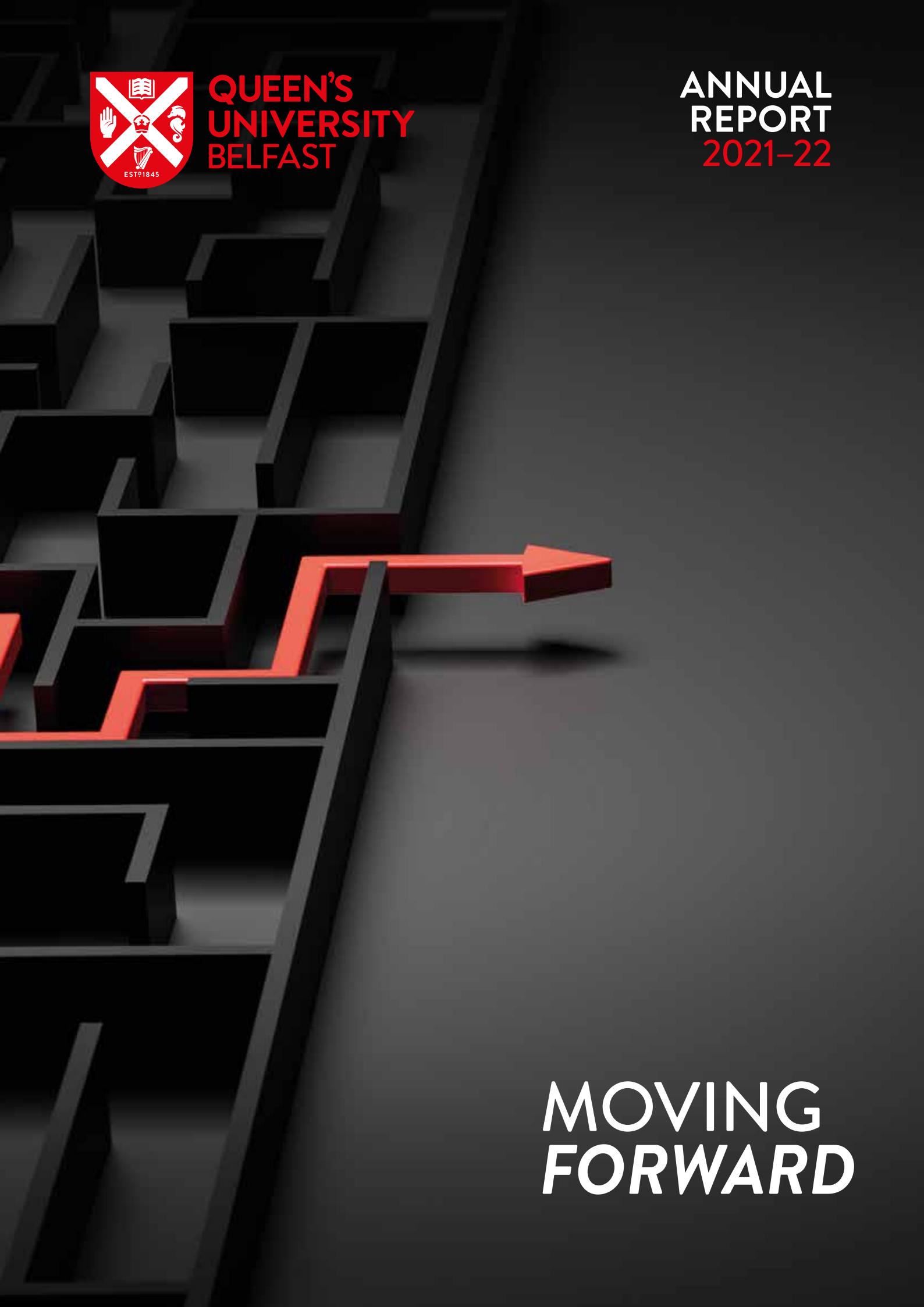




**QUEEN'S  
UNIVERSITY  
BELFAST**

**ANNUAL  
REPORT  
2021-22**



**MOVING  
FORWARD**

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## MESSAGE FROM THE VICE-CHANCELLOR

This was a year in which we cemented our leadership role in the economic and social development of Northern Ireland, aided by the continuing progress of our Strategy 2030 ambitions.

In the recent Research Excellence Framework (REF) results, detailed in this report, not only was our research rated 1st in the UK for Agriculture, Veterinary and Food Sciences, 4th for Health and Biomedical Sciences and 8th for Law, but the proportion of staff in the top five performing units increased from 16.9% in REF 2014 to over 47% in REF 2021.

Overall, our REF evaluation demonstrates a clear alignment between our institutional strengths, in terms of quality and volume, and emerging regional priority areas, particularly in relation to the opportunities presented by the Belfast Region City Deal, in which we play a key part.

We make a major economic contribution to the wider UK. A recent London Economics Report has estimated the total impact of our activities at £3bn per annum – with research and knowledge exchange accounting for £1,186m (39%); teaching and learning £1,068m (35%); and educational exports £305m (10%); in addition, the impact generated by our operating and capital expenditure stands at £482m (16%).

This is a picture of a University which is reaching out, informing and engaging, improving lives, regionally, nationally and globally.

This was a year in which we gradually emerged from under the dark cloud of Covid-19, but faced other challenges – the effect of the war in Ukraine, the cost of living and financial crises, as well as the impasse within the NI Assembly with the continuing absence of a devolved Government impacting long and medium term planning, something which is impacting directly and specifically

on our University's future success. Lack of investment and the migration of students away from our shores create a perfect storm which must be tackled urgently, especially with the increase in the population of young people that we can see in the 10 years ahead. We can calm that storm through collaboration and partnership – our universities working in harmony with Government, industry and society. Queen's stands ready to play its part.

Under our Social Charter we are committed to providing leadership locally and globally, to promoting a positive impact through research and education and to promoting equality and social justice. This Annual Report shows how we are embracing that role, enabling change for the better through the work of our people in every part of our University.

**Professor Ian Greer**  
President and Vice-Chancellor



## MESSAGE FROM THE CHAIR OF SENATE

One of the great pleasures for all of us at Queen's is to see the University alive, vibrant and flourishing again, to see activity all across the campus, all year round - from Freshers' Week to Graduation.

There were many occasions of celebration during the year, not least the long-awaited installation of our Chancellor, Secretary Hillary Rodham Clinton.

After the bleakness of the pandemic, this past year saw life returning to normal for our students and staff. It saw our University regaining its momentum and moving forward. There was a renewed focus on improving the Student Experience. In addition, Senate approved £30m of investment to support the delivery of Strategy 2030, our ten-year ambition to shape a better world through education and research that changes lives.

I am delighted that our journey will continue through to 2030 under the exceptional leadership of Professor Ian Greer in a second term as Vice-Chancellor.

Since his appointment in 2018 he has faced not only the unprecedented challenge of Covid-19 but also long-standing issues such as the funding crisis for Higher Education, the loss of our young people through educational migration and its effect on the long-term future of the local economy.

He has advanced the achievements and reputation of our university through a focus on building alliances through collaboration, not least in helping to deliver the Belfast Region City Deal and establishing highly effective partnerships that place Queen's at the centre of the socio-economic development not only of

Northern Ireland but across these islands. There is a multi-million pound sustainability action plan to help us play our part in tackling the climate crisis, with Queen's among the top 10 per cent in the Times Higher Education Impact Rankings.

We are providing opportunities for more students with the ability to succeed, regardless of background. In addition, we are improving our ranking in league tables and in the Research Excellence Framework (REF) results in which 99% of our research environment was assessed as world-leading or excellent.

This progress and more is reflected in this Annual Report. Our University is embarked on a journey of transformation. Part of that will involve the establishment of a new leadership structure that will help us build our inner strength so that we are better equipped to deliver the ambitions of Strategy 2030.

These are exciting times for all of us at Queen's as we continue to play a positive contribution to our people and to Northern Ireland and I look forward to our future achievements and success.

**Dr Stephen Kingon**  
Chair of Senate





# MOMENTS OF THE YEAR



## SEPTEMBER 2021

### CHANCELLOR INSTALLATION

The Installation of Secretary Hillary Rodham Clinton as the University's 11th and first female Chancellor.



## DECEMBER 2021

### BELFAST REGION CITY DEAL

Signing of the Belfast Region City Deal – a momentous occasion for our region and for innovation in Northern Ireland. Queen's is leading on three innovation projects.



## DECEMBER 2021

### SILVER DIVERSITY MARK ACCREDITATION

Queen's awarded a Silver Diversity Mark recognising our commitment to advancing diversity and inclusion in the workplace.



## JUNE 2022

### THE PLATINUM JUBILEE OF HER MAJESTY QUEEN ELIZABETH II

The University planted a magnolia tree as part of the Queen's Green Canopy project and launched four new Platinum Jubilee Scholarships.

## NOVEMBER 2021

### SUSTAINABILITY ACTION PLAN

Queen's pledges a multi-million pound investment in a Sustainability Action Plan to help play its part in tackling the global climate emergency.



## DECEMBER 2021

### WINTER GRADUATION

The return to in-person Graduation and Celebration events for our students who graduated virtually during COVID.



## MAY 2022

### REF RESULTS

REF 2021 highlighted the depth of quality of Queen's research across the whole University.



## JUNE 2022

### PROFESSOR LORD DAVID TRIMBLE

The Inaugural Annual Professor Lord David Trimble lecture and portrait unveiling to mark the outstanding contribution that Lord Trimble made to society for over fifty years.



# OVERVIEW OF THE UNIVERSITY

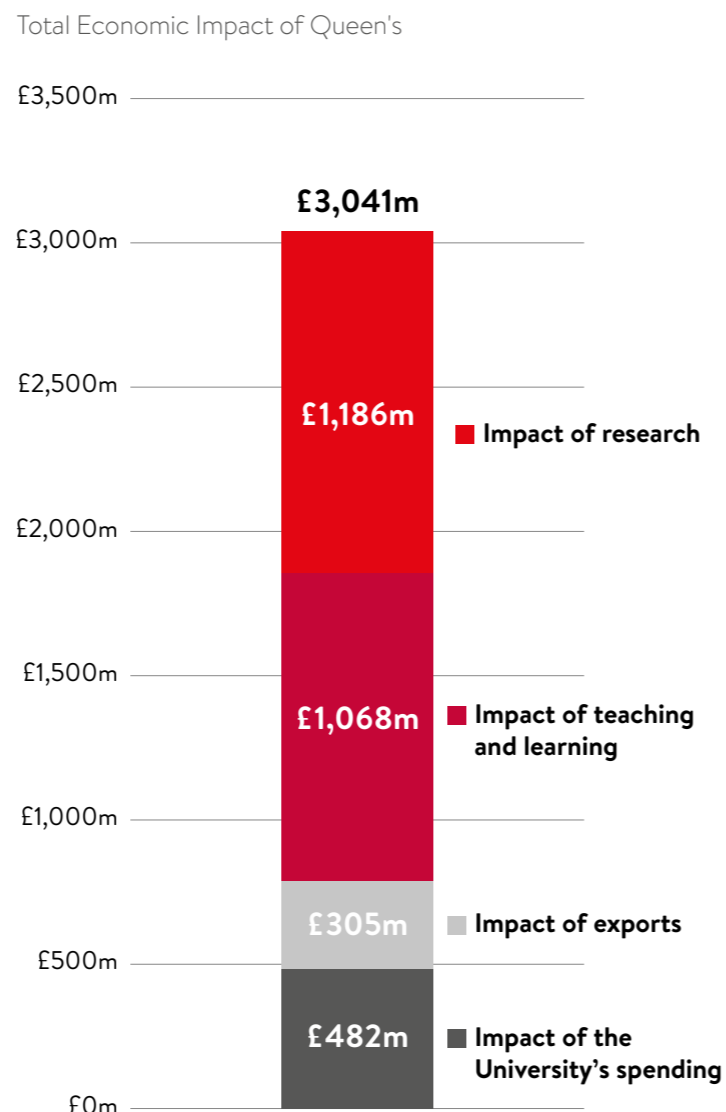
Queen's University Belfast is one of the leading universities in the UK and Ireland with a distinguished heritage and history.

The ninth oldest University in the UK, we are a member of the Russell Group, combining excellence in research and education with a student-centred ethos. We are ranked joint 13th in the UK for research intensity (Complete University Guide 2022), with 88% of research submitted by Queen's assessed as world-leading or internationally excellent (REF 2021).

Our global reputation is building. The Times Higher Education World University Rankings (2022) placed Queen's in the top 200 universities in the world. They also ranked Queen's 17th in the world for international outlook while U-Multirank 2020 positioned us in the top 25 universities for international joint publications. In addition, 13 subject areas are ranked in the top 200 in the world (QS World Rankings by Subject 2022).

Our global partnerships continue to grow and build on and forge alliances with leading Institutions in America, China, India, the Middle East and Asia.

Queen's is pivotal to Northern Ireland's social and economic development. We are playing a central role in the Belfast Region City Deal and are accelerating economic growth, ensuring a talent pipeline of fully equipped, future-ready graduates to meet demand. The University is renowned for its strengths in enterprise and innovation, and was ranked 1st in the UK as the most entrepreneurial University in 2019 and 2020 (Octopus Ventures Impact Rankings).



# OUR STAKEHOLDERS

## STUDENTS

With over 25,000 students from more than 96 countries, our diverse student body makes a rich and exciting contribution to campus life. Working in partnership with the Students' Union, the University is committed to student participation and engagement. The Student Partnership Framework and the shared programme of representation, ensure meaningful involvement in decision-making. There are many opportunities to contribute – through the Students' Union, Student Representation at Course, Subject, School and Faculty level and through membership of University Committees, including Senate and Academic Council.

## COLLEAGUES

We have over 4,300 members of staff from over 98 countries. They are represented in our governance through membership of Senate and engagement with the Trade Unions. They are also members of many committees and groups, including the Staff Forum.

## ALUMNI

We maintain life-long relationships with more than 218,000 alumni across the world, engaging regularly to build connections and community amongst alumni and with the University. Alumni are kept up to date through a number of communication channels, including the alumni magazine as well as through a wide range of associations and alumni chapters. In-person annual dinners, meet-ups and outings, including the Annual Alumni Awards, sponsored this year by Allstate NI, form an important part of our engagement. Alumni are also members of Convocation which, through volunteer alumni leadership, creates opportunities for connectivity and engagement between alumni and the Queen's community. Convocation also facilitates representation to and dialogue with the University on behalf of Alumni.

## THE LOCAL COMMUNITY

Queen's is committed to the community and we are proud of the contribution our students make, with 11,000 students involved in volunteering, clubs and societies. We have developed partnerships with Belfast City Council, the Health and Social Care Board, and a range of local community and voluntary groups. We convene the Neighbourhood Forum, a platform for local residents, politicians and representatives of the University and Students' Union to address important issues. We are also community planning partners with Belfast City Council and we hold membership of a number of business representative bodies.

## FUNDERS AND REGULATORS

Unlike other parts of the UK, Northern Ireland has no Higher Education Funding Council. Instead, the Department for the Economy (DfE) undertakes that role. There are formal and informal channels of engagement between the University and the DfE. Queen's is registered with the Charities Commission for Northern Ireland. In setting and reviewing all our activity Senate, the University's governing body, seeks to comply with the Commission's guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education.

## PARTNER ORGANISATIONS

Our partners are a diverse range of organisations locally, nationally and internationally. We work with business, Government, community and the Higher and Further Education sectors in Northern Ireland, collaborating in a number of initiatives, including the Belfast Region City Deal. Queen's is a member of Universities UK, the Russell Group and the all-island Universities Ireland. We work with universities in the UK and Europe and have more than 120 partnerships across the globe, including the Mohammed Bin Rashid University of Medicine and Health Sciences (MBRU) and the China Medical University – Queen's University Belfast Joint College (CQC).

# STRATEGY 2030

Strategy 2030 sets out our 10-year ambition to shape a better world through life-changing education and research. Our vision is to be a global research-intensive University, generating internationally leading research coupled with outstanding teaching and learning, focused on the needs of our society, locally and globally. Our ambition for 2030:



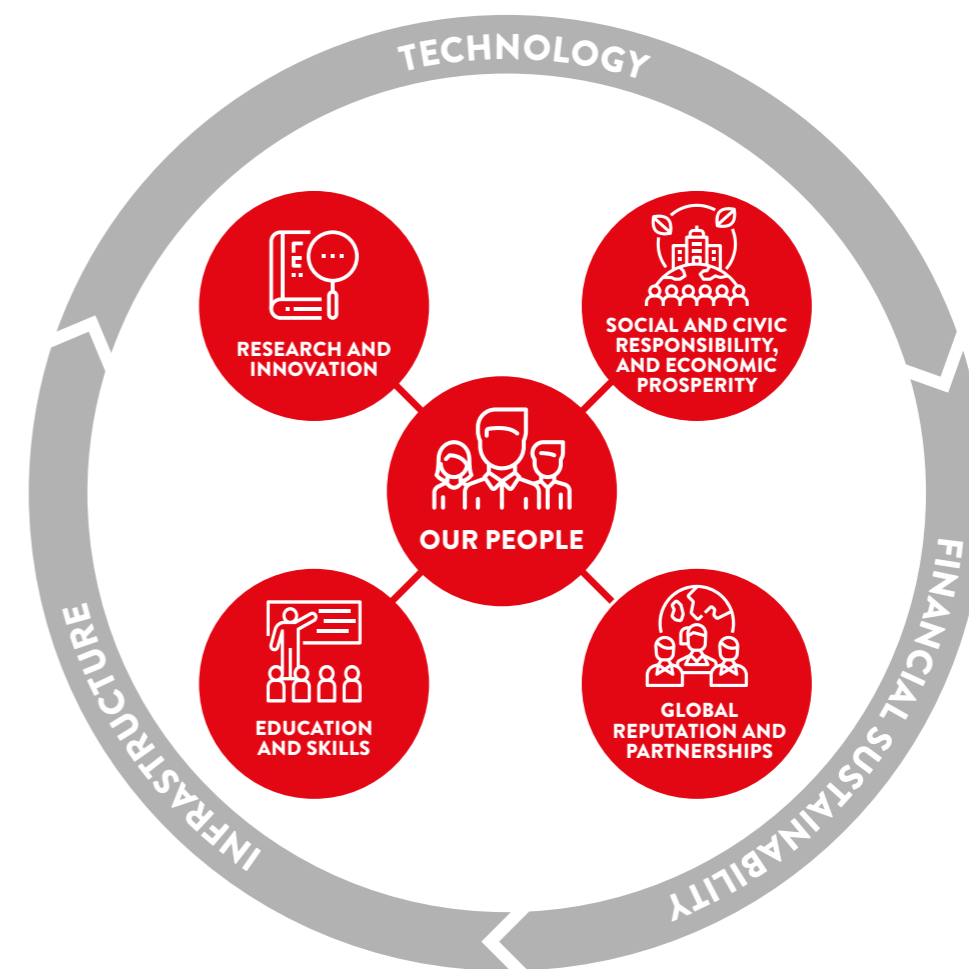
# REALISING OUR VISION

**WE WILL REALISE OUR VISION BY FOCUSING ON FOUR PRIORITIES:**

- Education and Skills
- Research and Innovation
- Global Reputation and Partnerships
- Social and Civic Responsibility, and Economic Prosperity

**THESE WILL BE UNDERPINNED BY FOUR ENABLERS:**

- Our People
- Technology
- Infrastructure
- Financial Sustainability



# DELIVERING OUR VISION

While our ambition reflects a vision with a 10-year horizon, the operational delivery is on a rolling three-year basis, to allow us to respond to opportunities and risks.

Following Senate approval of Strategy 2030 in June 2021, a Strategy Delivery Group was established to take forward Strategy 2030 implementation. In parallel to the work of the Strategy Delivery Group, an integrated annual planning cycle was introduced to support the University Executive Board in the consideration of rolling three-year institutional plans. During 2021-22, all key components of the Strategy were advanced and £30m of recurrent investment was approved to support implementation.



# STRATEGIC PRIORITY EDUCATION AND SKILLS

During the year, the University endorsed a new plan for Education and Skills which includes the following key commitments.

THEME	COMMITMENT
<b>A transformative student experience</b>	Create future-ready graduates by embedding opportunities for every student to engage with <b>innovation and enterprise</b> within the curriculum and through extracurricular opportunities.
	Offer learning beyond the boundaries of nation and culture by embedding a culture of <b>diversity and inclusivity</b> within the curriculum and student experience by enhancing our range of high-quality mobility programmes.
<b>An education for societal impact</b>	Introduce a portfolio of broadly-based degree programmes and <b>inter-disciplinary</b> opportunities and offer minor pathways to enable structured engagement in inter-disciplinary learning.
	Embed in all programmes a focus on <b>United Nations Sustainable Development Goals (UN SDGs)</b> supported by meaningful engagement between students and research leaders and innovators. Work with business to identify and deliver key skills for our growing economy.
<b>Enhancing the learning experience</b>	<b>Rebalance assessment</b> at Queen's: reduce replication and redundancy in summative assessment and increase the quality and timeliness and self-evaluation.
	Create an optimal environment for learning, teaching and assessment by embracing <b>digital transformation</b> .

## PROGRESS UPDATE

The opening of the new £42m Student Centre and Students' Union, One Elmwood, in August 2022 marks a major milestone in the development of our student services and the broad student experience. The new building, which will enable the introduction of a "student first" customer service, will cater for the changing needs of students and create a new focus for life on campus.

Phase 1 of the new Education and Skills plan, endorsed during the year, focuses on transforming assessment, digital development and programme

development and will enhance our reputation for education with the introduction of a Scholarly and Reputation Enhancement Programme. The plan will build a solid infrastructure for innovation and collaborative learning practices to support our Strategy 2030 ambitions.

The provision of student wellbeing services remains an important priority. While the 2021-22 academic year was focused on responding to the challenges created by the Covid-19 pandemic, we made good progress on the development of the



**13 SUBJECTS**  
ranked in the  
top 10 in the UK

(Complete University Guide 2023)

#QUBeWell Healthy Campus Framework. Activity included awareness campaigns such as the Charge Up, Get Connected – Men's Mental Health Campaign and projects delivered through the Students' Union Health and Wellbeing Action Plan. Partnership working with our Students' Union is important, particularly in mental health issues. Recognising the need for timely support, additional funding has been allocated for the Disability Services team and the International Student Support team.

We are proud of our Widening Participation programme. A focus over the last year was educational attainment, fair and flexible access, and transition (from post-primary school) support. Activity included support for care-experienced young people, delivery of the Junior Academy, which offers a range of focused interactive activities to nominated pupils in Years 9 to 12, and piloting of interventions pre- and post-GCSE. The year also saw the continued expansion of the Pathway Opportunities Programme (POP) and development of pathways to Higher Education (HE) with Further Education (FE). This is the

sixth intake of POP and the target of 300 participants across all subject areas was achieved. The conversion rate has improved each year and has surpassed the goal of 50%, reaching 56% in 2021, with an intake of 138 students to Queen's.

A transformative student experience is a key theme of Strategy 2030. The National Student Survey (NSS) results provide a useful basis for identifying areas of best practice and where improvements can be made. We are working in partnership with the Students' Union to identify issues and deliver solutions to enhance the student experience.



**12th IN THE UK**  
for graduate outcomes

(Complete University Guide 2023)



**Mental health campaign:**  
Honorary Graduate Carl Frampton pictured at the launch of the Charge Up, Get Connected – Men's Mental Health Campaign.



# STRATEGIC PRIORITY RESEARCH AND INNOVATION

During 2021-22, the University approved a new £7m plan for Research and Innovation which includes the following key commitments.

THEME	COMMITMENT
People	Enhance researcher excellence across all career stages.
	Integrate and enhance support, training and mentorship coaching along the researcher lifecycle.
	Foster an inclusive, collaborative, entrepreneurial and supportive research community.
Research Quality	Ensure our research is founded upon integrity, excellence and ambition.
	Enable our research with high quality infrastructure (including digital), systems and services.
Partnership and Place	Ensure a collaborative research ethos founded on agile engagement and enduring partnerships locally and globally with universities, business and government.
	Realise more meaningful and enduring academic partnerships, connecting nationally and globally.
	Deliver leading-edge research and innovation activity in partnership with business and industry.

## PROGRESS UPDATE

Research performance improved significantly over the past year with over £100m in new awards, including an increase from United Kingdom Research and Innovation (UKRI). Allied to this is an increase in the proportion of larger-scale grants (over £1m).

The Research Excellence Framework (REF) 2021 highlighted the depth of quality across the University. We were ranked joint 1st in the UK for Agriculture, Veterinary and Food Science, 4th for Health and Biomedical Sciences and 8th for Law, with 96% of our Engineering research rated as world-leading or internationally excellent. The transformative potential of our research was also rewarded as we increased our overall percentage of outstanding research impact, with 11 different disciplines showcasing 100% outstanding and very considerable impact. The proportion

of staff conducting world-leading or internationally-excellent research increased from 76.5% in 2014 to 88.2% in 2021. As part of the Research Culture Action Plan, we launched an institutional Postdoctoral Development Centre to support our postdoctoral researchers. Other initiatives included enhanced training and peer review support for funding.

We are creating a research ecosystem by underpinning work aligned to Strategy 2030. The new Agility Fund supports a wide range of activities. New or revised internal seed funding opportunities, such as a Research and Innovation Conference Fund, the Engaged Research Seed Fund, and a first call to the Research Culture Seed Fund, were also introduced. The Queen's Fellowship Academy continues to provide development support for Research Fellows recruited through Queen's-funded

**OVER  
99%**  
of our research environment was assessed as world-leading or internationally recognised (REF 2021)

Fellowships, and supports staff holding specified externally funded Fellowships.

The implementation of the Technicians Commitment Action Plan continues to progress to support, develop and celebrate our technical staff. During the year, we were awarded a Technician Commitment Impact Award in recognition of this work.

Other achievements included a Global Research Engagement Plan providing enhanced training, access to seed funding and revised frameworks for managing international partnerships. We also secured over £2.8m in Impact Acceleration Account funding from four Research Councils.

We have expanded partnerships across the island of Ireland. Through the Irish Government's Shared Island Initiative, we secured 43 projects totalling around €9m, including a collaboration to create an All-Island Cancer Research Institute. We also signed a Memorandum of Understanding (MoU) with University College Dublin on areas of mutual strength and with University College Cork we made a successful application to the UN-affiliated

Sustainable Development Solutions Network, the first of its kind on the island. Progress through the Belfast Region City Deal gains pace as does our work as part of the Northern Ireland Nano Technology Consortium, a partnership with Seagate Technologies which was awarded £42.4m from UKRI's Strength in Places Fund. Our industry-led research funding has continued to increase, from £10.4m in 2018-19 to £30m in 2021-22.

We are making a global impact through our entrepreneurial and spin-out activity. Queen's and the biopharmaceutical company, Ipsen, entered a major collaboration and licensing agreement relating to our preclinical stage FLIP Inhibitor Programme.

Spin-outs supported by QUBIS Ltd and the University's commercialisation team saw Causeway Sensors securing €1.8m in investment for nanosensor platform, Sonrai Analytics gaining £2.2m 'Seed Plus' funding to accelerate international growth and Aramune technologies raising £0.8m to scale its health product.



**1st IN THE UK**  
for entrepreneurial impact

(Octopus Venture 2019 and 2020)



**Launch of the Postdoctoral Research Centre:** (L-R) Joanne Clague, Registrar and Chief Operating Officer; Dr Rebecca Loader, Research Fellow in the School of Social Sciences, Education and Social Work; Dr Alice Dubois, Head of the Postdoctoral Development Centre; Dr Suha Dadou, Research Fellow in the School of Pharmacy; Professor Ian Greer, President and Vice-Chancellor; Dr Ahmed Ibrahim Osman, Research Fellow in the School of Chemistry and Chemical Engineering; Professor Emma Flynn, Pro-Vice-Chancellor for Research and Enterprise.

# STRATEGIC PRIORITY GLOBAL REPUTATION AND PARTNERSHIPS

During the year, work progressed on enhancing our global reputation and partnerships to the following commitments.

THEME	COMMITMENT
<b>International Experience</b>	Offer an international experience that attracts and supports exceptional individuals from around the world.
<b>International Reputation, Networks and Partnerships</b>	Focus our efforts on high-quality international partnerships in areas of strength, which will support our priorities in research, education and impact.
<b>Global Alumni Engagement</b>	Further develop close connections with our community of global alumni.  Increase philanthropic income.

## PROGRESS UPDATE

In September 2021, our Global Reputation Action Plan was approved with key year one actions focused on optimising international rankings, international student recruitment, and the articulation of strategic research themes.

Our performance in global league tables has improved and we are now ranked in the top 200 in the Times Higher Global Rankings, our highest position in recent years. This rise of 24 places has been driven by improvements in teaching and research reputation as well as research quality.

Work to enhance our reputation continues with research Champions appointed for all Schools and the launch of a research reputation campaign, as well as new online web content to showcase our strengths.

During the year, our international student population increased by 18%, further contributing to the diversity of our University and city, and making a significant economic impact, estimated

at £305m (London Economics). We also welcomed our largest ever study abroad cohort from a single Institution with over 100 Belmont University students coming to Queen's across the year.

Offering an international experience remains a priority. A Global and Inclusive Student Experience Task and Finish Group has been established and will take forward work on: international student support from recruitment to induction; international student support (in-course); an inclusive culture of work and study; a global and inclusive estate; and outward student and staff mobility.

We continue to enhance our global partnerships. During the year, investment was approved to enable us to take forward academic business development opportunities. One of our key partnerships is with the Mohammed Bin Rashid University (MBRU), working in collaboration to provide world-class healthcare training, anchored in the delivery of an outstanding

**OVER  
4,200**  
international  
students (an  
increase of 18%  
on the prior year)

student experience. In June 2022 we reached a significant milestone with the graduation of the first medical and nursing students from MBRU.

Queen's alumni play a key role in the life of our University and continue to support us in a number of ways. Alumni volunteers help students with future employment decisions through mentoring and placement opportunities.

During the year, we welcomed a number of new Honorary Graduates at ceremonies in Belfast and New York. Our Chancellor, Secretary Hillary Rodham Clinton, conferred degrees on leading figures from the worlds of business, politics, sport, the arts, policing and education, including members of the Women's Coalition and former diplomat and Ireland's first female Ambassador to the US, Anne Anderson. A special posthumous award was made to Norman Houston, Director of the Northern Ireland Bureau and an annual Norman Houston Study Northern Ireland Scholarship created with the Bureau, to support a US student studying at Queen's.



**Graduation:** The graduating MBRU class of 2022



**Honorary Degree Ceremony in New York:** (L-R) Queen's Chancellor Secretary Hillary Rodham Clinton, Ambassador Anne Anderson, Queen's President and Vice-Chancellor Professor Ian Greer



# STRATEGIC PRIORITY SOCIAL AND CIVIC RESPONSIBILITY AND ECONOMIC PROSPERITY

Our Social and Civic Responsibility and Economic Prosperity activity this year focused on the following commitments.

THEME	COMMITMENT
<b>Economic Growth and Prosperity</b>	Deliver on the Regional Growth Deals, the Northern Ireland Executive's strategic priorities, and the UK Government's industrial and innovation priorities in the context of Northern Ireland, enhancing UK/Ireland partnerships.
	Partner with other anchor institutions and business to deliver collective impact and maximise benefits.
<b>Drive Social Change</b>	Address key social challenges in Northern Ireland through our research and teaching, and through our role as a major civic Institution in the region.
	Tackle social inequality by address key social challenges in Northern Ireland.
<b>Partnership and Place</b>	Embed the UN Sustainable Development Goals across all our activities.
	Transition to a Zero-Carbon society.

## PROGRESS UPDATE

We continue to play a critical role in the socio-economic development of Northern Ireland, making a major economic contribution. Our economic impact on the UK has been estimated at over £3bn (London Economics), representing a 45% increase over the previous five-year period and a benefit to cost ratio of approximately 8.2 : 1.

During the year, considerable progress was made on the Belfast Region City Deal. This represents a major opportunity for the University, Belfast and Northern Ireland by driving collaborative University-industry R&D to harness additional investment, build workforce skills, create new jobs and accelerate inclusive growth. The Deal Document was signed in December 2021 and work is advancing across all the

Queen's-led innovation projects – the Advanced Manufacturing Innovation Centre (AMIC), Global Innovation Institute (GII), and the Institute for Research Excellence in Advanced Clinical Healthcare (iREACH) whose collective funding from UK government, the Northern Ireland Executive, the University and its partners for the three centres is circa £200m.

Addressing global challenges remains a priority and during the year we reinforced our commitment to sustainability. In advance of COP26, we pledged a multi-million pound investment in an action plan to help play our part in tackling the climate emergency. A Sustainability Team has been created and a Sustainability Board established to report on a quarterly basis. Investment has also been approved to

## Ranked in the **TOP 10%** in the SDG areas

(Times Higher Education 2022 Impact Rankings)

develop a Carbon Reduction Plan, which will consider the costs and the feasibility of achieving net zero emissions by 2030, 2040 and 2050. Further details of our sustainability activities can be found in the United Nation Sustainable Development Goal (UN SDG) section of this report.

A new strategy has been developed to enhance our institutional approach to Civic Engagement and Social Responsibility over the next five years. During the year, we engaged with political parties and the civic and business sectors to ensure our impact is relevant and embedded in future policy. This involved engagement with the Administrations in both Westminster and Dublin and included visits to the University by the then Secretary of State for the Department of Business, Energy and Industrial Strategy, Kwasi Kwarteng MP; An Taoiseach Micheál Martin; Simon Harris, Minister for Further and Higher Education, Research, Innovation and Science; and Vice-President of the European Commission Maroš Šefčovič. We also continued our partnerships within the civic and community sectors to deliver on the University's Social Charter.



**Taoiseach Micheál Martin's visit:** Pictured with the Taoiseach on his visit to the Patrick G Johnston Centre for Cancer Research is (L-R) Dr Wendy McLoone, Interim Director of Research; Professor Chris Scott, Centre Director; Pro-Vice-Chancellor Professor Emma Flynn and Vice-Chancellor Professor Ian Greer.



**BRCD:** Pictured at the announcement of the new £58m Global Innovation Institute as part of the Belfast Region City Deal are (L-R): Professor Mark Lawler, Scott Rutherford, Professor Máire O'Neill, Minister Conor Murphy MLA, Professor Chris Johnson and Dr Godfrey Gaston.

# ENABLING OUR VISION

## People

Our people are at the heart of Strategy 2030. During the year a new People Strategy was developed focussed on enhancing the employee experience, building capability within the workforce, and improving the organisational culture.

Activity undertaken during 2021-22 included our Pulse Survey which gathered feedback from staff on workload and work-life balance. In response, agile flexible working arrangements have been rolled-out to all roles. Work is underway to address academic workload and a Staff Charter based on the behaviours aligned to our Core Values has been developed. A Steering Group has also been established to support cultural change within the organisation.

Health and wellbeing support remains a priority. During the year new policies for Menopause and Fertility Leave were approved and there was the official launch of the Queen's Carers' Network which offers a peer resource for those

working carers balancing the demands of supporting others with their roles at Queen's. Our commitment to advancing diversity and inclusion was recognised with the award of the Silver Diversity Mark.

While progress has been made on many issues, there is still more to do. We remain committed to working in partnership with the Trade Unions to make the University a better place to work. During the year, we agreed with our branch, University and College Union (UCU), to work with them on a wide range of issues, including our positions, plans and commitments on casualisation, values and behaviours, equality, diversity and inclusion, and career development.

## Technology

In October 2021, proposals to invest in digital transformation to maximise the benefits of technology were approved.

The Digital Transformation roadmap brings together all the technology-enabled change that Queen's needs to deliver in the next 3-5 years, aligned to Strategy 2030 and in support of teaching and research outcomes. The investment will improve efficiency and effectiveness through automation and streamlining of business processes, generating benefits for students and staff and having positive effects on wellbeing by removing burdensome manual processes.

A Digital Transformation Steering Group has been established to prioritise projects and, in Spring 2022, it approved the business cases for the redesign and digital transformation of the applicant management system and of the student support process. These projects are now underway and a further business case for the redesign of the staff recruitment process was approved in May 2022.



**Pride picnic:** Queen's first Pride Picnic took place during the year.

## Infrastructure

Key institutional projects during the year included the completion of our new £42m Student Centre, One Elmwood, which houses both the Students' Union and University Services in one purpose-built facility and will transform the student experience at Queen's.

The £26m Riddel Hall expansion to provide postgraduate teaching accommodation for the Queen's Management School is due for completion in January 2023. The creation of the new building was given a boost this year as a result of a £1m pledge to fund a state-of-the-art lecture theatre.

During the year, the University advanced plans to build three Innovation Centres as part of the Belfast Region City Deal. Design teams were appointed for each of the Queen's-led Centres in areas including advanced manufacturing, clinical

research, and secure, connected digital technologies. With a total investment of over £200m from the UK Government and the Northern Ireland Executive, the University and its partners, the Centres represent the most ambitious building projects we have overseen in recent years.

To further support the ambitions of Strategy 2030, a ten-year Estate Strategy is currently being developed which will centre on the concept of three major zones: Medical; Arts; and Technology/Engineering.

## Financial Sustainability

Financial sustainability is a key tenet of our Strategy 2030. A detailed analysis of the University's financial performance for 2021-22 is set out in the Consolidated Income Review on pages 36 to 54



# SUSTAINABLE DEVELOPMENT GOALS

Sustainability is at the cornerstone of Strategy 2030. Building on an established track record of innovation, education and impact in areas such as climate, health and technology, Strategy 2030 sets out how we will embed and make visible the UN Sustainable Development Goals (SDGs) across all our activities.

As a signatory to the UN Accord, Queen's is already delivering a wide range of programmes across and beyond the Institution which embed sustainability issues and address the climate crisis. Notable developments include the establishment of an All-Island Sustainable Development

Strategic Network in collaboration with University College Cork – this will provide an island-wide framework focused on mobilising local action for the Sustainable Development Goals. This section highlights some of the work taking place across the University in all seventeen SDGs.



**Pedalling to Progress:** Big Loop Bike Hub: Richard Good, Director of the Turnaround Project, Belfast Lord Mayor, Councillor Kate Nicholl and Vice-Chancellor Professor Ian Greer.



**Green Meetings Accreditation:** - Pictured celebrating the Green Meetings Gold Awards are (L-R): Lord Mayor Cllr Tina Black; Grainne Doherty, Head of Eventus and Culture and Arts; Director of Student Plus, Caroline Young; Fionnuala Lavery, Student Plus; Sara Lynch, Head of Sustainability; and Jac Callen, Visit Belfast.

## Education and skills

### Net-zero innovation academy

The Net-Zero Innovation Academy developed at Queen's aims to create zero-carbon cooperatives by bringing communities and businesses together. The aim is that all carbon emitted by the community is reabsorbed and all waste is reused, eliminating the need for external resources. The real value of zero-carbon cooperatives is the intelligent and

innovative cross-community linking of individuals and organisations. Academics and Entrepreneurs have pulled together a package of free training programmes in core fundamentals of net-zero and innovation, enabling the implementation of new technologies and the creation of new businesses or collaborations.



### Education for sustainable development

In collaboration with SOS-UK (Students Organising for Sustainability), the School of Electronics, Electrical Engineering and Computer Science has undertaken a comprehensive curriculum audit to determine the degree of inclusion of SDG context-based knowledge. This provided staff with a baseline understanding of how modules support students' understanding of sustainability in an engineering

context, whilst equipping the staff with the knowledge on how to confront, manage and shape social, economic and ecological challenges. Associated actions included the incorporation of Engineering for People Design Challenge within key modules and deployment of Sulitest, an online tool designed to raise awareness of the SDGs, in relevant modules.



### Carbon literacy training

In partnership with Keep Northern Ireland Beautiful and the Department of Agriculture, Environment and Rural Affairs (DAERA), a Carbon Literacy Training initiative was launched in January 2022. This provides staff and students with certified training on carbon literacy and climate action, with over 300 people

participating in the first phase. The interactive training provides staff and students with an understanding of climate change science and the climate impacts of our everyday actions. It encourages people to map their own carbon footprint and the motivation to reduce personal and organisational carbon emissions.



## Research and innovation

### Appointing a more reflective Judiciary for Northern Ireland

Research completed by staff in the School of Law for the Northern Ireland Judicial Appointments Commission (NIJAC) has underpinned changes to the judicial appointments process. This has impacted directly on the diversity of the judiciary in Northern Ireland. Significant and demonstrable changes have followed directly and are evidenced in the operational policy and practices of NIJAC, and in the

profile of the current judiciary at all levels. The summary of this impact is captured through key changes, for example, in 2015 NIJAC appointed two female applicants to the High Court for the first time since the court was created in 1921. There is an even more pronounced change at the other court tiers, and in tribunals where around 50% of legal roles are held by women.



### The social and solidarity economy and local development

Researchers from the School of Natural and Built Environment, commissioned by Joseph Rowntree Foundation, explored the potential of implementing a Social and Solidarity Economy Model within Belfast. Findings demonstrated that asset-based development, regeneration and community anchor organisations strongly contributed to job creation, new services and produced

significant cross-community outcomes. This research leveraged capital investment, improved supply of social finance, supported the growth of community businesses and helped to develop new policies and investment programmes within Belfast.



### Health, deprivation and unemployment within Belfast City Council

The School of Natural and Built Environment and Geography, in partnership with Belfast City Council, are researching themes connected to deprivation and employment within Belfast. A range of research has been undertaken into key themes – uptake of employability training schemes; health inequalities and excess winter mortality; long-term deprivation and unemployment

trends. Key findings have resulted in a range of actions being undertaken. This includes targeting key areas for recruitment and directing vital health resources to vulnerable people. Further, research has supported the creation of a bespoke scheme which takes account of deprivation and the local area history, supporting Belfast City Council's inclusive growth strategy.



## Campus activities

### Pedalling to progress - Big Loop Bike Hub

The Big Loop Bike Hub was launched in October 2021, in partnership with the social enterprise Turnaround Project, who help people coming out of the justice system by providing transitional employment opportunities that help reduce barriers to employment. The Bike Hub aims to increase access to cycling facilities for staff, students and the wider south Belfast community. The hub was part-funded

by Belfast City Council, Department for Infrastructure and Department for Communities. The Bike Hub offers lease bikes, refurbished second-hand bikes, puncture repair and much more. In response to enhanced cycling to and from campus, the University has continued to invest in cycle parking – to date 1,540 cycle spaces have been created.



### Geothermal at Riddel Hall

Queen's University is an institutional pioneer in geothermal technology, with it deployed within the new Management School build at Riddel Hall with 38 boreholes drilled and awaiting connection. This is a very visible example of Queen's decarbonising heat within our University estate.

### Green meetings accreditation

In June 2022, Queen's University became the first organisation on the island of Ireland to be given a Green Meetings Gold Award. The Green Tourism initiative is designed to help individual tourism businesses contribute to improving the environment, address climate change and lift the local economy.



### Tackling period poverty

To tackle period poverty and stigma, a pilot scheme distributing free period products across the campus was launched in 2021. Students who are unable to access period products experience an impact on their physical and mental health. This can lead to students struggling to concentrate on studies, and result in class absences. The pilot was funded by the Northern Ireland Department for the Economy.

### Saving H2O One Drip at a Time

Queen's is working in partnership with NI Water to monitor, and prevent, water leaks within the Queen's campus. This revolutionary pilot has included the design and implementation of 72 meters to enable an early warning system to monitor for leaks.





## Outreach and engagement

### BT9 student allotment

In partnership with The Conservation Volunteers, staff and students have been busy creating, maintaining, and growing BT9 Student Allotment. The allotment was created in 2019 by a group of student volunteers, funded via the Queen's Green Fund. Since 2019, the allotment has evolved in size, with the addition

of an apple orchard in 2020 and the formation of a Gardening Club in 2021. The allotment provides students with a valuable green space, an opportunity to learn about where their food comes from whilst enhancing the biodiversity of their campus. This project contributes to the 'One Million Trees for Belfast' programme.



### Community-led partnership to tackle derelict land

Academics have been engaging with BUILD Shankill in a community-led partnership that is working to address issues around vacant and derelict land across the Greater Shankill. Using housing market data and GIS spatial analysis, academics within Queen's Communities and Place (QCAP) have assisted the BUILD working group to better understand local housing market dynamics through a bespoke

and interactive site register. Queen's Communities and Place is a new initiative based on partnership between communities, policymakers and academics. Key findings were presented at a community event in June 2022, which was attended by MLAs, Councillors, the NI Housing Executive, and local developers. This project aims to provide knowledge that will allow the delivery of viable housing schemes.



### Knowledge economy Hub@theMarket

A collaboration between academic staff from QCAP, the Gardening Team within Queen's and the Market Development Association, launched a community partnership project with St Malachy's Primary School. The focal point of the project involves the refurbishment of the school's pond area, with the wider programme providing opportunities

for the community to participate in knowledge-intensive activities. This includes encouraging curiosity, engagement, and skills development across a range of ages, to consider scientific and environmental issues that directly impact the community.



**Green Flag Award:** Pictured at the Awards are (L-R): Environment Minister Edwin Poots; Queen's Environmental Officer Naomi Martin; Head Gardener at Queen's Paul Wallace; and Dr Ian Humphreys, Chief Executive of Keep Northern Ireland Beautiful.



**Laboratory efficiency assessment framework:** Pictured (L-R): BACKROW: Alan Stitt, Academic Sponsor of the LEAF Program and Dean of Innovation and Impact, Faculty of MHLS; Jim Sloan, WWIEM; Sarah Gilchrist, Centre for Public Health; Phillip Orr, Maths and Physics; Collette O'Hagan, Pharmacy. FRONT ROW: Sara Lynch, Head of Sustainability; Alison Meredith, Biological Sciences; Jill Kilner, Centre for Public Health; Pamela Maxwell, PGJCCR; Maria Rea, PGJCCR; Naomi Martin, Environmental Assistant.



# PUBLIC BENEFIT STATEMENT

The University is registered with the Charities Commission and has a responsibility to act for the public benefit across all its activities. Under our Social Charter we are committed to the core principles of:

- Providing leadership locally and globally.
- Equality and social justice.
- Promoting a positive impact on society through research and education.

These principles were evidenced in many ways during the year.

## Education

Our vision is to provide education that transforms and a student experience that enriches, inspiring the global citizens of tomorrow and benefitting society. The University has a longstanding commitment to equality of opportunity, ensuring that those who have the ability to benefit from Higher Education have an opportunity to do so.

### Investment in future of healthcare

The QUB-KN Cheung SK Chin InterSim Centre at the Faculty of Medicine, Life and Health Sciences demonstrates leadership in nursing, midwifery, medicine and pharmacy through the provision of state of the art interdisciplinary clinical simulation for healthcare students. Another significant development in healthcare training is the

introduction of a Graduate Entry MSc programme in pre-registration nursing, the first programme of its kind on the island of Ireland. Students have the opportunity to gain their registration as a qualified nurse or midwife and a Masters level degree within two years. The first cohort of students will graduate in October 2022.

### Open learning opening doors

Queen's has been offering short courses to the local community since 1850. The Open Learning programme builds on that tradition and continues to develop the opportunities it provides, helping participants to engage with and understand the major issues of

our time. Current courses include the theme of teaching English to migrants, refugees and asylum seekers, which is being run in partnership with the Belfast Centre for the Unemployed, and a course on migration and human rights.

### Training support for Ukraine

The war in Ukraine presents continuing challenges, including how to support people suffering from Post-Traumatic Stress Disorder (PTSD) and those who are trying to help them.

Dr Michael Duffy, Senior Lecturer and Cognitive Psychotherapist from the School of Social Sciences, Education and Social Work, specialises in PTSD and complex

grief and is one of the world's leading experts in trauma and conflict. He and Dr Ciaran Mulholland, Senior Lecturer from the School of Medicine, Dentistry and Biomedical Sciences and Consultant Psychiatrist at the NI Regional Trauma Network, have been engaging in a series of international webinars to educate and support mental health professionals working with Ukrainian refugees.



### 150 years of history:

Pictured at the launch of an exhibition to mark the 150th anniversary of the Shankill's St Matthew's Church are (l-r): Professor of Social History at Queen's Olwen Purdue, Researcher Sam Guthrie, Rector Rev Tracey Roberts, Heather Stanley of PRONI, Queen's Pro-Vice-Chancellor Professor Nola Dundas-Hewitt and Jackie Redpath of the Greater Shankill Partnership.

### Pathways to new opportunity

Queen's is a leading participant in the Skill Up Programme, supported by up to £23m from the Department for the Economy and the Northern Ireland Office. Skill Up funds local Higher and Further Education in the provision of more than 20,000 training places on over 250 subject areas and is part of our commitment to support learning skills to meet our economy's need from our local workforce. Through the programme, Queen's is delivering a number of short online PG Certificate courses across digital, leadership and management, green technologies, advanced

manufacturing engineering, and health. More than 7,500 people benefitted from the Skill Up Programme in 2021-22.

As part of our Widening Participation initiatives, 2021-22 saw the continued expansion of the Pathway Opportunities Programme, supporting students from disadvantaged backgrounds with academic and direct financial support to study at Queen's. Now on its sixth intake, the programme has achieved its target of 300 participants across all subject areas, including medicine, dentistry and law.

### Supporting development within local schools

QCAP is a new initiative, launched in 2021, and is a partnership involving communities, policymakers and academics focused on tackling disadvantage and improving outcomes for children and young people.

Engaging with local communities and providing support for their development is a long-standing commitment. An outstanding example is our relationship with the Greater Shankill Partnership Board and Children and Young Person's Zone

which has been working with primary and post-primary schools serving the Shankill community on areas that need support.

Discussions led by QCAP identified four priorities: support for middle managers, sharing and dissemination of good practice, supporting school principals and an induction programme for new teachers on the history of the Shankill community. Design teams are now developing programmes on all four themes.



## Research

Queen's has a proud history of conducting innovative, impactful and world-leading research that has positively changed people's lives. We have a reputation for research of the highest quality, addressing local and global challenges and making a global impact in partnership with innovators in business and industry.

### Food Fortress: safeguarding health

Contamination of animal feedstuffs and the consequences for animal and human health are well recognised. The Food Fortress scheme was launched by Queen's in 2014 using innovative techniques to enable low-cost detection of toxins. It is now

recognised globally as a world-leading risk management and feed quality assurance scheme. The programme is building Northern Ireland's reputation as one of the safest supply chains in world food production.

### Life after cancer: giving vital support

Queen's researchers have transformed supportive care for cancer survivors and their families. They carried out a study which found that people who were 2-15 years post treatment had significantly poorer health than the general population. This research led to the launch of a

£1.3m project for patients in Northern Ireland – the Recovery Package – funded by Macmillan Cancer Care. There is also an online support system [www.cancercarecoping.com](http://www.cancercarecoping.com) which helps 10,000 families a year in Northern Ireland and has been adopted in Australia and Vietnam.

### Help for care home residents and families

Covid-19 was a cruel blow to care home residents and their families. In the absence of regular visits and communication with staff, it was a challenging time in trying to ensure that needs were met. To address this, Queen's Centre for Evidence and Social Innovation developed an online resource

– Advance Care Planning – to help people make decisions about end-of-life care. The process supports adults at any stage of health in understanding and sharing their personal values and preferences regarding future care and realistic treatment choices.

### Walking trail of the solar system

An extraordinary 10km scale model of the solar system was created by the artist and children's author Oliver Jeffers and Professor Stephen Smartt from Queen's Astrophysics Research Centre. Involving sculpture and a walking trail, it went to

various locations in Northern Ireland during the year as part of the Our Place In Space project, led by the Nerve Centre and partners in science, technology and the arts, and was a contribution to UNBOXED, the UK-wide celebration of creativity in 2022.

## Community engagement

As a civic University, Queen's plays a vital role in supporting our surrounding communities and is involved in a wide range of programmes, in partnership with our local community. As well as research and education, activity includes volunteering by staff and students, access to cultural and sporting facilities, and events for the community to engage with.

### Platform for our politicians

As part of our Social Charter commitments, we engage with politicians, locally and nationally. In the run-up to the 2022 Assembly Election, we gave Northern Ireland's party leaders the opportunity to pitch their vision to an audience of students, staff and alumni and to take part in an open question and answer session.

A further pre-election event was An Audience With Northern Ireland's Political Leaders, organised at Queen's in conjunction with the CBI during which our Vice-Chancellor, Professor Ian Greer, addressed the issue of budget cuts in Higher Education.

### Talking technology through TEDx

During the year, along with our event corporate partner PwC, we organised our fifth independent TEDx event. Among those taking part were Bill Neely, the former Chief Global Correspondent for NBC News and our Graduate of the Year, the Vice-Chancellor, Professor Greer,

Professor Richard English, Director of the Mitchell Institute at Queen's, and Katie Ni Chleire, the Students' Union President. The theme of the event was 'Ctrl+Alt+Del' which highlighted some of the innovative projects at Queen's involving technology, design, people and natural resources.

### Balmoral show: showcase for innovation

Colleagues from across the University, including the Schools of Natural and Built Environment, Pharmacy and Biological Sciences, Knowledge Transfer Partnerships, Institute for Global Food Security and the Patrick G. Johnston Cancer Centre spent four days at the Balmoral Show demonstrating key areas of our research

to members of the public in interactive exhibitions. The show had more than 100,000 visitors and it was the first time for three years – after disruption by Covid-19 – that it was held in its traditional May slot. Plans are under way for a Queen's presence again at the 2023 show.

### Celebrating 100 years of local history

During the year, an exhibition was held at St. Matthew's Parish Church on the Woodvale Road which showcased a collaboration involving Queen's, the Greater Shankill Partnership and the Public Records Office to celebrate the church's 150th anniversary. The church and the parish it serves has an important history dating back to pre-

Christian times and the wider story of the growth of Belfast. As part of the exhibition and for one day only, a Bishop's Crozier, discovered in the Shankill graveyard 300 years ago and dating back to the 9th century, was on display, loaned for the occasion by the National Museum of Ireland.

# PHILANTHROPY AT QUEEN'S

Philanthropic support enables the enhancement of world-class research, student experience and facilities that would not be possible without the generosity of individuals, charitable organisations, trusts, funds and businesses who give to our projects.



**Widening Participation:** Pictured at the launch of the Bright Future Collective to support students from disadvantaged backgrounds are (L-R): Andrew Wilson, Allen & Overy; Michelle Edwards, Queen's Pathway Student; Conal Henry, Fibrus; Professor Ian Greer Vice-Chancellor; John Harkin, Alchemy Technology Services.

The Queen's Foundation is an independent charity which generates philanthropic support for the University and works with donors to create both vision and legacy using their gifts.

In 2021-22, the University received £3.7m from the Foundation to support agreed priorities.

Almost £0.8m was received for Medicine and Health projects, including the first instalment of a gift from the Brian Conlon Foundation to support vital early detection research of Barrett's oesophagus and oesophageal cancer research at The Patrick G. Johnston Centre for Cancer Research at Queen's.

Diabetic Retinopathy and Age-Related Macular Degeneration at the Wellcome-Wolfson Institute for Experimental Medicine was also supported through an individual donor gift, which is part of a new five-year commitment to research in this area.

The first instalment of a £0.4m gift from Agilent Technologies through their Thought Leaders' Award Programme was given to

Professor Chris Elliott, whose research programme at the Institute of Global Food Security at Queen's focuses on helping to solve complex food authenticity challenges.

Focusing on the student experience, the Queen's Annual Fund has given thousands of students a transformative student experience since it was established in 1999. In 2021-22, £0.1m was distributed to a range of student projects and scholarships, including 49 clubs and societies.

A gift from Santander UK, who have now pledged more than £2m in support of Queen's, provided the opportunity for 61 students to attend Utrecht Summer School, and supported six young people facing additional barriers to employability through a careers programme which provided training and internships for students with autism.

Donors continue to provide generous scholarships and prizes, with income during 2021-22 being £0.6m. These include the Brian Conlon GAA scholarship thanks to a gift from the Brian Conlon Foundation; the Denis Lynn Scholarship for Sustainable Food Innovation thanks to a gift from

Finnebrogue Artisan; and the Yondr Women in Engineering Scholarship. Funding was also secured from our Law alumni, and others, to establish the Lord Kerr Bar Scholarship in memory of Baron Kerr of Tonaghmore (1948-2020), Law alumnus of Queen's University Belfast (1969), former Lord Chief Justice of Northern Ireland and Justice of the Supreme Court of the United Kingdom. This will be awarded for the first time in 2022-23.

Widening Participation was another key focus for 2021-22. A gift from the Northern Ireland Office to mark the NI 100 Centenary supported social mobility through the provision of a one-off scholarship and Year One bursaries awarded to young people from a widening participation background starting at Queen's in September 2021.

The Pathway Opportunity Programme reached more school students from under-represented areas than ever before, providing them with support to encourage progression to University. In January 2021,

255 Year 13 and 14 students entered the programme. Thanks to a generous gift from Kilwaughter Minerals, we will be able to continue giving a £1,000 bursary to Pathway students on entry to Queen's, up to and including 2024-25.

To further expand the Pathway Opportunity Programme, the Bright Future Collective was launched with the aim of raising philanthropic funds from the business community to support the programme. Made up of local businesses, the initiative secured five new members in 2021-22, raising an additional £0.2m.

Looking ahead, the Queen's Foundation is working to increase financial support for widening participation programmes; raise funds to establish an International Chair of Creative Writing and programme of outreach and engagement at the new Seamus Heaney Centre; support health priorities, including cancer research; and promote legacy giving amongst alumni and friends of the University.



# CONSOLIDATED INCOME REVIEW

	2021-22 £m	2020-21 £m
Income	437.7	397.5
Expenditure	(422.4)	(373.2)
Surplus (before other gains/(losses) and movement in the USS provision)	15.3	24.3

The outturn position for 2021-22 was positive for the University, with an operational surplus of £15.3m. We focus on this measure to indicate financial sustainability, as it is less susceptible to movements in the actuarial valuations of pension schemes and market conditions prevailing at the financial year end, than the total income/ (expense) reported in the Statement of Comprehensive Income (SOCl).

The SOCl position also includes a number of accounting adjustments as set out below.

The 2020 actuarial valuation of the Universities Superannuation Scheme (USS) and associated Recovery Plan was approved during 2021-22. As a consequence, the balance sheet provision in respect of the University's future commitments to the USS recovery plan provision increased significantly by £95.3m to £156.2m as at 31 July 2022 and the resulting accounting adjustments include an in-year charge to staff costs of £94.7m (further detail on the USS valuation is provided in the section on Pension Schemes on page 46 and note 36).

During 2021-22, a total gain of £0.4m was realised on the disposal of investments. This relates to the Group's disposal of shareholdings in Titan IC.

The valuation of our fixed asset investments and investment properties as at 31 July 2022 resulted in an unrealised fair value

loss of £44.0m. Of this total, some £45.5m relates to a decrease in the market value of the Group's remaining shareholding in Kainos Group plc. The balance relates to a decrease in the market value of the University's General and Investment funds of £2.5m offset by an increase in the value of the Group's other unlisted holdings.

The funding position for the Retirement Benefits Plan (RBP), has reduced from a deficit of £74.0m at 31 July 2021 to a deficit of £40.1m at 31 July 2022. The SOCl position reflects the resulting actuarial gain of £37.7m, primarily as a result of a reduction in scheme liabilities arising from increases in underlying discount rates.

The application of the accounting adjustments outlined above have resulted in a final overall SOCl deficit for the year of £85.3m.

Whilst the balance sheet has been impacted by the USS 2020 actuarial valuation and the unrealised loss in the value of the Group's investments, the net assets position remains strong at £687.6m. Financial sustainability underpins our Strategy 2030. Effective governance and strong financial performance is critical to the future success of Queen's and while we are very well positioned to continue to achieve our ambitions, we do not underestimate the scale of the current challenges facing the Higher Education (HE) sector and the economy as a whole.



## OPERATIONAL SURPLUS IS 4%

Surplus as a percentage of income decreased from 6.0% in 2020-21 to 4%.

(Note 1)



## GROWTH IN INCOME FROM NON-GOVERNMENT SOURCES

Income from non-government sources has increased year on year by 14%

(Note 2)



£98.4m

## INCOME FROM RESEARCH GRANTS AND CONTRACTS

Income from research grants and contracts, increased by £9.8m (11%) from the 2020-21 position (£88.6m)



14%

## INCREASE IN INTERNATIONAL STUDENT INCOME

International student fee income (full and part-time) increased by £7.0m (14%) during 2021-22



56%

## STAFF COSTS 56% OF INCOME

Staff costs (excluding USS provision) represent 56% of income which compares to 59% for 2020-21

(Note 3)




4%

## EXPENDITURE ON CORE ESTATE

Expenditure on core estate represents 4% of the Insurable Replacement Value. This compares to 3.0% in 2020-21

## NOTES

1. Surplus is prior to the gain to disposal of fixed assets and investments; the movement in the USS provision, the fair value loss on investments and the actuarial adjustment in respect of the Retirement Benefits Plan (RBP) and the Universities Superannuation Scheme (USS).
2. Non-Government income sources exclude recurrent funding from the Department for the Economy (DfE) in respect of teaching, research and specific grants including the Postgraduate Award Scheme.
3. Staff Costs exclude the movement associated with the USS Pension Scheme.



**TOTAL INCOME INCREASED BY OVER 10% TO £437.7M**

**Income**

Total income for the year was £437.7m, representing an increase of £40.2m (10.1%). The main components of this income are shown in Chart 1.

The total recurrent grant position takes account of the 2021-22 budget settlement to HE within NI, which for Queen's included a number of additional funded places to Queen's to aid flexibility as a result of Covid-19. This funded uplift was introduced in the 2020-21 year for a three-year period. In addition, Queen's was allocated additional non-recurrent funding allocations from the NI Executive/the Department for the Economy (DfE) to support the University in promoting economic recovery following the implications of Covid-19.

**Expenditure**

Total expenditure for the year, excluding the adjustment in respect of the USS pension provision, was £422.4m, representing an increase of £49.2m (13.2%) from the prior year.

The main components of expenditure are shown in Chart 3.

Staff costs, excluding the impact of the USS pension provision, increased by £13.8m (5.9%). This includes an annual pay award of 1.5% and costs relating to incremental progression, academic promotions, and the Apprenticeship Levy. The in-year expenditure also includes a payment of £1,000 made to all staff in July 2022 as a recognition for hard work and dedication during Covid-19.

Income from tuition fees and education contracts increased by £8.8m (6.1%). Of this total, international tuition fee income continued to increase with in-year growth of 14.1% (£7.0m). International tuition fee income now represents 13.0% of the University's total income base.

As set out in Chart 2, research income increased by 11% to £98.4m, reflecting the steady increase in awards, particularly from UK Research and Innovation (UKRI), over the past few years.

Research awards continued to increase year-on-year from £88.5m to £100.5m, with a number of high-value awards received in 2021-22. As set out in Chart 4, of this total £69.2m or 69% of research awards was from the UK Central Government, the European Union (EU) and the UKRI.

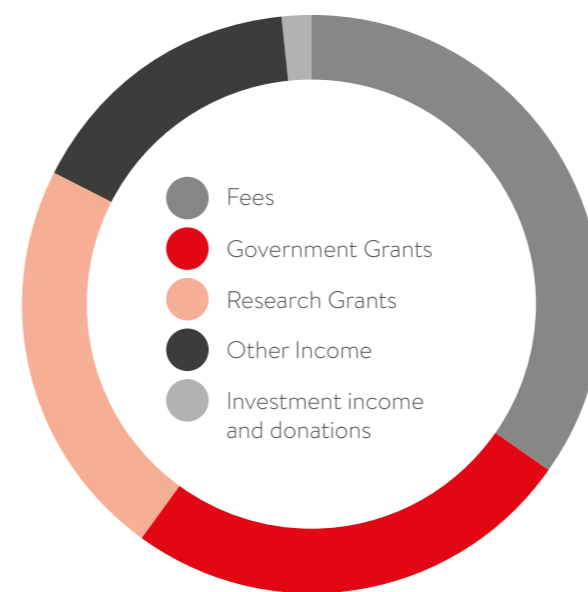
Other income increased by 40% to £69.5m reflecting growth in Innovate funding in respect of research and enterprise activities and an increase in other commercial income following the easing of Covid-19 restrictions.

Queen's staff costs, excluding the costs associated with USS pension provision, represented 59% of income in 2021-22, and the average number of staff remained broadly similar to prior year at 4,344.

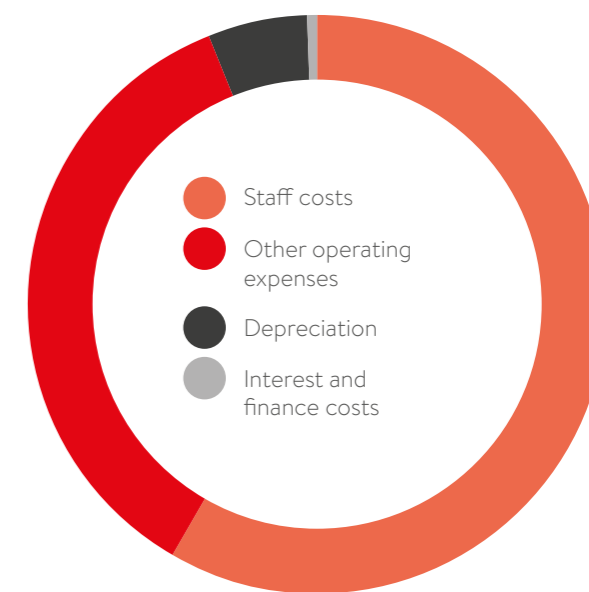
Other operating expenses increased by 29.3% to £150.1m. This increase reflects global utility cost pressures, additional costs in respect of digitalisation initiatives and increases in a number of areas of expenditure following the relaxation of Covid-19 restrictions.

Depreciation costs have increased by £1.2m mainly driven by the increased research equipment expenditure in year.

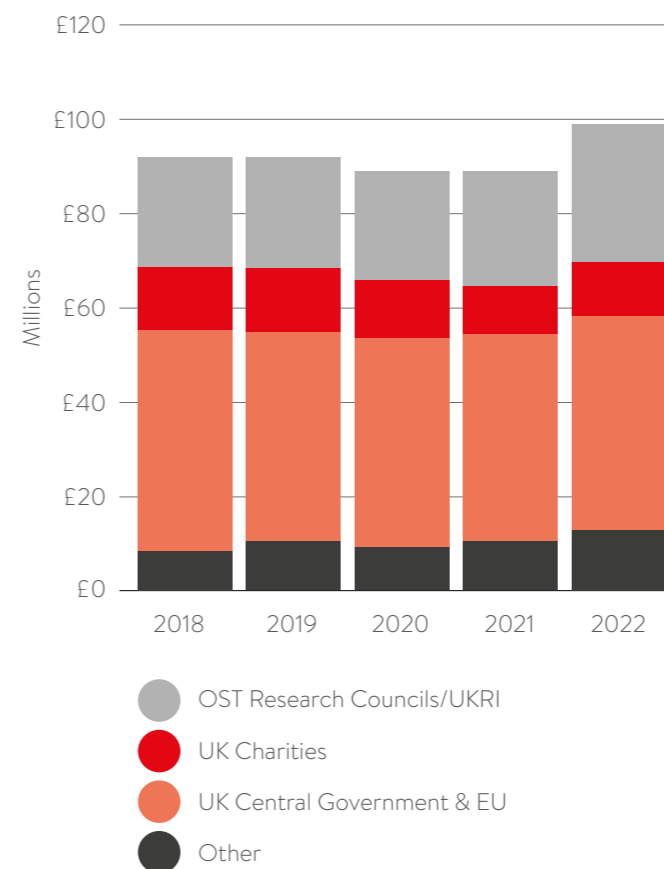
**CHART 1: Income Analysis**



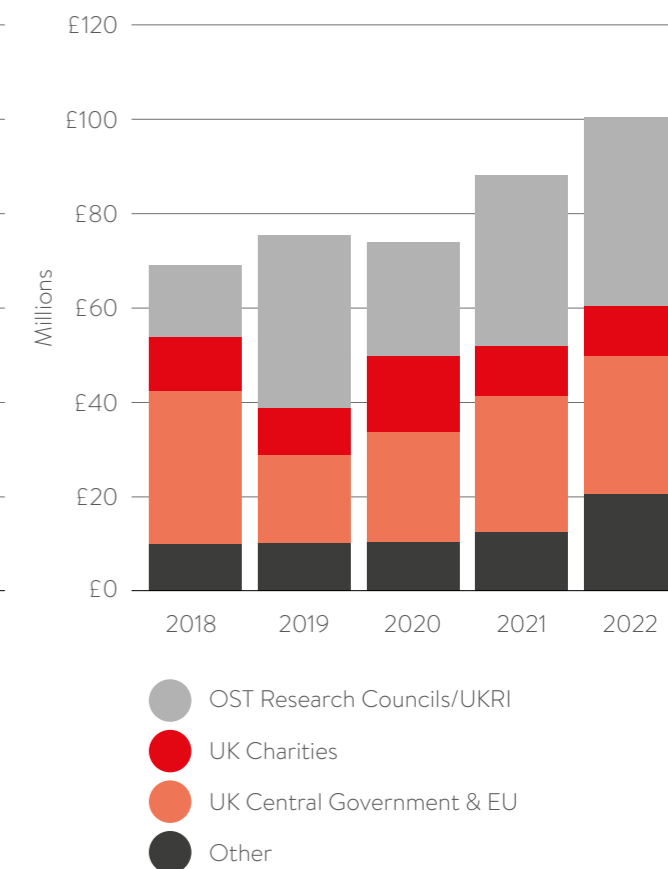
**CHART 3: Expenditure Analysis**



**CHART 2: Income from Research Grants & Contracts**



**CHART 4: Value of Research Grants & Contracts Awarded**





## Gain on disposal of fixed assets and investments

In 2021-22, a total gain of £0.4m was realised. This total relates to the Group's

disposal of shareholdings in Titan IC.

## Fair value loss on investments and investment property

The movement in fair value of the Group's fixed asset investments, investment property and investments in associates as at 31 July 2022 was an unrealised loss of £44.0m which is reflected within the SOCI. Of this total, £45.5m related to a decrease in the market value of the Group's holding in Kainos Group plc, which partially reversed the unrealised gain of £79.0m in the prior year. The balance of the decrease was due to a reduction in the market value of

the investments held in the University's General and Investment Funds of circa £2.5m offset by an increase in fair value of the Group's unlisted investments. The reductions in fair value as at the 31 July 2022 reflect the ongoing uncertainty in the UK and global markets. Whilst the position is being closely monitored, these investments are mainly long-term in nature and have reflected a significant upward trend in recent years.

## Actuarial adjustment in respect of pension schemes

The funding position of the Retirement Benefits Plan (RBP) Pension Scheme, as measured in line with accounting requirements, has reduced from a deficit of £74.0m at 31 July 2021, to a deficit of £40.1m at 31 July 2022, primarily as a result

of a reduction in scheme liabilities arising from increases in underlying discount rates.

Under FRS 102, the SOCI includes the resulting actuarial adjustment of £37.7m for the year.

## Universities Superannuation Scheme (USS)

The 2020 USS valuation, which identified a deficit in the region of £15bn, was approved during 2021-22 resulting in the adoption of an associated revised deficit recovery plan. As a consequence, the University's

liability in respect of future commitments to the USS has increased significantly. Under FRS 102, the SOCI reflects the resulting accounting adjustments including a charge of £94.7m for the year.

## Balance sheet

The University had total consolidated net assets of £687.6m as at 31 July 2022. Whilst this represents a reduction of £85.2m from the prior year, the net asset position remains very strong.

The balance sheet reflects the significant investment in the capital programme over the last decade; the investment portfolio; the strong liquidity position of the University, and its effective working

capital management processes, in particular, the robust control of debtors.

The total level of realised unrestricted reserves is £200m, much of which is ringfenced to support the Capital Development Programme including our commitment to the Belfast Region City Deal and Faculties and Professional Services in executing their priorities and plans in support of Strategy 2030.

## Capital and long-term maintenance

Queen's is a vibrant campus University at the heart of Belfast city. Substantial investment in our facilities has developed our historic campus into an innovative learning environment for our students and staff that stimulates, enables and supports world-class education and research.

Capital expenditure has continued across the entire University in terms of new build and major refurbishment of the existing estate. The total projected cost of authorised building projects is currently in the region of £101m.

These projects will maintain the momentum of the capital development programme, investing in world-class infrastructure for students and staff.

During 2021-22, progress was made on a number of projects including One Elmwood and the expansion of the Management School at Riddell Hall.

One Elmwood, which opened in August 2022 is a brand-new state-of-the-art

building set right at the heart of campus. This vibrant new hub builds on existing services and support across the campus and brings together student services with a range of facilities so students can access services, collaborate in shared spaces, get support and advice, and socialise in first-class venues.

The expansion of Riddell Hall will extend and enhance the campus and contribute to the on-going success of the Queen's Management School and William J Clinton Leadership Institute located on the site. It will ensure the School is ready to serve the changing educational needs of a rapidly growing postgraduate community, who will prove invaluable to the progress of the University and the Northern Ireland economy.

Significant work was also undertaken during the year in respect of the initial preparation, planning and design for each of the three Queen's-led Innovation projects as part of the Belfast Region City Deal.

## Cash and treasury management

Cash balances, including current asset investments were £309.6m at the year end, which is broadly in line with the prior year. Within this total, there is a marked increase in investments greater than 3 months reflecting the opening up of markets during the year and the increased ability to secure short/medium-term deposits with a reasonable rate of return. The University has a comprehensive Treasury Policy in place. The policy is regularly reviewed by the Investment Committee to ensure that risk is minimised and, during the banking and financial sector uncertainty of recent years, this has proved to be robust.

# REPORT ON INVESTMENT PERFORMANCE AND COMMITMENT TO RESPONSIBLE INVESTMENT

## Investment performance

The notes to the accounts set out full details of the two Investment Funds – the University Investment Fund and General Investment Fund, both of which are managed, on behalf of the University Investment Committee, by BlackRock Investment Management (BlackRock).

The University Investment Fund is administered, under the terms set out in the Queen's University (Trust Scheme) Order (Northern Ireland) 1982, and includes endowment funds donated and bequeathed to the University for specific purposes. The fund is actively managed by BlackRock and at 31 July 2022 was valued at £62m. Investment by endowment fund holders in the fund is by share purchase, and with 6,874,971 shares issued, the value of a share was £9. This represented a decrease of 2.9% on the valuation of the previous year. The income distributed by the Investment Fund to the endowments was increased from 30p to 32p per share and, in total, amounted to £2.2m.

The General Investment Fund is for the longer-term investment of University funds. At 31 July 2022, the fund was valued at £130m. This valuation reflects an additional investment of £30m made during the year, and represents an adjusted decrease of £0.8m, or 0.01% on the previous year's valuation of £100.8m.

The early part of 2021-22 was characterised by the opening up of societies and economies, as concerns around the impacts of the coronavirus pandemic receded, on the back of rising vaccination levels most notably in the developed markets. This in turn, unleashed pent up demand and drove economic growth, resulting in strong returns from the equity markets. However, this increase in demand, coupled with inelastic supply chains in some sectors, created a material acceleration in global inflation from historically very low levels.

As we moved into 2022, the increase in global inflation was further exacerbated by continued challenges in global supply chains and the shock to global energy supply caused by the Russian invasion of Ukraine. This created a challenging and volatile market backdrop for investors and risk assets like equities have delivered negative returns in the face of a challenging combination of higher inflation, tighter central bank policy and slower growth.

The University maintains a significant weighting to investment in equities in the view that, long-term growth ahead of normalised inflation is likely to be generated. Although the University's investment portfolios have reduced in value during 2022, the portfolios have performed relatively better than global equity markets (to use the MSCI World Index as a comparison).

## Responsible investment

Decisions in respect of investments are made on the recommendation of the Investment Committee guided by the University's Responsible Investment Policy. The University's Investment Committee meet with BlackRock on a regular basis to review the investments and their performance.

BlackRock has a clear understanding of the University's Responsible Investment Policy, including the commitment to transfer its indirect investment into funds which exclude companies involved in the extraction and production of fossil fuels, by 2025, provided that the effect is not materially detrimental to expected investment returns.

We have engaged with BlackRock during 2021-22 to precisely define the way the fossil fuel exposure across our Funds is measured and the portfolio managers have continued to take steps to reduce this exposure in our portfolios. The Investment Committee understands that the sustainable investing landscape is constantly evolving and expects that the sustainability and carbon intensity of the University's investment portfolio will improve over time, importantly without unduly damaging the returns generated.

BlackRock include environmental, social and governance (ESG) metrics in the regular reporting and presentations that they provide to the University and specific data on the evolution of our fossil fuel exposure. The Investment Committee has worked with the portfolio managers to evolve the asset allocation, aligned to BlackRock's market views, with a focus on reducing the exposure to fossil fuels and improving the sustainability of the portfolio.

In the last year, as measured by the BlackRock exposure index of companies, which derive more than 5% of their income from the extraction and production of fossil fuels, the University's exposure from its investments has reduced from 3.8% to 1.2% at 31 July 2022.

As an investment manager, BlackRock makes sustainability integral to the way that it manages risk, constructs portfolios, designs products and engages with companies. In January 2021, BlackRock outlined its clear commitment to achieving 'Net Zero' carbon emissions by 2050, [outlining the series of actions](#) that it believes will help clients prepare their portfolios for a net zero world. BlackRock has been a signatory to the United Nations Principles for Responsible Investment (UN PRI) since 2008, was an original member of the 32-member industry-led 'Task Force on Climate Related Financial Disclosure' (TCFD) and joined the Climate Action 100+ in 2020. As a signatory of the Net Zero Asset Managers Initiative, BlackRock are one of 100+ asset managers committed to aligning the financial sector and supporting the goals of the Paris Agreement, and attended the UN Climate Change Conference (COP26) in November 2021 to help accelerate action towards the goals of the Agreement.

BlackRock has both a Sustainable Investing team, bringing together its investment and product teams to build innovative sustainable fund solutions, and a dedicated 60+ person strong [Investment Stewardship Team](#) which constantly monitors and engages with companies to encourage business practices consistent with sustainable long-term value creation.

The Investment Committee recognises that, alongside a divestment policy, engagement via its investment manager with the companies in which it invests is an important tool in encouraging more sustainable behaviours, and ultimately influencing the way in which companies are managed.



In the period from July 2021 to June 2022, BlackRock voted on more than 14,100 companies, and 173,000 management and shareholder proposals across 70 voting markets. In line with its conviction that climate risk is investment risk, climate and natural capital remains one of the five key priorities that BlackRock believes are essential to the long-term financial performance of its clients' investments. A full summary of the voting year 2021-22, can be viewed [here](#). BlackRock continues to publish regular detailed 'voting bulletins' to offer rationale behind important company votes, which are also available [here](#).

As the University continues to evolve its Responsible Investing Policy, the Investment Committee feels confident that BlackRock is well positioned to offer solutions to meet the University's responsible investment needs. As a market-leader in developing innovative ESG-aligned investment solutions and with a broad global investment platform, BlackRock will be able to support the transition to a greener, more sustainable portfolio. The focus of the Investment Committee's work with BlackRock over the coming year will be on accelerating the reduction of the already low exposure to fossil fuels in the University's investment portfolio as we look forward to 2025.

These activities demonstrate the Investment Committee's commitment to Responsible Investment and its incorporation into the long-term management and investment arrangements for the University's Investment Funds.





# PENSION SCHEMES

The University is a participating employer in two separate defined benefit pension schemes, the Retirement Benefits Plan (RBP), which is available to staff in posts graded 1–5, and the Universities Superannuation Scheme (USS), which is available to staff at grade 6 and above.

## Retirement Benefits Plan (RBP)

The RBP funding position is calculated annually for accounting purposes, in accordance with FRS 102.

As set out in note 23 of the Financial Statements, the RBP funding position under FRS 102 shows a deficit of £40.1m at 31 July 2022 (£74.0m at 31 July 2021). The reduction in the deficit position reflects several factors including, a change in the financial assumptions which

underpin the calculation, specifically significantly higher corporate bond yields and resulting discount rates.

The latest Actuarial Valuation of the RBP as at 31 March 2020 identified a funding shortfall of £4.7m and a funding level of 98.1%. A Recovery Plan has been agreed to address this funding deficit by 31 March 2030.

## Universities Superannuation Scheme (USS)

USS is the principal pension scheme provided in the Higher Education (HE) Sector and, with 212,306 active members, 360 participating employers, and assets of some £90.8bn (31 March 2022), is one of the largest pension schemes in the UK. FRS 102 requires each Institution to recognise a liability for its share of the USS funding deficit, based on its commitment to the recovery plan agreed as part of the outworking of the most recent Actuarial Valuation.

The 31 March 2020 valuation (and the associated Recovery Plan and Schedule of Contributions) is the basis for calculating the USS liability in these Financial Statements. The movement in Queen's liability in respect of future commitments to the deficit recovery plan has increased by £95.3m to £156.2m (£60.9m at 31 July 2021). Further details are set out in note 24 of the Financial Statements.

The 31 March 2020 Valuation was signed and filed with the Pensions Regulator with an effective date of 1 October 2021 and indicated a deficit of £14.8bn (£3.6bn at 31 March 2018). The 2020 valuation was signed off on the basis that the proposed package of benefit and contribution rate changes,

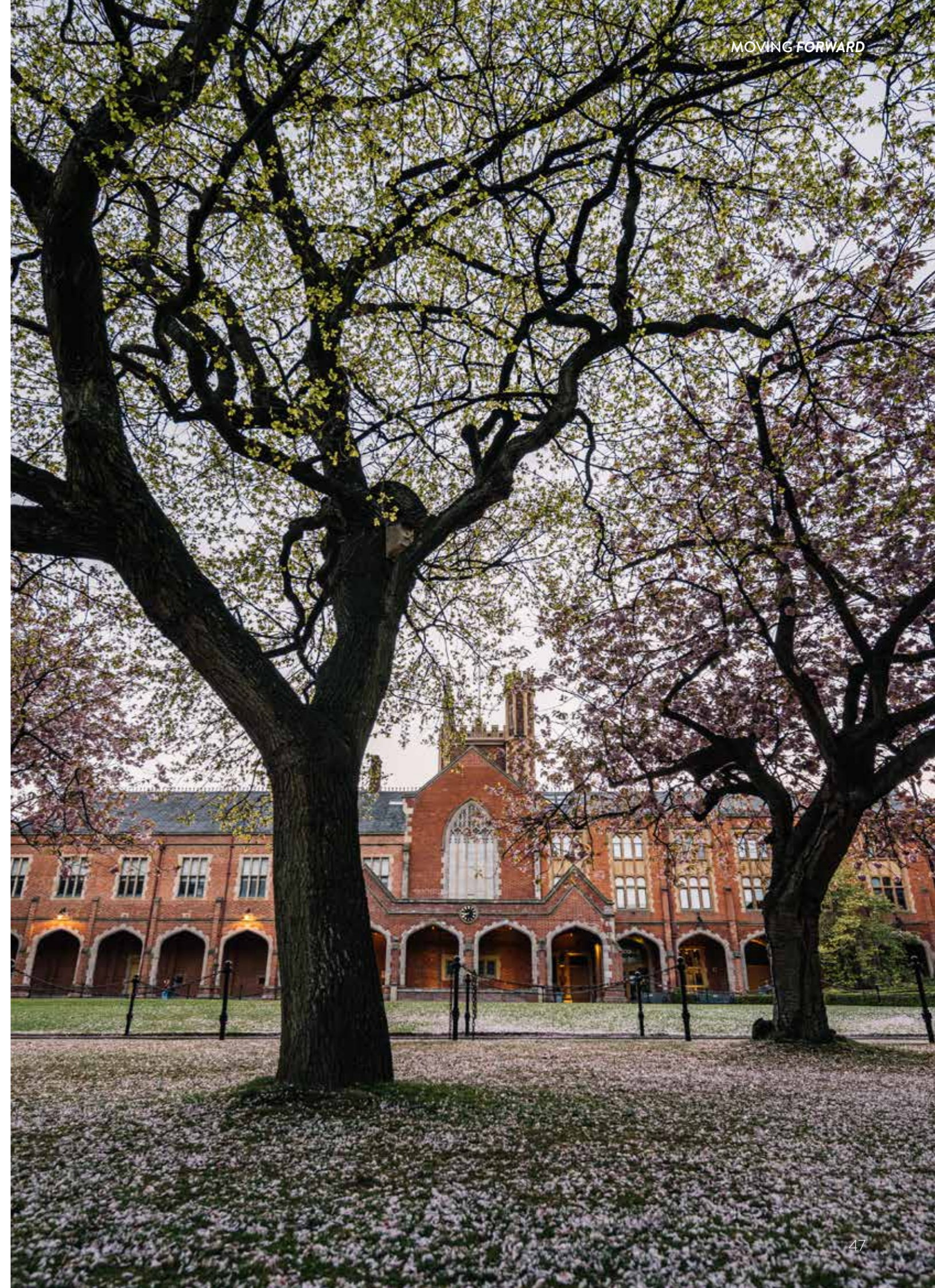
as recommended by the Joint Negotiating Committee (JNC), would be implemented.

A modification to the JNC recommended changes were made in relation to the 2.5% cap on indexation. Employers agreed to pay an additional 0.2% contribution from 1 April 2022 to 31 March 2024, to delay the introduction of the cap until April 2024. The total employer contribution from 1 April 2022 is 21.6%, with a member contribution of 9.8%.

On 18 August 2022, the USS Trustee issued their latest Financial Management Plan Monitoring Report (as at 30 June 2022). The end of June position indicated a surplus of £1.8bn and a future service cost of 21.2% at that date.

Universities UK (UUK) commenced a consultation on the current USS governance arrangements in July 2022 and other long-term plans for the Scheme continue to be explored, including conditional indexation and lower cost options.

Pensions continue to be one of the most significant longer term risks currently facing the HE sector.





# HIGHER EDUCATION FUNDING

During 2021-22, DfE continued to provide funding support to Queen's for an additional 192 student places to aid flexibility as a result of COVID-19. This funded uplift will be maintained for three years, ending in the academic year 2022-23.

Furthermore, during the course of 2021-22, institutions in NI, and HE students themselves continued to benefit from a number of significant non-recurrent funding allocations from the NI Executive/DfE due to COVID-19.

In total, Queen's was allocated £9.7m on a non-recurrent basis as set out below:

- £5.3m through the allocation of additional QR and the Higher Education Innovation Fund (HEIF) to support the capability to strengthen core research capacity and support our role in underpinning economic growth through knowledge exchange activity. These funds have been earmarked for specific purposes and interventions.
- £3.4m Economic Recovery R&D funding to support additional strategic investment in R&D in order to help drive the Department's 10x economic vision and promote economic productivity and prosperity through excellent commercialisation.
- £1.0m of funding through the Higher Education Transition Experience initiative to promote interventions that address the detrimental learning impacts of Covid-19 on those entering Higher Education in the 2021-22 academic year.

In addition, our students benefitted from additional financial support through an increased allocation from DfE to the Student Support Funds, enabling more awards to students who were facing financial hardship whilst studying and additional

funding for students experiencing financial hardship as a result of rising living costs.

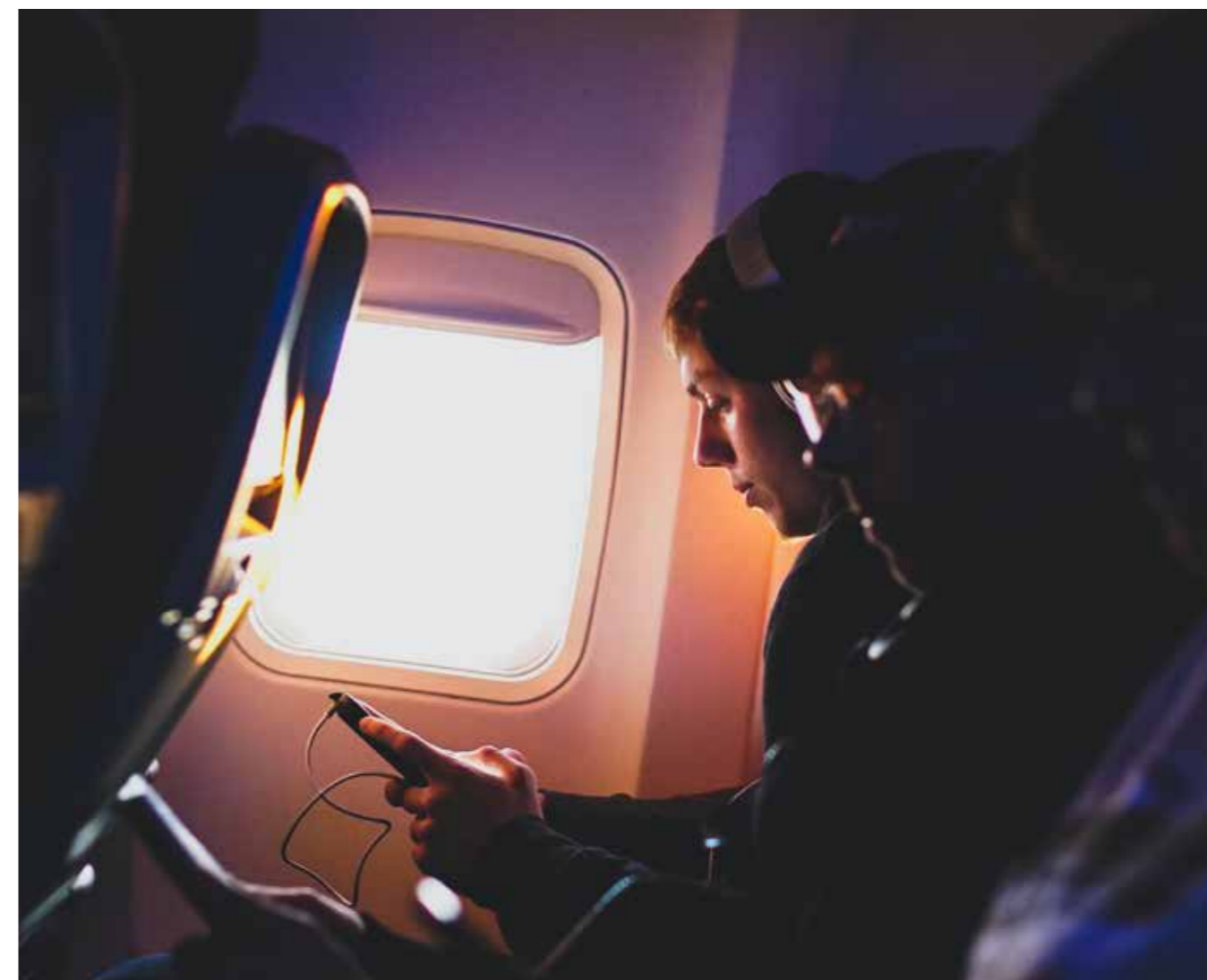
The additional non-recurrent funding made available to support Queen's and our students was very much welcomed, in what continued to be a very challenging period. This funding will be utilised to support initiatives and support the economy and society as they recover post pandemic. Furthermore, in the last two years the Department has also provided capital funding of almost £26m to support the development of One Elmwood and the expansion of the Queen's Management School at Riddell Hall.

The underlying finding position for HE in NI remains, however, a matter of concern for the University.

Since 2011, funding for HE in NI has been reduced by 40 per cent, making us the only region in the UK to have reduced investment in further and higher education.

Every year, approximately 5,000 talented young people leave Northern Ireland for study outside NI, less than a third of whom return. This educational migration impacts negatively on our local economy, which currently needs more highly skilled people as it transitions into a knowledge-based economy. With only a modest inflow of students from other parts of the UK, the net loss is significantly more than 25 per cent of our young people. This is an unsustainable position for the NI economy.

Potential future funding reductions come at a time when a demographic change in our population will see the number of 18-year-olds increase by 19 per cent by the year 2030. Our universities in NI will need an extra 5,000 places just to maintain the current levels of provision, which we know are not meeting the demands of our local and international businesses. We are currently advancing new City-Region



growth deals across NI that will create many thousands of new, high-value jobs in sectors that will transform the local economy and create growth. A lack of skilled graduates threatens the impact and sustainability of such investment on our economy.

Universities play a significant role in economic development: at Queen's, we contribute almost £3bn per year to the economy; through research, we drive innovation to ensure our companies are competitive globally; and through education, we deliver the skills that create our talented, young workforce. This is a major selling point for the region, particularly in terms of attracting foreign direct investment and supporting our indigenous businesses. We are an anchor institution focused on enhancing Northern Ireland and our people.

Investing in the future fuels a growing economy that in turn is crucial to the prosperity of Northern Ireland. Investing today – or failing to do so – will be tomorrow's legacy.

Queen's welcomes the recent announcement from DfE regarding a full review of the Higher Education funding system. NI needs to have an agreed sustainable funding model that is fair to students and prevents the significant flow of our young talent from Northern Ireland.

Queen's remains fully committed to working with our partners in government to deliver better outcomes for all our citizens and will work with the NI Executive to ensure that HE is sustainably funded given the key role the sector has in supporting the social and economic recovery of Northern Ireland.

**Brain drain:** Every year, approximately 5,000 talented young people leave Northern Ireland for study outside NI, less than a third of whom return.

# RISK AND UNCERTAINTY

The University acknowledges the risks inherent in its activities and adopts an open, proactive and receptive approach to identifying and managing them. A comprehensive Risk Management Framework defined in the University Risk Management Policy assists the identification of the key risks that pose a significant threat to the achievement of the University's strategic priorities.

Risks are inherent in all activities and constantly evolve with changes in the external and internal environment. The risk management process within the University is structured to continually identify, evaluate and monitor such risks proactively and respond quickly to issues as they arise. It is embedded across the organisation as part of normal management arrangements and includes the regular review of emerging risks by the University's Executive and Operating Boards. The Risk Management Committee provides the strategic leadership and considers updates to the Corporate Risk Register with input from the University's Internal Auditors.

The Risk Management Committee reports to the Audit Committee which provides the necessary assurances on the adequacy and effectiveness of the Risk Management Framework to Senate.

The University's Risk Management Policy sets out a process to assess the impact and likelihood of identified risks occurring. Risk criteria, based on a materiality threshold, have been established. In considering whether a risk remains or is removed from the Risk Register, the Risk Management Committee assesses its risk appetite for that activity. The University takes appropriate levels of risk to achieve a step change across its core areas of activity: education, skills and the student experience, research and innovation, and business engagement, but adopts a more cautious attitude in matters of legislative and regulatory compliance to reduce risk to the University's reputation, our people and other resources and assets.

In the current and constantly changing and complex operating environment, the cumulative risk being experienced by the HE Sector and the University, is at a significant level. The proactive and embedded approach to risk management and its visibility at all levels within the organisation, including the Senate, is vital at this challenging time.

In addition to the longer-term risk associated with Pensions, the key risks facing Queen's are as set out overleaf.

**THE UNIVERSITY TAKES APPROPRIATE LEVELS OF RISK TO ACHIEVE A STEP CHANGE ACROSS ITS CORE AREAS OF ACTIVITY**

Risk Area	Risk Management
<p><b>Financial sustainability</b></p> <p>Absence of a sustainable financial position in support and delivery of Strategy 2030.</p>	<p>The University faces significant financial challenges which have been further compounded by current inflationary pressures. The lack of a functioning Executive, as well as the ongoing political and Government funding uncertainty in Northern Ireland (NI) continues to be of concern and the University continues to engage with our partners in Government in developing a sustainable level of funding for Higher Education (HE) in NI.</p> <p>Strategy 2030 will be underpinned by a sustainable financial position enabling Queen's to be responsive to the opportunities and challenges presented, and will include a transformational change programme.</p>
<p><b>International student recruitment</b></p> <p>Failure to recruit high-quality international undergraduate and post graduate students.</p>	<p>Our Global Student Recruitment Strategy is underpinned by an Integrated Action Plan. Measures include:</p> <ul style="list-style-type: none"> <li>• Strengthening of specialised in-market teams,</li> <li>• Digital transformation to support the applicant journey,</li> <li>• Launch of a potential Growth Market Strategy,</li> <li>• Development of a focused demand-led innovative course portfolio,</li> <li>• Development of an institutional approach to English language support.</li> </ul>
<p><b>Research quality/strategy</b></p> <p>Failure to secure competitive, high-quality research funding streams from prestigious national and international sources in order to deliver on strategic priorities and failure to meet research contribution targets.</p>	<p>Our Research and Innovation Strategy includes KPIs and targets which seek to maximise our impact and performance built around three interconnected pillars, People, Research Quality and Partnerships and Place.</p> <p>Given the increasingly complex and competitive research funding environment, measures implemented aimed at achieving nationally and internationally recognised research excellence and sustainability include:</p> <ul style="list-style-type: none"> <li>• Targeted support for high-quality research funding,</li> <li>• School level research grant funding pipelines,</li> <li>• Development of Funder Liaison Groups to strengthen connectivity,</li> <li>• Pump-priming of new research endeavours,</li> <li>• An increased focus on collaborative working with colleagues in the Republic of Ireland (RoI) and United Kingdom (UK).</li> </ul>



**Cyber security**

Failure to prevent, communicate and deal with the risks arising from cyber security attacks including 'hacking' and attacks aimed at theft of IP.

We adopt a holistic approach to be protected from Cyber Security attacks and have a cyber security plan in place.

This approach includes:

- Robust policies and procedures,
- Mandatory training for staff,
- Ongoing monitoring and vulnerability testing,
- Multifactor authentication,
- Maintaining awareness of current and potential threat areas and their mitigation,
- A default deny approach to network access,
- Investment to improve security, access controls and infrastructure enhancement whilst providing appropriate remote access to support operational delivery.

**Global reputation, international partnerships and alliances**

Failure to develop a world class global reputation and international partnerships/alliances to enhance the University's impact in globally competitive education and research areas, enhance recruitment and support the development of global citizens to address international challenges.

Our International Partnerships Group ensure a strategic and agile approach to new partner selection. Measures include development of Market Interest Groups, USA, and India Strategy groups, as well as a dedicated resource to optimise partnerships in China.

We have dedicated engagement with Global Funding Bodies and Ministries through the Russell Group and UUK and have implemented a Global Research Engagement Plan.

We continue to engage and provide evidence about the importance of European partnerships including monitoring progress on Horizon Europe association and the development of alternative funding schemes.

**Delivery of Strategy 2030**

Failure to ensure the delivery of Strategy 2030 is appropriately resourced, managed and monitored leading to sustainability and reputational issues.

A number of mitigating measures implemented to date include Faculty Plans to support delivery, detailed workstream and planning sessions as part of the overall strategy development.

Further actions include the development of a three-year rolling plan to support strategy delivery, the development of Key Performance Indicators (KPI's) and a reporting/monitoring matrix, all underpinned by a robust governance framework.

The delivery of Strategy 2030 and corresponding risks will be further reviewed in dedicated risk workshops, which will include a detailed Risk Action Plan as a key deliverable.





# CONCLUSION

The University achieved a positive financial performance in 2021-22. Whilst elements of the operational surplus position were as a consequence of non-recurrent funding and income, student recruitment, in particular was strong, and furthermore, there was an improvement in the number and value of new research awards.

In the current, and constantly changing complex operating environment, including economic and political uncertainty, inflationary cost and utility pressures, the cumulative risk being experienced by the sector and the University is at a significant level. The proactive and embedded approach to risk management and its visibility at all levels within Queen's, including Senate, is vital at this challenging time.

Financial sustainability will underpin the delivery of our Strategy 2030, Delivering for our Future. Effective governance and strong financial performance is critical to the success of Queen's and we are well positioned to meet the challenges facing the sector which includes social and economic recovery post-pandemic, the need for investment in HE in NI to ensure we deliver/optimize impact and our contribution to the Skills for a 10x Economy.





# CORPORATE GOVERNANCE

The University is committed to promoting best practice in all aspects of corporate governance. The following statement aims to provide readers of the Financial Statements with an understanding of the governance arrangements applied by Senate, the governing body of the University.

## Incorporation and Governance Framework

The University is an autonomous body established by Royal Charter in 1908. Its activities, and those of Senate, are underpinned by its Charter and Statutes and its Regulations, together with the strong framework of legislation and regulation within which it operates.

Senate sets and reviews all University activity, both strategic and operational, and also complies with the Charity Commission’s guidance on the reporting of public benefit and the supplementary public benefit guidance on the advancement of education. The University is formally registered with the Charity Commission for Northern Ireland and all Senate members are thus required to register as Trustees of the charity and observe the relevant legislation with a shared duty of care for the charity.

The Committee of University Chairs (CUC) published the latest version of their Higher Education Code of Governance in September 2020. The revision updates and extends the previous version of the Code (June 2018) placing inclusivity at the heart of governance. The Code has been developed to support Governing Bodies to deliver the highest standards of governance across their Institutions. In addition to meeting all mandatory requirements the University seeks to embrace best practice and thus Senate is responsible for ensuring the application of the Code.

## Responsibilities of Senate

Senate meets formally at least four times each year but can have additional informal sessions, where necessary and appropriate, to inform its decision-making and effective governance. It is responsible for the ongoing strategic direction of the University, the stewardship of its revenue and property and the general conduct of its affairs. Senate works with the Executive Officers to set the institutional mission and strategy, and the Executive Officers ensure that steps are taken to deliver the institutional goals, supported by effective systems of control and risk management.

When executing its duties, Senate maintains a comprehensive system of risk management, control and corporate governance, including the prevention and detection of corruption, fraud, bribery and irregularities. Senate receives effective and regular information to monitor performance and track the use of public funds to enable it to identify any material change in its circumstances, including any significant developments that could impact on the mutual interests of the University and its main sponsoring Department, the Department for the Economy (DfE).

## Membership of Senate

Senate members are appointed under the Statutes of the University - a copy of which can be found at (<https://www.qub.ac.uk/about/Leadership-and-structure/Registrars-Office/University-Governance/>).

Senate comprises the Vice-Chancellor; two Pro-Chancellors; the Honorary Treasurer; the Students’ Union President; ten external lay members (non-executive); two Academic Council representatives; four staff representatives (two academic and two professional services); one representative from Convocation (graduate body); and one from the Students’ Union Council.

External members hold office for an initial term of four years and are eligible for re-appointment up to a maximum of two terms, subject to satisfactory performance.

Academic Council and staff representatives are elected by their relevant constituencies, serve for an initial term of four years, and, if re-elected, have the opportunity to serve for one further term of four years. The Students’ Union President holds office from 1 July to 30 June, and the Student Council representative from 1 October to 30 September each year.

There is a clear distinction between the role of the Chair of Senate and that of the Vice-Chancellor. The Chair is a Pro-Chancellor supported by up to two additional Pro-Chancellors and an Honorary Treasurer. Senate also appointed a Senior Independent Governor, in September 2020, from amongst its external membership, to further strengthen its governance arrangements. The Senior Independent Governor role is to provide enhanced support to the Chair of Senate in the leadership of Senate and in the development and improvement of governance practices.

Senate members are required to conduct all business in accordance with the seven principles identified by the Committee on Standards in Public Life and in line with the guidance set out within the Committee of University Chairs (CUC) Guide for Members of Higher Education Governing Bodies in the UK. All Senate members are required to sign up to a Code of Conduct. No member of Senate receives remuneration for work they do in respect of their position on the governing body, and all interests are reported through the Register of Interests, which is managed by the Secretary to Senate.

In accordance with its Charter and Statutes, the Registrar and Chief Operating Officer serves as Secretary to Senate and its core Committees, providing advice on matters of governance to Senate members.



### Senate development opportunities

In the exercise of their duties, it is vital that Senate members have the opportunity to steer the strategic direction of the University. To support this members of Senate attend an annual Senate Away Day, to allow members and management to focus on the strategic priorities of the University in a more relaxed and informal setting.

In the prior year Senate considered the University's Strategic Planning process and the role of the University in contributing to the economic and societal recovery of Northern Ireland in a post Covid-19 environment.

Members also regularly attend briefing events, tours of key facilities and training/development sessions, all of which are aimed at keeping members up-to-date on activities happening across the campus and the wider Higher Education (HE) sector. Moving forward, Faculties will also feed into this process.

In line with best practice, Senate also keeps its effectiveness under regular review. Every four years, it undertakes a formal and rigorous evaluation of its own effectiveness and that of its Committees. To ensure independence in this process, the evaluation is undertaken by the University's Internal Auditors. All members contribute to this process and the outworkings, including recommendations on how the existing arrangements could be enhanced and are reported to Senate through the Standing Committee.

Members of Senate are required to meet with the Chair of Senate, on a one to one basis, every two years. The purpose of these meetings, or Senate Appraisals, is to enable the Chair and members to reflect on their contribution to the work of Senate and to identify ways in which it could be enhanced or supported going forward. Findings from the appraisal process are shared with Senate with areas for potential development flagged. A monitoring system against KPI's will be in place to ensure continuous review of progress towards objectives.

**IT IS VITAL THE SENATE MEMBERS HAVE THE OPPORTUNITY TO STEER THE STRATEGIC DIRECTION OF THE UNIVERSITY**

### Senate Committees

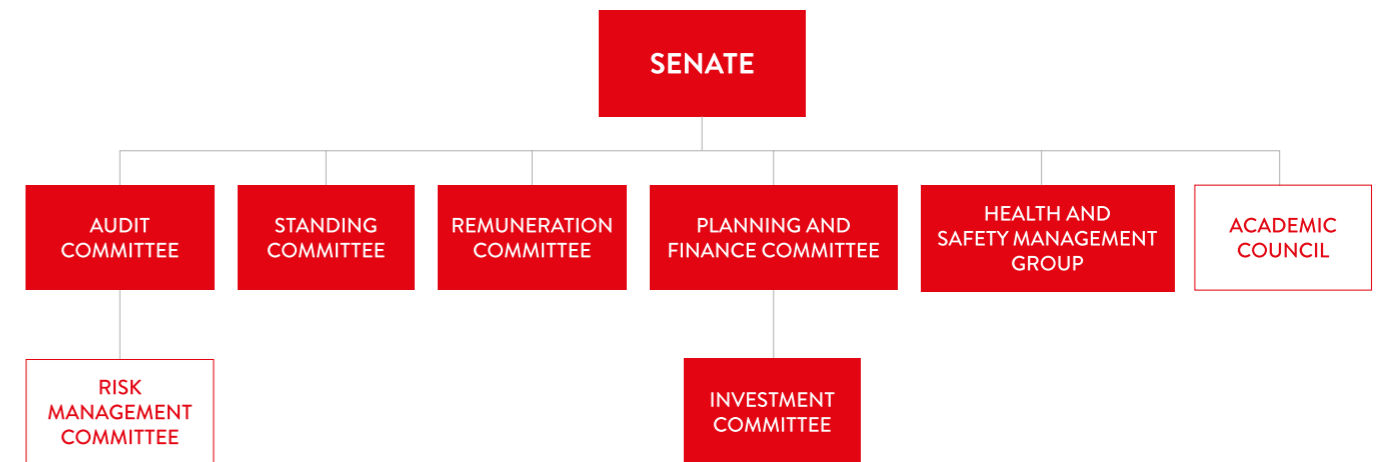
Under its Approval Framework/Scheme of Delegation, Senate delegates some of its powers and responsibilities to its core Committees. A review of the Scheme of Delegation is underway which will encompass best practice from across the Russell Group universities to ensure that there is an effective and efficient governance and decision-making structure.

Committee's are provided with a clear remit and written Terms of Reference stating the extent and limits of its responsibilities and authority. Each Committee is required, at

the start of each academic year, to review its Terms of Reference and to update these in line with best practice. All Committees are also required to submit a comprehensive report, on business transacted, to the next available meeting of the Senate.

The key Committees are the Audit Committee, the Planning and Finance Committee, the Standing Committee, and the Remuneration Committee, as illustrated below. The Committees shaded in red include Senate representation:

### Committee Governance Structure





All these Committees are formally constituted with Terms of Reference and are comprised mainly of lay members of Senate. These committees and their respective attendance by each Senate member is listed below:

Constituency	Meeting	Senate		Audit Committee		Planning and Finance Committee		Standing Committee		Remuneration Committee	
		Members	Attendance	Members	Attendance	Members	Attendance	Members	Attendance	Members	Attendance
Pro-Chancellor	Dr S Kingon	Chair	4 of 4					✓	4 of 4	✓	5 of 5
Pro-Chancellor	Dr L O'Hagan	✓	4 of 4			Chair	4 of 4			Chair	5 of 5
President and Vice-Chancellor	Professor I Greer	✓	4 of 4			✓	4 of 4	✓	4 of 4		
Honorary Treasurer	Ms O Corr	✓	4 of 4			✓	2 of 4			✓	5 of 5
President, Students' Union	Ms Katie Ni Chléire	✓	3 of 4			✓	2 of 4				
Students' Union Council Representative	Mr Jamie-Lukas Campbell	✓	3 of 4								
Academic Council Representative	Professor D Fitzsimons	✓	3 of 4								
Academic Council Representative	Professor P McKeown	✓	4 of 4								
Academic Staff Representative	Dr V Altglas	✓	4 of 4					✓	2 of 4		
Academic Staff Representative	Dr L Hannan	✓	1 of 4								
Support Staff Representative	Mr K Flanagan	✓	3 of 4								
Support Staff Representative	Ms D Hyland	✓	1 of 4					✓	3 of 4		
Convocation	Mr E McMullan	✓	4 of 4	✓	3 of 4						
Lay Member and Senior Independent Governor	Ms E Graham	✓	4 of 4			✓	3 of 4	✓	4 of 4		
Lay Members	Ms B Arthurs	✓	2 of 4			✓	3 of 4				
	Mr R Bailie	✓	4 of 4			✓	3 of 4				
	Mr A Doran	✓	3 of 4			✓	2 of 4				
	Mr K Jess	✓	4 of 4	Chair	4 of 4						
	Ms M Matchett	✓	3 of 4					Chair	4 of 4		
	Ms A McGregor	✓	2 of 4	✓	3 of 4						
	Ms M Regan	✓	3 of 4							✓	5 of 5
	Mr A Shannon	✓	4 of 4			✓	3 of 4				
	Ms P Slevin	✓	4 of 4					✓	4 of 4		

While Senate members' attendance at Committee meetings is not mandatory, our members are extremely dedicated and endeavour to attend all scheduled meetings.

Further detail on each of our core Committees is provided overleaf:

## Audit Committee

The Audit Committee is responsible for reviewing the audit aspects of the University's Financial Statements and for making recommendations to Senate for their approval or otherwise, in accordance with the Department for the Economy's (DfE) Accounts Direction. These obligations are set out in the Financial Memorandum (FM) last updated with effect from 1 April 2014. The Committee is also responsible for exercising oversight and reporting to Senate on the adequacy and effectiveness of:

- Risk management, control and governance (the risk management element includes the accuracy of the Statement of Internal Control included with the Annual Statement of Accounts).
- Economy, efficiency and effectiveness (value for money).
- Approval and oversight of the implementation of the Institution's policy on Fraud and Whistleblowing.
- The management and quality assurance of data provided to HESA (Higher Education Statistics Agency), Student Loans Company, and other funding bodies.

The Audit Committee meets four times annually. Members of the Committee do not have executive authority. The Chair of the Committee is not a member of any other core Committees of Senate. The Committee reviews the annual External Audit Plan and the final Internal Audit Report. It considers the appropriateness of the Internal Auditor's risk assessment and Audit Plans and reviews reports from them on their investigations, together with monitoring the implementation of all agreed audit-based recommendations.

The Committee meets at least once a year with the External and Internal Auditors without any officers present. It also meets once a year without the External and Internal Auditors present to consider the Auditors' performance and to advise Senate on the re-appointment of the External Auditors in line with the requirements of the Financial Memorandum. In addition, it undertakes an annual self-assessment review of its own effectiveness and reports the findings through to the governing body.

An annual training event is held as part of the Audit Committee Schedule of Business. The event is facilitated by representatives from the Internal and External Auditors and enables members to be kept apprised of the key issues facing the HE sector at that time.

Throughout 2021–22, the Committee's focus has been primarily on the Internal Audit Plan, the External Audit planning process and the steps being taken by the University to manage both emerging and corporate risks – examples include Covid-19; Pensions; and Cyber Security. The Committee also considers reports, at each of its meetings from the Risk Management Committee and receives assurances on the processes in place to embed a holistic risk management approach at both a Corporate level and at a Faculty/Professional Services level.

A copy of the Committee's full Membership and Terms of Reference is available here ([qub.ac.uk/about/Leadership-and-structure/Registrars-Office/University-Governance/Directories-of-Committees/AuditCommittee/](http://qub.ac.uk/about/Leadership-and-structure/Registrars-Office/University-Governance/Directories-of-Committees/AuditCommittee/)).

## Planning and Finance Committee

The Planning and Finance Committee advises and, where appropriate, makes recommendations to Academic Council and Senate, on the University's academic, financial, physical and human resource objectives and priorities. It has delegated authority to approve subsidiary strategies and operational plans required to achieve the University's strategic objectives. The Planning and Finance Committee also supervises all matters relating to the financial management of the University, the investment of its funds, the receipt of its income and the expenditure thereof, together with the management of Trust Funds. The Committee reports to each meeting of Senate.

Throughout the year, the Committee's main focus has been on the financial impact of Covid-19; Belfast Region City Deal initiative; and the financial position of the University during 2021–22.

The Committee also welcomed updates on the development of Strategy 2030 and related consultation processes.

A copy of the Committee's full Membership and Terms of Reference is available [here](#).

## Standing Committee

Standing Committee meets at least four times a year and considers, approves, monitors and evaluates the University's strategy in relation to its people, culture and values, to include staff engagement and its impact on organisational performance.

During the year the Committee was advised of, and approved, the plans for a Governance Apprenticeship Programme to instil some further diversity at Board or Senate level; a challenge across the HE sector. They were also advised of, and acknowledged, the efforts to support staff through the ongoing pandemic period.

In addition, the Committee is responsible for the initial consideration and approval of policy to ensure the promotion of all aspects of Equality and Diversity across the University, including work being undertaken to address gender and race equality in line with Section 75 of the Northern Ireland Act 1998.

A copy of the Committee's full Membership and Terms of Reference is available [here](#).

## Remuneration Committee

The Remuneration Committee ensures that the remuneration arrangements for all senior post holders support the University's strategic aims and objectives and enable the recruitment, motivation and retention of the most senior staff whilst also complying with the requirements of regulation and best practice. The Committee annually determines and reviews, on behalf of Senate, the performance, salaries and employment terms and conditions of the Senior Management Group and Senior Academic Managers.

The Committee also oversees the implementation of the Senior Salaries Scheme. The scheme, informed by best practice from within both the public and private sectors, incorporates a number of key features, these include defined ranges; a clear policy on salary progression and performance pay; and integrated mechanisms to measure and reward such performance. The annual salary review of the Senior Management Group is based on two components – corporate and individual performance.

The Remuneration Committee recognises it must strike the right balance between recruiting, rewarding and retaining the best senior staff possible in order to deliver the best outcomes for the students and the University whilst, at the same time, demonstrating effective use of limited resources and achieving value for money.

The Remuneration Committee is committed to complying with all the elements of the CUC guidelines on best practice, as set out in its Higher Education Senior Staff Remuneration Code, published in June 2018 and demonstrating leadership and stewardship in relation to remuneration. The Code sets out a framework through which Higher Education Institutions can demonstrate that they are being managed in the best interests of their key stakeholders, including staff and students. In this context, Senate has implemented a number of updates to its practices in response to evolving best practice within the Code and across the sector.

The Committee has also adopted the production and publication for Senate, of an Annual Report setting out its key priorities and activities during the course of the academic year – a copy of the report of the Remuneration Committee can be found [here](#).

The focus of the Committee during 2021–22 was the Senior Salaries Scheme and the associated approach to pay and reward for this population during this challenging time.

A copy of the Committee's full Membership and Terms of Reference is available [here](#).

## Nominations Committee

The Nominations Committee seeks out and recommends new lay members for membership to Senate at the beginning of each term and remains in place throughout the four-year term of Senate. Senate was reconstituted in January 2022, the aim being to shape the membership to deal with future challenges, as well as ambitions, of the University. A separate Membership Committee subsequently meets to determine the allocation of

Senate members to core Committees, ensuring an appropriate balance in terms of skills and characteristics.

A copy of the Committee's full Membership and Terms of Reference is available [here](#).



## Executive team

Senate delegates operational management control of the University to the University Executive Board (UEB), chaired by the Vice-Chancellor, and to the University Operating Board (UOB), chaired by the Registrar and Chief Operating Officer.

The University's Charter and Statutes place responsibility for the University's operations with the Vice-Chancellor who, as the Accountable Officer, supported by the Executive Officers, implements the Board's policies and develops and

manages the University's business. Senate works with the Executive Officers to set the institutional mission and strategy, and the Executive Officers ensure that steps are taken to deliver the institutional goals and that there are effective systems of control and risk management in place.

Senate approves all major developments and receives regular highlight reports on the activities of the University and its subsidiary companies.

## Statement on Internal Control

As the governing body of Queen's University Belfast, Senate has responsibility for maintaining a sound system of internal control that supports the achievement of the University's policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible. This responsibility has been assigned to Senate in accordance with the University's Charter and Statutes, and the Financial Memorandum.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve policies, aims and objectives. To that extent 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 the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31 July 2022 and up to the date of approval of these Financial Statements and accords in full with DfE guidance.

As part of the University's co-ordinated response to the Covid-19 pandemic and the related changes in working practices, key processes and procedures were proactively reviewed, and adapted as necessary, to ensure that the University's comprehensive

control framework remained robust. During the period, up to the signing of these Financial Statements, there were two (greater than £5k) actual or suspected frauds identified. These related to an attempted fraudulent withdrawal from the University's bank account in August 2021 and an incident whereby a small payment was made to fraudulent bank details following the interception of emails. Both incidents have been fully reported and investigated in line with the University's Anti-Fraud Policy and the Financial Memorandum. In this respect a range of remedial actions and developments have also been agreed and an implementation programme is underway.

Senate has responsibility for reviewing the effectiveness of the system of internal control. The following processes have been established:

- a. Senate meets at regular intervals (at least four times a year) to consider the strategies and plans of the University.
- b. Senate receives regular reports from the Chair of the Audit Committee concerning internal control, and also requires regular reports from managers on the steps they are taking to manage risk in their areas of responsibility, including progress reports on key projects. Senate and the Vice-Chancellor receive an annual report from the Audit Committee covering the business of the Committee

over the previous academic year.

- c. Senate has established a Risk Management Committee to oversee risk management.
- d. The Audit Committee receives regular reports from the Internal Auditors which include their independent opinion on the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement.
- e. Programmes of facilitated workshops have been held in Faculties and Professional Services to identify new and emerging risks and to ensure the adequacy of counter measures. Faculties and Professional Services are responsible for identifying, evaluating and managing their significant risks.
- f. A programme of risk awareness training is ongoing and risk management is integrated within the University's business planning process.
- g. A system of key performance and risk indicators has been developed.
- h. A robust risk prioritisation methodology, based on risk ranking and cost-benefit analysis has been established.
- i. A Corporate Risk Register is maintained and regularly reviewed and updated, with responsibility for the management of each risk embedded within the management structure of the University.
- j. An Emerging Risk Register has been developed and is reviewed at each meeting of the University Operating Board and the University Executive Board.
- k. All information used for both operational and financial reporting purposes is captured and processed accurately, and to an appropriate quality standard, particularly where

it is used by third-parties or relied on by other parts of Government.

- l. Reports are received, as appropriate, from budget holders, department heads and project managers on internal control activities.

Senate's review of the effectiveness of the system of internal control is undertaken, on an annual basis, with reference to the DfE's Accounts Direction. It is Senate's view that the University has an effective risk management process in place and that the Corporate Risk Register is being managed on an active basis with specific action plans in place to address all risks. This view is informed by the work of the University's Internal Auditors who operate to standards defined in the UK Public Sector Internal Audit Standards (PSIAS) and submit regular reports on the adequacy and effectiveness of the University's system of risk management, internal controls and corporate governance, and economy, efficiency and effectiveness (value-for-money) with recommendations for improvement. Senate's review of the effectiveness of the system of internal control is also informed by the work of the senior officers within the University, who have responsibility for the development and maintenance of the internal control framework and by comments made by the External Auditors in their Annual Report and other reports to the Audit Committee.

As a result of Senate's overall review of the effectiveness of the system of internal control, including risk management, it is content that no significant weaknesses have been identified. This has been confirmed by the assurance given to the University's Accounting Officer by the Internal Auditors, in their Annual Statement of Assurance.

## RESPONSIBILITIES OF SENATE IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

In preparing each of the Group and University Financial Statements, Senate 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 have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- assess the Group's and University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it intends to liquidate the Group, or the University, or to cease operations, or has no realistic alternative but to do so.

Senate is responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and University's transactions and disclose with reasonable accuracy at any time the financial position of the Group and University. Senate 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 it has general responsibility for taking such steps as are reasonably open to it, to safeguard the assets of the Group and University, and to prevent and detect fraud and other irregularities.

Senate is also responsible for ensuring that:

- funds from DfE have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them;
- there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- 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; and
- the economical, efficient and effective management of the Group's and University's resources and expenditure is secured.

Senate is responsible for the maintenance and integrity of the Financial Statements 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 SENATE OF QUEEN'S UNIVERSITY BELFAST

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OPINION

We have audited the Financial Statements of Queen's University Belfast ('the University') and its subsidiaries (collectively 'the Group') for the year ended 31 July 2022 set out on pages 82 to 113, which comprise the Consolidated and University Statements of Comprehensive Income, the Consolidated and University Balance Sheets, the Consolidated and University Statements of Changes in Reserves, the Consolidated Cash Flow Statement and the related notes, including the summary of significant accounting policies set out on pages 72 to 79.

The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion the accompanying Financial Statements:

- give a true and fair view of the state of the Group's and the University's affairs as at 31 July 2022, and of the Group's and the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education; and
- meet the requirements of the Department for the Economy (DfE) Accounts Direction to Higher Education Institutions for 2021–22 Financial Statements.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Group in accordance with ethical requirements that are relevant to our audit of Financial Statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

### CONCLUSIONS RELATING TO GOING CONCERN

Senate has prepared the Financial Statements on the going concern basis as they do not intend to liquidate the Group or the University or to cease their operations, and as they have concluded that the Group's and the University's financial position means that this is realistic.

They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the Financial Statements ('the going concern period').

In our evaluation of Senate's conclusions, we considered the inherent risks to the Group's and University's business model and analysed how those risks might affect the Group's and the University's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

In auditing the Financial Statements, we have concluded that Senate's use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

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

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

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

### DETECTING IRREGULARITIES INCLUDING FRAUD

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the Financial Statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with management. In addition, our risk assessment procedures included: inquiring with the management as to the Group's and University's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the management have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Group's and University's regulatory and legal correspondence; and reading committee minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Group and University are subject to laws and regulations that directly affect the Financial Statements including companies and financial reporting legislation. We assessed the extent of compliance with

these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Group and University are not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the Financial Statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the Financial Statements.

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 (irregularities) 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 remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.



**OTHER INFORMATION**

Senate is responsible for the other information presented in the Annual Report together with the Financial Statements.

The other information comprises the information included in the Message from the Vice-Chancellor, Message from the Chair of Senate, Moments of the Year, Overview of the University, Our Stakeholders, Strategic Overview, Sustainable Development Goals, Public Benefit Statement, Philanthropy at Queen's, Financial Review and Corporate Governance. The Financial Statements and our auditor's report thereon do not comprise part of the other information.

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.

**RESPECTIVE RESPONSIBILITIES AND RESTRICTIONS ON USE****Responsibilities of Senate for the Financial Statements**

As explained more fully in the Responsibilities of Senate in respect of the Consolidated and University Financial Statements set out on page 67, Senate is responsible for: the preparation of the Financial Statements including being satisfied that they give a true and fair view; such internal control as it determines necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error; assessing the Group's 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 FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the Financial

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

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

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

We are required to report on the following matters under the former Department for Employment and Learning (now DfE) Audit Code of Practice issued under the Further and Higher Education Act 1992. In our opinion, in all material respects: funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation; and funds provided by the DfE have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them.

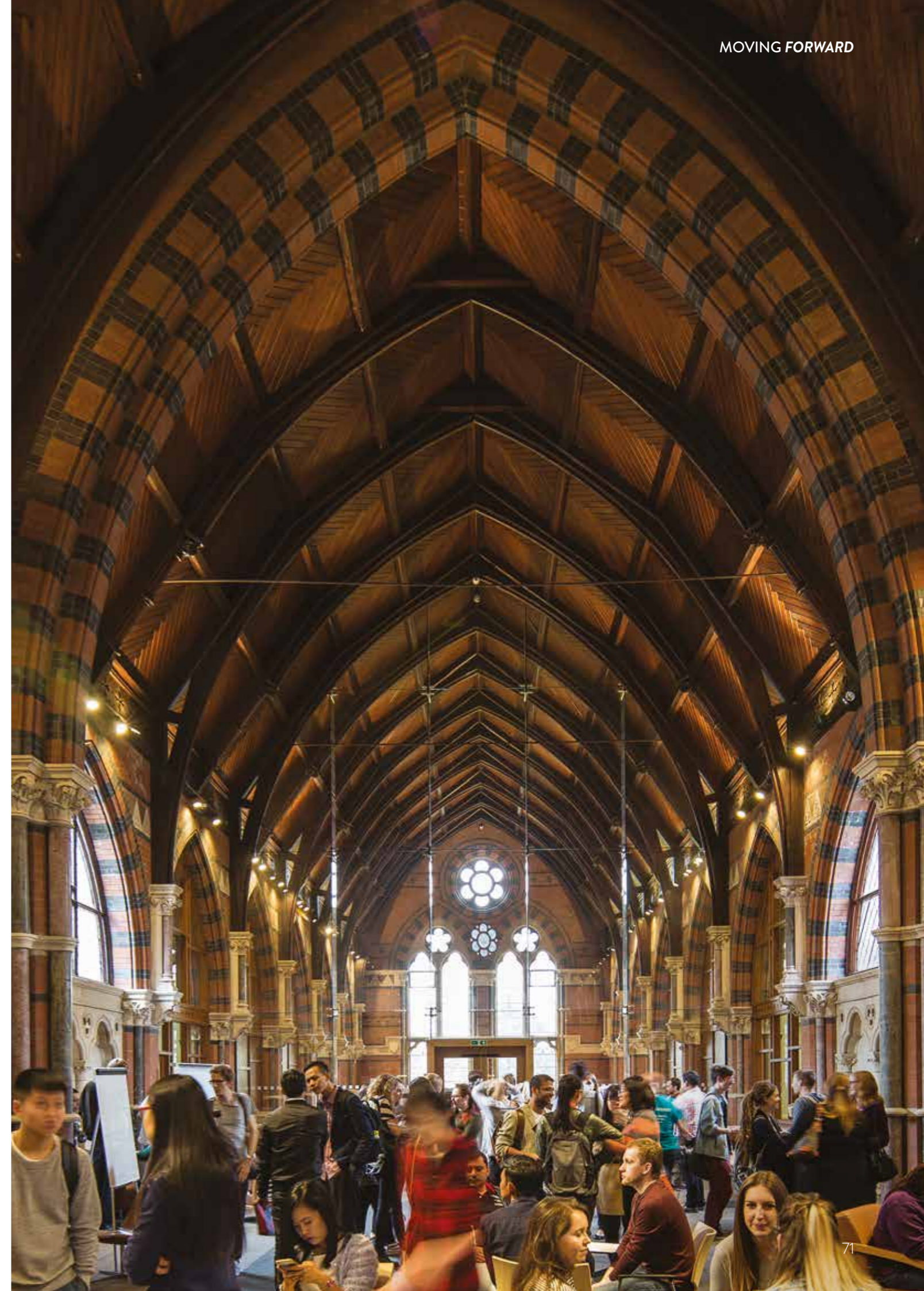
**THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES**

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

**Sean O'Keefe**

(Senior Statutory Auditor)

For and on behalf of KPMG, Statutory Auditor  
The Soloist Building  
1 Lanyon Place, Belfast  
25 November 2022





# STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

## ACCOUNTING CONVENTION

These Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019, UK Accounting Standards including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Accounts Direction issued by the Department for the Economy.

The University is a public benefit entity and therefore has applied the relevant public benefit requirements of FRS 102. The Financial Statements are prepared in accordance with the historical cost convention (as modified by the revaluation of fixed assets on the transition to FRS 102 as at 1 August 2014 and the revaluation of investments and investment property carried at fair value).

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 University in its separate Financial Statements.

The Financial Statements are prepared in sterling which is the functional currency of the University and Group and rounded to the nearest £'000.

## BASIS OF PREPARATION

The Group's and University's activities together with the factors likely to affect its future development, performance and position, are set out in the Financial Review which forms part of the Annual Report. The Annual Report also describes the financial position of the Group and University, its cash flow, liquidity position and borrowings.

The Financial Statements have been prepared on a going concern basis which Senate consider to be appropriate for the following reasons:

Senate has prepared cash flows for a period of twelve months from the date of approval of these Financial Statements. After reviewing these cashflows, Senate is of the opinion that the Group and the University will have sufficient funds to meet their liabilities as they fall due over the period of twelve months from the date of approval of the Financial Statements. Senate has also noted the Group's and University's limited borrowing and loan portfolio.

Therefore, Senate has prepared the Financial Statements on a going concern basis.

## BASIS OF CONSOLIDATION

The Consolidated Financial Statements include the University and its wholly owned subsidiaries, QUBIS Limited, Queen's Overseas Recruitment Limited, Queen's Composites Limited and its partially owned subsidiary NIACE Limited. Intra-group transactions are eliminated in full, on consolidation.

Joint ventures are accounted for using the equity method.

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated. Balances between the Group and its associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the Balance Sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity, and the part relating to the University's share is eliminated.

The Consolidated Financial Statements do not include a connected charity, the Queen's University of Belfast Foundation Ltd, which is a separate and independent organisation.

## INCOME RECOGNITION

### SALE OF GOODS AND SERVICES

Income from the sale of goods or services is credited to the Consolidated and University Statements of Comprehensive Income (SOCI), when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

### TUITION FEE INCOME

Fee income is stated gross of any expenditure which is not a discount and credited to the SOCI over the period in which students are studying. Bursaries and scholarships are accounted for gross, as expenditure, and not deducted from income. Education contracts are recognised when the Institution is entitled to the income, which is the period in which students are studying, or where relevant, when performance conditions have been met.

### GOVERNMENT REVENUE GRANTS

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

### NON-GOVERNMENT GRANTS

Grants (including research grants) from non-government sources are recognised in income when the University is entitled to the income and performance-related conditions have been met.

Income received in advance of performance-related conditions being met, is recognised as deferred income within creditors on the Balance Sheet and released to income as the conditions are met.

### DONATIONS AND ENDOWMENTS

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve, until such time that it is utilised in line with such restrictions, at which point the income is released to general reserves through a reserve transfer. Donations with no restrictions are recognised in income when the University is entitled to the funds.

### INVESTMENT INCOME

Investment income is credited to the SOCI on a receivable basis.

Investment income is recognised in income in the year in which it arises. Appreciation of endowments, including gains/losses relating to disposals within the Investment Fund, is recorded as fair value gains/losses on investments in the year in which they arise. These items are shown as either restricted or unrestricted income according to the terms applied to the individual endowment fund.

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

- 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 an income stream 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 has the power to use the capital.
- Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

#### CAPITAL GRANTS

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

#### ACCOUNTING FOR RETIREMENT BENEFITS

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the Retirement Benefits Plan of Queen's University Belfast (RBP). The schemes are defined benefit schemes which are externally funded and contracted out of the State Second Pension (S2P). Each fund is valued at least every three years by professionally qualified independent actuaries. Further detail on the specific pension schemes is provided in note 36 to the Financial Statements.

The USS is a multi-employer scheme. It is not possible to identify the assets and liabilities relating to University members due to the mutual nature of the scheme; therefore, this scheme is accounted for as

a defined contribution scheme. As a result, obligations for contributions to the USS scheme are recognised as an expense in the income statement in the periods during which services are rendered by employees. A liability is recorded within provisions for any contractual commitment to a recovery plan to fund past deficits within the USS scheme.

Under the RBP Scheme, as a defined benefit scheme, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The University and Group recognise a liability in the balance sheet for its obligations under the RBP plan net of the fair value of the plan's assets; this liability is included in pension obligations (note 23). This net liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method.

Annually the University engages independent actuaries to calculate the FRS 102 obligation for the RBP scheme.

The fair value of the scheme's assets is measured in accordance with FRS 102. This includes the use of appropriate valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses.

The cost of the RBP, recognised in expenditure as staff costs, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments, and settlements.

The net interest cost is calculated by applying the opening discount rate to the net liability. This cost is recognised in expenditure as a finance cost. Details of the RBP scheme are provided in note 36.

#### EMPLOYMENT BENEFITS

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

#### FOREIGN CURRENCY

Transactions 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 translated to sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the (loss)/surplus for the year.

#### INTEREST PAYABLE

Interest payable and similar charges includes interest payable, finance charges, unwinding of the discount on provisions and material net foreign exchange losses that are recognised in the SOCI.

#### FIXED ASSETS

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

#### LAND AND BUILDINGS

Freehold land and buildings and long-leasehold land and buildings were revalued to fair value on the date of transition to the 2015 SORP, and these assets are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

All land and buildings, completed or purchased, since the date of transition to the 2015 SORP are capitalised at cost. Costs incurred in relation to land and buildings after initial

purchase or construction, and/or valuation, are capitalised to the extent that they increase the expected future benefits to the University.

Freehold land is not depreciated, as it is considered to have an indefinite useful life. Freehold and long leasehold buildings are depreciated on a straight-line basis over their expected useful lives.

For buildings revalued at fair value at transition date, the estimated useful life is that determined as part of the revaluation exercise. For all other buildings the estimated useful life is either 40 or 60 years depending on the category of the building in question.

No depreciation is charged on assets in the course of construction. Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

#### EQUIPMENT

Equipment, including microcomputers and software, costing less than £25,000 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 on initial recognition and then subsequently at cost less accumulated depreciation and accumulated impairment losses.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Capitalised equipment is depreciated on a straight-line basis over its expected useful life, as follows:

- Motor vehicles and other general equipment 4 years.
- Equipment acquired for specific research projects 2–3 years.

Where assets are donated or acquired with



the aid of specific grants or donations they are capitalised and depreciated as outlined above. Expenditure (>£25,000) relating to subsequent replacement of components is capitalised as incurred.

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

### IMPAIRMENT

A review for potential indicators of impairment is carried out at each reporting date. If events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable, a calculation of the impact is completed and arising impairment values charged against the asset and to the SOCI.

### HERITAGE ASSETS

Heritage assets are individual objects, collections, specimens or structures of historic, scientific or artistic value that are held and maintained principally for their contribution to knowledge and culture.

Heritage assets acquired before 1 August 2007 have not been capitalised, since reliable estimates of cost or value are not available. Heritage assets, including works of art, acquired since 1 August 2007, and valued at over £25,000, have been capitalised and recognised at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable.

Heritage assets are not depreciated as their long economic life and high residual value, mean that any depreciation would not be material.

### INVESTMENT PROPERTIES

Investment property comprises land and buildings, or part of a building, held for rental income, or capital appreciation, rather than for use in delivering services. Investment properties are measured initially

at cost, or deemed cost on acquisition, at the date of transition to the 2015 SORP, and subsequently at fair value at the end of each reporting period with movements in fair value recognised immediately in the SOCI. Investment properties are not depreciated and are held at fair value.

### INVESTMENTS

Non-current investments in equity instruments are measured initially at fair value, which is normally the transaction price. Subsequent to initial recognition, investments, that can be measured reliably, are measured at fair value, with changes in measurement recognised in the SOCI. Realised gains on disposals within the Investment Fund are reinvested within the Fund and recognised within total income for the year and are included within fair value gain on investments and investment property in the SOCI. Gains on disposal of equity investments or from the Investment Fund, which are realised, are included within gain on disposal of investments within the surplus before tax.

Current asset investments relate to deposits held with banks and building societies in the UK, and are initially recognised at transaction price plus attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses.

Investments in associates are held at fair value. Changes in fair value are recognised through other Comprehensive Income in the relevant subsidiary accounts. In the Consolidated Financial Statements, changes in fair value are recognised in the SOCI.

Investments in subsidiaries are measured at cost less impairment in the University Balance Sheet.

### STOCK

Stock is held at the lower of cost and estimated selling price less costs to complete and sell, and is measured on the basis of a first in first out approach.

### CASH AND CASH EQUIVALENTS

Cash includes cash-in-hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are highly liquid investments, with a term of up to 3 months, which are readily convertible to known amounts of cash with insignificant risk of change in value.

### PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised in the Financial Statements when:

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

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

A contingent liability arises from a past event that gives the Group or University a possible obligation, whose existence will only be confirmed by the occurrence, or otherwise, of uncertain future events, not wholly within the control of the Group or University. Contingent liabilities also arise in circumstances where a provision would otherwise be made, but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

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

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

### ACCOUNTING FOR JOINT OPERATIONS, JOINTLY CONTROLLED ASSETS AND JOINTLY CONTROLLED OPERATIONS

The University accounts for its share of joint ventures using the equity method. The University accounts for its share of transactions from joint operations and jointly controlled assets in the SOCI.

### CONCESSIONARY LOANS

Concessionary loans are measured initially at the amounts received and adjusted to reflect any accrued interest and/or repayment of capital.

### FINANCIAL INSTRUMENTS

The Group and University have elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement, and disclosure of financial instruments. Financial assets and liabilities are recognised when the Group or University becomes party to the contractual provisions of the instrument, and they are classified according to the substance of the contractual arrangements entered into.

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

Basic financial assets include trade and other receivables, cash and cash equivalents, and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the SOCI.

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

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 SOCI. Where the investments 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 LIABILITIES

Basic financial liabilities include trade and other payables, bank loans, and intra-Group loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing

transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

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

## TAXATION

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 Para 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is exempt from taxation in respect of income or capital gains received within categories covered by Section 478–488 of the Corporation Tax Act 2010 or capital gains received within categories covered by 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's non-charitable subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

The University receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on expenditure (revenue and capital) is included in the cost of such expenditure. Any irrecoverable VAT allocated to fixed assets is included in their cost.

Where appropriate, deferred tax is provided in full on timing differences that exist at the reporting date and which result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is

measured at the rate expected to apply in periods in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the reporting date. Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax assets and liabilities are not discounted.

## RESERVES

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity. Other restricted reserves include balances where the donor has designated a specific purpose and, therefore, the University is restricted in the use of these funds.

## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's and University'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 expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. Details are outlined in note 37.





## CONSOLIDATED AND UNIVERSITY STATEMENTS OF COMPREHENSIVE INCOME YEAR ENDED 31 JULY 2022

	Notes	2022		2021	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
<b>Income</b>					
Government grants	1	110,939	110,939	109,945	109,945
Tuition fees, support grants and education contracts	2	152,247	152,247	143,443	143,443
Research grants and contracts	3	98,425	98,425	88,583	88,583
Other income	4	69,534	66,732	49,519	47,817
Investment income	5	3,363	3,351	2,726	2,719
<b>Total income before endowments and donations</b>		<b>434,508</b>	<b>431,694</b>	<b>394,216</b>	<b>392,507</b>
Donations and endowments	6	3,173	3,173	3,253	3,253
<b>Total income</b>		<b>437,681</b>	<b>434,867</b>	<b>397,469</b>	<b>395,760</b>
<b>Expenditure</b>					
Staff costs	7	246,580	246,580	232,799	232,799
Other operating expenses	9	150,139	149,238	116,058	116,517
Depreciation	13	23,848	23,728	22,570	22,450
Interest and other finance costs	10	1,791	1,791	1,733	1,733
<b>Total expenditure excluding USS provision</b>	11	<b>422,358</b>	<b>421,337</b>	<b>373,160</b>	<b>373,499</b>
<b>Surplus before USS provision and other gains/(losses)</b>		<b>15,323</b>	<b>13,530</b>	<b>24,309</b>	<b>22,261</b>
Staff costs – movement in USS provision	8	(94,749)	(94,749)	125	125
<b>(Deficit)/Surplus before other gains/(losses)</b>		<b>(79,426)</b>	<b>(81,219)</b>	<b>24,434</b>	<b>22,386</b>
Gain on disposal of fixed assets		–	–	47	47
Gain on disposal of investments		442	–	213	–
<b>(Deficit)/Surplus before tax and fair value gain on investments</b>		<b>(78,984)</b>	<b>(81,219)</b>	<b>24,694</b>	<b>22,433</b>
Fair value (loss)/gain on investments and investment property	15/16	(43,998)	(2,538)	103,070	21,998
Taxation	12	–	–	–	–
<b>(Deficit)/Surplus for the year</b>		<b>(122,982)</b>	<b>(83,757)</b>	<b>127,764</b>	<b>44,431</b>
Actuarial adjustment in respect of pension schemes	36	37,720	37,720	15,386	15,386
<b>Total comprehensive (expenditure)/income for the year</b>		<b>(85,262)</b>	<b>(46,037)</b>	<b>143,150</b>	<b>59,817</b>
Represented by: (expenditure)/income					
• Endowment (expenditure)/income for the year		(687)	(687)	7,332	7,332
• Restricted comprehensive income for the year		518	518	273	273
• Unrestricted (expenditure)/income for the year		(85,085)	(45,868)	135,552	52,212
Attributable to the University (expenditure)/income		(85,254)	(46,037)	143,157	59,817
Attributable to the non-controlling interest		(8)	–	(7)	–
		(85,262)	(46,037)	143,150	59,817

Included within the deficit (2021: Surplus) for the year is a loss of (£8k) (2021:(£7k)) relating to the non-controlling interest.

All items of income and expenditure relate to continuing activities.

The Statement of Principal Accounting Policies on pages 72 to 79 and the notes to the accounts on pages 87 to 113 form part of these Financial Statements.

## CONSOLIDATED AND UNIVERSITY BALANCE SHEETS AS AT 31 JULY 2022

	Notes	2022		2021	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
<b>Non-current assets</b>					
Fixed assets	13	687,647	681,493	667,838	661,564
Heritage assets	14	118	118	118	118
Investment property	15	6,385	6,385	6,145	6,145
Investments	16	389,833	213,096	387,571	165,582
Investment in associates	18	8,556	–	3,142	–
		<b>1,092,539</b>	<b>901,092</b>	<b>1,064,814</b>	<b>833,409</b>
<b>Current assets</b>					
Stock		658	658	697	696
Debtors	19	26,872	27,431	22,473	22,858
Investments	20	215,000	215,000	187,999	187,999
Cash and cash equivalents	27	75,030	63,432	120,551	110,602
		<b>317,560</b>	<b>306,521</b>	<b>331,720</b>	<b>322,155</b>
Less: Creditors: amounts falling due within one year	21	(137,389)	(137,645)	(117,962)	(118,213)
<b>Net current assets</b>		<b>180,171</b>	<b>168,876</b>	<b>213,758</b>	<b>203,942</b>
<b>Total assets less current liabilities</b>		<b>1,272,710</b>	<b>1,069,968</b>	<b>1,278,572</b>	<b>1,037,351</b>
<b>Creditors: amounts falling due after more than one year</b>	22	<b>(386,645)</b>	<b>(382,988)</b>	<b>(369,010)</b>	<b>(365,258)</b>
<b>Provisions</b>					
Pension obligations	23	(40,199)	(40,199)	(74,103)	(74,103)
Other provisions	24	(158,284)	(156,390)	(62,615)	(61,562)
<b>Total net assets</b>		<b>687,582</b>	<b>490,391</b>	<b>772,844</b>	<b>536,428</b>
<b>Restricted reserves</b>					
Income and expenditure reserve – endowment reserve	25	68,978	68,978	69,665	69,665
Income and expenditure reserve – restricted reserve	26	1,734	1,734	1,216	1,216
<b>Unrestricted reserves</b>					
Income and expenditure reserve – unrestricted		616,144	419,679	701,229	465,547
		<b>686,856</b>	<b>490,391</b>	<b>772,110</b>	<b>536,428</b>
Non-controlling interest		726	–	734	–
<b>Total reserves</b>		<b>687,582</b>	<b>490,391</b>	<b>772,844</b>	<b>536,428</b>

The Statement of Principal Accounting Policies on pages 72 to 79 and the notes to the accounts on pages 87 to 113 form part of these Financial Statements. The Financial Statements were approved by Senate on 22 November 2022 and were signed on its behalf on that date by:

Ms O. Corr,  
Honorary Treasurer

Professor I. Greer,  
President and Vice-Chancellor

Mrs A. McLaughlin,  
Interim Director of Finance



## CONSOLIDATED STATEMENT OF CHANGES IN RESERVES YEAR ENDED 31 JULY 2022

Consolidated	Income and expenditure account			Total excluding non controlling interest	Non controlling interest	Total
	Endowment	Restricted	Unrestricted			
	£'000	£'000	£'000			
Balance at 1 August 2020	63,833	943	564,177	628,953	741	629,694
Surplus/(deficit) from the statement of comprehensive income	7,332	1,436	119,003	127,771	(7)	127,764
Transfer between reserves	(1,500)	-	1,500	-	-	-
Other comprehensive income	-	-	15,386	15,386	-	15,386
Release of restricted funds spent in year	-	(1,163)	1,163	-	-	-
<b>Total comprehensive income/ (expenditure) for the year</b>	<b>5,832</b>	<b>273</b>	<b>137,052</b>	<b>143,157</b>	<b>(7)</b>	<b>143,150</b>
Balance at 1 August 2021	69,665	1,216	701,229	772,110	734	772,844
(Deficit)/surplus from the statement of comprehensive income	(687)	2,059	(124,346)	(122,974)	(8)	(122,982)
Transfer between reserves	-	-	-	-	-	-
Other comprehensive income	-	-	37,720	37,720	-	37,720
Release of restricted funds spent in year	-	(1,541)	1,541	-	-	-
<b>Total comprehensive (expenditure)/ income for the year</b>	<b>(687)</b>	<b>518</b>	<b>(85,085)</b>	<b>(85,254)</b>	<b>(8)</b>	<b>(85,262)</b>
Balance at 31 July 2022	68,978	1,734	616,144	686,856	726	687,582

The Statement of Principal Accounting Policies on pages 72 to 79 and the notes to the accounts on pages 87 to 113 form part of these Financial Statements.

## UNIVERSITY STATEMENT OF CHANGES IN RESERVES YEAR ENDED 31 JULY 2022

University	Income and expenditure account			Total excluding non controlling interest	Non controlling interest	Total
	Endowment	Restricted	Unrestricted			
	£'000	£'000	£'000			
Balance at 1 August 2020	63,833	943	411,835	476,611	-	476,611
Surplus/(deficit) from the statement of comprehensive income	7,332	1,436	35,663	44,431	-	44,431
Transfer between reserves	(1,500)	-	1,500	-	-	-
Other comprehensive income	-	-	15,386	15,386	-	15,386
Release of restricted funds spent in year	-	(1,163)	1,163	-	-	-
<b>Total comprehensive income/ (expenditure) for the year</b>	<b>5,832</b>	<b>273</b>	<b>53,712</b>	<b>59,817</b>	<b>-</b>	<b>59,817</b>
Balance at 1 August 2021	69,665	1,216	465,547	536,428	-	536,428
(Deficit)/surplus from the statement of comprehensive income	(687)	2,059	(85,129)	(83,757)	-	(83,757)
Other comprehensive income	-	-	37,720	37,720	-	37,720
Release of restricted funds spent in year	-	(1,541)	1,541	-	-	-
<b>Total comprehensive (expenditure)/ income for the year</b>	<b>(687)</b>	<b>518</b>	<b>(45,868)</b>	<b>(46,037)</b>	<b>-</b>	<b>(46,037)</b>
Balance at 31 July 2022	68,978	1,734	419,679	490,391	-	490,391

The Statement of Principal Accounting Policies on pages 72 to 79 and the notes to the accounts on pages 87 to 113 form part of these Financial Statements.

## CONSOLIDATED CASH FLOW STATEMENT YEAR ENDED 31 JULY 2022

	Notes	2022	2021
		£'000	£'000
<b>Cash flow from operating activities</b>			
(Deficit)/surplus for the year		(122,982)	127,764
<b>Adjustment for non-cash items</b>			
Depreciation	13	23,848	22,570
Release of deferred capital grants		(17,223)	(15,597)
Gain on disposal of fixed assets		-	(47)
Gain on disposal of investments		(442)	(213)
Fair value (loss)/gain on investments and investment property		43,998	(103,070)
(Increase)/decrease in stock		39	(3)
(Increase) in debtors	19	(4,399)	(2,535)
Increase in creditors	21	18,384	28,181
(Decrease) in pension provision	23	(33,904)	(11,861)
Actuarial adjustment to pension provision		37,720	15,386
Increase/(decrease) in other provisions	24	95,669	(334)
<b>Adjustment for investing or financing activities</b>			
Investment income	5	(3,363)	(2,726)
Interest payable	10	-	-
Endowment income	6	(140)	(497)
Capital grant income	4	(177)	-
<b>Net cash inflow from operating activities</b>		<b>37,028</b>	<b>57,018</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of fixed assets		-	152
Capital grant receipts		37,351	24,829
Disposal of non-current asset investments		33,610	18,591
Investment income		3,363	2,726
Payments made to acquire fixed assets	13	(43,655)	(28,577)
New investment property	15	-	-
New non-current asset investments	16	(84,210)	(17,523)
(Investments in) deposits > 3 months		(27,001)	(89,999)
New associate investments		(872)	(362)
		(81,414)	(90,163)
<b>Cash flows from financing activities</b>			
Endowment cash received		140	497
Repayments of amounts borrowed		(1,275)	(1,275)
		(1,135)	(778)
<b>Decrease in cash and cash equivalents in the year</b>		<b>(45,521)</b>	<b>(33,923)</b>
Cash and cash equivalents at beginning of the year	27	120,551	154,474
Cash and cash equivalents at end of the year	27	75,030	120,551

The Statement of Principal Accounting Policies on pages 72 to 79 and the notes to the accounts on pages 87 to 113 form part of these Financial Statements.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>1. Government grants</b>				
Recurrent grant:				
Teaching	50,732	50,732	53,837	53,837
Research	32,388	32,388	32,359	32,359
Other specific grants	12,888	12,888	9,961	9,961
Deferred capital grants released in year	14,931	14,931	13,788	13,788
	<b>110,939</b>	<b>110,939</b>	<b>109,945</b>	<b>109,945</b>
The University received £98.7m (2021: £98.4m) of recurrent grant funding in the year, of which some £15.6m (2021: £12.2m) has been deferred as detailed in note 22.				

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>2. Tuition fees, support grants and education contracts</b>				
Full-time students (NI, GB and EU)	66,041	66,041	66,560	66,560
International students	56,716	56,716	49,677	49,677
Part-time fees	6,631	6,631	6,254	6,254
Short courses	1,334	1,334	1,040	1,040
Department of Health nursing contract	17,598	17,598	16,222	16,222
Research training, other support grants and other fees	3,927	3,927	3,690	3,690
	<b>152,247</b>	<b>152,247</b>	<b>143,443</b>	<b>143,443</b>

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>3. Research grants and contracts</b>				
Research councils / UKRI	28,953	28,953	24,056	24,056
Research charities	11,225	11,225	10,116	10,116
UK Government and EU	45,268	45,268	43,650	43,650
Other sources	12,979	12,979	10,761	10,761
	<b>98,425</b>	<b>98,425</b>	<b>88,583</b>	<b>88,583</b>
Income from research grants and contracts includes deferred capital grants released in year totalling £1,777k (2021: £1,294k).				



## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>4. Other income</b>				
Residences, catering and conferences	16,131	16,131	11,331	11,331
Other services rendered	25,919	25,919	19,316	19,316
Other capital grants	177	177	-	-
Other income	20,986	18,184	13,003	11,301
Contribution to joint appointment salaries (note 7)	6,321	6,321	5,869	5,869
	<b>69,534</b>	<b>66,732</b>	49,519	47,817
Other income and other services rendered include deferred capital grants released in year totalling £443k (2021: £443k). Other income in respect of the University includes gift aid income of £214k (2021: £184k) from its subsidiaries.				

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>5. Investment income</b>				
Investment income from endowments (note 25)	2,012	2,012	2,079	2,079
Other investment income	1,351	1,339	647	640
	<b>3,363</b>	<b>3,351</b>	2,726	2,719

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>6. Donations and endowments</b>				
New endowments (note 25)	140	140	497	497
Donations with restrictions (note 26)	1,091	1,091	792	792
Unrestricted donations	1,942	1,942	1,964	1,964
	<b>3,173</b>	<b>3,173</b>	3,253	3,253

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>7. Staff costs</b>				
Salaries	185,250	185,250	175,631	175,631
Social security costs	17,812	17,812	16,237	16,237
Other pension costs	27,418	27,418	26,229	26,229
Current service cost – RBP pension scheme (note 36)	9,779	9,779	8,833	8,833
	<b>240,259</b>	<b>240,259</b>	226,930	226,930
Joint appointment salaries (note 4)	6,321	6,321	5,869	5,869
	<b>246,580</b>	<b>246,580</b>	232,799	232,799
Included within staff costs is £6,018k (2021: £4,435k) relating to amounts paid to teaching assistants, temporary lecturers and other temporary staff, who were not employed under contract by the University, and are therefore not included in staff numbers.				

Consolidated and University	2022	2021
	£'000	£'000
Emoluments of the Vice-Chancellor:		
Salary	315	306
Pension contributions to USS	18	6
	<b>333</b>	312

In respect of the Vice-Chancellor no additional amounts (2021: £nil) were paid in respect of an employer's pension scheme contribution. The University requires the Vice Chancellor to occupy accommodation on the University Campus which comprises of private living accommodation and space for business use. Until 1 April 2021, this was treated as a non taxable benefit valued at an estimated market rental of £15k for a similar property (prorated to reflect only personal use). Following a change in HMRC guidelines, this will now be treated as a taxable benefit from that date. A review has been completed and has quantified the benefit as being £6,468 per annum, as calculated in line with HMRC guidelines. The Vice-Chancellor received no further additional taxable benefits (2021: £nil).

Professor Ian Greer was appointed as Vice-Chancellor with effect from 1 August 2018. Professor Greer's remuneration package is determined by the Remuneration Committee and is commensurate with the size of the Institution, its budget and the scale of its operations. Queen's is a highly complex organisation, making a significant contribution to the economic and social wellbeing of the city and the region, and operating in an increasingly competitive environment, which requires the very highest level of leadership.

In determining the package, the Remuneration Committee consider relevant benchmark data for the Vice-Chancellors' pay in universities of similar size and complexity. Accordingly, Professor Greer's salary was agreed at £314,693 for 2021-22. The package reflects the complexity, demands of the role, and is comparable with the lower-range packages within the Russell Group.

The Vice Chancellor's basic salary is 8.2 times the median pay of staff, where the median pay is calculated on a full time equivalent basis for the salaries provided by the University to its staff.

The Vice Chancellor's basic salary is 6.9 times the median total remuneration of staff, where the median total remuneration is calculated on a full time equivalent basis for the total remuneration salaries provided by the University to its staff.

The pay median does not include workers who were not employed under contract by the University.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	2022	2021
	Number	Number
<b>7. Staff costs (continued)</b>		
Remuneration of higher paid staff, excluding employer's pension contributions and the NHS funded element of joint appointments:		
£100,000 to £104,999	13	7
£105,000 to £109,999	8	6
£110,000 to £114,999	7	3
£115,000 to £119,999	10	6
£120,000 to £124,999	4	5
£125,000 to £129,999	3	3
£130,000 to £134,999	2	2
£135,000 to £139,999	1	4
£140,000 to £144,999	5	-
£145,000 to £149,999	1	1
£150,000 to £154,999	-	-
£155,000 to £159,999	-	-
£160,000 to £164,999	-	-
£165,000 to £169,999	-	-
£170,000 to £174,999	-	1
£175,000 to £179,999	1	-
£305,000 to £309,999	-	1
£310,000 to £314,999	1	-

Consolidated and University	2022	2021
	£'000	£'000
<b>Staff numbers</b>		
Academic	1,270	1,250
Research	678	696
Academic related	915	907
Technical and clerical	978	997
Other	503	509
	<b>4,344</b>	<b>4,359</b>

### Severance payments

During the year the University made total payments in respect of compensation for loss of office of £1,098k (2021: £626k) relating to 118 (2021: 133) staff. These payments were mainly in respect of staff on fixed terms contracts.

All severance payments, including compensation for loss of office, in respect of higher paid staff within its remit, are approved by the Remuneration Committee. Amounts for compensation for loss of office and redundancy for all other staff are approved by the University's management in accordance with delegated authority.

Consolidated and University	2022	2021
	£'000	£'000
<b>Key management personnel</b>		
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs, outlined above, include compensation consisting of salary, benefits, employer's pension contribution and employer's social security contribution paid to key management personnel. The full time equivalent (FTE) included as Key Management Personnel is 11 (2021:11 FTE).		
<b>Key management personnel compensation</b>	<b>2,364</b>	<b>2,306</b>

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	2022	2021
	£'000	£'000
<b>8. Movement in USS provision</b>		
Following the completion of the 2020 USS actuarial valuation in 2021-22 a new deficit recovery plan was agreed. This new plan requires deficit payments of 6.2% of salaries from 1 April 2022 to 31 March 2024 and then payments of 6.3% of salaries from 1 April 2024 to 30 April 2038. The adoption of this new USS deficit recovery plan has given rise to a significant increase in the deficit provision. This has resulted in a item of expenditure within staff costs which, due to its exceptional size, has been disclosed separately in the Statements of Comprehensive Income.		
Further details relating to the USS pension scheme and the related USS provision are laid out in notes 24 and 36.		
<b>Movement in USS provision</b>	<b>94,749</b>	<b>(125)</b>

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>9. Other operating expenses</b>				
Consumables and laboratory expenditure	12,774	12,774	12,309	12,309
Books and periodicals	5,374	5,374	5,328	5,328
Studentships and bursaries	16,558	16,558	15,622	15,622
Heat, light, water and power	12,585	12,585	5,799	5,799
Repairs and general maintenance	4,142	4,142	3,700	3,700
External auditor's remuneration – audit services	103	93	65	54
External auditor's remuneration – non-audit services	191	181	57	46
Rates, insurance and telecommunication expenses	6,194	6,194	6,183	6,183
Hospitality and accommodation services	7,871	7,871	5,421	5,421
Equipment and equipment maintenance	13,211	13,211	10,124	10,124
Postage, photocopying and printing	1,249	1,249	1,063	1,063
Patent fees	866	866	472	472
Collaborative research payments	10,914	10,914	8,963	8,963
Other	58,107	57,226	40,952	41,433
	<b>150,139</b>	<b>149,238</b>	<b>116,058</b>	<b>116,517</b>
External auditor's fees for non audit services include:				
Audit related services	43	43	32	32
Other non-audit services	-	-	4	-
Taxation compliance services	148	138	21	14
	<b>191</b>	<b>181</b>	<b>57</b>	<b>46</b>

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>10. Interest and other finance costs</b>				
Unwinding of discount – USS pension deficit plan provision (note 24)	530	530	442	442
Net charge on RBP pension scheme (note 36)	1,261	1,261	1,291	1,291
	<b>1,791</b>	<b>1,791</b>	<b>1,733</b>	<b>1,733</b>



## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated	Staff costs	Depreciation	Other operating expenses	Interest payable	Total
	£'000	£'000	£'000	£'000	£'000
<b>11. Analysis of total expenditure by activity</b>					
Academic departments	138,859	2,876	16,266	-	158,001
Academic services	17,114	1,707	17,288	-	36,109
Research grants and contracts	35,547	2,343	40,501	-	78,391
Hospitality and accommodation services	3,880	-	8,095	-	11,975
Premises	7,259	16,860	25,012	-	49,131
Administration	28,032	50	26,378	-	54,460
Other expenses	15,889	12	16,599	1,791	34,291
	<b>246,580</b>	<b>23,848</b>	<b>150,139</b>	<b>1,791</b>	<b>422,358</b>

### 12. Taxation

There is no taxation charge arising from the operating activities of the Group (2021 £nil).

Consolidated	Freehold land and buildings	Leasehold land and buildings	Equipment	Assets in the course of construction	Total (excluding heritage assets)	Heritage assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>13. Fixed assets</b>							
<b>Cost or valuation</b>							
At 1 August 2021	662,250	79,963	46,539	22,627	811,379	118	811,497
Additions	-	-	8,702	34,953	43,655	-	43,655
Transfers	4,136	12	-	(4,148)	-	-	-
Disposals	-	-	(5,978)	-	(5,978)	-	(5,978)
<b>At 31 July 2022</b>	<b>666,386</b>	<b>79,975</b>	<b>49,263</b>	<b>53,432</b>	<b>849,056</b>	<b>118</b>	<b>849,174</b>
<b>Depreciation</b>							
At 1 August 2021	94,293	10,111	39,137	-	143,541	-	143,541
Charge for the year	14,840	2,020	6,988	-	23,848	-	23,848
Disposals	-	-	(5,980)	-	(5,980)	-	(5,980)
<b>At 31 July 2022</b>	<b>109,133</b>	<b>12,131</b>	<b>40,145</b>	<b>-</b>	<b>161,409</b>	<b>-</b>	<b>161,409</b>
<b>Net book value</b>							
<b>At 31 July 2022</b>	<b>557,253</b>	<b>67,844</b>	<b>9,118</b>	<b>53,432</b>	<b>687,647</b>	<b>118</b>	<b>687,765</b>
At 31 July 2021	567,957	69,852	7,402	22,627	667,838	118	667,956

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

University	Freehold land and buildings	Leasehold land and buildings	Equipment	Assets in the course of construction	Total (excluding heritage assets)	Heritage assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>13. Fixed assets (cont'd)</b>							
<b>Cost and valuation</b>							
At 1 August 2021	662,250	72,849	46,539	22,627	804,265	118	804,383
Additions	-	-	8,702	34,953	43,655	-	43,655
Transfers	4,136	12	-	(4,148)	-	-	-
Disposals	-	-	(5,978)	-	(5,978)	-	(5,978)
<b>At 31 July 2022</b>	<b>666,386</b>	<b>72,861</b>	<b>49,263</b>	<b>53,432</b>	<b>841,942</b>	<b>118</b>	<b>842,060</b>
<b>Depreciation</b>							
At 1 August 2021	94,293	9,271	39,137	-	142,701	-	142,701
Charge for the year	14,840	1,900	6,988	-	23,728	-	23,728
Disposals	-	-	(5,980)	-	(5,980)	-	(5,980)
<b>At 31 July 2022</b>	<b>109,133</b>	<b>11,171</b>	<b>40,145</b>	<b>-</b>	<b>160,449</b>	<b>-</b>	<b>160,449</b>
<b>Net book value</b>							
<b>At 31 July 2022</b>	<b>557,253</b>	<b>61,690</b>	<b>9,118</b>	<b>53,432</b>	<b>681,493</b>	<b>118</b>	<b>681,611</b>
At 31 July 2021	567,957	63,578	7,402	22,627	661,564	118	661,682

A full valuation of the University's freehold and long leasehold land and buildings portfolio was carried out on 1 August 2014 by an independent valuer with an appropriate professional qualification and recent experience in the location and class of property. In line with FRS 102, this valuation was used as the deemed cost for these assets at the date of transition i.e. 1 August 2014.

### 14. Heritage assets

Heritage Assets with an initial cost or value over £25,000 and acquired after 1 August 2007 are capitalised. In the last five years the University has acquired heritage assets of £118k relating to pieces of sculpture.

The University holds other heritage assets in its main library and throughout the general campus. The special collections service at Queen's provides access to the Library's rare and early printed book, map and manuscript collections, as well as to more modern material relating to Ireland and Ulster in particular. The books, pamphlets, manuscripts, correspondence, photographs and maps are considered to be of lasting research value and include examples of the earliest printed works published between the 16th and early 19th centuries. In order to preserve the material for future readers these collections are housed in a secure and environmentally controlled setting. The University also has an important collection of fine art, silver and sculpture, as well as a build environment which contains some of the best architecture in Ireland. The University has a Curator of Art who manages and develops the collection as well as developing an ambitious programme of educational work.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	2022	2021
	£'000	£'000
<b>15. Investment property</b>		
Balance at 1 August	6,145	4,543
Transfers from fixed assets (note 13)	-	558
Additions	-	-
Net gain from fair value adjustments	240	1,044
<b>Balance at 31 July</b>	<b>6,385</b>	<b>6,145</b>

A valuation of the investment property was carried out on 1 August 2014 by an independent valuer with an appropriate professional qualification and recent experience in the location and class of property. This valuation is reviewed annually by the University using industry recognised indices and the carrying value of the assets adjusted accordingly for any material changes.

The University received property rental income of £762k (2021: £460k) in respect of these properties for the year ended 31 July 2022.

	Subsidiary companies	Other fixed assets investments	Total
	£'000	£'000	£'000
<b>16. Non-current investments</b>			
<b>Consolidated</b>			
At 1 August 2021	-	387,571	<b>387,571</b>
Additions	-	84,211	84,211
Transfer (to)/from investment in associates	-	-	-
Disposals	-	(33,169)	<b>(33,169)</b>
(Loss)/gain on fairvalue and (losses)/gains on disposals	-	(48,780)	<b>(48,780)</b>
<b>At 31 July 2022</b>	<b>-</b>	<b>389,833</b>	<b>389,833</b>
<b>University</b>			
At 1 August 2021	2,255	163,327	<b>165,582</b>
Additions	-	83,461	<b>83,461</b>
Disposals	-	(33,169)	<b>(33,169)</b>
(Loss)/gain on fairvalue and (losses)/gains on disposals	-	(2,778)	<b>(2,778)</b>
<b>At 31 July 2022</b>	<b>2,255</b>	<b>210,841</b>	<b>213,096</b>

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>16. Non-current investments (cont'd)</b>				
Other fixed asset investments consist of:				
General investment fund	129,957	129,957	100,773	100,773
University Investment Fund:				
UK gilts and fixed asset stocks	11,094	11,094	10,324	10,324
UK equities (listed)	17,855	17,855	18,525	18,525
Overseas investments (listed)	18,319	18,319	20,245	20,245
Other investments	14,024	14,024	13,460	13,460
	61,292	61,292	62,554	62,554
Other	26,775	19,592	6,501	-
Listed investments	171,809	-	217,743	-
	<b>389,833</b>	<b>210,841</b>	<b>387,571</b>	<b>163,327</b>

### General investment fund

The general investment fund consists of UK equities and investment trusts (listed) valued at market value. The equivalent cost as at 31 July 2022 was £76,478k (2021: £46,748k).

### University Investment Fund

The University Investment Fund is an investment fund operated on unit trust principles, and administered under the terms of the Queen's University (Trust Scheme) Order (Northern Ireland) 1982. The purpose of the Investment Fund is to provide an investment vehicle for the greater part of the University endowment funds. The investments are shown at market value.

BlackRock undertakes the role of investment manager for both the general investment fund and the University investment fund. Further information is included in the Financial Review.

### Listed investments

The Group's listed investments, which are listed on the London Stock Exchange, are stated at market value.

### Other investments

The Group's other investments relate to the University's investment within a pooled investment fund and a subsidiary's investments in 21 other UK unlisted companies.

### Fair Value Gain on investments and investment property

The consolidated fair value (loss)/gain on investments and investment property of (£43,998k) (2021: £103,070k) as shown in the SOCI, relates to appreciation/(loss) on investment property of £240k (2021:£1,044k), non-current investments of (£48,780k) (2021: £101,856k) and a fair value gain on investments in associates of £4,542k (2021: £170k).

The University's fair value (loss)/gain on investments and investment property of (£2,536k) (2021: £21,998k) as shown in the SOCI, relates to appreciation/(loss) of investment property of £240k (2021:£1,044k) and non-current investments of (£2,778k) (2021:£20,954k).



## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 17. Investment in joint ventures

The University has interests in the following joint ventures:

#### INTO Queen's LLP

A Limited Partnership which was incorporated in April 2009 to recruit and provide education to international students. It is a joint venture between Queen's Overseas Recruitment Limited and INTO University Partnerships Limited, a company registered in England. It is based in Belfast.

#### NI Composites O&M LLP

A Limited Partnership which was incorporated in 2011 to promote collaborative research in advanced composites. It is a joint venture between Queen's Composites Limited and Innovation Ulster Limited. It is based in Belfast.

	2022	2021
	£'000	£'000
<b>Interest in joint ventures:</b>		
Statement of comprehensive income and expenditure:		
Revenue	3,717	3,693
Share of (deficit) before tax	(454)	(163)
Balance Sheet:		
Fixed assets	348	355
Current assets	1,775	1,385
Creditors: amounts due within one year	(3,747)	(3,572)
Creditors: amounts due after one year	(700)	(300)
Share of net liabilities	(2,324)	(2,132)
A provision of £1,893k (2021: £1,053k) has been recognised in relation to the Group's liability in respect of joint ventures.		

<b>Consolidated and University</b>	2022	2021
	£'000	£'000
The University had the following balances with its joint ventures at the year end:		
Amounts owed to the University:		
INTO Queen's LLP	1,724	1,768
NI Composites O&M LLP	108	145
	1,832	1,913
Amounts owed by the University:		
INTO Queen's LLP	26	254
NI Composites O&M LLP	-	-
	26	254
The balances all relate to ongoing trading activity.		

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 18. Investment in associates

Details of the Group's interests in associated undertakings are set out below. Each company is incorporated in Northern Ireland.

Consolidated	% of equity held	Aggregate of capital and reserves	Profit / (loss) for the period	Financial Period ended	Principle Activity
		£'000	£'000		
Acksen Limited	24%	119	a	31 Dec 21	Supply of instruments for monitoring electromagnetic radiation
Marenco Limited	28%	65	a	31 Dec 21	Marine and environmental consultancy services
Biocolor Limited	20%	2,145	a	31 Jul 21	Supply and development of assay kits for tissue laboratories
Examenlab Limited	22%	308	a	30 Nov 21	Provision of infertility testing services
Green Lizard Technologies Limited	22%	335	a	31 Aug 21	Technological solutions
Continga Limited	33%	3	a	28 Feb 21	Human health activities
MOF Technologies Limited	23%	221	a	31 Dec 21	Novel techniques for the synthesis of MOFs
Analytics Engines Limited	21%	(11)	a	31 Mar 22	Bespoke data analysis solutions
Porous Liquids Technologies Limited	23%	97	a	31 Dec 21	Production and development of porous liquids
Sonrai Analytics Limited	22%	361	a	28 Feb 21	Knowledge platform to conduct analytics
VascVersa Limited	22%	178	a	31 Dec 21	Human vascular stem cell generation
Fjordstrong Limited	29%	117	a	31 Jul 21	Biodiversity survey solutions
Phasora Limited	24%	100	a	30 Sep 21	Develop novel software to aid management of complex electricity distribution networks
GenoMe Diagnostics Limited	36%	-	a	31 Jan 21	Development of molecular diagnostic tests
Aramune Technologies Limited	34%	(29)	a	31 Dec 21	Development of natural immunomodulating agents
AntennaWare Limited	22%	(140)	a	21 Mar 22	High-performance wearable antenna technology
Amplify Discovery Limited	28%	99	a	28 Feb 22	Development of new biological molecules for anti-infective health and nutrition applications
Rapid-Myco Technologies Limited	38%	b	b	-	Development of novel, rapid bacteria testing
ReproGo Limited	37%	c	c	31 Mar 21	Vascular experts in stem cell technology
Medinect Bioservices Limited	50%	b	b	-	Research services in ophthalmic therapeutic development

#### Note:

a. The associated company has filed Financial Statements in accordance with the provisions applicable to companies subject to the small companies' regime and the option not to file the profit and loss account has been taken.

b. These two associated companies are recently incorporated and accounts are not yet available.

c. Dormant company.

The directors believe that the carrying value of the investments in associates is supported by their underlying net assets.

In addition to these associate interests the Group has shareholdings of less than 20% in 21 unlisted companies all of which are incorporated in the United Kingdom, and which are included at fair value of £7,183k at 31 July 2022 (2021: £6,501k).

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>19. Debtors</b>				
Amounts falling due within one year:				
Research grant debtors	5,513	5,513	4,114	4,114
Other debtors	8,951	8,665	7,755	7,458
Prepayments and accrued income	12,408	12,399	10,604	10,593
Amounts due from subsidiary companies:				
QUBIS Limited	-	253	-	90
Queen's Overseas Recruitment Limited	-	440	-	440
Queen's Composites Limited	-	10	-	12
NIACE Limited	-	151	-	151
	26,872	27,431	22,473	22,858

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 20. Current investments

Current investments relate to deposits held with banks and building societies operating in the UK market, and licensed by the Financial Services Authority. The interest rates for these deposits are fixed for the duration of the deposit at time of placement. These short term deposits do not meet the definition of cash equivalents

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>21. Creditors: amounts falling due within one year</b>				
Research grants received in advance	37,507	37,507	30,472	30,472
Other unsecured loans	1,275	1,275	1,275	1,275
Trade creditors	29,075	29,077	28,002	28,002
Social security and other taxation payable	7,854	7,854	5,318	5,318
Accruals and deferred income	45,063	45,031	37,298	37,267
Deferred capital grant income	16,615	16,543	15,597	15,525
Due to subsidiary, QUBIS Limited	-	358	-	354
	<b>137,389</b>	<b>137,645</b>	<b>117,962</b>	<b>118,213</b>

Included within accruals and deferred income is deferred income of £22,882k (2021: £19,183k) relating to other income. This income has been deferred until the performance related conditions have been met.

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>22. Creditors: amounts falling due after more than one year</b>				
Deferred capital grant income	362,403	358,775	343,470	339,770
Other unsecured loans	23,785	23,785	25,060	25,060
Other	457	428	480	428
	<b>386,645</b>	<b>382,988</b>	<b>369,010</b>	<b>365,258</b>
The other unsecured loans are repayable as follows:				
Due between one and two years	1,275	1,275	1,275	1,275
Due between two and five years	3,825	3,825	3,825	3,825
Due in five years or more	18,685	18,685	19,960	19,960
	<b>23,785</b>	<b>23,785</b>	<b>25,060</b>	<b>25,060</b>
Other unsecured loans repayable by 2040	10,260	10,260	10,840	10,840
Other unsecured loans repayable by 2042	7,125	7,125	7,500	7,500
Other unsecured loans repayable by 2043	6,400	6,400	6,720	6,720
	<b>23,785</b>	<b>23,785</b>	<b>25,060</b>	<b>25,060</b>

The other unsecured loans are concessionary loans. They bear no interest and are repayable by annual instalments of £1,275k per annum. The deferred capital grant income includes £15.6m (2021: £12.2m) of recurrent Government grant which has been deferred.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	Defined benefit obligations RBP pension	Other pension provision	Total
	£'000	£'000	£'000
<b>23. Pension obligations</b>			
At 1 August 2021	74,042	61	<b>74,103</b>
Movement (note 36)	(33,904)	-	<b>(33,904)</b>
<b>At 31 July 2022</b>	<b>40,138</b>	<b>61</b>	<b>40,199</b>

Details of the RBP deficit are included at note 36.

	Obligation re USS pension deficit recovery plan	Provision for joint venture losses	Provision for restructuring	Total
	£'000	£'000	£'000	£'000
<b>24. Other provisions</b>				
<b>Consolidated</b>				
At 1 August 2021	60,909	1,053	653	<b>62,615</b>
Utilised in year	(3,331)	-	(936)	<b>(4,267)</b>
Additions	98,080	841	485	<b>99,406</b>
Unwinding of discount (note 10)	530	-	-	<b>530</b>
<b>At 31 July 2022</b>	<b>156,188</b>	<b>1,894</b>	<b>202</b>	<b>158,284</b>
<b>University</b>				
At 1 August 2021	60,909	-	653	<b>61,562</b>
Utilised in year	(3,331)	-	(936)	<b>(4,267)</b>
Additions	98,080	-	485	<b>98,565</b>
Unwinding of discount (note 10)	530	-	-	<b>530</b>
<b>At 31 July 2022</b>	<b>156,188</b>	<b>-</b>	<b>202</b>	<b>156,390</b>

The restructuring provision relates to a number of ongoing restructuring reviews.

The provision for joint venture losses relates to the Group's share of the net liabilities of its joint ventures as detailed in note 17.

### USS deficit

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

Following the completion of the 2020 USS actuarial valuation in 2021-22 a new deficit recovery plan was agreed of which more detail is given in note 36. This new plan requires deficit payments of 6.2% of salaries from 1 April 2022 to 31 March 2024 and then payments of 6.3% of salaries from 1 April 2024 to 30 April 2038.

	2022	2021
The major assumptions used to calculate the obligation are:		
Discount rate	<b>3.31%</b>	0.87%
Salary growth (over 16 year period)	<b>3.0-5.0%</b>	2.5-3.0%

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

Change in assumptions at 31 July 22	Approximate impact
0.5% decrease in the discount rate	£6.66m increase
0.5% pa increase in salary inflation over duration	£6.63m increase
0.5% increase in salary inflation year 1 only	£0.74m increase
0.5% increase in staff numbers over duration	£6.76m increase
0.5% increase in staff numbers year 1 only	£0.77m increase
1% increase in deficit contributions	£24.83m increase



## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	Restricted permanent endowments	Unrestricted permanent endowments	Expendable endowments	Undistributed investment fund income	2022	2021
					Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>25. Endowment reserves</b>						
Balances at 1 August 2021						
Capital	45,830	2,720	15,407	-	63,957	58,925
Accumulated income	2,987	-	2,564	157	5,708	4,908
	48,817	2,720	17,971	157	69,665	63,833
New endowments (note 6)	111	-	29	-	140	497
Investment income (note 5)	1,571	71	525	(155)	2,012	2,079
Expenditure	(820)	(71)	(382)	-	(1,273)	(1,419)
Transfer to unrestricted reserve	-	-	-	-	-	(1,500)
(Decrease)/increase in market value of investments	(1,144)	(51)	(371)	-	(1,566)	6,175
Total endowment comprehensive income for the year	(282)	(51)	(199)	(155)	(687)	5,832
<b>At 31 July 2022</b>	<b>48,535</b>	<b>2,669</b>	<b>17,772</b>	<b>2</b>	<b>68,978</b>	<b>69,665</b>
<b>Represented by:</b>						
Capital	45,036	2,669	15,784	-	63,489	63,957
Accumulated income	3,499	-	1,988	2	5,489	5,708
	48,535	2,669	17,772	2	68,978	69,665

	2022	2021
	£'000	£'000
<b>Analysis by type of purpose:</b>		
Chairs and lectureships	8,040	8,248
Scholarships, studentships, medal and prize funds	17,880	18,030
Research, directorate, school or faculty use	32,045	32,129
Public lectures	2,257	2,261
Travel	288	288
Student amenities and associated objects	2,139	2,144
Student assistance	1,631	1,673
Other restricted funds	2,027	2,015
General funds	2,669	2,720
Total endowments	68,976	69,508
Undistributed investment fund income	2	157
	68,978	69,665
<b>Analysis by asset type held in Investment Fund:</b>		
Investment property	210	210
Non-current asset investments (note 16)	61,292	62,554
Current asset investments	6,769	6,837
Cash and cash equivalents	707	64
	68,978	69,665
There are no endowments with a material deficit balance.		

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	2022	2021
	£'000	£'000
<b>26. Restricted reserves</b>		
Balance at 1 August 2021	1,216	943
New restricted income:		
Donations (note 6)	1,091	792
Other	964	533
Other services rendered	4	111
	2,059	1,436
Expenditure	(1,541)	(1,163)
Total restricted comprehensive income for the year	518	273
<b>Balance at 31 July 2022</b>	<b>1,734</b>	<b>1,216</b>
Analysis of other restricted funds/donations by type of purpose:		
Research support	528	313
Capital	477	80
General	729	823
	1,734	1,216

Consolidated	At 1 August 2021	Cash flows	At 31 July 2022
	£'000	£'000	£'000
<b>27. Cash and cash equivalents</b>			
Cash and cash equivalents	120,551	(45,521)	75,030
	120,551	(45,521)	75,030

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated	2022
	£'000
<b>28. Reconciliation of net debt</b>	
<b>Net cash 1 August 2021</b>	<b>93,788</b>
Movement in cash and cash equivalents	(45,521)
Other non-cash changes	1,275
<b>Net cash 31 July 2022</b>	<b>49,542</b>
Change in net debt	(44,246)

Consolidated	2022	2021
	£'000	£'000
<b>Analysis of net debt:</b>		
Cash and cash equivalents	75,030	120,551
Borrowings: amounts falling due within one year:		
Unsecured loans	(1,275)	(1,275)
Borrowings: amounts falling due after more than one year:		
Unsecured loans	(24,213)	(25,488)
Net cash	49,542	93,788

	2022		2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>29. Financial instruments</b>				
<b>Financial assets</b>				
Financial assets at fair value through Statement of Comprehensive Income:				
Listed investments	337,940	166,131	357,286	139,543
Financial assets that are equity instruments measured at cost less impairment:				
Other investments	51,893	46,965	30,285	26,039
Financial assets that are debt instruments measured at amortised cost:				
Cash and cash equivalents	75,030	63,432	120,551	110,602
Other investments	215,000	215,00	187,999	187,999
Other debtors	26,872	27,431	22,473	22,858
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost:				
Loans	25,517	25,488	26,763	26,763
Trade creditors	29,075	29,077	28,002	28,002
Other creditors	469,442	466,068	432,207	428,706

Financial assets held at fair value are mainly valued at quoted market price as at 31 July 2022.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

29. Financial instruments (cont'd)
<b>Risk management</b>
The University operates a centralised treasury management function which is responsible for managing the credit, liquidity, interest and foreign currency risk. These financial risks are managed within the parameters specified by the Planning and Finance Committee approved treasury management policy. The treasury management policy is in line with best practice and is reviewed, updated, and approved as appropriate, on a regular basis.
The University's principal financial instruments are cash, investments and loans. The core objective of these financial instruments is to meet the financing needs of the University's operations. Additionally, the University has other financial assets and liabilities arising directly from its operations i.e. trade debtors and creditors.
<b>Credit/counterparty risk</b>
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the University.
The University's credit risk arises from deposits held with banks and building societies, investments and debtors. Management of credit risk is a prime objective of the treasury management policy and the credit control policy. At 31 July 2022, the maximum exposure is represented by the carrying value of each financial asset in the balance sheet.
The credit risk of deposits held with banks and building societies is limited because the counterparties are banks with investment grade credit-ratings assigned by international credit-rating agencies. The University's exposure and the credit-ratings of its counterparties are monitored regularly. The credit exposure is limited by counterparty limits and minimum counterparty credit-ratings set within the treasury management policy.
The fixed asset investments, as outlined in note 16, consist of investment funds and listed investments. The risk is limited as the investment funds are externally managed by a professional fund manager, on both an active and passive basis, and performance is monitored regularly by the Investment Committee.
Student and commercial debtors are reviewed on an on-going basis and a bad debt provision is made if recovery becomes uncertain. If a debtor is deemed irrecoverable it is written off. The concentration of risk is limited due to the large number of diverse customers across both students and commercial customers.
<b>Liquidity risk</b>
Liquidity risk refers to the risk that the University will not be able to meet its financial obligations as they fall due. Regular monitoring of liquidity risk is an essential feature of treasury management activities.
Cash flow forecasts form part of the University planning process and are revised regularly during the financial year. Excess funds are invested to maximise the return whilst observing the treasury management policy limits.
Details of the University's long term loans are outlined in notes 21 and 22 and consist of concessionary loans which have a carrying value of £25,060k (2021: £26,335k) at the year end.
<b>Foreign currency risk</b>
Foreign currency risk refers to the risk that unfavourable movements in exchange rates may cause financial loss to the University. The University's principal foreign currency exposure is to the Euro. On an annual basis, after satisfying Euro denominated liabilities, the University is left with a surplus of Euros, which are held in a Euro bank account. Surplus Euros are converted at spot rates as required, with the rate being monitored closely to mitigate the risk of adverse exchange rate movements.
<b>Interest rate risk</b>
Interest rate risk refers to the likelihood that changes in interest rates will result in fluctuations in value of balance sheet items (i.e. price risk) or changes in interest income or expenses (i.e. re-investments risk).
Most of the University cash deposits at 31 July 2022 are on relatively short term deposits (up to 12 months) as these offer competitive rates of return, whilst also offering maximum liquidity. Such deposits have limited re-investment risk.
<b>Market risk</b>
Market risk is the risk of changes to the fair value of the Group's financial instruments. Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk and other price risk.
Decisions in respect of investments are made on the recommendation of the Investment Committee in line with the University's treasury policy. The Investment Committee monitors the performance of the University's investments and meets fund managers on a regular basis with the aim of optimising the future long term return, guided by the University's Responsible Investment Policy.
<b>Concentration risk</b>
Concentration risk refers to the risk of a material loss in value of non-current asset investments due to a large investment in a single party or sector. The Investment committee monitors the Group's non current asset portfolio on a regular basis to ensure a satisfactory level of diversification.



## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	2022	2021
	£'000	£'000
<b>30. Capital and other commitments</b>		
Commitments contracted at 31 July	42,095	56,642
Authorised but not contracted at 31 July	101,380	104,472
	143,475	161,114
The capital commitments include capital projects with anticipated spend in excess of £12m within Health Sciences, supporting Belfast Regional City Deal and Queen's Management School.		

31. Contingent liabilities
The University has entered into a limited partnership agreement with Crescent Capital III LLP. The terms of this agreement have resulted in the University having a financial commitment to provide future finance of up to £1m to the Crescent Capital III Fund. As at 31 July 2022 £825k (2021: £790k) had been provided to Crescent Capital III LLP.

32. Events after the reporting period
Recent changes in global and UK economic pressures and the tightening of monetary policy have had a significant impact on asset markets and corporate bond yields, which are key to the FRS 102 assessment of the net pension liability in respect of the RBP scheme (note 36). In particular AA corporate bond yields used to set the FRS 102 discount rate, have increased significantly since 31 July 2022, with corresponding falls in asset values. The markets have been exceptionally volatile and therefore, while both gross defined benefit obligations and assets will have fallen, it is difficult to estimate the impact of these changes on the net balance sheet position.

33. Subsidiary undertakings
The University, unless otherwise stated, holds the entire share capital of the following limited companies which have been fully consolidated into the Financial Statements. The companies are all incorporated in Northern Ireland.
<b>QUBIS Limited</b> Technology transfer company which engages in the commercial exploitation of the academic and research activities of the University by establishing corporate ventures.
<b>Queen's Overseas Recruitment Limited</b> Promotion and funding of educational courses and the recruitment of students.
<b>Queen's Composites Limited</b> Promotion of collaborative research in advanced composites.
<b>NIACE Limited</b> Ownership of the NIACE centre building which is a technology hub to support research in advanced engineering and materials technologies. The University owns and manages 70% of the company which commenced trading in 2012–13.

34. Connected charitable Institutions
The Queen's University of Belfast Foundation Limited (the Foundation) is a charitable Institution, the principal activity of which is to advance the strategic goals and direction of the University under the direction of the Foundation Board. The Foundation is registered separately with the Charities Commission and is a separate and independent organisation from the University and, therefore, its Financial Statements are not consolidated within the University Group.
The movement in the year on the total funds of the Foundation, as reported in its Financial Statements, is as follows:

	2022	2021
	£'000	£'000
Opening fund	4,020	4,354
Income generated	3,532	3,887
Disbursements in year	(3,726)	(4,215)
Other expenditure	–	(6)
<b>Closing fund</b>	<b>3,826</b>	<b>4,020</b>

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

Consolidated and University	2022	2021
	£'000	£'000
<b>35. Student support funds</b>		
Department for the Economy	2,528	3,051
Interest received	–	–
University contribution	377	76
	2,905	3,127
Disbursed to students	(2,851)	(2,974)
Underspend in the year	54	153
Opening balance as at 1 August	462	309
<b>Closing balance as at 31 July</b>	<b>516</b>	<b>462</b>

36. Pension schemes
The University participates in two separate defined benefit occupational schemes, each of which is valued at least triennially by professionally qualified actuaries. The schemes are the Universities Superannuation Scheme (USS) for academic and academic related staff, in which the majority of UK universities participate, and the Retirements Benefits Plan of the Queen's University Belfast (RBP) for certain non-academic staff and academic related staff. The assets of the schemes are held in trustee-administered funds, and the rates of contribution payable are determined by the trustees on the advice of the actuaries.
<b>(i) The Universities Superannuation Scheme (USS)</b>
The University participates in the Universities Superannuation Scheme. 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. Due to the mutual nature of the scheme, the assets are not attributed to individual Institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other Institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the University therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the SOCI represents the contributions payable to the scheme.
The total cost charged to the SOCI is £27,418k (2021: £26,229k) as shown in note 7. This includes £3,876k (2021: £3,590k) of outstanding contributions at the balance sheet date. Deficit recovery contributions due within one year are £9,346k (2021: £7,400k)
Since the University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the University recognises a liability for the contributions payable that arise from the agreement, to the extent that they relate to the deficit, with related expenses being recognised through the SOCI. Details of the provision to recognise this liability in respect of the USS recovery plan are outlined in note 24.
The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.
Since the Institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.
The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 36. Pension schemes (cont'd)

The key financial assumptions used in the 2020 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-fundingprinciples](https://uss.co.uk/about-us/valuation-and-funding/statement-of-fundingprinciples)).

#### Discount rate (forward rates)

Fixed interest gilt yield curve plus:

Pre-retirement: 2.75% p.a.

Post retirement: 1.00% p.a.

#### CPI assumption

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040.

#### Pension increases (subject to a floor of 0%)

CPI assumption plus 0.05%

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

	2020 valuation
<b>Mortality base table</b>	101% of S2PMA "light" for males and 95% of S3PFA for females
<b>Future improvements to mortality</b>	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

	2022	2021
The current life expectancies on retirement at age 65 are:		
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan (note 24). The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.31%	0.87%
Salary growth (per annum over 16 year period)	3.0–5.0%	2.5–3.0%

The in year movement in the provision relating to the USS deficit recovery provision is £94.8m. The substantial increase reflects the new deficit recovery plan relating to the 2020 actuarial valuation which was finalised in year. In the prior year the provision was based on the previous recovery plan. Further information on the provision, including a sensitivity analysis in relation to the main assumptions is set out in note 24 and also note 8 in respect of significant one-off pension items.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 36. Pension schemes (cont'd)

#### ii) Retirement Benefits Plan (RBP)

The latest actuarial valuation of the RBP, for which final results were available as at 31 July 2022, was carried out at 31 March 2020 by a qualified independent actuary. The valuation has been projected forward as at 31 July 2022, using the projected unit credit method.

The major assumptions used by the actuary for the purposes of these accounts are:

	2022	2021
<b>Future salary increase:</b>		
Under 40	2.95%	2.95%
Over 40	3.20%	3.20%
<b>Pension increases in payment:</b>		
CPI subject to a maximum of 5.00% p.a.	2.65%	2.65%
CPI subject to a maximum of 3.00% p.a.	2.25%	2.25%
Pension increase rate in deferment	2.70%	2.70%
Discount rate	3.55%	1.70%
<b>Inflation assumption:</b>		
Retail prices index	3.20%	3.20%
Consumer prices index	2.70%	2.70%
GMP equalisation - % of DBO	0.60%	0.60%
Average pension increase in payment	2.41%	2.41%

	2022	2021
The average life expectancies at age 65 used to determine benefit obligations are:		
Member age 65		
Male	21.9	21.8
Female	23.7	23.6
Member age 40		
Male	23.6	23.5
Female	25.6	25.5

	2022	2021	2020
	£'000	£'000	£'000
The split of assets in the scheme were:			
Equities	61,133	60,054	55,035
Bonds and gilts	22,641	37,792	37,240
Matching assets (LDI)	93,956	108,976	98,630
Overseas fixed interest	26,076	39,802	47,101
Cash and other	11,968	24,684	12,621
	215,774	271,308	250,627



## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 36. Pension schemes (cont'd)

The tables below outline the disclosures for the RBP scheme as recognised in these Financial Statements:

	2022	2021
	£'000	£'000
Analysis of the amount shown in the Balance Sheet for the RBP scheme:		
Scheme assets	215,774	271,308
Scheme liabilities	(255,912)	(345,350)
Deficit in the scheme – net pension liability recorded within pension provision (note 23)	(40,138)	(74,042)
Analysis of the amounts shown in the Statement of Comprehensive Income:		
Current and past service cost	9,779	8,833
Total operating charge (note 7)	9,779	8,833
Analysis of the amount charged to interest payable:		
Interest on liabilities	5,883	5,057
Expected return on assets	(4,622)	(3,766)
Net charge to interest and other finance costs (note 10)	1,261	1,291
Analysis of other comprehensive income:		
(Loss)/gain on assets	(59,032)	17,846
Gain/(Loss) on liabilities	96,752	(2,460)
Total adjustment to other comprehensive income before deduction for tax	37,720	15,386

	2022	2021
	£'000	£'000
<b>Movement in deficit during the year</b>		
Deficit in scheme at 1 August	(74,042)	(85,903)
Movement in the year:		
Current service cost	(9,779)	(8,833)
Contributions	7,224	6,599
Other finance costs	(1,261)	(1,291)
Actuarial gain	37,720	15,386
<b>Deficit in scheme at 31 July</b>	<b>(40,138)</b>	<b>(74,042)</b>

The valuation at 31 July 2022 showed a decrease in the deficit from £74.0m to £40.1m.

	2022	2021
	£'000	£'000
<b>Analysis of the movement in the present value of liabilities</b>		
Present value of liabilities at 1 August	345,350	336,530
Current and past service cost	9,779	8,833
Interest cost	5,883	5,057
Actuarial (gain)/loss	(96,752)	2,460
Benefits paid	(8,348)	(7,530)
<b>Present value of liabilities at 31 July</b>	<b>255,912</b>	<b>345,350</b>

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

	2022	2021
	£'000	£'000
<b>Analysis of the movement in the fair value of scheme assets</b>		
Value of assets at 1 August	271,308	250,627
Expected return on plan assets	4,622	3,766
Actuarial (loss)/gain	(59,032)	17,846
Employer contributions	7,224	6,599
Benefits paid from plan	(8,348)	(7,530)
<b>Value of assets at 31 July</b>	<b>215,774</b>	<b>271,308</b>

	2022	2021
	£'000	£'000
<b>Return on scheme assets</b>		
Expected return on scheme assets	4,622	3,766
Asset (loss)/gain	(59,032)	17,846
	(54,410)	21,612

	2022	2021	2020	2019	2018
	£'000	£'000	£'000	£'000	£'000
<b>History of experience; gains and losses</b>					
Difference between expected and actual return on scheme assets	(59,032)	17,846	15,565	20,863	10,317
Percentage of scheme assets	-27%	7%	6%	9%	5%
Experienced gains and losses on scheme liabilities	(3,635)	4,159	9,072	(257)	9,379
Percentage of present values of plan liabilities	-1%	1%	3%	0%	4%
Actuarial adjustment	37,720	15,386	(20,123)	(9,252)	48,351

### University contributions

Under the current schedule of contributions the University contributes the following:

- 25.2% of pensionable earnings in respect of pensions + active members
- 16.2% of pensionable earnings in respect of other active members; and
- deficit contributions of 4.8% per annum of pensionable earnings between 1 August 2021 and 31 March 2030.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 37. Accounting estimates and judgements

The preparation of Financial Statements in conformity with FRS 102 require management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

#### Useful lives of property, plant and equipment

Property, plant and equipment represent a significant proportion of the University's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charges and the University's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events. Details of the carrying value of property, plant and equipment are shown in note 13.

#### Pension obligation – RBP pension

The University obtains a valuation from an external, professionally qualified actuary, who advises the University on the financial assumptions used to calculate the net liability of the scheme. These assumptions include the RPI% movements, CPI% increases, salary increases, pension increases, discount rate and the estimate of the duration of employer liabilities. While the University reviews these assumptions in detail, and adopts the assumptions in these Financial Statements, the actuary, as a pension expert, will provide advice and guidance, and apply their skill and judgement in setting these parameters. A sensitivity analysis in respect of the RBP pension deficit is as follows:

#### Sensitivity analysis RBP pension scheme

Discount rate (+ / - 0.5%)	£(22,200)k/£22,800k
Inflation (+ / - 0.5%)	£20,300k/£(17,400)k
Mortality (+ / - 1 Year)	£7,600k/£(7,600)k

#### USS deficit recovery plan liability

The University is satisfied that the USS scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approval of these Financial Statements.

The obligation to fund the past deficit on the USS arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. In calculating this provision, the University has used the discount rate commissioned by the British Universities Finance Directors' Group (BUFDG) and University estimates for increases in staff numbers and salary growth percentage over the period of the contracted obligation. The impact of possible changes in these assumptions on the recovery plan liability are set out in note 24.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 38. Disclosure of related party transactions

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

Included in the Consolidated and University Statements of Comprehensive Income and the Balance Sheets are the following transactions, with a value greater than £5k, with organisations in which a member of Senate, related committees or key management personnel have an interest:

	Debtor	Creditor	Income	Expenditure
	£'000	£'000	£'000	£'000
Anderson Spratt Holdings Limited	-	(46)	-	289
Belfast City Council	-	-	(8)	104
Belfast Metropolitan College	-	-	(58)	50
Catalyst	-	-	-	24
Centre for Competitiveness	-	-	(8)	42
Chartered Accountants Ireland	-	-	(12)	-
Chinese Welfare Society	-	-	-	12
Choice Housing	-	-	(33)	-
Confederation of British Industry (CBI)	-	-	-	10
Crescent Capital III Advisory Board	-	-	-	35
Dale Farm Limited	-	-	(10)	-
Ernst and Young (EY)	-	-	(22)	75
Friends of the Cancer Centre	75	-	(300)	-
Health Innovation Research Alliance NI	-	-	(149)	100
Irish Football Association	2	-	(31)	-
INTO	1,724	(26)	(823)	652
Lanyon Group	-	-	-	16
Loud Mouth Media	-	-	-	70
Medical Research Council	-	-	(4,837)	-
NICOM LLP	109	-	(25)	81
Northern Ireland Chamber of Commerce and Industry	-	-	-	25
Northern Ireland Chest Heart and Stroke Association	13	-	(205)	-
Northern Ireland Electricity Limited	-	-	-	33
Northern Ireland Water	-	-	(2)	622
Russell Group	-	-	-	83
Stranmillis College Belfast	-	-	(4)	7
Universities Ireland	-	-	-	9
University of Warwick	-	-	(42)	36
Waterfront and Ulster Hall	-	-	-	7

As at 31 July 2022, the University also had £9m in short-term deposits in Barclays Bank Plc.

The University received disbursements of £3,727k from the Queen's University of Belfast Foundation Limited in respect of capital and revenue items. The Queen's University of Belfast Foundation Limited is a linked charity to the University and further information is included in Note 34.



## NOTES TO THE ACCOUNTS YEAR ENDED 31 JULY 2022

### 39. Jointly controlled operations

In 2014 the University established an educational presence in China, in the form of a Joint College, formed between Queen's and the China Medical University (CMU), one of the foremost medical universities in China. The Joint College is known as 'China Queen's College (CQC)' and is founded on the basis of the PRC Ministry of Education (MoE) 'Cooperation in Running Schools (CIRS)' Regulations first promulgated in 2004.

CQC delivers Queen's degree programmes from purpose-designed buildings provided by CMU on its new campus in the City of Shenyang in Northern China. A number of BSc degrees are offered. All the degree programmes in CQC are taught in compliance with UK Quality Assurance Agency requirements.

A Joint Management Committee (JMC) has oversight of the activities and resources of CQC with key specific terms of reference and reporting lines to ensure good academic and financial governance.

### 40. US Department of Education Supplementary Schedule

This schedule has been compiled from the Section 2 Example Financial Statements included in the Federal Register/Vol. 84, No. 184 / Monday, September 23, 2019 / Rules and Regulations.

Lines	Expendable Net Assets		Consolidated	
			2022 £'000	2022 £'000
Balance Sheet	Net assets without donor restrictions	Net assets without donor restrictions		616,144
Balance Sheet	Statement of Financial Position – Net assets with donor restrictions	Net assets with donor restrictions		71,438
Note 13 and Note 15	Statement of Financial Position – Property, Plant and equipment, net (includes Construction in progress)	Property, plant and equipment, net (includes Construction in progress)	694,150	
Note 13 (balancing figure)	Note of the Financial Statements – Statement of Financial Position – Property, plant and equipment – pre-implementation	Property, plant and equipment – pre-implementation		650,495
Note 13	Note of the Financial Statements – Statement of Financial Position – Property, plant and equipment – post-implementation without outstanding debt for original purchase	Property, plant and equipment – post-implementation without outstanding debt for original purchase		8,702
Note 13	Note of the Financial Statements – Statement of Financial Position – Construction in progress	Construction in progress		34,953
Note 23	Statement of Financial Position – Post-employment and pension liabilities	Post-employment and pension liabilities		196,387
Notes 21 and 22	Statement of Financial Position – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt – for long term purposes	25,060	
Notes 21 and 22	Statement of Financial Position – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt – for long term purposes pre-implementation		25,060
Note 25 restricted permanent +unrestricted permanent endowments	Statement of Financial Position – Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		51,204
	<b>Total Expenses and Losses</b>			
Statements of Comprehensive Income (SOCI)	Statement of Activities – Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions		422,483
SOCI: Investment income, actuarial movement, fair valued gains/(loss)	Statement of Activities – Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, Other gains (loss) – (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		97,664
SOCI: Investment income	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Net investment losses		40,635
	<b>Modified Net Assets</b>			
Balance Sheet	Statement of Financial Position – Net assets without donor restrictions	Net assets without donor restrictions		616,144
Balance sheet	Statement of Financial Position – Total Net assets with donor restrictions	Net assets with donor restrictions		71,438
	<b>Modified Assets</b>			
	Statement of Financial Position – Total Assets			1,410,099
	<b>Net Income Ratio</b>			
Balance Sheet	Statement of Activities – Change in Net Assets Without Donor Restrictions	Change in Net Assets without donor restrictions		-85,093
SOCI	Statement of Activities – (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		434,760



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