grants and contracts and its turnover has increased from £964m to £1.27 billion. King's now has its highest ever REF ranking and the most recent TEF analysis accorded King's a Gold in Student Outcomes, the first such ranking. King's completed the first staff survey in five years in 2023, with 75% staff showing positive engagement and 80% reporting 'pride' in King's, above the Russell Group and London HEI averages. An ambitious capital programme is underway that will increase student facilities, research capacity, and King's impact on society. This includes the Pears Maudsley Centre for Young People's Mental Health, the London Institute of Health Engineering, the re-establishment of Engineering in the Quad, the development of the Strand-Aldwych plaza, the relocation of activity from the Virginia Woolf Building into existing King's estate, and the acquisition of the Bush House South West Wing to provide space and services for students and staff, and the further expansion of our academic mission.

King's continues to be well represented in global league tables and maintained its high standing in research in the recent Research Excellence Framework (REF) exercise, particularly with respect to research impact.

8. Staff costs (continued)

Performance review process: Professor Kapur's performance is reviewed on an annual basis by the Council's Remuneration Committee, which is a standing committee of Council, chaired by the Vice-Chair of the Council and including in its membership the Chair of Council and three additional independent members of Council. The annual performance review is based on progress toward a set of key performance indicators mutually agreed at the beginning of each academic year.

The relationship between the Vice-Chancellor & President's remuneration and that for all other employees expressed as a pay multiple are:

		Restated	Restated
	2023-24 £000	2022-23 £000	2021-22 £000
Vice-Chancellor & President base pay multiple of median base pay	7.4	7.3	8.1
Vice-Chancellor & President total pay multiple of median total pay excluding accommodation and tax on accommodation	7.6	7.4	8.0
Vice-Chancellor & President total pay multiple of median total pay	8.9	8.9	9.6

As per the guidance from the Office for Students included within the calculation are only staff for whom the University are required to provide real time reporting to HMRC. The calculation of the medians includes staff employed through King's Talent Bank Ltd, a wholly owned subsidiary of the University.

Methodology: Full time equivalent (FTE) pay is calculated by summing relevant pay types and the percentage of FTE worked over the year (August 2023 to July 2024) and pro-rating up to 100% to give everyone an FTE equivalent salary. Data includes individuals employed by King's College London, King's College London Business Ltd and King's Talent Bank Ltd.

9. Access and participation

	Consolidated and University			
	2023-24 £000	Of which staff costs (note 8)	2022-23 £000	Of which staff costs (note 8)
Access Investment	3,038	1,744	2,669	1,555
Financial Support	9,398	–	10,924	–
Disability Support	1,018	956	918	861
Research and Evaluation	274	243	294	269
	13,728	2,943	14,805	2,685

We are committed to supporting students to access a King's education regardless of background, to succeed while they are with us and progress to the best outcomes. It is a core part of our Vision 2029 mission to deliver social mobility and of Strategy 2026.

Three objectives form the basis of our Widening Participation Strategy from 2022-2025. We work with schools and partners to improve attainment. We support families and the communities around learners. We improve outcomes for the most vulnerable priority groups. From there we focus on students' transition into University and getting on in their studies, supported by targeted financial support. We commit to what works, so back this with rigorous, well-resourced evaluation. Through this approach we have delivered on our commitments to the Office for Students and are on track to meet or exceed our targets.

Widening Participation & Fair Access

We invested £3,073,580 to address educational disadvantage and to increase access to King's. In 2023-24 we configured aspects of our programme to widen the applicant pool, engage more directly with all our faculties and increase the number of students.

Our flagship K+ programme for year 12 and 13 students aims to improve participants' access to top universities. We have grown K+ to now engage 700 students per year. In 2023-24 we brought our Aspire programme (supporting access for Black British students) and Pride Power (LGBTQ+ students) into K+, engaging more students more effectively. We continue to innovate to establish impact, continuing our K+ randomised control trial, and scoping similar trials for our King's Scholars programme and Medicine & Dentistry Lecture series.

Our programmes with Key Stage 2-4 learners (Step Up Scholars, King's Scholars and Scholars+) saw over 700 participants and parents on campus and in local schools and we had early indications of positive impact on attainment. The average Attainment 8 score for King's Scholars participants was higher than the local authority average. Our Widening Participation Champions network continued to grow to 200+ King's staff across all nine faculties.

We have increased applications and enrolments to King's of our target students. We achieved this while maintaining our commitment to be effective both locally and nationally.

9. Access and participation (continued)

Financial support

We invested £9,398,386 in financial support in 2023-24. Financial support was more critical than ever. Ongoing economic pressures have a disproportionate impact on students from less well-off backgrounds. As a result, the number of students eligible for at least one of our bursaries increased in recent years. This trend continued in 2023-24, alongside an increased provision of hardship funds. We continued our Sanctuary Scholarships for forced migrants and displaced students, placing this scholarships programme on a sustainable footing.

Disability Support

We invested £1,017,808 in support for disabled students. Sixteen percent of our UK Undergraduate population reported a disability. Students were most likely to report a learning difficulty or a mental health condition. As a result, we have invested in new counselling and mental health support and increased funding for disability and inclusion services.

Research and Evaluation

We invested £273,910 on research and evaluation of activity in 2023-24. The What Works unit within the Social Mobility & Widening Participation department delivered this. The team supported departments to build evidence, develop research and conduct evaluation. What Works also conducted research trialled interventions to improve student engagement. This included our academically validated survey on students' mental health and wellbeing.

kcl.ac.uk/study/undergraduate/how-to-apply/ofs-access-participation-plan

10. Trustees

The trustees are the members of Council, which is the supreme governing body of the University established under the Charter and Statutes. Membership of Council comprises a mixture of independent (lay) members, staff members, and the President of the King's College London Students' Union.

No member of Council receives remuneration in respect of his or her duties of Council. Total expenses were paid of £5,961 to or on behalf of one member (2023 – one, £6,030) in respect of their Council duties.

11. Interest and other finance costs

	Consolidated and University	
	2023-24 £000	2022-23 £000
Bank and other loans wholly repayable within five years	2,125	1,763
Loans not wholly repayable within five years	13,310	14,086
Net charge on pension schemes	7,571	13,497
	23,006	29,346

12. Analysis of total expenditure by activity

	Staff costs £000	Other operating expenditure £000	Depreciation and amortisation £000	Interest and other finance costs £000	Consolidated		University	
					2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Academic departments	407,143	69,699	2,285	–	479,127	447,070	479,127	447,070
Academic services	54,991	47,899	8,422	–	111,312	96,569	111,312	96,568
Central administration and services	67,917	33,631	1,352	–	102,900	81,128	103,962	81,271
General education expenditure	18,736	60,017	4	–	78,757	75,432	78,757	75,432
Staff and student facilities	17,891	15,545	744	–	34,180	32,810	34,180	32,811
Premises	42,520	91,919	43,248	–	177,687	165,777	177,687	165,777
Residence and catering operations	11,244	69,564	719	4,261	85,788	78,734	85,788	78,735
Research grants and contracts	128,462	60,459	3,813	–	192,734	186,476	192,734	186,476
Pension provision costs	(338,543)	–	–	7,571	(330,972)	(74,332)	(330,972)	(74,332)
Other costs	41	238	–	11,174	11,453	12,034	11,452	12,032
Total expenditure	410,402	448,971	60,587	23,006	942,966	1,101,698	944,027	1,101,840

12. Analysis of total expenditure by activity (continued)

Cost reimbursed by NHS Trusts

Included in the University's expenditure the following costs were reimbursed by the NHS Trusts which form the King's Health Partnership, and other NHS Trusts the University provides services to.

	Staff costs £000	Other operating expenditure £000	Depreciation and amortisation £000	Interest and other finance costs £000	Consolidated		University	
					2023-24	2022-23	2023-24	2022-23
					£000	£000	£000	£000
Academic departments – costs reimbursed by NHS	14,086	–	–	–	14,086	13,091	14,086	13,091
Academic departments – clinical excellence awards	5,622	–	–	–	5,622	6,103	5,622	6,103
Academic departments – services rendered to NHS	6,994	3,075	248	–	10,317	17,903	10,317	17,903
Central administration and services	663	–	–	–	663	77	663	77
	27,365	3,075	248	–	30,688	37,174	30,688	37,174

Auditor's remuneration

Consolidated

2023-24 £000	2022-23 £000
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External auditors' remuneration in respect of audit services:

University financial statements	296	111
Subsidiary financial statements	24	15
US Loans and NCTL certifications	15	17
	335	143

External auditors' remuneration in respect of non-audit services:

Corporation and other Tax	25	25
Total remuneration paid to external auditors	360	168

Consolidated

2023-24 £000	2022-23 £000
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Other operating expenses include:

Operating lease rentals:		
• land and buildings	79,722	81,324
• other	20	20

13. Taxation

	Consolidated		University	
	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Current tax				
Current tax expense	10	21	–	–
Adjustment in respect of previous years			–	–
Total Tax Expense	10	21	–	–
Factors effecting the tax charge				
Surplus before taxation	352,962	129,287	352,893	129,205
UK corporation tax at 25%	88,241	24,565	88,223	24,549
Surplus falling within charitable exemption	(88,241)	(24,565)	(88,223)	(24,549)
Other differences attributable to subsidiaries	10	21	–	–
Total Tax Expense	10	21	–	–

The Council does not believe that the University is liable for any additional corporation tax arising out of its activities during the year.

14. Intangible assets

Consolidated and University	Assets in the course of construction		Total £000
	IT Systems £000	£000	
Cost			
At 1 August 2023	45,112	15,796	60,908
Transfers	10,912	(10,912)	–
Additions	(30)	6,545	6,515
Disposals	–	(529)	(529)
At 31 July 2024	55,994	10,900	66,894
Amortisation			
At 1 August 2023	(21,801)	–	(21,801)
Charge for the year	(7,311)	–	(7,311)
Eliminated on disposals	–	–	–
At 31 July 2024	(29,112)	–	(29,112)
Net book value			
At 1 August 2023	23,311	15,796	39,107
At 31 July 2024	26,882	10,900	37,782

15. Tangible assets

Consolidated	Freehold		Leasehold Land and buildings £000	Plant £000	Furniture and equipment £000	Leased equipment £000	Assets in the course of construction £000	Total £000
	Land £000	Buildings £000						
Cost								
At 1 August 2023	527,256	441,303	595,428	288,611	250,477	21,733	65,663	2,190,471
Additions	–	447	720	9,989	18,630	–	64,416	94,202
Revaluation adjustment	2,329	–	–	–	–	–	–	2,329
Transfers	–	36,448	–	17,836	7,415	–	(61,699)	–
Disposals	–	–	–	–	(61)	–	–	(61)
At 31 July 2024	529,585	478,198	596,148	316,436	276,461	21,733	68,380	2,286,941
Depreciation								
At 1 August 2023	–	(121,128)	(195,724)	(105,929)	(204,213)	(21,733)	–	(648,727)
Charge for year	–	(7,275)	(12,703)	(18,312)	(14,986)	–	–	(53,276)
Eliminated in disposal	–	–	–	–	61	–	–	61
At 31 July 2024	–	(128,403)	(208,427)	(124,241)	(219,138)	(21,733)	–	(701,942)
Net book value								
At 1 August 2023	527,256	320,175	399,704	182,682	46,264	–	65,663	1,541,744
At 31 July 2024	529,585	349,795	387,721	192,195	57,323	–	68,380	1,584,999
University								
University	Freehold		Leasehold Land and buildings £000	Plant £000	Furniture and equipment £000	Leased equipment £000	Assets in the course of construction £000	Total £000
	Land £000	Buildings £000						
Cost								
At 1 August 2023	527,256	442,376	596,399	288,464	250,185	21,733	65,663	2,192,076
Additions	–	447	720	9,989	18,630	–	64,416	94,202
Revaluation adjustment	2,329	–	–	–	–	–	–	2,329
Transfers	–	36,448	–	17,836	7,415	–	(61,699)	–
Disposals	–	–	–	–	(61)	–	–	(61)
At 31 July 2024	529,585	479,271	597,119	316,289	276,169	21,733	68,380	2,288,546
Depreciation								
At 1 August 2023	–	(121,232)	(195,822)	(105,721)	(203,922)	(21,733)	–	(648,430)
Charge for year	–	(7,297)	(12,722)	(18,291)	(14,987)	–	–	(53,297)
Eliminated in disposal	–	–	–	–	61	–	–	61
Impairment	–	–	–	–	–	–	–	–
At 31 July 2024	–	(128,529)	(208,544)	(124,012)	(218,848)	(21,733)	–	(701,666)
Net book value								
At 1 August 2023	527,256	321,144	400,577	182,743	46,263	–	65,663	1,543,646
At 31 July 2024	529,585	350,742	388,575	192,277	57,321	–	68,380	1,586,880

In 2019-20 the University adopted a policy of revaluing freehold land to fair value. The University believes that the fair value better reflects the true value of the university's freehold land assets.

Freehold land was revalued to fair value as at 31 July 2024 by an independent Chartered Surveyor, Gerald Eve, in accordance with the RICS Valuation – Global Standards (January 2020 edition, updated January 2022) and FRS 102. The fair value of land is based on either open market value (operational assets) or depreciated replacement cost (specialised assets). Freehold land values are assessed annually for material changes in their values from market changes.

If a revaluation policy had not been adopted for freehold land it would have a net book value of £93,661k.

Included within leasehold land and buildings are a number of properties that are shared with third parties where title documentation may not exist at the present time. The net book value of these is £49,529k (2023: £51,361k).

16. Heritage assets

Heritage assets include a unique, internationally significant and continually expanding range of archival and printed sources, exhibits and pictures. These resources are available for use by the staff and students of King's, the wider academic community and any member of the public who has an interest in the University's holdings. Items may be acquired by gift, bequest, exchange or purchase on the open market.

King's aims to preserve all material in perpetuity in its original format. Surrogate copies may be created for dissemination, or where items are of exceptional rarity or delicacy. All preservation and conservation costs are charged to the Consolidated Statement of Comprehensive Income and Expenditure Account.

The principal collections are:

Archives

These comprise not only the archives of the University, but also those of organisations that it has founded or with which it has merged. Additionally, they contain the research papers of former staff and students, including Maurice Wilkins, Eric Mottram and Sir Charles Wheatstone.

The Liddell Hart Centre for Military Archives is a leading repository for research into modern defence policy in Britain. Private papers of over 700 senior defence personnel who held office from 1900 onwards form the core of this collection.

The archives consist of some five million documents.

Special Collections

The Foyle Special Collections Library houses maps, slides, sound recordings and manuscripts as well as over 150,000 printed works. Ranging in date from the fifteenth century to the present day and covering all subject areas, the collections are particularly strong in medicine, science, voyages and travels, the history of Greece and the Eastern Mediterranean, European military and diplomatic history, the history of the British Empire, twentieth-century Germany and Jewish and Christian theology.

The largest section, the FCO Historical Collection, comprises material from the former library of the Foreign & Commonwealth Office, transferred to King's in 2007, and contains over 60,000 items. Topics it covers in depth include: exploration, discovery and travel; war and cold war; diplomacy and peace-keeping; the growth, rule and decline of empires; colonial emigration and settlement; the growth and abolition of the Atlantic slave trade; trade, transport and communication; and anthropology and natural history. Although held by the university, this collection is owned by a separate company, King's College Foreign & Commonwealth Office Library Ltd, which is independent of the University.

Gordon MuseumThe Gordon Museum has a large and growing teaching collection of approximately 8,000 pathological specimens with specialised sub-areas on such subjects as Forensic Medicine and HIV/AIDS. It also houses a number of important historic collections: the Joseph Towne anatomical and dermatological wax models, the Lam Qua paintings, and specimens and artefacts acquired by Thomas Hodgkin, Thomas Addison, Richard Bright and Sir Astley Cooper

King George III Collection

This collection of eighteenth-century scientific apparatus is on loan to the Science Museum. It consists of equipment assembled during the 1750s by the natural scientist and astronomer Stephen Demainbray for use in public lectures and apparatus commissioned in 1761 by King George III from the instrument maker George Adams for the entertainment and instruction of the royal family

Further information on all of these collections is available on the University website, kcl.ac.uk

No heritage assets were capitalised during the year as none exceeded the capitalisation threshold of £50,000. Earlier acquisitions are not capitalised because cost or acquisition values are unavailable for the majority of the assets and the benefit of a professional valuation would be outweighed by the related costs. Any valuation would necessarily be imprecise and prey to changing fashions and fluctuating market trends due to the unique nature of the assets.

17. Investments

	Investment property £000	Francis Crick Institute £000	Other investments £000	Consolidated and University	
				Total 2024 £000	Total 2023 £000
At 1 August 2023	23,699	34,400	1,562	59,661	63,945
Additions	–	–	16	16	31
Impairment	(711)	(800)	–	(1,511)	(4,315)
At 31 July 2024	22,988	33,600	1,578	58,166	59,661

Subsidiary undertakings

Entity	Nature of activity	Nature of entity	Relationship with University	Interest
King's Talent Bank Ltd	Employment agency	Company limited by shares	Wholly owned subsidiary	100%
King's College London Business Ltd	Provision of Information technology support	Company limited by shares	Wholly owned subsidiary	100%
College Facilities Ltd	Facilities management services	Company limited by shares	Wholly owned subsidiary	100%
KCL Ventures Ltd	Dormant	Company limited by shares	Wholly owned subsidiary	100%

All subsidiaries and associated undertakings are incorporated in England and Wales and prepare accounts to 31 July each year. The total value of capital invested in subsidiary undertakings is £4 (2022-23 £4).

Joint ventures

	KHP MedTech Innovations Ltd £000	TEDI-London £000	Consolidated and University	
			Total 2024 £000	Total 2023 £000
At 1 August	2,832	–	2,832	1,632
Additions	–	–	–	1,200
At 31 July	2,832	–	2,832	2,832

Entity	Nature of activity	Nature of entity	Relationship with University	Interest
TEDI-London	Tertiary education	Company limited by guarantee	Joint venture	33%
KHP MedTech Innovations Ltd	Commercialisation of innovation	Company limited by shares	Joint venture	40%

TEDI-London is joint venture between King's College London, the University of New South Wales, and Arizona State University to set up a new provider of higher education in the field of engineering, with a focus on attracting and empowering students and partners from diverse backgrounds and perspectives. The company was incorporated in 2019 in England and Wales and is limited by guarantee with each venturer being a one third member of the guarantee, and with the right to appoint one third of the company's directors. King's College London's share of the guarantee is £10.

For the purposes of the preparation of these financial statements TEDI-London represents a jointly controlled entity, and it is accounted for under equity method as per section 15 of FRS 102, with the university recognising its share of the net assets and annual surplus of the company. TEDI-London accepted its first cohort of students in 2021-22, however the company is in a net liability position, in line with section 15 of FRS 102 the university has not recognised TEDI-London within these financial statements as its share of the company is currently worth less than its original investment.

KHP MedTech Innovations Ltd is a joint venture of the King's Health Partners (King's College London, Guy's and St Thomas' NHS Foundation Trust, King's College Hospital NHS Foundation Trust) to form a company for the purposes of commercialising medical technology innovation. The company was incorporated on 25 January 2021 and the University subscribed for its shareholdings on 12 April 2021. As at KHP MedTech Innovations Ltd second year end (31 March 2024), it had incurred a loss not material to King's College London as it is still in its start-up phase, for this reason the investment continues to be held at the initial investment value rather than the University's share of the net assets of the company.

17. Investments (continued)

Other unconsolidated undertakings

Entity	Nature of activity	Nature of entity	Relationship with University	Interest
The Francis Crick Institute Ltd	Biomedical research	Company limited by shares	Investment	17%
Rosalind Franklin Institute	Health research	Company limited by guarantee	Investment	9%

The Francis Crick Institute is a partnership between five scientific institutions and the University. Established as a charity, it is a research centre in biomedical science.

The Rosalind Franklin Institute is a partnership between 12 universities, research funders and research facilities, forming a national research institute, dedicated to developing new technologies to tackle important health research challenges.

18. Endowment investments

	Consolidated and University	
	2023-24 £000	2022-23 £000
Balance at 1 August	300,982	291,094
Additions	17,661	40,363
Disposals	(30,625)	(37,897)
Appreciation/(Depreciation)	25,658	4,541
Increase/(decrease) in cash balances	11,171	2,881
Balance at 31 July	324,847	300,982
Fixed interest stocks	38,484	35,302
Equities	252,027	242,515
Bank balances	34,336	23,165
	324,847	300,982
Fixed interest and equities at cost	212,378	215,583

19. Trade and other debtors

	Consolidated		University	
	2024 £000	2023 £000	2024 £000	2023 £000
Amounts falling due within one year:				
Trade debtors	31,238	31,462	31,238	31,461
Other debtors	6,974	9,056	6,973	9,059
Research grant debtors	17,844	18,085	17,844	18,085
Research grant work in progress	72,177	63,451	72,177	63,451
Prepayments and accrued income	61,824	59,779	60,562	58,491
Amounts owed by group undertakings	–	925	1,002	1,286
	190,057	182,758	189,796	181,833

20. Current investments

	Consolidated		University	
	2024 £000	2023 £000	2024 £000	2023 £000
Short term deposits	60,000	–	60,000	–
	60,000	–	60,000	–

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Conduct 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 2024 the weighted average interest rate of these fixed rate deposits was 5.45% per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 223 days. The fair value of these deposits was not materially different from the book value.

21. Creditors: amounts falling due within one year

	Consolidated		University	
	2024 £000	2023 £000	2024 £000	2023 £000
Trade creditors	17,316	6,863	17,287	6,841
Deferred income	246,548	239,087	246,252	238,511
Other creditors and accruals	130,298	152,925	129,680	152,398
Holiday pay accrual	14,652	13,025	14,124	12,522
Social security and other taxation payable	14,597	12,740	14,044	12,170
Amounts owed to group undertakings	–	–	227	–
Current element of long-term liabilities (note 23)	5,266	4,656	5,266	4,656
	428,677	429,296	426,880	427,098

Deferred income includes the following items of income which have been deferred until specific performance related-conditions have been met;

	Consolidated		University	
	2024 £000	2023 £000	2024 £000	2023 £000
Research grants received on account	142,053	146,380	142,053	146,380
Other income	48,204	41,735	47,908	41,159
Donations	15,500	19,164	15,500	19,164
Tuition fees	38,401	30,490	38,401	30,490
Other deposits	2,390	1,318	2,390	1,318
	246,548	239,087	246,252	238,511

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

	Consolidated and University	
	2024 £000	2023 £000
Loans (note 23)	397,095	402,345
Long-term borrowings	397,095	402,345
Lease premium on investment property	15,215	16,084
Derivatives	7,118	–
Long-term creditors	419,428	418,429

22. Creditors: amounts falling due after more than one year (continued)

Loans totalling £27,756k are secured on a portion of the freehold land and buildings of the University.

The University holds a derivative instrument (interest rate swap) on its borrowings to convert its floating rate debt to fixed rate in order to hedge against any interest-rate changes. The fair value of the derivative instrument (hedging instrument) at 31 July 2024 was £7.1m (2022-23: £0m). The change in fair value of the hedging instrument during the financial year of £7.1m unfavourable (2022-23: £0m) is shown within the Consolidated Statement of Comprehensive Income.

The lease premium on investment property arises from the granting of a lease by King's for a term of 99 years with a yearly peppercorn rent. The lease has a break clause after 25 years, over which period the lease premium is being released to income.

23. Borrowings

Consolidated and University

	Loans	
	2024	2023
	£000	£000
Between one and two years	5,935	5,266
Between two and five years	8,573	14,509
Total between one and five years	14,508	19,775
Over five years	382,587	382,570
Total over one year (note 22)	397,095	402,345
Within one year (note 21)	5,266	4,656
	402,361	407,001

Obligations under finance leases fall due and loans are repayable as follows:

Date of issue	£ Amount	Interest rate, due date and issue notes*
27 April 2001	The University issued £60m Senior Notes (Notes).	Fixed interest rate of 6.22%. Principle amount repayable on 27th April 2031. Interest payments are semi-annual on 27 April and 27 October.

*The University at its option, may prepay at any time all or part of the Notes, in an amount not less than 10% of the aggregate principal amount of the Notes then outstanding, at 100% of the principal amount so prepaid, plus the discounted value of the remaining scheduled payments with respect to the principal amount. As at the year end, it is the University's intention to hold the Notes until its final maturity date.

Date of issue	£ Amount	Interest rate and due date
16 May 2008	The University received a £60m unsecured loan with an integral swap agreement.	The integral swap agreement was established so the expected cash flows match the terms of the loan and so results in effectively fixed rate borrowing over the life of the loan of 4.855%. The loan is repayable on 16 May 2048.
21 May 2015	The University issued £55m of senior unsecured notes.	Fixed interest rate of 2.85%, due 21 May 2035.
21 May 2015	The University issued £60m of senior unsecured notes.	Fixed interest rate of 3.03%, due 21 May 2040.
21 May 2015	The University issued £20m of senior unsecured notes.	Fixed interest rate of 3.08%, due 21 May 2050.
16 June 2021	The University issued £37m of senior sustainable notes 2021.	Fixed interest rate of 2.07%, due 16 June 2061.
16 June 2021	The University issued £40m of senior sustainable notes 2021.	Fixed interest rate of 2.11%, due 16 June 2066.
16 June 2021	The University issued £28m of senior sustainable notes 2021.	Fixed interest rate of 2.12%, due 16 June 2071.
16 March 2022	The University issued £20m of senior sustainable notes 2022.	Fixed interest rate of 2.08% due 16 March 2050.

24. Pension provisions

	Consolidated and University	
	US\$ £000	Total £000
		Obligation to fund deficit on pension
At 1 August 2023	330,972	330,972
Deficit contributions paid during the year	(8,677)	(8,677)
Additional discount rate interest charge for the year	7,571	7,571
Movement to reflect changes in salary growth assumptions	(329,866)	(329,866)
At 31 July 2024	–	–

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As part of the 2023 valuation, no deficit recovery plan was required because the scheme was in surplus on a technical provisions basis. The University was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

25. Other provisions

	Consolidated and University	
	Leasehold dilapidations	
		£000
At 1 August 2023		4,950
Utilised in year		–
Transferred from Income and Expenditure Account during the year		–
At 31 July 2024		4,950

As explained in the Statement of Principal Accounting Policies, no provision has been made for the deferred tax on the grounds that the subsidiary companies transfer their taxable profits by gift aid to the University and therefore no deferred tax assets or liability will be realised.

26. Restricted reserves

	Consolidated and University	
	2024 Total £000	2023 Total £000
At 1 August	20,034	11,925
Income	30,613	25,998
Expenditure	(18,320)	(15,810)
Net restricted income for the year	12,293	10,188
Transfer from/(to) unrestricted reserves	175	(2,079)
At 31 July	32,502	20,034

27. Endowment reserves

	Consolidated and University					
	Restricted permanent			Restricted expendible Total £000	2023-24 Total £000	2022-23 Total £000
	Original gift £000	Unapplied total return £000	Total £000			
Capital at 1 August	95,638	168,862	264,500	36,482	300,982	291,094
New donations and endowments	1,523	–	1,523	250	1,773	9,653
Change in market value of endowment investments	–	22,578	22,578	3,080	25,658	4,541
Investment income	–	3,095	3,095	379	3,474	2,869
Expenditure	–	(5,003)	(5,003)	(2,037)	(7,040)	(7,175)
At 31 July	97,161	189,532	286,693	38,154	324,847	300,982
Represented by:						
Capital	97,161	172,201	269,362	36,976	306,338	280,056
Accumulated income	–	17,331	17,331	1,178	18,509	20,926
	97,161	189,532	286,693	38,154	324,847	300,982

The University has adopted a total return endowment investment management policy for permanent endowments following receipt of an order from the Charity Commission under Section 105 of the Charities Act 2011.

Following advice from its investment consultants, Cambridge Associates, the University's Investment subcommittee has adopted a total return spending rate of 4% using the trailing market value rule applied to the average ending portfolio value over the previous 12 quarters. There is a proviso that this spending rate will be reviewed annually in the case of abnormal market conditions such as high levels of inflation or if there was a fundamental change to the portfolio composition.

	At 1 August 2023 £000	Additions and transfers £000	Change in market value £000	Total return income £000	Expenditure £000	At 31 July 2024 £000
Funds with a balance under £5,000,000						
Chairs and lectureships (176 funds)	127,380	224	7,454	5,185	(3,980)	136,263
Scholarships (163 funds)	36,583	1,543	2,281	1,391	(569)	41,229
Other funds (68 funds)	22,145	6	1,247	750	(255)	23,893
Prize funds (260 funds)	13,206	–	766	455	(16)	14,411
Funds with a balance over £5,000,000						
Newland-Pedley General Fund	22,805	–	1,327	788	(558)	24,362
Dimbleby Endowment Fund	11,702	–	705	418	(233)	12,592
Lau China Institute Donation	12,888	–	769	457	(450)	13,664
Yeoh Tiong Lay Centre Donation	8,351	–	513	305	(286)	8,883
Richard Dickinson USA Fund	7,928	–	446	265	(46)	8,593
The Joan Reece Chair in Immuno-Oncology	7,486	–	448	266	–	8,200
Chair in Translational Neurodevelopment	5,818	–	302	179	(84)	6,215
Herbert Dunhill Chair of Rehabilitation	5,128	–	307	182	(145)	5,472
Lacey Travelling Bursaries	5,153	–	326	194	–	5,673
Avantha Chair	4,939	–	300	178	(161)	5,256
Paediatric Research Unit Lectureship	4,769	–	293	174	(139)	5,097
Dunhill Chair Cutaneous Medicine	4,701	–	289	172	(118)	5,044
Total return from capital gains	–	–	7,885	(7,885)	–	–
	300,982	1,773	25,658	3,474	(7,040)	324,847

27. Endowment reserves (continued)

The Newland-Pedley Fund is used to support the Faculty of Dentistry, Oral & Craniofacial Sciences.

The Dimpleby Endowment Fund is used for cancer research.

The Lau China Institute Donation supports academic posts in the Lau China Institute.

The Yeoh Tiong Lay Centre donation supports academic posts in the Yeoh Tiong Lay Centre for Politics, Philosophy and Law.

The Richard Dickinson USA Fund is used for research and training fellowships in dentistry.

The Joan Reece Chair supports a post in Immuno-Oncology.

The Chair in Translational Neurodevelopment supports a post.

The Herbert Dunhill Chair supports a post in rehabilitation.

The Lacey Travelling Bursaries supports students undertaking cultural and educational visits to France.

The Avantha Chair supports a post in the India Institute.

The Paediatric Research Unit Lectureship supports a post in Medical and Molecular Genetics.

The Dunhill Chair Cutaneous Medicine supports a post in the St John's Institute of Dermatology.

28. Unrestricted reserves

	Consolidated	University
	£000	£000
Balance at 1 August 2023	566,244	568,213
Surplus after depreciation of assets at cost and tax	316,794	316,735
Transfer from restricted reserves	(175)	(175)
Balance at 31 July 2024	<u>882,863</u>	<u>884,773</u>
The reserves are:		
Income and expenditure reserve, which is nominally allocated to:		
Capital reserve	729,647	731,528
Departmental reserves	92,501	92,501
Pension reserve	–	–
Revenue reserve	60,715	60,744
General reserves	<u>153,216</u>	<u>153,245</u>
Total income and expenditure reserve	<u>882,863</u>	<u>884,773</u>

The capital reserve is equivalent to the amount by which the value of tangible fixed assets in the Balance Sheet exceeds long-term creditors. The reserve is set aside to fund depreciation charges on assets that are not being funded by future cash flows.

29. Consolidated reconciliation of net debt

	2023-24	
	£000	
Net debt 1 August 2023	29,582	
Movement in cash and cash equivalents	114,029	
Movement on accrued interest	16	
Repayment of amounts borrowed	(4,656)	
New loans	–	
Other non-cash changes	–	
Net debt 31 July 2024	138,971	
Change in net debt	109,389	
Analysis of net debt	31 July 2024	31 July 2023
	£000	£000
Cash and cash equivalents	263,390	377,419
Borrowings: amounts falling due within one year		
Secured loans	5,266	4,656
Unsecured loans	–	–
	5,266	4,656
Borrowings: amounts falling due after more than one year		
Secured loans	14,508	19,775
Unsecured loans	382,587	382,570
	397,095	402,345
Net debt	138,971	29,582

A debt repayment fund of £25.6m was set up in 2020-21. It has been opened in order to save funds for eventual debt repayments when these fall due from 2031.

As the fund is elective and not contractually required by the debt funders this is not disclosed separately.

30. Capital commitments

	Consolidated and University	
	2024	2023
	£000	£000
Commitments contracted at 31 July	2,200	32,994
Commitments authorised but not contracted at 31 July	29,781	50,842
	31,981	83,836

31. Pensions

The three principal pension schemes in which the university participates are the Universities Superannuation Scheme (USS), the Superannuation Arrangements of the University of London (SAUL) and the National Health Service Pension Scheme (NHSPS).

Pensions costs for the University and its subsidiaries

	Consolidated		University	
	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Contributions to USS	59,886	67,406	59,886	67,406
Contributions to SAUL	21,540	17,702	21,540	17,702
Contributions to NHSPS	5,915	4,493	5,915	4,493
Contributions to other pension schemes	1,201	1,858	461	1,255
	88,542	91,459	87,802	90,856
Contributions for funding of deficit relating to prior service	(8,677)	(19,348)	(8,677)	(19,348)
Pension contributions included within capital projects	(44)	(12)	(44)	(12)
Pension contributions included within staff costs	79,821	72,099	79,081	71,496
Movement on pension provision within staff costs	(329,866)	(68,481)	(329,866)	(68,481)
	(250,045)	3,618	(250,785)	3,015

Universities Superannuation Scheme (USS)

The institution participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

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

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 24, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

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

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

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

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles ([uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles](https://www.kcl.ac.uk/about-us/valuation-and-funding/statement-of-funding-principles)).

CPI assumption:	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curve less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension Increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a 'soft cap' of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post-retirement: 0.9% p.a.

31. Pensions (continued)

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

2023 valuation

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

The current life expectations on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

Superannuation Arrangements of the University of London (SAUL)

The University participates in SAUL, which provides benefits for some non-academic employees. The scheme is a centralised defined benefit scheme and was contracted out of the Second State Pension until April 2016. 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 University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Thus, as required by Section 28 of FRS102, 'Employee benefits', it accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure Account represents the contributions payable to the scheme in respect of the accounting period.

The latest available triennial actuarial valuation of the scheme was as at 31 March 2023; it was carried out by a professionally qualified and independent actuary using the projected unit method. Informal reviews of the scheme's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The 2023 valuation was the sixth valuation for SAUL under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £3,096 billion and the value of the scheme's technical provisions was £2,962 billion, indicating a surplus of £134 billion. The assets were therefore sufficient to cover 105% of the benefits that had accrued to members after allowing for expected future increases in earnings.

The Trustee and the Employers have agreed that employer contributions will decrease from 21% of Salaries to 19% of Salaries from 1 September 2024. Member contributions to the defined benefit section will remain unchanged at 6% of Salaries.

The members' benefits are as follows:

- All members accrue benefits on a Career Average Revalued Earnings (CARE) basis, at an accrual rate of 1/75th of CARE salary.
- For pensions accrued after 1 April 2016, increases in payment will be in line with CPI, capped at 2.5% p.a. (the annual cap on CPI pension increases in payment will increase from 2.5% to 5% for future accrual from 1 April 2025)

National Health Service Pension Scheme (NHSPS)

The University also participates in the NHSPS, which is available to staff who were members of that scheme immediately prior to appointment at the University. This is a statutory, unfunded, multi-employer, defined benefit scheme in which the University is unable to identify its share of the underlying liabilities and assets, and it is therefore accounted for on a contribution basis.

From April 2024 University contributions to the scheme were 23.7% of salary, but of these 7% are covered by the Department of Health and Social Care and are not a cost to the university.

32. Related party transactions

The University maintains a register of the interests of the members of Council and of its standing committees, which is published on its website: kcl.ac.uk/aboutkings/governance/council/registerofinterests

Due to the nature of the University's operations and the composition of its Council and committees, it is possible that there will be transactions from time to time between the university and organisations with which members of Council and its committees have relationships. If such transactions do occur, they are conducted on an arm's-length basis and in compliance with the university's Financial Regulations and procurement policies.

These financial statements reflect the following transactions with related parties which were undertaken on an arms length basis and under normal commercial terms.

Name	Location	Nature of interest	Consolidated and University 2023-24		Consolidated and University 2022-23	
			Income/ (Expenses) £000	Amount due from/(to) £000	Income/ (Expenses) £000	Amount due from/(to) £000
African Leadership Centre Trust	Nairobi	A Senior Officer of the University was Chair	(77)	(17.4)	22.4/ (38.4)	–
Cushman and Wakefield	London	Member of the Finance Committee was an employee	–	–	(106.2)	–
Employers' Network for Equality and Inclusion	London	Member of the Council was a Trustee	(79.5)	–	–	–
Guy's and St Thomas' Foundation (was Guy's and St Thomas' Charity)	London	Member of the Council was a Trustee	5,714.4 / (2,727.2)	1,892.10	5,124.0/ (707.0)	2,216.2/ (5.6)
MedCity Ltd	London	A Senior Officer of the University and Member of Council was a Director	23.0	–	25.0/(18.2)	–
Russell Group	London	A Senior Officer of the University and Member of the Council was a Board Member	(92.5)	–	(87.0)	–
Somerset House Trust	London	Member of the Council was a Trustee	26.5 / (2,094.4)	–	27.5/ (1,810.5)	–
UK Biobank Ltd		A Senior Officer of the University and Member of the Council was a Director	(72.0)	–	(91.7)	–
University of London	London	A Senior Officer of the University and Member of the Council was a Trustee	299.6 / (362.6)	(11.8)	632.9/ (504.5)	1.0
The Superannuation Arrangements of the University of London (SAUL) ¹	London	A Senior Officer of the University and Member of Council was a Director				
King's College London Students' Union (KCLSU) ²	London	Member of the Council was President of the Union				

1. Refer to note 31 for details of annual contributions to the Superannuation Arrangements of the University of London (SAUL).

2. King's College London Students' Union (Union) is an independent charity registered with the Charity Commission, of which the President is also a member of Council. In 2023-24 the university made an annual block grant payment of £4,920k to the Union (2022-23 £4,519k). The University also provides the union with building space with a notional rental income value of £3,140k for which no cash is exchanged and the University recognises as both rental income and notional grant expenditure (2022-23 £3,267k).

The University enjoys a close working relationship with Guy's & St Thomas', King's College Hospital and South London & Maudsley NHS Foundation Trusts under the name of King's Health Partners – an unincorporated associated that aims to combine the best of basic and translational research, clinical excellence and world-class teaching to deliver ground-breaking advances in physical and mental healthcare – which is accredited as an Academic Health Science Centre. The nature of the relationship with these NHS Trusts makes it difficult to quantify the value shown in the accounts each year. Senior staff of the University and members of Council may also hold senior positions in these organisations.

In addition the University has a close working relationship with both the King's Maths School and The Francis Crick Institute. King's was a founding member and shareholder in the Crick which is dedicated to understanding the fundamental biology underlying health and disease.

32. Related party transactions (continued)

As a consequence there are recharges between these institutions, as disclosed in these accounts, and senior staff of the University may also hold senior positions in these organisations.

The University has paid Francis Crick Institute £2,758k during the year as agreed contributions to overheads, studentships and reimbursement of other costs (£2,182k), and received £424k for seconded staff (2022-23 £1,303.9k). The University recognises an investment balance related to its initial £40m investment in the Institute.

King's Maths School was established as a Free school in partnership with King's College London to provide high quality maths education in the heart of London with the University maintaining a presence on the board of governors. During the year, the University has paid £101.8k to the School for widening participation (2022-23 £91k) and received £261.5k for rent, premises recharges and IT services (2022-23 £267.8k).

TEDI London is a joint venture during the year, the University has paid £1,213k as partner funding (2022-23 £989.4k).

The University has taken advantage of the exemptions under section 33 of FRS 102 for '100%' or 'wholly' owned subsidiaries not to disclose intra-group transactions.

33. Training salaries

	Consolidated and University	
	2023-24 £000	2022-23 £000
Balance underspent at 1 August	103	38
Funding Council and Department for Education grants Disbursed to students	3,868 (3,855)	1,973 (1,908)
Balance underspent at 31 July	116	103

Funding Council and Department for Education grants are available solely for students. The University acts only as paying agent. The grants and related disbursements are therefore excluded from the Consolidated and University Statement of Comprehensive Income and Expenditure Account.

34. Financial instruments

	Consolidated		University	
	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
Financial assets				
<i>Financial assets at fair value through Statement of Comprehensive Income</i>				
Listed investments	290,511	277,817	290,511	277,817
<i>Financial assets that are equity instruments measured at cost less impairment</i>				
Other investments	1,578	1,561	1,578	1,561
<i>Financial assets that are debt instruments measured at amortised cost</i>				
Cash and cash equivalents (including term deposits and cash held within endowment assets)	297,726	400,584	296,219	399,377
Trade and other debtors	190,057	182,758	189,796	181,833
Other investments	60,000	–	60,000	–
Financial liabilities				
<i>Financial liabilities at fair value through Statement of Comprehensive Income</i>				
Derivative	7,118	–	7,118	–
<i>Financial liabilities measured at amortised cost</i>				
Loans	402,361	407,000	402,361	407,000
Trade creditors	17,316	6,863	17,287	6,841
Other creditors	406,095	422,433	404,327	420,257

The University does not hedge account except for an interest rate derivative to hedge interest rate exposure on a loan.

The fair values of the liability held at fair value through Statement of Comprehensive Income at the balance sheet date are determined using mid-market prices.

The interest rate derivative expires in line with the loan agreement on 16 May 2048.

35. Lease obligations

Total rentals payable under operating leases:

	Consolidated and University			
	Land and buildings £000	Other leases £000	2024 Total £000	2023 Total £000
Payable during the year ended 31 July	79,722	20	79,742	81,344
Future minimum lease payments due:				
Not later than one year	76,466	22	76,488	76,625
Later than one year and not later than five years	215,681	88	215,769	255,697
Later than five years	409,367	31	409,398	435,320
Total lease payments due	701,514	141	701,655	767,642

36. 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.

Primary Reserve Ratio

	Consolidated		Consolidated	
	£000	2023-24 £000	£000	2022-23 £000
	Expendable Net Assets		Expendable Net Assets	
Net Assets without Donor Restrictions				
Balance Sheet – Income and expenditure reserve – unrestricted	882,863		566,244	
Balance Sheet – Revaluation reserve	435,924		433,595	
Balance Sheet – Cash flow hedge reserve	(7,118)		–	
		1,311,669		999,839
Net assets with donor restrictions				
Balance Sheet – Income and expenditure reserve – endowment reserve	324,847		300,982	
Balance Sheet – Income and expenditure reserve – restricted reserve	32,502		20,034	
		357,349		321,016
Secured and unsecured related party receivable				
Note 32 related party transactions				
Unsecured	1,892		2,212	
		1,892		2,212
Unsecured related party receivable				
Property plant and equipment net (includes Construction in progress)				
Minus lease right of use asset	–		–	
Balance Sheet – Tangible Assets	1,584,999		1,541,744	
	1,584,999		1,541,744	
Property, plant and equipment – pre-implementation		1,516,619		1,476,081
Property, plant and equipment – post implementation with outstanding debt for original purchase		–		–
Property, plant and equipment – post implementation without outstanding debt for original purchase		–		–
Construction in progress – Note 15 Assets in the course of construction		68,380		65,663

36. US Department of Education required disclosure (continued)**Primary Reserve Ratio** (continued)

	Consolidated		Consolidated	
	£000	2023-24 £000	£000	2022-23 £000
	Expendable Net Assets		Expendable Net Assets	
Lease right of use asset				
Asset equal in value to lease righth of use liability	–		–	
Lease right of use asset pre-implementation		–		–
Lease right of use asset post-implementation		–		–
Intangible assets				
Balance sheet – Intangible assets		37,782		39,107
Post-employment and pension liabilities				
Balance sheet – Pension Provision		–		330,972
Long-term debt for long term purposes				
Note 22 Creditors: Amounts falling due after more than one year – Loans	397,095		402,345	
Note 21 Creditors: Amounts Falling due within one year – Current element of long-term liabilities	5,266		4,656	
	402,361		407,001	
Long-term debt for long term purposes – pre-implementation		402,361		407,001
Long-term debt for long term purposes – post-implementation		–		–
Line of credit for Construction in process		–		–
Lease right-of-use asset liability				
Note 22 Creditors: Amounts falling due after more than one year – Obligations under finance leases less term deposits for repayment less term deposits for repayment	–		–	
Note 21 Creditors: Amounts falling due within one year – Obligations under finance leases minus term deposit	–		–	
	–		–	
Pre-implementation right of use leases		–		–
Post-implementation right of use leases		–		–
Annuities with donor restrictions		–		–
Term endowments with donor restrictions				
Note 27 Endowment Reserves – Restricted Expendable		38,154		36,482
Life income funds with donor restrictions				
Balance Sheet – Income and expenditure reserve – restricted reserve		32,502		20,034
Net assets with donor restrictions: restricted in perpetuity				
Note 27 Endowment Reserves – Restricted Permanent		286,693		264,500

36. US Department of Education required disclosure (continued)**Primary Reserve Ratio (continued)**

	Consolidated		Consolidated	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
	Total Expenses and Losses		Total Expenses and Losses	
Total expenses without donor restrictions				
Education and research expenses;				
• I&E – Staff costs (minus residences, catering and conferencing staff costs as per note 12)	729,024		657,923	
• I&E – Other operating expenditure	448,971		417,182	
• Minus residences, catering and conferencing operating costs – note 12	(69,564)		(63,674)	
• Minus endowment spend – Note 27 Endowment reserves – Expenditure	(7,040)		(7,175)	
• Minus restricted spend – Note 26 Restricted reserves – Expenditure	(18,320)		(15,810)	
Depreciation and amortization – I&E Depciation	60,587		55,745	
Interest expense – I&E Interest and other finance costs	23,006		29,346	
Auxiliary enterprises;				
I&E – Taxation	10		21	
Note 12 – Residences catering and conference Staff and operating costs	80,808		73,657	
		1,247,482		1,147,215
Non-Operating and Net Investment (loss)				
Investment return appropriated for spending	–		–	
Other gains(losses) – I&E – Gain/(loss) on other investments	1,313		–	
Investments, net of annual spending, gain(loss) – I&E Gain/(loss) on property investment	(711)		(3,515)	
Other components of net periodic pension costs	–		–	
Pension-related changes other than net periodic pension costs – I&E Staff costs – movement on USS pension provision	329,866		68,481	
Change in value of split-interest agreements	(7,118)		–	
Other gains (losses) – I&E – Unrealised surplus on revaluation of tangible assets	2,329		(50,726)	
Sales of fixed assets, gains (losses) – I&E – Gain on disposal of fixed assets	–		–	
		325,679		14,240
Net investment losses				
Investment return appropriated for spending	–		–	
Other gains(losses) – I&E – Gain/(loss) on other investments	1,313		–	
Investments, net of annual spending, gain(loss) – I&E Gain/(loss) on property investment	(711)		(3,515)	
		602		(3,515)
Pension-related changes other than net periodic costs				
I&E Staff costs – movement on USS pension provision		329,866		68,481

36. US Department of Education required disclosure (continued)

Equity Ratio

	Consolidated		Consolidated	
	£000	2023-24 £000	£000	2022-23 £000
	Modified Net Assets		Modified Net Assets	
Net Assets without Donor Restrictions				
Balance Sheet – Income and expenditure reserve – unrestricted	882,863		566,244	
Balance Sheet – Revaluation reserve	435,924		433,595	
Balance Sheet - Cash flow hedge reserve	(7,118)		–	
		1,311,669		999,839
Net assets with donor restrictions				
Balance Sheet – Income and expenditure reserve – endowment reserve	324,847		300,982	
Balance Sheet – Income and expenditure reserve – restricted reserve	32,502		20,034	
		357,349		321,016
Intangible assets				
Balance sheet – Intangible assets		37,782		39,107
Secured and unsecured related party receivable				
<i>Note 32 related party transactions</i>				
Unsecured	1,892		2,212	
Unsecured related party receivable		1,892		2,212
		Modified Assets		Modified Assets
Total assets				
Balance sheet – Non-current assets	2,008,626		1,944,325	
Balance sheet – Current Assets	513,447		560,177	
		2,522,073		2,504,502
Lease right-of-use asset				
Note 22 Creditors: Amounts falling due after more than one year – Obligations under finance leases less term deposits for repayment less term deposits for repayment	–		–	
Note 21 Creditors: Amounts falling due within one year – Obligations under finance leases minus term deposit	–		–	
Pre-implementation right of use leases		–		–
Post-implementation right of use leases		–		–
Intangible assets				
Balance sheet – Intangible assets		37,782		39,107
Secured and unsecured related party receivable				
<i>Note 32 related party transactions</i>				
Unsecured	1,892		2,212	
Unsecured related party receivable		1,892		2,212

36. US Department of Education required disclosure (continued)

Net Income Ratio	Consolidated		Consolidated	
	£000	2023-24 £000	£000	2022-23 £000
Changes in Net Assets Without Donor Restrictions				
I&E – Unrestricted comprehensive income for the year	316,794		109,190	
I&E – Revaluation reserve comprehensive income for the year	2,329		(50,726)	
I&E – Cash flow hedge reserve comprehensive income for the year	(7,118)		–	
		312,005		58,464
Total Revenue and Gains				
Tuition and fees, net – I&E Tuition Fee and education contracts	630,497		607,815	
Contributions;				
Grants and contracts – including research;				
• I&E – Funding Body Grants	144,921		148,294	
• I&E – Research grants and contracts	256,883		236,276	
Private gifts and grants;				
• I&E – Donations and Endowments	23,704		28,920	
• Investment return appropriated for spending;	–		–	
• Minus new endowments (Note 7)	(1,773)		(9,653)	
• Minus restricted income (Note 26)	(30,613)		(25,998)	
Other revenues – I&E Other Income (minus auxiliary enterprises income)	112,359		121,585	
Investment income – Note 6 Investment Income – Other interest receivable and other investment income	23,327		15,103	
Auxiliary enterprises – Note 4 Other Income – Residences, catering and conferencing	74,503		69,097	
Net assets released from restrictions	–		–	
		1,233,808		1,191,439

