

Financial Statements 2020/21



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Introduction:

Highlights of the year from the Vice-Chancellor



Last year, the global pandemic resulted in unprecedented challenges for the higher education sector. Oxford Brookes adapted successfully and at pace to a fast-changing situation. We moved to a blended approach to teaching with online and socially distanced learning, followed by online teaching only, then back to a blended approach. We also moved many student social activities online and put in place a range of support for students' mental and emotional wellbeing.

The University has also provided support for staff both in their professional development and to support their mental wellbeing at this immensely challenging time.

Despite the challenges of last year, it is encouraging that the hard work and successes of the University have been recognised. We were in the Guardian league table's top 50 institutions for 2021 and ranked in the UK's top 4 for teaching in The Times Higher Education Young University Rankings 2021. Our international reputation for the quality of our courses was recognised in the QS World University Rankings by Subject 2021, which ranked Oxford Brookes 'amongst the world's top universities' in 13 individual subject areas.

In September we proudly launched our 2035 Strategy which includes the additional Guiding Principle of Inclusivity. With this we are restating our commitment to creating an environment in which we celebrate, value and provide equal opportunities for all. Just one example is Brookes Engage, a project which helps local sixth-form students from under-represented groups to progress to university. During the pandemic the programme of activities was adapted and moved online. This year we launched a parallel national initiative, Discover Brookes, which broadens the geographical reach of our work.

This year also saw significant changes to governance. Peter Vicary-Smith took over as Chair of Board of Governors, John Zealley became Chair of the Finance and Resources Committee, and we set up a People Committee chaired by Katrina Sinclair. We also appointed 8 new Governors to replace those retiring, to strengthen skills and experience, and to broaden the diversity of the governing body.

The University had another excellent year for research despite the challenges of the pandemic and the continuing highly competitive funding environment. Our researchers have won record levels of funding over the last year with more than £11.7m earned including an allocation from UKRI (UK Research and Innovation) to support grants affected by Covid-19. There are numerous examples of research excellence across our faculties. The School of Architecture received significant funding from Arcadia for a five-year Endangered Wooden Architecture Programme. This will document and preserve the records of wooden building traditions from across the world. Dr Jordi Solana Garcia, a Research Fellow in Biological & Medical Sciences has won £877k from the BBSRC (Biotechnology and Biological Sciences Research Council) to study cell type evolution. Professor Tim Vorley and the Oxford Brookes Business School have received £1.2m funding from ESRC (Economic and Social Research Council) and EPSRC (Engineering and Physical Sciences Research Council) for projects to develop the innovation landscape in the UK.

Oxford Brookes is a thriving centre for knowledge exchange and in March 2021 we obtained the results of the first Knowledge Exchange Framework. These showed that Oxford Brookes ranked in the top 10% of universities in England for IP and Commercialisation.

We continue to focus on making further significant improvements to our campuses. They include developing the new Oxford Brookes Enterprise Centre on Headington Campus. The University's existing International and Tonge buildings are being redeveloped in collaboration with the Oxfordshire Local Enterprise Partnership. Once complete, the centre will provide start-up companies with access to lab spaces, experts and professional networks and support the creation of new jobs.

Over the following pages you can read more about how our staff, students and partners are continuing to do great things across a range of important areas including student experience, research and knowledge exchange, and projects aimed at supporting the local and wider community. Our students continue to inspire us. This year more than 300 nursing and healthcare students volunteered on the front line in response to the pandemic, along with some healthcare staff. Other students volunteered in different ways, have continued to raise money for charities like the British Heart Foundation, and have taken part in citywide initiatives such as OxClean.

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

PROFESSOR ALISTAIR FITT
VICE-CHANCELLOR

Financial highlights

During the year to 31 July 2021 (2020 figures in brackets) the University group*:

- Achieved all financial targets and key performance indicators
- Incurred an operating deficit of £5.6m (£10.1m deficit)
- Excluding actuarial pension adjustment and a decrease in the holiday pay accrual, generated an operating surplus of £13.5m before write offs (£4.2m surplus)
- Generated income of £207.2m (£198.6m).

Financial strength

At the balance sheet date the University Group had:

- Generated a net inflow of cash from operating activities of £40.8m (£28.3m)
- Cash and short-term deposits of £127.8m (£108.1m)
- Net current assets of £94.7m (£81.4m)
- Total net assets of £152.7m (£105.3m)
- Pension scheme deficits of £138.5m (£173.9m).

Investments and borrowings

During the year the University Group:

- Invested in fixed assets, including intangibles £15.8m (£17.9m).

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



Committee members

Board of Governors (Trustees)

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

Independent Members

Peter Vicary-Smith (Chair from 01.08.21)	Director of theconsumerfirst ltd, Independent Non-Executive Director, Northumbrian Water Ltd
Paul Feldman (from 08.07.21)	CEO of Jisc, Independent Member of Governing Body of Pearson College, Independent Board Member of HEANet (Republic of Ireland), Board member of GEANT (Netherlands), Independent Member of Audit Committee of Science Museum Group
Julia Harrington (from 08.07.21)	Head of Queen Anne's School, CEO and Director of BrainCanDo, registered charity number: 1170784, Trustee of Berkshire Women's Aid, Council member ASCL, Trustee Chartered College of Teaching
Karen Hayzen-Smith (from 01.05.21)	Director of Group Finance Johnson Matthey plc
Simon Jones	Fellow of the British Computer Society and engaged in a range of IT and leadership advisory roles
Robert Kirtland (until 26.01.21)	Chairman, Critchleys Chartered Accountants, Oxford
Simon Mumford (from 02.10.19)	Partner at Pinsent Masons LLP
Anup Mysoor (from 01.05.21)	Board Member of Oxfam's Enterprise Development Programme, Governor at Rye St Antony School, Founder of Pink Rainbow Scholarships
Ankush Nandra (from 25.11.20)	Vice-President Finance & CFO International, AstraZeneca
Paul O'Connor (until 31.07.21)	Director, Healthcare Leadership Solutions Ltd, Director, Attain Health Management Services Ltd
Marek Pruszewicz	Director of Communications, IPPF, Director, Ian Fleming Publications Ltd
Osama Rahman (from 08.07.21)	Chief Analyst and Chief Scientific Advisor to Department for Education, England, Volunteer for Pilotlight
Yasmin Sidhwa (until 31.07.21)	Artistic Director, Mandala Theatre Company, Oxford
Katrina Sinclair	People Business Partner for Apple and the company's Executive Coach for Retail Senior Leadership in the UK
Sarah Stevens (from 08.07.21)	Director of Policy at the Russell Group, Partner is a Post Doctoral Research Fellow at King's College, London
Lucy Weston (until 31.07.21)	Chair, Soha Housing, Non Executive Director, Oxford Health NHS Foundation Trust, Director, SIB Property Ltd
Lyn Williams	Chairman of Trustees of Uniac Pension Fund (for Unilever), various other trustee positions
John Zealley (from 25.11.20)	Senior Managing Director at Accenture Ltd

Student and Staff Governors

Tannah Collier (from 01.07.21)	President of the Students' Union, Oxford Brookes University
Daisy Hopkins (until 30.06.21)	President of the Students' Union, Oxford Brookes University
Dr Roger Dalrymple (Teaching Staff Governor)	Programme Lead in the Faculty of Humanities & Social Sciences, Oxford Brookes University Associate Dean Student Outcomes from December 2019
Adrian Thomas (Non-teaching Staff Governor)	Director Global Student Recruitment, Oxford Brookes University

Co-opted Committee Members

Jeremy Dawson	Partner, Dawson Partnerships
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Ex-Officio Member

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

Robert Kirtland (Chair until 26.01.21)	Independent Governor
John Zealley (Chair from 27.01.21)	Independent Governor
Simon Jones (until 01.05.21)	Independent Governor
Simon Mumford	Independent Governor
Anup Mysoor (from 01.05.21)	Independent Governor
Ankush Nandra (from 18.03.21)	Independent Governor
Marek Prusewicz	Independent Governor
Peter Vicary-Smith	Independent Governor
Lucy Weston (until 31.07.21)	Independent Governor

Audit Committee

Lyn Williams (Chair from 01.08.21)	Independent Governor
Paul O'Connor (until 31.07.21)	Independent Governor
Karen Hayzen-Smith (from 01.05.21)	Independent Governor
Simon Jones (from 01.05.21)	Independent Governor
Katrina Sinclair (until 01.05.21)	Independent Governor
Jeremy Dawson	Co-opted member

People Committee (established on 17 February 2021)

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

Katrina Sinclair (Chair from 11.05.21)	Independent Governor
Peter Vicary-Smith	Ex-Officio
Anup Mysoor	Independent Governor
Simon Jones	Independent Governor
Ruth Davies	Ex-Officio

Nominations Committee

Peter Vicary-Smith (Chair from 01.08.20)	Independent Governor
Robert Kirtland (until 26.01.21)	Independent Governor
Yasmin Sidhwa (until 31.07.21)	Independent Governor
Katrina Sinclair (from 18.03.21)	Independent Governor
Simon Mumford (from 18.03.21)	Independent Governor
Ankush Nandra (from 18.03.21)	Independent Governor
Dr Roger Dalrymple	Teaching Staff Governor
President of the Students' Union when considering the appointment of a Chancellor	

Vice-Chancellor's Group

Professor Alistair Fitt	Vice-Chancellor
Cathy Burleigh	Director of Finance and Legal Services: role title change to 'Chief Financial Officer' on 12 July 2021
Brendan Casey	Registrar and Chief Operating Officer
Ruth Davies	Director of Human Resources; role title changed to 'Chief People Officer' on 12 July 2021
Professor Linda King	Pro Vice-Chancellor, Research and Global Partnerships
Professor Anne-Marie Kilday	Pro Vice-Chancellor, Student and Staff Experience
Dr Astrid Schloerscheidt	Pro Vice-Chancellor and Dean of Faculty of Health and Life Sciences
Professor Joe Tah	Pro Vice-Chancellor and Dean of Faculty of Technology, Design and Environment
Professor Rachael Langford (until 31.08.21)	Pro Vice-Chancellor and Dean of Humanities and Social Sciences
Dr Abbey Halcli (from 01.09.21)	Interim Pro Vice-Chancellor and Dean of Humanities and Social Sciences
Professor Tim Vorley	Pro Vice-Chancellor and Dean of Oxford Brookes Business School

Advisors

<i>Bankers</i>	<i>External Auditors</i>	<i>Internal Auditors</i>
Barclays Bank plc	Mazars	PricewaterhouseCoopers LLP
Public Sector Team	90 Victoria Street	Cornwall Court
Level 27	Bristol	19 Cornwall Street Snow Hill
1 Churchill Place	BS1 6DP	Birmingham
London		B3 2DT
E14 5HP		

Legal Structure

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

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

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

Strategic report:

Strategy 2035

The Board of Governors of Oxford Brookes University presents its results, including those of its subsidiaries, for the year ended 31 July 2021. The University is operating within a new Strategy developed for 2020/21 and beyond. We have worked closely with our students, staff, local community and other stakeholders to create this strategy which sets out our focus and priorities until 2035.

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

Vision

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

Mission

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

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

Values

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

Strategic goals

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

Education and Enterprise

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

Research and Innovation

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

People and Culture

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

Partnerships and Place

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

Our Guiding Principles

Inclusivity

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

Generosity of spirit

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

Confidence

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

Enterprising creativity

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

Connectedness

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

Achieving our strategic commitments: Student experience

During the academic year 2020/21, Oxford Brookes responded successfully to the challenges of teaching during the pandemic. This saw us pivot, at pace, between a blended approach to fully online learning and back to blended over the course of the year. We successfully integrated four new elements of supporting technology and software to facilitate online delivery of courses, including Zoom, Panopto and Adobe Connect, underlining our abilities to be a highly agile institution. Staff have worked hard to adapt and to accommodate the additional workload caused by the move to blended teaching. Over two teaching semesters there is evidence of growing staff confidence and ambition in using the online tools provided.

Other changes implemented over the academic year included:

- changes to structure and content on around 7,000 individual undergraduate modules and 600 postgraduate modules to ensure that learning outcomes could be achieved for each course via blended and online deliveries
- creating virtual classrooms to provide alternatives to lab work, simulation activity, placements and field trips which were integrated components on some modules
- introducing online student chat rooms and communities to foster peer-to-peer support and to provide opportunities for online social gathering
- developing online resources to support student learning including synchronous recorded delivery, quizzes, blogs, vlogs and electronic versions of academic work
- implementing a programme of flexible support for students by revising the nature and frequency of assessments, extending deadlines in exceptional circumstances
- rolling out support to academic and professional staff for their professional development (eg, training on the new technology) and their personal wellbeing (eg, stress management and coping with the demands of lockdown).

Student feedback

It is evident from student and staff feedback (from surveys and qualitative comments provided) that some aspects of learning and delivery worked more effectively online than in person such as tutorials, dissertation and doctoral supervision, academic advising and career sessions. However, it was also clear that our students missed the experience of face-to-face teaching and wanted to learn on-campus.

The satisfaction of those studying at Oxford Brookes in the National Student Survey 2021 show the University has performed close to the national average. Published in July, the results of the NSS show that overall satisfaction of Oxford Brookes students in the last academic year is 72%. This is higher than many of the University's competitors and compares with an average across UK universities of 75%.

Mental and emotional wellbeing

A key priority was supporting students who were quarantining or isolating after testing positive for Covid. This included providing hot meals for each student and help with shopping. We also supported all 'vulnerable' students across Oxford Brookes through the activities of the University group B-WELL, chaired by Pro Vice-Chancellor for Student and Staff Experience, Professor Anne-Marie Kilday. This was to ensure that all students had access to all resources and material on offer, to resolve issues associated with digital poverty or other financial difficulties, to ensure students kept themselves active and engaged in their studies, and to offer support and care in relation to wellbeing concerns such as feelings of isolation or loneliness.

Moving forward

Looking ahead, we are working to capitalise on the positive aspects of blended learning. We will be identifying, gathering and sharing examples of good practice from the University and the wider sector which we will then embed ahead of the new academic year.



Achieving our strategic commitments: Research and knowledge exchange

Oxford Brookes continues to build on its strong reputation for high-quality, impactful research.

In 2020/21 the University had another excellent year of research, knowledge exchange and IP income, despite the challenges of the Covid-19 pandemic and the continuing highly competitive funding environment. Indeed, our researchers have won record levels of funding for research over the last year with more than £11.7m earned including an allocation from UKRI (UK Research and Innovation) to support grants affected by Covid-19. In addition, we received £230k From UKRI to support Global Challenges research and just over £216k as part of our share of the World Class Labs COVID Allocation. We used the lab funding to enhance air handling in the Tonge Bioinnovation Hub with the remainder split between the faculties of Technology, Design and Environment (TDE) and of Health and Life Sciences (HLS) to purchase additional equipment.

The faculties of TDE (£4m), HLS (£4.7m) and Oxford Brookes Business School (OBBS) (£1.9m) each won record levels of funding with HSS achieving £1m for the first time in a number of years. The School of Architecture received significant funding from Arcadia to fund a five-year Endangered Wooden Architecture Programme, which seeks to preserve endangered culture, protect endangered nature and promote open access. Part of the funding will be used to create an open-access digital repository that will document and preserve the records of wooden building traditions from across the world. Dr Jordi Solana Garcia, a Research Fellow in Biological & Medical Sciences has won £877k from the BBSRC (Biotechnology and Biological Sciences Research Council) to use planarians and single cell transcriptomics to study cell type evolution. Professor Tim Vorley, OBBS, has received £1.2m funding from ESRC (Economic and Social Research Council) and EPSRC (Engineering and Physical Sciences Research Council) for a number of projects relating to the innovation landscape in the UK.

In March 2021, we obtained the results of the first Knowledge Exchange Framework. The results were presented in the form of a dashboard spider diagram that showed Oxford Brookes was in the top 10% of UK universities for IP and Commercialisation, in the top 40% for research partnerships and for working with the Public and Third Sector, and in the top 50% for working with Business. We also submitted our plans to Research England for the first Knowledge Exchange Concordat. MetaGuideX was successfully spun out from Biological & Medical Sciences, with the new company renting space in our Bioinnovation Hub and receiving support from an Innovate UK ICUR award.

We received matching funding from OxLEP (Oxfordshire Local Enterprise Partnership) to establish an Enterprise Centre in the heart of Headington Campus. Refurbishment work started in earnest at the beginning of 2021 and the new centre will be ready for its launch date in January 2022.



Achieving our strategic commitments: Infrastructure and services

The estate

As with all areas of the University, the last year has seen Oxford Brookes' Estates and Campus Services meeting its strategic commitments whilst also responding to the impact of the global pandemic.

The directorate has worked tirelessly and effectively, often in difficult circumstances, to ensure that the University's campuses have remained Covid-secure. The lack of any significant onward transmission of Covid-19 within teaching and shared spaces across Oxford Brookes' campuses is testament to the hard-work and expertise of the team, working with colleagues across the University and external partners.

A huge number of Covid-19 activities took place across our estate over the last 12 months including the introduction of crucial public health signage and guidance, one-way systems and changes to routes, implementation of testing and pop-up vaccination clinics, and the organisation of support and care for those needing to quarantine or self-isolate.

A range of improvements to the University buildings and infrastructure took place over the year. An example was on the Headington Campus where work began as part of the development of the new Oxford Brookes Enterprise Centre. The University's existing International and Tonge buildings are being redeveloped for this exciting new development in collaboration with the Oxfordshire Local Enterprise Partnership. Once complete, it will provide companies access to lab spaces, experts and professional networks. It's hoped that the new project will support the creation of at least 17 start-up companies and 74 jobs.

Improvements were made to the structure of the Estates and Campus Services leadership team over the last 12 months and Jerry Woods and Mark Tugwell took on roles as Director of Estates and Campus Services and Deputy Director of Estates respectively. Progress has also been made on future plans for use of the University's estate and further detail will be shared over the coming year.

Halls

Oxford Brookes University is committed to ensuring that students can continue to live in high-quality accommodation, and to meeting the local authority's threshold for the number of students living outside university accommodation. To meet these commitments, the University submitted a planning application for the redevelopment of part of the Clive Booth Student Village site.

The University has carefully reflected on the reasons for the refusal of the previous planning application, and engaged extensively with the local community this year as plans developed. A significant number of changes and improvements were made to reflect community feedback. Planning permission was granted in November 2021.

Despite the restriction imposed by the global pandemic, and the priority work to ensure that those living and working in University accommodation stayed safe, there were further improvements to University-managed accommodation this year.

The second and final phase of the redevelopment of Paul Kent Halls completed this year and handed back to the University.

The work across both phases has significantly improved 242 bedrooms and shared spaces across the site, to provide enhanced accommodation for our students.

Progress continues with the development of a Residential Strategy which will provide a long-term vision for accommodation at Oxford Brookes University, with further development of this important work taking place over the coming year.

IT infrastructure and services

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

In addition to continuing to progress major infrastructure programmes, projects and service improvements delivered included:

- AV and Audio upgrades in teaching rooms for hybrid teaching during the pandemic
- additional video conferencing and storage platforms introduced
- extra Wifi provision for Student Halls
- setting up request services to deliver key parts of Covid support
- Customer relationship management and system integrations with the new student record system
- upgrade to the research archiving solution
- an enhanced remote access application service
- a new identity and access management solution.

The coming year will focus on supporting Oxford Brookes' blended learning provision, the estates strategy and the continued investment in the University's digital architecture - connectivity, hosting and IT security management.



Achieving our strategic commitments: External

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

Sharing knowledge

As an institution dedicated to learning, sharing our knowledge is core to our mission. This year Oxford Brookes submitted a public and community engagement self-assessment as part of its submission to the first iteration of Research England's Knowledge Exchange Framework (KEF), published in March 2021. Using an evidence-based approach, this enables the University to evaluate, measure and score our activities in public and community engagement, to identify areas for improvement and to help shape future strategy.

We continue to engage and share knowledge through:

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

Inspiring young and old

Oxford Brookes aims to help individuals achieve their aspirations and support their attainment. Activities this year have been delivered virtually due to Covid restrictions. They have included sustained outreach programmes such as Brookes Engage and Discover Brookes.

External partnerships

Oxford Brookes has continued its partnership with Team Oxford which has received lottery funding to connect communities and improve mental and physical wellbeing. Part of Oxford Brookes' role has been to develop and support a programme of volunteering campaigns and events to progress this work.

During the pandemic, the University has worked with Oxford Hub and has funded a post to support their Oxford Together programme and to help deliver the Covid response and

recovery programme. This initiative is available to everyone, including students and we are encouraging students to volunteer and take part.

Brookes in the community

At Oxford Brookes we continually strive to enhance relationships with our neighbours and are proud of the contribution that we make to the local community. In March 2020 we invited community and group representatives to a Community Strategy Supper. This useful dialogue helped us shape our commitment to enhance community engagement in our new Strategy for 2035.

Oxford Brookes continues to strengthen staff volunteering and we have recently appointed a new volunteering coordinator within our Careers service to promote volunteering opportunities to students.

We sponsor the Cowley Road Carnival and support other local events and campaigns. They include the British Heart Foundation Pack for Good, encouraging students to donate their unwanted items to campus collection banks, and the Oxford Pride festival, celebrating the LGBTQ+ community. We support local initiatives such as OxClean and Friends of South Park through activities such as litter picking during the Spring Clean campaign.

We also joined partners across the city once again for Oxford Green Week, a city-wide initiative celebrating sustainability.

Sharing our facilities and activities

We welcome public use of our facilities, including the Centre for Sport, dentist, library, our Co-op store, exhibition space, venue hire and eateries. Whilst Covid-19 has restricted our open campus this year, we have been able to provide some virtual facilities and activities including our yearly series of free, open lectures and our Science Bazaar.

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



Our staff

The overall staff full-time equivalent (FTE) increased from 1,894 to 1,910 (excluding hourly paid staff) in the last year, with academic and senior staff making up 46% of the workforce.

Supporting Equality, Diversity and Inclusion

The Equality Diversity and Inclusion (EDI) Advisory Group, chaired by the Vice-Chancellor, continued to operate as the central forum for coordination and oversight of the University's commitments and responsibilities to equality, diversity and inclusion. The Access and Participation Group (APG) reported directly to the Vice-Chancellor's Group on our Access and Participation Plan, with representation on the EDIAG to ensure cohesion and linkage of relevant work supporting students and staff.

We continued to engage with external charter marks, sustaining our Disability Confident Employer status and our work at University and faculty level on the Athena Swan Charter for gender equality. The University maintained membership of the Stonewall Diversity Champions Programme and undertook internal review of areas of the Stonewall Workplace Equality Index. The Race Equality Steering Group progressed our Race Equality Action Plan as part of preparation for formal work on the Advance HE Race Equality Charter commencing in 2021/22.

Staff resourcing in support of EDI included a post within Human Resources working with the wider HR team. Faculties agreed internal arrangements to support their Athena Swan activity. Within Academic and Student Administration the post of Student EDI Manager was vacant, with some elements of student EDI support covered by the wider team. Our EDI work across the board was actively supported and enhanced by the work of our Staff Diversity Networks.

Trade Union Facility Time Report

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

Table 1 – Relevant Union Officials

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

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
26	24.06

Table 2 – Percentage of time spent on facility time

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

Percentage time	Number of employees
0%	0
1-50%	25
51-99%	0
100%	1

Table 3 – Percentage of pay bill spent on facility time

	cost
Total cost of facility time	£85,599
Total pay bill	£98,497,128
Percentage of the total pay bill spent on facility time	0.09%

Table 4 – Paid trade union activities

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

Time spent on paid trade union activities as a percentage of the total paid facility time hours	25%
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Our students

The most recent annual data shows that, whilst 2020/21 was an unusual year due to the global pandemic, total student numbers (headcount) actually increased by around 6% on the previous year.

Figure 1 illustrates this trend. The chart shows declining numbers from 2015/16 to 2018/19, followed by a slight recovery in 2019/20 and further growth in 2020/21. The 2020/21 data also shows a reversal of the dropping numbers of part-time students. This mode of study, which includes distance learning, may have become more popular given the constraints on movement during the pandemic. Full-time numbers also increased, although again it was possible to study full-time without attending campus.

When looking at the data by level of study (Figure 2), it is clear that there were increased student numbers at both undergraduate and postgraduate levels. The increase in postgraduate is most marked (+12%) and builds on the recovery of numbers achieved in 2019/20.

Figure 3 charts the full-time equivalent (FTE) of international and home/EU students over time. This shows that the University's overall student FTE numbers stabilised in 2019/20 and then increased in 2020/21. The growth in International student numbers (+5%) in 2020/21 also continued the positive trend from 2019/20 (+6%) which followed previous years of declining numbers.

Figure 1
Total student numbers (headcount)

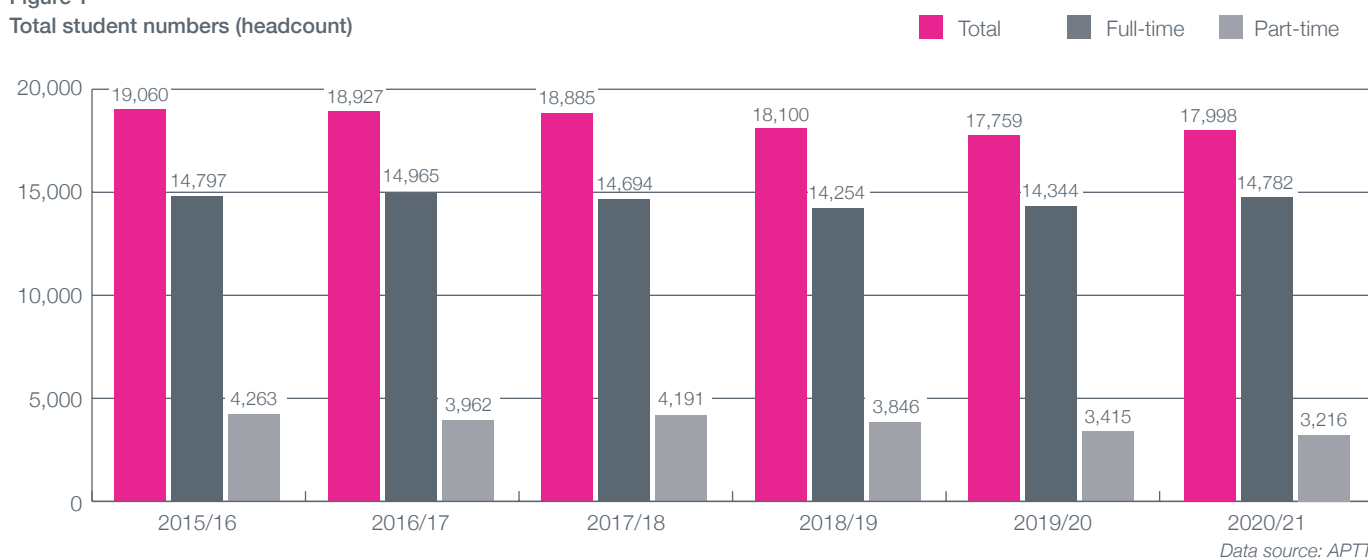


Figure 2
Undergraduate and postgraduate students (headcount)

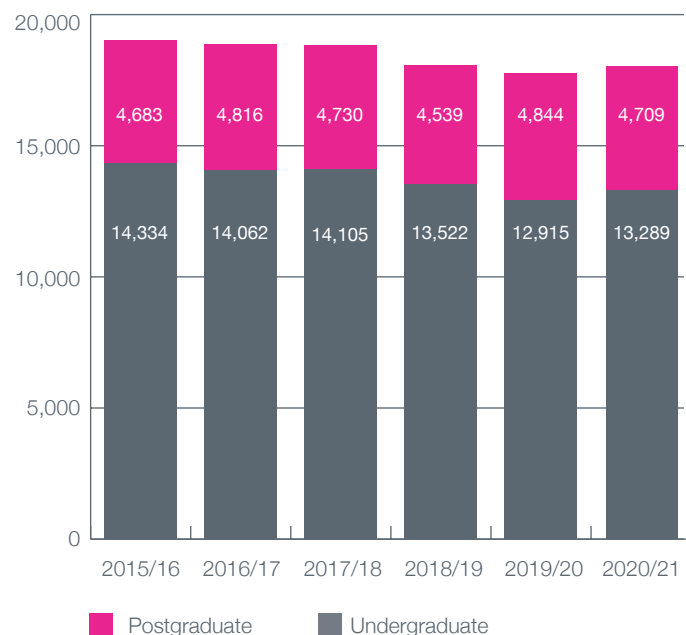
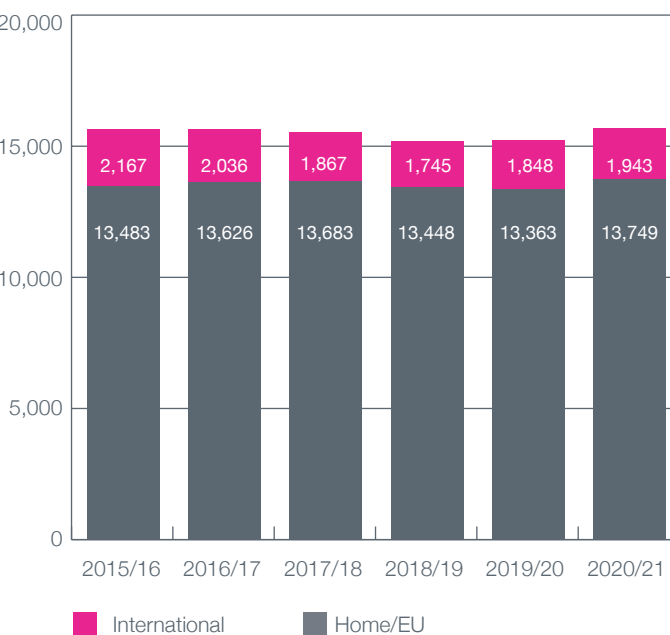


Figure 3
Home and international students (FTE)



Financial results

The University's specific targets are being refreshed. The current Financial KPI targets in relation to financial sustainability are:

- to achieve a level of operating surplus that generates sufficient cash to resource agreed strategic investment (i.e. achieve surpluses approved in the financial plans) – Achieved
- to contain staff costs to below 55% of turnover and aim for 50% – Achieved 51.52% (excluding holiday pay and actuarial movement)
- to maintain net current assets, ratio of 1:1, and aim for a ratio of current liabilities to current assets of 1:1.25 – Achieved 1:3.11
- to achieve all loan covenant ratios – Achieved.

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

The operating deficit was £5.6m, which includes LGPS and USS pension actuarial costs of £15m, pension interest costs of £2.5m, staff holiday accrual of -£0.5m.

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

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2021

The University five-year financial forecasts show continued sustainable surpluses that reflect the latest student number forecasts, the Estates Investment Plan and IT Capital plan, and agreed efficiency targets across Faculties and Directorates. Key performance indicators between 2020 and 2021 are shown in the table below:

Key Performance Indicator	2021	2020
Operating Surplus / (Deficit)	-£5.6m	-£10.1m
Surplus / (Deficit) excluding one off items	-£4.0m	-£7.3m
Surplus / (Deficit) excluding one off items and pension actuarial adjustments	£13.5m	£4.2m
Total Income	£207.2m	£198.6m
EBITDA	£21.7m	£16.7m
EBITDA%	10.49%	8.43%
Total comprehensive income / (deficit) for the year	£47.38m	-£38.35m
Operating surplus / (deficit) as a % of income	-2.69%	-5.07%
Unrestricted income and expenditure reserve excluding pension reserve as a % of income	91.52%	89.02%
External borrowings as % of income	95.13%	100.21%
Gearing: borrowing as % of reserves	129.03%	188.90%
Operating cash generation as a % of borrowing	20.69%	14.21%
Net cash flow from operating activities as a % of income	19.68%	14.24%
Unrestricted income and expenditure reserve as a % of income	24.66%	1.44%***
Staff number average headcount*	3,491	3,449
Staff numbers average FTE**	1,900	1,905
Staff costs as a % of income	58.53%	58.55%
Staff costs as a % of income excluding holiday pay increase and actuarial movement	51.52%	53.17%

Undergraduate student satisfaction:

With teaching	76.2%	80.3%
With course overall	71.7%	81.3%

Postgraduate student satisfaction with course overall	78%	81%
Research projects awarded in year	£6.3m	£6.2m

* Staff number headcount includes Associate Lecturers

** Staff number FTE excludes Associate Lecturers

*** Unrestricted income and expenditure reserve increased by £48.2m in 2021



Financial outlook

2020-21 Performance

The University was very prudent in its outlook, having modelled the scenarios of how Covid-19 would impact University finances, in particular student recruitment, retention and student residences occupation rates. An updated one year budget was approved in October 2020, as required by the OfS, of £1.2m. The 2020/21 actual year end outperformed the budget by £12.2m, made up of £0.6m higher income and £12.8m of savings on expenditure. The operating surplus of £13.5m compares with £4.2m in the previous year. This position is before one off and pension adjustments of £(19)m which result in a deficit of £(5.6)m compared with £(10.1)m in the previous year. This was achieved against the background of uncertainty created by Covid-19 and the late and changing government announcements on the timing of lockdowns during the year.

Total income was £8.6m above previous year and £0.6m above the budget. Student numbers and fees were up significantly on previous year by £10.5m; an increase of £6m from Home Undergraduates, £1.8m from Home Postgraduates, and £3.2m from International Postgraduates. Compared to the budget, fee income was favourable by £1.6m.

The University was careful to offset its income losses in 2021 (predominantly, £6.6m on residences, catering, conferences and sports activities) as far as possible with savings in related expenditure areas. This focused approach enabled the shortfall in income from Estates and Campus Services to be offset by £5.1m from other expenditure savings. Other income streams that performed well and helped compensate for the £6.6m shortfall were: the Nursing and Midwifery Council (NMC) Test of Competence, continuing professional development (CPD) in Health and Life Sciences, research grants and franchised courses and partnerships.

Total expenditure was £194m, which was in line with previous year and £11.5m below the approved October budget.



Other areas of savings in the year were: travel and transport related costs across the University; laboratory consumables; various activities in marketing, recruitment and engagement, and depreciation. Depreciation savings mostly arose from disposals and write-offs at year end, although there were also delays to capital expenditure which contributed during the year.

The University invested £0.5m to support blended learning through digitisation. Precautionary measures to protect against Covid-19 contamination were implemented in a timely way, costing circa £2m. The priority for staff and student well-being and student experience remained the top priority.

Cash from operations was £40.8m which exceeded 2019-20 by £12.5m and the plan by £17.9m.

2021-22 and future years Financial Plans (the growth trend)

The University five-year financial plans show surpluses of £6m in 2021/22, rising to £8.5m, £9.8m, £10m, and £11.2m in subsequent years up to 2025/26. The income targets are £229m in 2021/22, growing to £235m in 2022/23, £244m by 2023/24 rising steadily to £258m in 2025/26. The University has been successful in its plans to diversify income. In recognition of this, a modest other income target of £1.4m rising to £3.3m has been built into the five year financial plan from 2022/23 onwards.

Student number growth over the five-year period is planned to be 11.5% this translates to an average of 2.3% per annum, of which 1.6% per annum relates to Home Undergraduate. Growth in other student numbers is planned as 7.5% Home Postgraduate, 7.0% International Undergraduate and 8.8% International Postgraduate. EU Undergraduate student numbers are expected to decline by 8.2%. Global recruitment continues to be a key growth area. The plan also includes a steady rise in apprenticeships.

The University continues to invest in diversification of income. One significant area of growth is income from holding the Nursing and Midwifery Council Objective Structured Clinical Examinations (OSCEs) for overseas nurses to enable them to work in the UK. This income has increased from £2.3m in 2019/20 to £9.1m planned in 2021/22.

The University continues to be ambitious in its approach to partnerships and overseas collaborations. A new Global Partnerships Team was established in 2019. Other areas planned to increase over the five-year life of the plans, include, continuing professional development and consultancy. International partnerships include a significant expansion with Chengdu University in China.

Investments were approved in the October 2020 budget of £2.2m, which included 40.6 (full time equivalent) new staff posts, the majority of which are academic.

The University continues to invest in the Access and Participation Plan. A key area of focus is improving the diversity of the student body and increasing student success. The University has instigated a new admissions policy which provides for contextual offers to support a wider diversity of student intake. It introduced a generous bursary scheme in 2019 and is analysing its impact. Total budget in 2021/22 is £7.4m rising to £8.2m by 2025/26.

2021/22 early outlook

There are ongoing challenges in 2021/22 due to the continuing extraordinary circumstances caused by Covid-19. A-levels this year were awarded based on teacher assessments resulting in the highest rise of top grades ever seen, to 45%. This means more students were successful in meeting offers from higher A-level tariff universities such as those in the Russell Group, and this substantially reduced the need for clearing and skewed the marketplace away from Oxford Brookes. As a result, student numbers and occupation of student residences are under target by an estimated £10m of income, of which £6m relates to Home students and £4m to the vacancies in student residences.

It appears that more students who are able to commute have decided not to take up student residence in anticipation of any future lockdown which might mean they are required to pay for accommodation they are unable to occupy. The vacant rooms have mostly been consolidated so that opportunities for commercial letting can be exploited. In addition £0.8m of running costs can be saved. There is also the potential for commuting students and staff to stay overnight on a part-time basis. Other commercial possibilities for renting are being explored, including at the Wheatley campus.

This is an early stage of the enrolment cycle. The final position for international students is not yet known. A number of students have not yet arrived, 316 of whom are awaiting visa checks and 161 have not yet completed enrolment. There remains the potential for a higher January intake. The University will assess the latest position based on actual recruitment numbers at the end of October and in early December.

The Vice-Chancellor's Group have already put into place action plans, which continue the good practice and focus from the previous year. This includes regular meetings of the recruitment sub-group of the Vice-Chancellor's Group to review all new appointments (that are not externally funded) and implementation of the financial risk register action plan, approved as part of the five year plans, to slow expenditure and avoid entering into commitments where these can safely be delayed.

The 2021/22 planned investment in 40.6 full time equivalents, many of which are academic posts, will be reviewed to ensure they are matched with successful student recruitment to target.

Forward investment plans

The University's overall growth target reflects its Estates Investment Plan and Halls Investment Plan, built into its Strategy and future financial plans. The sale of the Wheatley Campus slipped in 2020/21 and is now anticipated to be in 2022/23. The intention to build a new and intensified Clive Booth Student Village (CBSV) will go ahead following planning approval in November. The five-year financial plans include £133.8m for Estates investment and £80m on Halls investment, which includes £74m for the Clive Booth Student Village. There is £55m identified as headroom available to allocate in future years.

There is planned investment in Information Technology Services (ITS) of £14.7m over five years. This includes replacing the IT architecture (£4.7m for network and connectivity projects) and £10m for other organisational change projects. There is an additional circa £10m in the revenue budget for IT Architecture. Good progress is being made in this area and contracts for managed halls and connectivity are in place. In addition there is £18m included to meet Faculty and Estates equipment needs.

Value for money (VFM) is embedded within the procurement rules and within the annual planning processes. This is critical to ensure control of the cost base, given static home fees and significant cost pressures on future pay, pensions and services. The University recognises the need to demonstrate transparency to students and parents in how the fee income is spent, and this is published on the University website.

Risk management

The University assesses its financial risks and presents this alongside the five-year financial plans in order to stress test and demonstrate the deliverability of the plans. It also identifies and has risk action plans to manage strategic and operational risks. The strategic risks are identified broadly as: recruitment of Home, EU and International students; improving the quality of the student experience and increasing the National Student Survey scores; protection against cybercrime and replacement of aging ITS infrastructure; monitoring occupation rates for student residences and implementation of the student residences strategy; student safety and well-being. The risk register is monitored by the Vice-Chancellor's Group and reported to the Audit Committee and the Board of Governors at regular intervals during the year.

The annual financial risk and contingency planning workshop was held on 20 May 2021, to identify the key risks to the University's finances in 2021/-22 to 2025/-26. It was attended by senior and operational managers and a member of the governing body. The risks focussed on Home, EU and International recruitment; student residences' void rates; the objective structured clinical examination for nurses (NMC test of competence) income stream; bursary and hardship funds; and staff vacancy rates. The workshop output identified net financial exposure of £5.4m in 2021/22 which when assessed for likelihood was £4.9m. The total gross financial exposure was identified as £12.6m. A plan of the key corrective actions that could be taken if they occur is proposed in the Financial Risk Assessment. This position compares with the financial risk evaluated in the October 2020/21 updated plan of £3.4m with



an estimated total financial exposure of £8m and a risk level of £2m identified in 2019/20.

The workshop also discussed and assessed external exceptional risks, revenue and capital, where timing and impact are unknown. It was recognised that it is difficult to apply the usual risk assessment methodologies due to the level of uncertainty around the impact and timing on these issues. Therefore, broad assumptions have to be made.

The assessment indicates that there is no significant risk associated with the disposal of the Wheatley campus impacting the first two years of the financial plans and there is a medium rated opportunity for the sale value to be above the value recorded in the plans. The potential for the financial plan to be impacted by any delay to the Clive Booth Student Village intensification project is now more likely and is being analysed in terms of options and impact on future years of the plan. Other risks deemed to be manageable through proactive action are: the Augar review; the Universities Superannuation Scheme crystallisation of section 75 debt and increases in contribution rates; and the potential for the Student Union staff pension scheme to require University backing. These risks are included as part of the University's strategic risk management process and will be proactively managed and monitored.

External events

The University will analyse any announcements made by the Government which impact the future funding of the Higher Education Institutes in the Chancellor's statement on 27 October 2021 including any outcomes from the Augar review, and other anticipated changes which will have a direct or indirect impact, such as lowering the salary threshold of when students are required to start paying back their loans.

The University is offering scholarships to EU students joining in 2021/22 to ensure that the University continues to be attractive to EU students who previously benefited from the student fee loan. So far 122.5 full time equivalent EU students have enrolled, and a further 94.5 fte are eligible to enrol and await visa checks or have not yet completed enrolment. EU students in previous years have been around 350.

The Recovery Steering Group, set up by the University to manage and coordinate key decisions, actions and communications arising from the impact of Covid-19, continues to meet. A £0.8m contingency fund is available in 2020/21, this was increased from prior years to allow for unforeseen Covid-19 cost pressures.

Treasury management

Treasury management presents a challenge especially since the Bank of England lowered the base rate to 0.1% in March 2020, which has worsened the rates of interest offered on deposits during 2020-21. The University Treasury Management Strategy for cash management remains constrained by interest rates obtainable from the UK banks (A-AAA rated) in line with its low risk strategy and conservation of capital value. The University seeks to make the best available returns within these parameters. The average cash balances held in the year 2020/21 were £118.9m and the return on investments for the period was £0.469m, which was 0.36% compared to 0.77% in the previous year. Of this £0.434m is attributable to the £75m private placement and the remaining £0.035m to cash balances. The return on the £0.25m endowment fund was £0.0537m.

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

An update of the Treasury Management Policy and Strategy is currently being progressed, with recommendations incorporated from a recent Treasury Management internal audit report. The treasury management performance and compliance with policy is reported in the Treasury Management Strategy to the Finance and Resources Committee on an annual basis.

Internal Control Environment

The University operates a strong internal control environment. The internal audit contract with PwC has been extended for a year up to 2022/23. The annual audit programme is agreed through discussion with governors and senior staff. This annual plan which includes the draft forward plan for 2022/23 is agreed with and reported to the Audit Committee. The Audit Committee meets four times a year, and receives the latest audit reports as well as follow up reporting on previous report recommendations. PwC findings in 2020/21 included 4 low, 5 medium and 2 advisory rated internal audit reports. The University ensures that the actions arising from these reports are implemented and reports on progress to the Audit Committee.

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

It was noted that the University had been unable to renew its cyber security insurance, which was the case for most other universities and that although the University is taking action to improve its IT resilience, a successful cyber attack cannot be ruled out, so a mitigation plan will be put in place. The Cyber and Remote Working internal audit report was presented to the June Audit Committee. It was assessed by PwC as a medium risk which PwC reported was better than the majority of universities they had audited, who were rated as a high risk. The Chief Information Officer is continuing the implementation of the Information Security Management Strategy and will periodically check the market as the maturity of our cyber defences improves, with the intention of securing cover in the future.

Going concern

Financial sustainability remains central to all future planning. The end of year cash position is £128m. This is an improvement of £23.5m on the 2020/21 forecast and a £26m improvement on the budget. Whilst it results partly from slippage in the capital programme (£28m), it is not anticipated that this will all be required in 2021/22. The additional cash carried forward, actions being taken to slow non-urgent staff recruitment and expenditure to offset the income shortfall in 2021/22, together with the ability to delay other parts of the capital programme, means that covenants will be comfortably met.

Looking beyond 2021/22, the University's five-year financial plans demonstrate that it is operating on a going concern basis and will comply with its covenants. There are key mitigations in place to avoid any breach from occurring, including: circa £55m of unallocated cash identified as 'Headroom Available for Investment' which is yet to be prioritised and can be delayed, of which £13m relates to 2023/24; £26m increase in cash funds carried forward from 2020/21; a potential increase in the Wheatley sale receipt.

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

The University continues to meet its scheduled repayments and remains compliant with its covenants that are attached to the externally raised debt. The 2021/22 Financial Plan and forecasts show that this will continue to be the case.

In making these statements, the Board of Governors has considered the Going Concern Report from the Chief Finance Officer and they consider that the University is a going concern from the date of approval of the Financial Statements on 14 December 2021 for the following 12 months.

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

Conclusion

Student recruitment in 2021/22 presents a challenge. An analysis of the cause is underway, to enable plans to recover the position in future years. The University will continue to operate its tight control on finances which helped secure an improved surplus on the plan and the previous year's surplus before year end adjustments. The University continues to focus on the 2035 Strategy and new branding which together will strengthen student experience and recruitment, and is ready to respond to the Government's anticipated announcements on the future of HEI funding including the impact of the Augar review, and new and emerging trends in university education courses and delivery. The Estates Investment Plan, Halls Investment Plan and IT Investment will be designed to support these changes. This will ensure sustainable growth, continuous improvement in its teaching, research and knowledge exchange delivery and will secure ongoing financial sustainability. The University looks forward with optimism and retains the flexibility and financial sustainability to withstand external shocks and events.

Public benefit

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

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

Encouraging progression to university for under-represented groups

Oxford Brookes continues to deliver a comprehensive programme of activity to raise awareness of higher education and to support students from under-represented groups who have the academic ability and potential to succeed and progress to university. We work with students from as young as age 10, through key transition points in their educational journey. We have continued to deliver our activity remotely during Covid-19, launching free, open access online resources to support students who are considering higher education.

One of our flagship programmes is Brookes Engage, an 18-month programme of monthly activities designed to help students in Years 12 and 13 make a successful transition to university. This year we have launched a parallel national programme, Discover Brookes, which will broaden the geographical reach of our work.

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

Study Higher aims to increase the number of young people from disadvantaged backgrounds in higher education by delivering outreach events and activities in targeted schools and colleges. Since the partnership started in its current form in 2017, we have worked with over 18,000 students across Berkshire, Buckinghamshire, Oxfordshire and Swindon through a range of collaborative projects.

A key strand of Study Higher's work is having dedicated staff who work closely with schools and colleges to develop opportunities for school outreach work, and who deliver regular mentoring or guidance sessions to target students. In addition, the universities and further education colleges which make up Study Higher, deliver a wide range of activities including summer schools and taster days.

Providing alternative ways to access Higher Education

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

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

Financial support

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

During the 2020/21 financial year, support from Oxford Brookes included:

- Oxford Brookes bursaries and scholarships – £4.96m to 3,201 students
- Additional financial aid:
 - Home student hardship fund (undergraduate) – £753k
 - OfS additional hardship fund – £618k
 - International student fund – £176k
 - Home student hardship fund (postgraduate) – £42k
 - Disability financial aid – £38k
 - Springhill – £9k
 - Disability support equipment funding – £6k.

Corporate Governance and Internal Control

Introduction

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

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

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

The Board of Governors

The Board of Governors, which meets formally five times a year, is responsible for the University's long-term objectives and for strategies in relation to the educational character and mission of the University and for providing overall financial and organisational control. The Board comprises 14 (independent) Governors, the Chief Executive (the Vice-Chancellor), two Governors representing university staff teaching and non-teaching, and the President of the Students' Union. There is a clear separation of the role of the non-executive Chair from that of the Vice-Chancellor.

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

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

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

Vice-Chancellor's Group

The Vice-Chancellor's Group comprises the Vice-Chancellor, two Pro-Vice-Chancellors with specific responsibility for the student and staff experience and for research and global partnerships, respectively, the Registrar and Chief Operating Officer, the four Pro-Vice-Chancellor Deans of Faculty, the Chief Financial Officer and the Director of Human Resources. The team meets formally on a weekly basis.

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

Finance and Resources Committee

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

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

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

Audit Committee

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

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

- the existence of satisfactory arrangements to promote economy, efficiency and effectiveness
- the approval of the financial statements
- the systems and processes whereby assurance is obtained on the quality of all data returns.

Remuneration Committee

The Remuneration Committee meets as necessary to review the policy for the remuneration of the senior staff appointed by the Board of Governors. Membership consists of four independent Governors. The Vice-Chancellor attends at the request of the committee for specific matters. The Vice-Chancellor is excluded from matters concerning his own remuneration.

People Committee

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

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

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

Nominations Committee

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

Academic Board

The Academic Board of the University is chaired by the Vice-Chancellor and comprises representatives of both the academic and related areas of the University, a proportion of whom are elected representatives. The Pro-Vice-Chancellor for Student and Staff Experience carried out a review of the governance of student experience groups across the University, with a view to improving the coherence and efficiency of the structures for decision-making and action. The new committee structure was approved at the Academic Board meeting on the 30 October 2018. The Academic Board is responsible for:

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

Internal control

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

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash-flow budgets



- regular reviews of academic performance and monthly reviews of financial results involving variance reporting and quarterly updates of the forecast outturn
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review
- comprehensive financial regulations, detailing financial controls and procedures, approved by the Finance and Resources Committee and the Board of Governors
- a professional internal audit team whose annual programme is approved by the Audit Committee.

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

Charitable status

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

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

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that the financial statements are prepared in accordance with the powers and duties of previous legislation. These are the Education Reform Act 1988, Further and Higher Education Act 1992 and the Higher Education Act 2004. They must also comply with the Regulatory Framework issued by the OfS in April 2018 and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015, and applicable United Kingdom Law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102. The Board, through its designated office-holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the institutional surplus or deficit and cash flows for that year.

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

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable UK law and accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- financial statements are prepared on the going-concern basis unless it is inappropriate to presume that Oxford Brookes University will continue in operation. The Board is satisfied that the University has adequate resources to continue in operation for the foreseeable future; for this

reason the going-concern basis continues to be adopted in the preparation of the financial statements.

The Board has taken reasonable steps to ensure the University:

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

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



Disclosure of information to auditors

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

Risk management

The University's strategic risk management process continues to provide effective systems for the identification of the major strategic and financial risks facing the University. During 2019/20 the VCG, Audit Committee and Board of Governors monitored the highest level strategic risks whilst other risks continued to be managed as part of the established management arrangements.

The key financial risks which materialised in the year had been identified in the financial risk and contingency workshops held in May with the marked exception of the Covid pandemic. As this was an event rather than a risk the University put into action the Major Incident Team initially, moving to the establishment of a Covid Recovery Team. Work to manage the impact of Covid remains in place since March given its continuance. The key elements of the University's approach during the year (excepting Covid), designed to discharge the responsibilities of the Board of Governors were:

- a review of the University's approach and attitude to risk. This included active participation from senior management and the Board of Governors
- two workshops to identify evaluate and categorise by severity, risks which impacted on the achievement of strategic objectives
- the production of a new risk register
- the development of risk improvement plans to address the highest categories of risk and the confirmation of the delegation of responsibility to manage the less significant risks
- regular monitoring by the VCG of the risk register and of the implementation of improvement plans for the eight highest severity risks
- regular meetings of the Risk Management Working Group, a small group of senior managers, chaired by the Registrar and Chief Operating Officer, to review the output of the risk management process and to consider improvements and developments to the process itself and the development of additional risk management procedures at an operational

level. The Group has no delegated authority itself but provides an effective forum to allow the Registrar and the Director of Finance and Legal Services to fulfil their responsibilities

- regular reports both to the Board and the Audit Committee on the development of the process, the most severe risks and progress with improvement plans
- high level involvement and support which included the Vice-Chancellor taking an active part in one of the risk workshops and chairing the VCG which considered the risk register and improvement plans and other reports on key aspects of the University's performance. Several members of the VCG and most Directors took an active part in at least one of the various workshops
- that the Internal Audit team based their plan of work on the University's risk analysis, modified by their assessment. In addition, the Internal Audit Team reviewed the University's system of risk management
- a workshop convened to specifically review the main risks to the University's financial plans, and to predetermine what actions might be taken if certain events occurred
- a series of workshops to produce new risk registers and improvement plans for each directorate.

Risk management procedures also considered threats arising from the Covid pandemic and incorporated those into processes, as appropriate.

Review of the effectiveness of internal control and risk management

At its meeting in December 2021 the Board of Governors consider the effectiveness of the arrangements for internal control and risk management that have been in place for the financial year to 31 July 2021 and up to the date of signing the annual financial statements. The Board of Governors came to a conclusion, based upon the Annual Report of the Audit Committee and other internal audit and management assurances, regarding whether the arrangements in place were satisfactory to provide effective internal control and risk management throughout this time. The conclusion reached at the meeting was one of adequate assurance.

Going concern

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



Peter Vicary-Smith
Chair of Governors



Professor Alistair Fitt
Vice-Chancellor

Independent Auditors' Report

Opinion

We have audited the financial statements of Oxford Brookes University ('the University') and its subsidiaries ('the Group') for the year ended 31 July 2021 which comprise the Consolidated and University Statement of Comprehensive Income, the Consolidated and University Statement of Changes in Reserves, the Consolidated and University Statement of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and University's affairs as at 31 July 2021 and of the Group's and University's income and expenditure, gains and losses, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Statement of Recommended Practice – Accounting for Further and Higher Education.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Board of Governors is responsible for the other information. The other information comprises the information included in

the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of Board of Governors

As explained more fully in the Statement of Responsibilities of the Board of Governors set out on page 20, the Board of Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Governors are responsible for assessing the Group and University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Governors either intend to liquidate all or part of the University Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the University Group and its operations, we identified that the principal risks of non-compliance with laws and regulations related to the OfS requirements, UK tax legislation, pensions legislation, employment regulation and

health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the OfS Accounts Direction.

We evaluated the Board of Governors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to loss reserves, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Board of Governors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the University Group which were contrary to applicable laws and regulations, including fraud.

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

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

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

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

Other Required Reporting

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

In our opinion, in all material respects:

- funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the OfS's accounts direction have been met.

Matters on which we are required to report by exception

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

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

Use of the audit report

This report is made solely to the Governing Body as a body in accordance with University's Supplemental Royal Charter and its Schedule of Bye-Laws and the Governing Body's Statement of Primary Responsibilities. Our audit work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and Academy and the Governing Body, as a body, for our audit work, for this report, or for the opinions we have formed.

Mazars LLP

DRA Bott (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street, Bristol, BS1 6DP

22 December 2021

Financial statements

Consolidated and University statement of comprehensive income and expenditure for the year ended 31 July 2021

	Note	Year ended 31 July 2021		Year ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	1	142,757	142,757	133,166	133,166
Funding body grants	2	17,074	17,074	17,058	17,058
Research grants and contracts	3	6,324	6,324	6,212	6,212
Other income	4	40,456	38,568	41,263	39,619
Investment income	5	35	35	182	182
Donations and endowments	6	518	518	701	701
Total income		207,164	205,276	198,582	196,938
Expenditure					
Staff costs	7	121,263	120,466	116,264	115,471
Other operating expenses	10	64,160	63,087	65,579	64,743
Depreciation, amortisation and impairment	11,12	17,081	17,063	17,517	17,502
Interest and other finance costs	8	8,169	8,169	8,647	8,647
Total expenditure	9	210,673	208,785	208,007	206,363
Deficit before other gains and losses		(3,509)	(3,509)	(9,425)	(9,425)
(Loss) on disposal of fixed assets	11, 12	(2,115)	(2,115)	(656)	(656)
Gain (Loss) on investments		54	54	5	5
Deficit before tax		(5,570)	(5,570)	(10,076)	(10,076)
Taxation		-	-	-	-
(Deficit) / Surplus for the year		(5,570)	(5,570)	(10,076)	(10,076)
Actuarial (loss) / gain in respect of pension schemes	29	52,952	52,952	(28,278)	(28,278)
Total comprehensive (expense) income for the year		47,382	47,382	(38,354)	(38,354)
Represented by:					
Endowment comprehensive (expense) for the year		(89)	(89)	(105)	(105)
Restricted comprehensive income for the year		(153)	(153)	(1)	(1)
Unrestricted comprehensive income for the year		48,230	48,230	(37,642)	(37,642)
Revaluation reserve comprehensive income for the year		(606)	(606)	(606)	(606)
Attributable to the University		47,382	47,382	(38,354)	(38,354)
Attributable to the non-controlling interest		-	-	-	-
		47,382	47,382	(38,354)	(38,354)

Consolidated and University statement of change in reserves for the year ended 31 July 2021

Consolidated	Income and expenditure account			Revaluation reserve	Total
	<i>Endowment</i>	<i>Restricted</i>	<i>Unrestricted</i>		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2019	1,433	1,025	40,500	100,744	143,702
Deficit from the income and expenditure statement	(105)	(1)	(9,970)	-	(10,076)
Other comprehensive income	-	-	(28,278)	-	(28,278)
Transfers between revaluation and income and expenditure reserve	-	-	606	(606)	-
Release of endowment and restricted capital funds spent in year	-	-	-	-	-
Total comprehensive expense for the year	(105)	(1)	(37,642)	(606)	(38,354)
Balance at 1 August 2020	1,328	1,024	2,858	100,138	105,348
Surplus/(deficit) from the income and expenditure statement	(89)	(153)	(5,328)	-	(5,570)
Other comprehensive income	-	-	52,952	-	52,952
Transfers between revaluation and income and expenditure reserve	-	-	607	(607)	-
Release of endowment and restricted capital funds spent in year	-	-	-	-	-
Total comprehensive income for the year	(89)	(153)	48,231	(607)	47,382
Balance at 31 July 2021	1,240	871	51,089	99,531	152,730
University	Income and expenditure account			Revaluation reserve	Total
	<i>Endowment</i>	<i>Restricted</i>	<i>Unrestricted</i>		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2019	1,433	1,025	40,409	100,744	143,611
Deficit from the income and expenditure statement	(105)	(1)	(9,970)	-	(10,076)
Other comprehensive income	-	-	(28,278)	-	(28,278)
Transfers between revaluation and income and expenditure reserve	-	-	606	(606)	-
Release of endowment and restricted capital funds spent in year	-	-	-	-	-
Total comprehensive expense for the year	(105)	(1)	(37,642)	(606)	(38,354)
Balance at 1 August 2020	1,328	1,024	2,767	100,138	105,257
(Deficit)/surplus from the income and expenditure statement	(89)	(153)	(5,328)	-	(5,570)
Other comprehensive income	-	-	52,952	-	52,952
Transfers between revaluation and income and expenditure reserve	-	-	607	(607)	-
Release of endowment and restricted capital funds spent in year	-	-	-	-	-
Total comprehensive income for the year	(89)	(153)	48,231	(607)	47,382
Balance at 31 July 2021	1,240	871	50,998	99,531	152,639

Consolidated and University Statement of Financial Position as at 31 July 2021

	Note	Year ended 31 July 2021		Year ended 31 July 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Intangible assets	11	12,444	12,444	13,145	13,145
Fixed assets	12	404,382	403,907	407,153	406,662
Investments	14	194	644	104	554
		<u>417,020</u>	<u>416,995</u>	<u>420,402</u>	<u>420,361</u>
Current assets					
Stock	15	34	11	30	9
Trade and other receivables	16	11,836	12,903	11,090	12,295
Investments	17	29,501	29,501	70,557	70,557
Cash and cash equivalents	24	98,249	96,558	37,528	35,725
		<u>139,620</u>	<u>138,973</u>	<u>119,205</u>	<u>118,586</u>
Less: Creditors: amounts falling due within one year	18	(44,965)	(44,387)	(37,422)	(36,853)
Net current assets		94,656	94,586	81,783	81,733
Total assets less current liabilities		511,676	511,581	502,185	502,094
Creditors: amounts falling due after more than one year	19	(220,444)	(220,444)	(222,115)	(222,115)
Provisions					
Pension provisions	21	(138,500)	(138,500)	(173,929)	(173,929)
Other provisions	21	-	-	(793)	(793)
Total net assets		152,731	152,638	105,348	105,257
Restricted Reserves					
Income and expenditure reserve – endowment reserve	22	1,240	1,240	1,328	1,328
Income and expenditure reserve – restricted reserve	23	871	871	1,024	1,024
Unrestricted Reserves					
Income and expenditure reserve – unrestricted		51,089	50,998	2,858	2,767
Revaluation reserve		99,531	99,531	100,138	100,138
Total Reserves		152,731	152,638	105,348	105,257

The financial statements on pages 26 to 56 were approved by the Board of Directors on 21 December 2021 and signed on its behalf by:



Peter Vicary-Smith
Chair of Governors



Professor Alistair Fitt
Vice-Chancellor

Consolidated cash flow statement for the year ended 31 July 2021

	Note	Year ended 31 July 2021 £'000	Year ended 31 July 2020 £'000
Cash flow from operating activities			
(Deficit) for the year before tax		(5,570)	(10,076)
Adjustment for non-cash items			
Depreciation	12	15,466	15,878
Amortisation of intangibles	11	1,615	1,639
Loss on disposal of fixed assets	12	2,115	656
Service concession lease premium	13	(125)	(125)
(Increase)/decrease in stock	15	(4)	118
(Increase) in debtors		(786)	60
(Decrease)/increase in creditors		7,038	5,053
Increase in pension provision		17,523	11,515
(Decrease)/increase in general provision	21	(793)	-
Adjustment for investing or financing activities			
Investment income	5	(35)	(182)
Interest payable	8	5,644	5,736
Endowment income	22	(77)	(151)
Capital grant income		(1,231)	(1,847)
Net cash inflow from operating activities		40,779	28,274
Cash flows from investing activities			
Capital grants receipts		1,532	1,191
Investment income	5	35	195
Withdrawal of deposits	17	41,056	9,844
New deposits		-	-
Payments made to acquire tangible assets		(11,123)	(10,967)
Payments made to acquire intangible assets		(1,213)	(2,901)
Proceeds from sale of tangible assets		-	25
Net cash inflow / (outflow) used in investing activities		30,286	(2,613)
Cash flows from financing activities			
Interest paid		(5,480)	(5,573)
Interest element of finance lease and service concession payments	8	(164)	(164)
New endowments	22	77	151
New unsecured loans		-	-
Repayments of amounts borrowed		(1,603)	(1,542)
Capital element of finance lease and service concession payments	13	(3,174)	(3,133)
Net cash inflow (outflow) used in financing activities		(10,344)	(10,261)
Increase in cash and cash equivalents in the year		60,721	15,400
Cash and cash equivalents at beginning of the year	24	37,528	22,128
Cash and cash equivalents at end of the year	24	98,249	37,528

Basis of Preparation

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

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2021. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of income and expenditure from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

Associated companies and joint ventures are accounted for using the equity method.

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

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

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

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

Going Concern

Financial sustainability remains central to all future planning. The end of year cash position is £128m. This is an improvement of £23.5m on the 2020/21 forecast and a £26m improvement on the budget. Whilst it results partly from slippage in the capital programme (£28m), it is not anticipated that this will all be required in 2021/22. The additional cash carried forward, actions being taken to slow non-urgent staff recruitment and expenditure to offset the income shortfall in 2021/22, together with the ability to delay other parts of the capital programme, means that covenants will be comfortably met.

Looking beyond 2021/22, the University's five-year financial plans demonstrate that it is operating on a going concern basis and will comply with its covenants. There are key mitigations in place to avoid any breach from occurring, including: circa £55m of unallocated cash identified as 'Headroom Available for Investment' which is yet to be prioritised and can be delayed, of which £13m relates to 2023/24; £26m increase in cash funds carried forward from 2020/21; a potential increase in the Wheatley sale receipt.

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

The University continues to meet its scheduled repayments and remains compliant with its covenants that are attached to the externally raised debt. The 2021/22 Financial Plan and forecasts show that this will continue to be the case.

In making these statements, the Board of Governors has considered the Going Concern Report from the Chief Finance Officer and they consider that the University is a going concern from the date of approval of the Financial Statements on 14 December 2021 for the following 12 months.

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

Grant funding

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

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

Donations and endowments

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

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

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

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

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

Capital grants

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

Accounting for retirement benefits

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

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

The assets of the LGPS are measured using closing market values. LGPS liabilities are measured using the projected unit method and discounted at the current rate of return on high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from the employee service in the year is charged to staff costs and the interest on the liabilities

is charged to interest and other finance costs to the operating surplus in The Consolidated Statement of Comprehensive Income and Expenditure. Actuarial gains and losses are also recognised in The Consolidated Statement of Comprehensive Income and Expenditure.

Defined Benefit Plan

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

Employment benefits

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

Finance leases

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

Service Concession Arrangements

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

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

Operating leases

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

Foreign currency

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

Fixed assets

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

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

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

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

Land and buildings

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

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

Freehold buildings, including refurbishments - 10 to 50 years

Long Leasehold property - the lower of the length of the lease, the life of the building, or 50 years

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

Equipment

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

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

Equipment - 3 to 10 years

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

Borrowing costs

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

Intangible assets

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

Impairment

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

Financial instruments

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

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

- *Investments*

Investments are measured at cost less impairment.

Non-current asset investments are held on the Balance Sheet at amortised cost less impairment.

Current asset investments are held at fair value with movements recognised in the Surplus or Deficit.

- *Short-term debtors and creditors*

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

- *Loans*

Loans which are basic financial instruments are initially recorded at transaction price, net of transaction costs.

Subsequently, they are measured at amortised cost using the effective interest method.

Investment in subsidiary

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

Stock

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

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

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

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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

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

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

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

Taxation

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

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

Reserves

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

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

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

Critical accounting judgements and estimation uncertainty

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

Defined benefit pension schemes (note 29)

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

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

Service Concession (note 13)

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

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

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

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

Revaluation of Land

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

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

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

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

Notes to the financial statements

1 Tuition fees and education contracts

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Full-time home and EU undergraduate students	97,777	97,777	92,117	92,117
Part-time home and EU undergraduate students	1,118	1,118	1,105	1,105
Full-time home and EU postgraduate students	8,021	8,021	6,727	6,727
Part-time home and EU postgraduate students	5,687	5,687	4,578	4,578
International students	27,363	27,363	24,517	24,517
Health Authorities	420	420	1,889	1,889
Other course fees	1,438	1,438	948	948
Research student tuition fees	883	883	894	894
Further Education	50	50	391	391
	142,757	142,757	133,166	133,166

2 Funding body grants

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Recurrent grant				
Office for Students	5,870	5,870	5,725	5,725
Research England	5,569	5,569	5,555	5,555
Education and Skills Funding Agency	474	474	335	335
Specific grants				
Higher Education Academic Subject Centres	1,634	1,634	1,944	1,944
Higher Education Innovation Fund	2,016	2,016	1,404	1,404
Release of Capital grant	1,231	1,231	1,847	1,847
Other	280	280	248	248
	17,074	17,074	17,058	17,058

3 Research grants and contracts

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Research Councils	3,178	3,178	2,313	2,313
UK-based charities	982	982	1,194	1,194
UK Central Government, Local Authorities	1,321	1,321	943	943
UK Industry, commerce, Public Corporations	59	59	322	322
European Commission	506	506	1,173	1,173
EU other	187	187	166	166
Other overseas	90	90	101	101
	6,323	6,323	6,212	6,212

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

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Grant and Fee income				
Grant income from the OfS	8,735	8,735	9,265	9,265
Grant income from other bodies	14,662	14,662	14,005	14,005
Fee income for research awards (exclusive of Vat)	883	883	894	894
Fee income from non-qualifying courses (exclusive of Vat)	1,488	1,488	1,339	1,339
Fee income for taught awards (exclusive of Vat)	140,386	140,386	130,933	130,933
	166,154	166,154	156,436	156,436

4 Other income

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Residences, catering and conferences	17,859	16,736	22,319	21,811
Other income	22,597	21,832	18,944	17,808
	40,456	38,568	41,263	39,619

5 Investment income

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Investment income on endowments	5	5	7	7
Other investment income	30	30	175	175
	35	35	182	182

6 Donations and endowments

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
New endowments	77	77	151	151
Donations with restrictions	399	399	447	447
Unrestricted donations	41	41	103	103
	518	518	701	701

7 Staff costs

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Staff Costs :				
Salaries	82,531	81,733	83,446	82,653
Social security costs	8,834	8,834	8,834	8,834
Severance payments	92	92	628	628
Movement on USS provision	(150)	(150)	(1,259)	(1,259)
Movement on LGPS provision	15,149	15,149	9,864	9,864
Other pension costs	14,808	14,808	14,751	14,751
Total	121,264	120,466	116,264	115,471

In 2021 17 (2020 33) members of staff received severance payments.

	Year ended 31 July 2021	Year ended 31 July 2020
Emoluments of the Vice-Chancellor:	£	£
Salary		
Professor Alistair Fitt	233,300	233,300
Pension contributions to USS		
Professor Alistair Fitt	4,666	4,705
	237,966	238,005

The Vice Chancellor did not receive an athenaeum subscription (2020 £2,830).

Justification of Vice-Chancellor's salary

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

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

Median Pay Ratios

- The head of the provider's basic salary is 6.8 times the median pay of staff (2020 8.4), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The head of the provider's total remuneration is 5.9 times the median total remuneration of staff (2020 7.4), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

7 Staff costs continued

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

	Year ended 31 July 2021	Year ended 31 July 2020
	No.	No.
£100,000 to £109,999	-	-
£110,000 to £119,999	2	2
£120,000 to £129,999	3	3
£130,000 to £139,999	7	5
£140,000 to £149,999	-	-
£150,000 to £159,999	-	-
£160,000 to £169,999	1	1
£170,000 to £229,999	-	-
£230,000 to £239,999	1	1
	<u>14</u>	<u>12</u>
Average staff numbers by major category :	No.	No.
Teaching and research including management	1,008	987
Associate lecturers	1,068	939
Support	1,415	1,523
	<u>3,491</u>	<u>3,449</u>

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

£7.4k compensation paid (2020:£0k) for loss of office payable to a senior post-holder.

Key management personnel

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

	Year ended 31 July 2021	Year ended 31 July 2020
	£'000	£'000
Key management personnel compensation	1,460	1,451
Access and Participation	Year ended 31 July 2021	Year ended 31 July 2020
	£'000	£'000
Access Investment	824	870
Financial Support	70	66
Disability Support (excluding expenditure included in the two categories above)	486	799
Research and Evaluation	130	117
	<u>1,510</u>	<u>1,852</u>

7 Staff costs continued

Related Party Transactions

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

Professor Alistair Fitt

Vice-Chancellor of Oxford Brookes University:

Employed by Oxford Brookes University.

Director of The Office of the Independent Adjudicator for Higher Education

Purchase transactions of £120.5k (2020:£114.7k) during the year and nil outstanding at 31 July 2021 (2020:nil).

There were no sales transactions during the year (2020:nil)

Director of Venturefest Oxford Ltd

There were no purchase transactions during the year (2020:£1.1k). There were no sales transactions during the year (2020:£3.6k).

Director of Oxfordshire Local Enterprise Partnership Ltd

Purchase transactions of £6k (2020:£10.3k) during the year and nil outstanding at 31 July 2021 (2020:nil). There were no sales transactions during the year (2020:£5.5k).

Director of The Oxford Trust

There were no purchase transactions during the year (2020:£0.1k). There were no sales transactions during the year (2020:£2.1k).

Director of Oxford Expression Technologies Ltd

Purchase transactions of £3.5k (2020:nil) during the year and nil outstanding at 31 July 2021 (2020:nil). There were no sales transactions during the year (2020:£142.1k).

Director of University Alliance

Purchase transactions of £48.5k (2020:£48.5k) during the year and £48.5k outstanding at 31 July 2021 (2020:nil). There were no sales transactions during the year (2020:£0.2k).

Professor Anne Trefethen

Spouse of Alistair Fitt (Vice-Chancellor)

PVC and Trustee of Oxford University

Purchase transactions of £196k during the year (2020:£351.6k) and £26k outstanding at the 31 July 2021 (2020:nil). Sales transactions of £0.6k (2020:£223.3k) during the year and £0.5k outstanding at 31 July 2021 (2020:£153.6k).

Director of JISC, Eduserv

Purchase transactions of £476k (2020:£395k) during the year and £26.3k outstanding at 31 July 2021 (2020:£6.3k). Sales transactions of £6.6k (2020:nil) during the year and nil outstanding at 31 July 2021 (2020:nil).

Dr Roger Dalrymple, Governor

Consultant at Advance HE

Purchase transactions of £54.6k during the year (2020:£86k) and nil outstanding at the 31 July 2021 (2020:nil).

Sales transactions of £1.6k (2020:nil) during the year and nil outstanding at 31 July 2021 (2020:nil).

Paul Feldman, Governor

CEO of JISC

Purchase transactions of £476k (2020:£395k) during the year and £26.3k outstanding at 31 July 2021 (2020:£6.3k).

Sales transactions of £6.6k (2020:nil) during the year and nil outstanding at 31 July 2021 (2020:nil).

Independent Governor of Pearson College

Purchase transactions of £22.5k during the year (2020:£16.1k) and nil outstanding at the 31 July 2021 (2020:nil). Sales transactions of £1.8k (2020:£1.8k) during the year and nil outstanding at 31 July 2021 (2020:nil).

Khondker Osama Rahman, Governor

Chief Analyst and Chief Scientific Advisor of Department for Education

There were no purchase transactions during the year (2020:nil). Sales transactions of £16.9k (2020:£211k) during the year and nil outstanding at 31 July 2021 (2020:nil).

Simon Jones, Governor

Member of audit committee at JISC

Purchase transactions of £196k during the year (2020:£351.6k) and £26k outstanding at the 31 July 2021 (2020:nil). Sales transactions of £0.6k (2020:£223.3k) during the year and £0.5k outstanding at 31 July 2021 (2020:£153.6k).

Co-Opted Governor, St Michael's Primary School

Purchase transactions of £3.9k during the year (2020:£1k) and nil outstanding at the 31 July 2021 (2020:nil). Sales transactions of £0.4k (2020:£0.4k) during the year and nil outstanding at 31 July 2021 (2020:nil).

Lucy Weston

Non-Executive Director of Oxford Health NHS Foundation Trust

Purchase transactions of £29k during the year (2020:£52.5k) and nil outstanding at the 31 July 2021 (2020:nil). Sales transactions of £356k (2020:£71k) during the year and £6k outstanding at 31 July 2021 (2020:nil).

8 Interest and other finance costs

	Notes	Year ended 31 July 2021		Year ended 31 July 2020	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Loan interest		5,479	5,479	5,572	5,572
Finance lease interest (service concession finance charge)	13	164	164	164	164
Net charge on pension scheme	29	2,525	2,525	2,911	2,911
		8,168	8,168	8,647	8,647

9 Analysis of total expenditure by activity

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Academic and related expenditure	80,239	78,813	77,019	75,648
Administration and central services	77,532	77,387	71,982	71,954
Premises (including service concession cost)	26,853	26,957	29,455	29,546
Residences, catering and conferences	17,859	17,463	20,376	20,063
Research grants and contracts	6,224	6,199	6,652	6,630
Other expenses	1,966	1,966	2,522	2,522
	210,673	208,785	208,007	206,363

Access and Participation

Access Investment	879	879	965	965
Financial Support	5,838	5,838	5,659	5,659
Disability Support	402	402	421	421
Research and Evaluation (i)	139	139	115	115
	7,258	7,258	7,160	7,160

(i) 1,510k of these costs are already included in the overall staff costs figures included in the financial statements, see note 7

Link to Access and Participation Plan
www.brookes.ac.uk/documents/about/structure-and-governance/access-and-participation-plan-2020-2025

10 Other operating expenses

Notes	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Premises related:				
Maintenance	11,857	11,852	10,833	10,802
Rent	5,159	5,244	5,843	5,921
Books, publications and periodicals	1,780	1,780	1,579	1,579
Information technology related equipment; supplies and consumables	5,105	5,052	4,119	4,085
Other equipment supplies and consumables	1,876	1,867	1,794	1,748
Food and catering supplies and services	688	683	2,875	2,836
Stationery, photocopying and printing	795	717	1,074	971
Temporary staff, professional services and consultants	5,422	4,567	5,979	5,489
Other hired and contracted services	9,335	9,335	7,044	7,044
Examiners' fees	49	49	54	48
Communications and marketing	4,297	4,293	3,968	3,958
Placements, teaching practice and educational visits	300	299	174	174
Conferences, training and tuition fees	285	285	839	811
Subscriptions and copyright fees	3,932	3,925	3,822	3,816
Transport and travel related	834	849	3,494	3,409
Student Union grant	1,014	1,014	1,004	1,004
External auditors' remuneration in respect of audit services	108	102	140	134
External auditors' remuneration in respect of other services	-	-	3	-
Internal auditors' remuneration	131	131	77	77
Insurance	462	463	463	463
Bursaries, scholarships and other financial support to student	8,853	8,853	7,606	7,606
Other costs	1,877	1,727	2,795	2,767
	64,159	63,087	65,579	64,743

11 Intangible assets: Software

Consolidated	Intangible assets £'000	Intangible assets in the course of construction £'000	Total £'000
Cost or valuation			
At 1 August 2020	20,181	841	21,022
Additions	668	247	915
Transfers	745	(745)	-
Disposals	(357)	-	(357)
At 31 July 2021	21,237	343	21,580
Accumulated amortisation			
At 1 August 2020	7,877	-	7,877
Charge for the year	1,615	-	1,615
Disposals	(357)	-	(357)
At 31 July 2021	9,136	-	9,136
Net book value			
At 31 July 2021	12,101	343	12,444
At 31 July 2020	12,304	841	13,145
University			
Cost or valuation			
At 1 August 2020	20,140	841	20,981
Restatement of opening balance*	41	-	41
Restated balance 1 August 2020	20,181	841	21,022
Additions in the year	668	247	915
Transfers	745	(745)	-
Disposals	(357)	-	(357)
At 31 July 2021	21,237	343	21,580
Accumulated amortisation			
At 1 August 2019	7,836	-	7,836
Restatement of opening balance*	42	-	42
Restated balance 1 August 2020	7,878	-	7,878
Charge for the year	1,615	-	1,615
Disposals	(357)	-	(357)
At 31 July 2021	9,136	-	9,136
Net book value			
At 31 July 2021	12,101	343	12,444
At 31 July 2020	12,304	841	13,145

*restatement relates to the correction of the opening balance between intangibles and tangible assets (note 12)

12 Tangible assets

Consolidated	Freehold Land and Buildings	Long Leasehold Property	Service Concession Arrangement	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Assets held for resale	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 August 2020	399,543	42,454	3,125	31,210	12,460	55,723	544,515
Additions	3,139	-	3,248	3,184	5,340	133	15,045
Transfers	4,341	-	-	122	(4,463)	-	-
Disposals	(3,506)	-	(3,125)	(2,852)	(90)	(1,379)	(10,952)
At 31 July 2021	403,518	42,454	3,248	31,663	13,248	54,477	548,609
Consisting of valuation as at:							
31 July 2014	50,912	-	-	-	-	27,764	78,676
Cost	352,606	42,454	3,248	31,663	13,248	26,713	469,933
	403,518	42,454	3,248	31,663	13,248	54,477	548,609
Depreciation							
At 1 August 2020	87,713	17,463	-	20,252	-	11,934	137,362
Charge for the year	7,688	1,059	3,125	2,952	-	642	15,466
Disposals	(2,057)	-	(3,125)	(2,827)	-	(593)	(8,601)
At 31 July 2021	93,344	18,522	-	20,377	-	11,984	144,227
Net book value							
At 31 July 2021	310,174	23,932	3,248	11,286	13,248	42,493	404,382
At 31 July 2020	311,831	24,991	3,125	10,958	12,460	43,788	407,153
University							
Cost and valuation							
At 1 August 2020	398,725	42,454	3,125	31,149	12,460	55,723	543,636
Restatement of opening balance*	-	-	-	(42)	-	-	(42)
Restated balance 1 August 2020	398,725	42,454	3,125	31,107	12,460	55,723	543,594
Additions	3,139	-	3,248	3,184	5,340	133	15,045
Transfers	4,341	-	-	122	(4,463)	-	-
Disposals	(3,506)	-	(3,125)	(2,836)	(90)	(1,379)	(10,936)
At 31 July 2021	402,700	42,454	3,248	31,576	13,248	54,477	547,703
Consisting of valuation as at:							
31 July 2014	50,912	-	-	-	-	27,764	78,676
Cost	351,788	42,454	3,248	31,576	13,248	26,713	469,027
	402,700	42,454	3,248	31,576	13,248	54,477	547,703
Depreciation							
At 1 August 2020	87,386	17,463	-	20,191	-	11,934	136,974
Restatement of opening balance*	-	-	-	(41)	-	-	(41)
Restated balance 1 August 2020	87,386	17,463	-	20,150	-	11,934	136,933
Charge for the year	7,671	1,059	3,125	2,952	-	642	15,449
Disposals	(2,057)	-	(3,125)	(2,811)	-	(593)	(8,585)
At 31 July 2021	93,000	18,522	-	20,291	-	11,984	143,797
Net book value							
At 31 July 2021	309,700	23,932	3,248	11,285	13,248	42,493	403,907
At 31 July 2020	311,340	24,991	3,125	10,957	12,460	43,788	406,662

*restatement relates to the correction of the opening balance between intangible and tangible assets (note 11)

12 Tangible assets continued

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

	Year ended 2021 £'000	Year ended 2020 £'000
Cost	1,064	1,030
Accumulated depreciation	(625)	(600)
Charge for year	(48)	(25)
Net book value	391	405

12 Tangible assets continued

Revaluations

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

The following land areas were revalued.

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

Depreciation, amortisation and impairments

	£'000
Fixed assets accumulated depreciation charge for the year	15,466
Intangible assets (software) accumulated amortisation charge for the year	1,615
Impairments	-
Total depreciation, amortisation and impairments	17,081

Assets held for resale

Sale will be subject to satisfactory negotiations and terms on both sides which may mean a longer timescale than originally planned.

13 Service Concession Arrangements

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

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

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

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

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

Movement in Service concession arrangement assets

The asset value of the service concession included in the Balance Sheet as at 31 July 2021 is £3,248k (2020: £3,125k).

Movement in Service concession arrangement liabilities

The total liabilities relating to the service concession included in the Balance Sheet as at 31 July 2021 were £3,248k (2020: £3,125k). The sum of £3,125k was repaid during the year.

Future commitments

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

	Payable in 1 year £'000
Liability repayments	3,248
Finance Charge	171
Service Charge	1,557
Total	4,976

Lease Premium

The value of the remaining unamortised lease premium in long term liabilities as at 31 July 2021 was £3,500k (2020: £3,625k) £125k was released in the year to 31 July 2021 (2020: £125k).

14 Non-Current Investments

Consolidated	Subsidiary companies	Other fixed assets investments	Total
	£'000	£'000	£'000
At 1 August 2020	-	104	104
At 31 July 2021	-	194	194
University	£'000	£'000	£'000
At 1 August 2020	450	104	554
At 31 July 2021	450	194	644
Other non-current investments consist of :			Consolidated and University
Oxford Expression Technologies			70
CVCP Properties plc			34
MetaGuideX LTD			90
			<u>194</u>

15 Stock

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Goods held for resale	34	11	30	9
	34	11	30	9

16 Trade and other receivables

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Research grants receivables	1,067	1,067	1,010	1,010
Other trade receivables	3,325	2,725	3,253	2,920
Other receivables	211	185	1,193	1,113
Prepayments and accrued income	7,233	7,233	5,634	5,633
Amounts due from subsidiary companies	-	1,693	-	1,619
	11,836	12,903	11,090	12,295

17 Current investments

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Short term deposits	29,501	29,501	70,557	70,557
	29,501	29,501	70,557	70,557

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

At 31 July 2021 the weighted average interest rate of these fixed rate deposits was 0.35% per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 95 days. The fair value of these deposits was not materially different from the book value.

18 Creditors: amounts falling due within one year

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Unsecured loans	1,647	1,647	1,603	1,603
Obligations under finance leases	46	46	43	43
Service concession arrangements (note 13)	3,248	3,248	3,125	3,125
Trade payables	2,919	2,731	1,422	1,400
Social security and other taxation payable	2,354	2,373	2,226	2,177
Accruals and deferred income	30,962	30,553	25,669	25,171
Other creditors	3,789	3,789	3,334	3,334
	44,965	44,387	37,422	36,853

19 Creditors: amounts falling due after more than one year

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Deferred income	20,847	20,847	20,729	20,729
Lease premium	3,500	3,500	3,625	3,625
Unsecured loans	195,428	195,428	197,074	197,074
Concessionary loans	325	325	325	325
Finance lease	344	344	362	362
	220,444	220,444	222,115	222,115

Analysis of unsecured loans:

Due within one year or on demand (Note 18)	1,647	1,647	1,603	1,603
Due between one and two years	3,477	3,477	3,359	3,359
Due between two and five years	5,680	5,680	5,483	5,483
Due in five years or more	186,270	186,270	188,557	188,557
Due after more than one year	195,427	195,427	197,399	197,399
Total unsecured loans	197,074	197,074	199,002	199,002

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

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

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

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

20 Financial instruments

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Financial assets				
<i>Financial assets that are equity instruments measured at cost less impairment</i>				
Other investments	194	194	104	104
<i>Financial assets that are debt instruments measured at amortised cost</i>				
Trade and other receivables	6,549	7,616	7,154	8,214
	6,743	7,810	7,258	8,318
Financial liabilities measured at amortised cost				
Loans	197,074	197,074	199,002	199,002
Trade and other payables	18,337	18,564	20,115	20,007
	215,411	215,638	219,117	219,009

21 Pension and other provisions

Consolidated	Obligation to fund deficit on USS Pension	Pension scheme provision under FRS102 (note 29b)	Total Pensions Provisions	HESA Provision	Total Other
	£'000	£'000	£'000	£'000	£'000
At 1 August 2020	2,112	171,817	173,929	793	793
Utilised in year	(79)		(79)	(793)	(793)
Additions in 2020/21	(56)	(35,249)	(35,350)		
At 31 July 2021	1,977	136,523	138,500	-	-

University	Obligation to fund deficit on USS Pension	Pension scheme provision under FRS102 (note 29)	Total Pensions Provisions	HESA Provision	Total Other
	£'000	£'000	£'000	£'000	£'000
At 1 August 2020	2,112	171,817	173,929	793	793
Utilised in year	(79)		(79)	(793)	(793)
Additions in 2020/21	(56)	(35,249)	(35,350)		
At 31 July 2021	1,977	136,523	138,500	-	-

USS deficit

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

22 Endowment Reserves

Restricted net assets relating to endowments are as follows:

	Expendable endowments	
	Year ended 31 July 2021	Year ended 31 July 2020
	£'000	£'000
Balance at 1 August 2020	1,328	1,433
New endowments	77	151
Investment income	5	7
Expenditure	(171)	(263)
Total endowment comprehensive income for the year	(89)	(105)
At 31 July 2021	1,240	1,328
Analysis by asset		
Cash & cash equivalents	1,240	1,328
	1,240	1,328

23 Restricted Reserves

Reserves with restrictions are as follows:

	Endowments	
	Year ended 31 July 2021	Year ended 31 July 2020
	£'000	£'000
Balances at 1 August 2020	1,024	1,025
New donations	399	447
Expenditure	(553)	(448)
Total endowment comprehensive income for the year	(153)	(1)
At 31 July 2021	870	1,024

24 Cash and cash equivalents

	Subsidiary £'000	Other fixed £'000	Total £'000
Consolidated			
Cash and cash equivalents	37,528	60,721	98,249
	37,528	60,721	98,249

25 Consolidated reconciliation of net debt

	Year ended 31 July 2021 £'000	Year ended 31 July 2020 £'000
Net debt 1 August 2020	(94,447)	(100,798)
Movement in cash and cash equivalents	60,721	15,400
Movement in current investments	(41,056)	(9,844)
Other non-cash changes	1,819	795
Net debt 31 July 2021	(72,963)	(94,447)
Change in net debt	21,484	6,351
Analysis of net debt:		
	Year ended 31 July 2021 £'000	Year ended 31 July 2020 £'000
Cash and cash equivalents	98,249	37,528
Current Investments	29,501	70,557
Borrowings: amounts falling due within one year		
Unsecured loans	(1,647)	(1,603)
Service concession arrangements (note 13)	(46)	(3,125)
Obligations under finance leases	(3,248)	(43)
	122,809	103,314
Borrowings: amounts falling due after more than one year		
Unsecured loans	(195,428)	(197,399)
Obligations under finance leases	(345)	(362)
Net debt	(72,963)	(94,447)

26 Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2021:

	Year ended 31 July 2021		Year ended 31 July 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Authorised and contracted	7,111	7,111	4,676	4,676
Authorised but not contracted	8,181	8,181	2,289	2,289
	15,292	15,292	6,965	6,965

27 Lease obligations

Total rentals payable under operating leases:

	Year ended 31 July 2021			Total £'000	Year ended 31 July 2020 £'000
	Land and Buildings £'000	Plant and Machinery £'000	Other leases £'000		
Payable during the year	4,580	-	2,313	6,893	6,977
Future minimum lease payments due:					
Not later than 1 year	4,610	-	1,854	6,464	9,043
Later than 1 year and not later than 5 years	5,087	-	52	5,138	3,557
Later than 5 years	51,019	-	-	51,019	51,888
Total lease payments due	60,715	-	1,906	62,621	64,488

28 Subsidiary undertakings

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

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

29 Pension Schemes

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

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

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

	Year Ended 31 July 21 £'000	Year Ended 31 July 20 £'000
TPS: contributions paid	8,215	7,762
LGPS:		
– contributions paid	5,689	5,707
– FRS102 Charge	15,149	9,864
USS		
– contributions paid	998	957
– FRS102	(150)	(1,259)
	29,901	23,031

29a Teachers' Pension Scheme (TPS)

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

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

Pension payments were reviewed in accordance with the Scheme regulations and were increased by 1.7% from 6 April 2020 (2019: 2.4% increase).

2020-21 has been a relatively stable year for the Scheme. Recent years have seen significant provisions due to legal challenges to public sector pension schemes, however there are no changes to these provisions or new provisions in this financial year.

Following the UK's withdrawal from the EU in January 2020 and the subsequent ending of the transition period in December 2020, Scheme managers have continued to monitor any changes in arrangements with EU partners to ensure there is minimal impact on Scheme access for those members residing in EU member states. There has been no financial impact on the Scheme caused by the end of the transition period.

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

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

Latest Actuarial Valuation	31 March 2016
Expected return on assets	n/a
Long term salary growth	4.2% pa, 2.2% pa in excess of assumed CPI
Aggregated scheme assets	£196.1bn
Aggregated scheme liabilities	(£218.1bn)
During the year all employers paid the same contribution rate	23.6%
During the year all employee's' contribution varied dependent on time equivalent salary	between 7.4% and 11.7% members full

The value of pension payments made in year to the Teachers' Pension Scheme was £8,215k (2020: £7,762k)

29b Local Government Pension Scheme (Retirement Benefits) Disclosure for the accounting year ending 31 July 2021 Local Government Pension Scheme

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

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

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

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

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

Assumptions

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

	At 31 July 2021	At 31 July 2020
	%pa	%pa
Price Inflation (RPI)	3.1	3.1
Price Inflation (CPI)	2.6	2.2
Rate of increase in salaries	2.6	2.2
Rate of increase of pensions in payment for LGPS members	2.6	2.2
Discount rate	1.7	1.4

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

	Pensioner Male	Non-pensioner Male (currently aged 45)	Pensioner Female	Non- pensioner Female (currently aged 45)
At 31 July 2021	21.7	22.3	24.1	25.4
At 31 July 2020	22.2	22.9	24.3	25.6

29b Local Government Pension Scheme continued

Scheme assets and expected rate of return for LGPS

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

The assets in the scheme were:

	Year ended 31 July 2021	Year ended 31 July 2020
	£'000	£'000
Equities	74%	69%
Bonds	17%	21%
Property	7%	6%
Cash	2%	4%
Total	328,816	272,541
	31 July 2021	31 July 2020
	% pa	% pa
Expected return	1.70%	1.40%
Total return on fund assets	55,517	(12,150)

	Year Ended 31 July 2021	Year Ended 31 July 2020
	£'000	£'000
Analysis of the amount shown in the balance sheet for LGPS:		
Scheme assets	328,816	272,541
Scheme liabilities	(465,339)	(444,358)
Deficit in the scheme – net pension liability recorded within pension provisions (Note 21)	(136,523)	(171,817)
Current service cost	20,853	15,895
Total operating charge:	20,853	15,895
Analysis of the amount charged to interest payable/credited to other finance income for LGPS		
Interest cost	6,325	8,815
Expected return on assets	(3,816)	(5,959)
Net charge to other finance income	2,509	2,856
Total profit and loss charge before deduction for tax	23,362	18,751

Cumulative actuarial loss recognised as other comprehensive income for LGPS

	At 31 July 2021	At 31 July 2020
	£'000	£'000
Cumulative actuarial losses recognised at the start of the year	171,817	130,819
Cumulative actuarial losses recognised at the end of the year	136,523	171,817

29b Local Government Pension Scheme continued

Analysis of movement in the present value of LGPS liabilities

	Year to 31 July 2021	Year to 31 July 2020
	£'000	£'000
Present value of LGPS liabilities at the start of the year	444,358	413,784
Current service cost (net of member contributions)	20,853	15,626
Past service cost	0	269
Interest cost	6,325	8,815
Actual member contributions (including notional contributions)	2,673	2,721
Actuarial loss/(gain)	9,254	34,530
Change in demographic assumptions	(3,852)	6,844
Actual benefit payments	(7,970)	(8,316)
Experience (gain)/loss on defined benefit obligation	(6,302)	(29,915)
Present value of LGPS liabilities at the end of the year	465,339	444,358

Analysis of movement in the fair value of scheme assets

	Year to 31 July 2021	Year to 31 July 2020
	£'000	£'000
Fair value of assets at the start of the year	272,541	282,965
Return on assets less interest	52,052	(16,819)
Interest on assets	3,816	5,959
Actual contributions paid by University	5,704	6,031
Actual member contributions (including notional contributions)	2,673	2,721
Actual benefit payments	(7,970)	(8,316)
Fair value of scheme assets at the end of the year	328,816	272,541

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

Remeasurements in other comprehensive income

	Year to 31 July 2021	Year to 31 July 2020
	£'000	£'000
Return on fund assets in excess of interest	52,052	(16,819)
Change in financial assumptions	(9,254)	(34,530)
Change in demographic assumptions	3,852	(6,844)
Experience gain on defined benefit obligation	6,302	29,915
Remeasurement of the defined liability	52,952	(28,278)

29c The Universities Superannuation Scheme

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

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

Pension costs

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

	2021	2020
	£'000	£'000
Employer contributions paid	998	957
Interest Payable – Unwinding of discount	16	53
Element of employer contributions allocated against the deficit	(95)	(77)
Difference between actual contributions and past expectations	(56)	(1,182)
Total amount charged to Statement of Comprehensive Income	864	(249)
Brought Forward Pension Provision	2,112	3,317
Movement	(41)	(1,129)
Cash payments made to USS	(95)	(77)
Carried forward Pension Provision (Note 21)	1,977	2,112

The latest available completed actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

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 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Discount rate (forward rates)	Years 1-10: CPI +0.14% reducing linearly to CPI -0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI +1.55% by year 21 Years 21 +:CPI +1.55%
Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% pa

29c The Universities Superannuation Scheme continued

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

2018 Valuation	
Mortality base table	Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females. Post-retirement: 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	2021	2020
Males currently aged 65 (years)	24.6	24.4
Females currently aged 65 (years)	26.1	25.9
Males currently aged 45 (years)	26.6	26.3
Females currently aged 45 (years)	27.9	27.7

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2021 deficit recovery liability reflects this plan.

The liability figures have been produced using the following assumptions:

	2021	2020
Discount rate	0.87%	0.74%
Pensionable salary growth	2.6%	2%

30 Events after the reporting date

A new USS Schedule of Contributions (SOC) based on the 2020 valuation was agreed and effective from 1 October 2021. This has resulted in an increase in employer contribution rate from 21.1% to 21.4% and an increase in the deficit recovery rate from 6.0% to 6.3%, which is effective from 1 April 2022. The impact of this will be reflected in the Financial Statements for the year ended 31 July 2022. The expected impact of the USS valuation could be an additional provision of £3.3m in the 21/22 financial statements.