

Financial Statements 2021/22



Interim Vice-Chancellor's Foreword



The past 12 months have seen a gradual unwinding of many of the significant challenges of the previous year. With our long-term beneficiaries' strategy firmly in place, our focus remains resolutely on supporting the current and future success of our students, businesses and the professions, along with the wider region.

On reflection, it has been a period of two distinct phases. Firstly, managing the response to Omicron and the final wave of the pandemic, and secondly, learning to live with Covid, and moving into a new business as usual context. The journey back to this new normal accelerated from early spring, with the majority of our students engaging actively on campus with their learning and social activities.

We commenced this financial year in a relatively strong position, having recruited very well, albeit with some uncertainties linked to international travel, with exit and entry restrictions proving challenging to navigate for students and the University alike. It is testament to the tenacity and commitment of our colleagues and students, that we were able to start this 2021-22 academic year operating in a blended teaching delivery mode, focusing on providing teaching in person, on campus for smaller group activities (seminars, tutorials, lab work) and maintaining larger lectures online.

Building on our healthy student recruitment performance, the University commenced a campaign to attract new academic colleagues early in 2022, and later for professional services and technical colleagues to support our projected growth plans. We will continue to focus on expanding our community of colleagues so that we are best equipped to deliver high quality teaching and research going forward, and to support our ambitions locally, nationally and internationally.

The 2021 Research Excellence Framework (REF) assessments, undertaken every seven years, were published in May 2022. Aston University took an inclusive strategic approach to its REF return, with a 100% submission of eligible staff across seven REF assessment units and more than doubling its 'research power' since REF 2014. REF 2021 rated 79% of Aston University research as 'world leading' (4*) or 'internationally excellent' (3*). Our Research and Knowledge Exchange performance is expanded in more detail in this report.

Finally, with the departure of our Vice-Chancellor, Professor Alec Cameron in December 2021, an exciting development during this reporting period, has been a successful search for our new Vice-Chancellor. I am delighted that Professor Aleks Subic has joined us in the Autumn, moving from RMIT in Melbourne, Australia, to take up the role of Vice-Chancellor and Chief Executive.

It has been a privilege for me to lead the organisation as the Interim Vice-Chancellor during an exciting time of change and development at Aston University. I am confident that our underlying financial resilience, strong academic performance and ambitious plans will provide the momentum and basis for another successful year ahead for Aston University.

Saskia Loer Hansen

Interim Vice-Chancellor & Chief Executive
Aston University
1st December 2021 to 31st July 2022

Mission, Vision and Values

Mission

To be the UK's leading university for students aspiring to succeed in business and the professions, where original research, enterprise and inspiring teaching deliver local and global impact.

Vision

In 2023 we will have an international reputation for delivery of outstanding graduate outcomes and equipping business and communities with the skills for future success.



Values

Professional and ambitious

We believe this is a prerequisite to realise our mission and vision and will be recognised by businesses and external organisations as shared values, which make Aston University an attractive partner for research and education.

Innovative and collaborative

We work across disciplines, institutions and partners to be proactive in creating and implementing new ideas, to be a leader in modern educational techniques and to undertake research which inspires staff, students and external partners.

Ethical and inclusive

We recognise our responsibility to be an exemplar of behaviour and conduct in all that we do. We will leverage the diversity of our staff and student body to achieve outcomes for our beneficiaries and provide opportunities for education and professional development to all.

Operating and Financial Review

Aims and Objectives

The overall aim of the University is set out in the 1966 Charter:

“to advance, disseminate and apply learning and knowledge by teaching and research for the benefit of industry and commerce and of the community generally and to enable students to obtain the advantage of a university education.”

Public Benefit Statement

Aston University received its Royal Charter from Queen Elizabeth II on 22 April 1966 and is an exempt charity under the terms of Charities Act 2011.

The University is regulated by the Office for Students as the principal regulator of English higher education institutions in accordance with the section 4(5) of the Education and Research Act 2017. The members of Council are the trustees of the charity.

As a charity, the University is required to operate for the public benefit. In setting and reviewing the University's strategy and activities, the Council has had due regard to the Charity Commission's guidance on public benefit.

Public benefit is embedded in the Aston Strategy 2018 to 2023 which is structured around understanding and meeting the needs of our major beneficiaries: students, external organisations (comprising businesses, public entities, the not-for-profit sector, and the professions) and Birmingham and the West Midlands region.

Our focus is on creating educational and ultimately employment opportunities for the students of our region, regardless of their background, with 95% of our students being state educated. The University undertakes outreach work with local schools and colleges in order to encourage participation from all those with potential to benefit from higher education.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the University to disclose certain metrics detailing the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities. The University had ten full time equivalent employees who spent 1 to 50% of their time on trade union duties and activities, of which no time was spent on paid trade union activity. This represents 0.08% of total pay bill (£88k of £106.3m).

The Future

The University continues to enjoy success in a challenging operating environment. The year has been characterised by a return to the 'new normal' – including dealing with the residual impacts of Covid-19 and the return to campus, increasing competition nationally and globally, changes in government policy, the impact of pension scheme contributions and changing expectations of students with regards to teaching and learning.

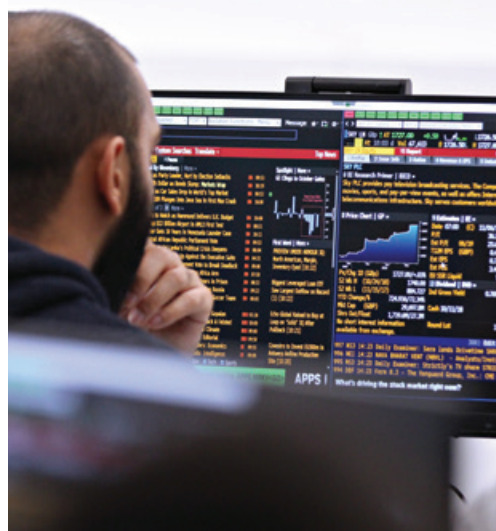
Our focus remains on the outcomes for our beneficiaries and using our strengths to deliver these and consolidate our strong position in the sector as we develop our Aston University 2030 Strategy.

Student recruitment growth will remain under pressure due to uncertainties around international travel, although the UK demographic position will continue to improve in respect of the number of 18-year-olds entering higher education. We will maintain our investment in our student experience and in a high quality learning environment.

Our relationship with businesses, professions and the region remains strongly at the centre of what we do. We seek to further our links with businesses to ensure that we produce graduates with the skills they require to grow.

We will continue to build our reputation for supporting students, through widening participation, to gain the benefits of degrees at Aston and social mobility which this experience will bring.

Our reputation for transformational research continues to grow and we continue to build on our excellent record of gaining grants to enhance the economy and improve the quality of life in the region and beyond. The Research Excellence Framework (REF) 2021 has rated 79% of Aston University research as 'world leading' (4*) or 'internationally excellent' (3*).



Operating and Financial Review (continued)

Financial Summary

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 (FRS 102) and includes prior years' results for comparative purposes.

The underlying financial strength of the University continues to grow in a year in which there was initial uncertainty due to the global pandemic. The underlying operating surplus, before pension liability movement expense of £40.7m, was £19.3m (9.6% of income), an increase of £11.9m from prior year. This is largely organically driven by growth in income of 16.4%.

Cash increased by £17.0m in the year. Overall, and after cash payments of £15.1m in improving our estate and facilities, the University ended the year with a cash and investments balance of £103.6m.

The University Group continues to maintain a healthy balance sheet with total net assets of £181.1m before pension provisions. As required under FRS102, our balance sheet includes provisions of £67.6m relating to the University's share of the USS pension scheme deficit. The University has long term bank loans outstanding of £41.8m.

Income

Income has increased by £28.3m (16.4%) to £200.8m. This is driven by growth in Tuition fees (£21.8m), Funding Council income (£1.4m) and the recovery of the University's Commercial services following the pandemic of £7.0m. This was offset by a reduction in the FRS 102 Research income of £1.9m. Tuition fee growth is underpinned by the recovery of overseas recruitment £16.1m (65.8%) and the increase in other tuition (after provisions) of £7.8m (517%). This is offset by a slight reduction in Home and EU income of £2.8m (2.9%).

Costs

Costs excluding pension movements have increased by 10.0% to £181.5m driven by investment in resources in order to deliver exceptional teaching and research. Underlying staff costs increased by 4.5% to £106.3m, representing continued investment in people.

Aston continues to invest in its academic and research capacity in support of the delivery of its 2018 to 2023 Strategy.

Capital Expenditure

The University continues to invest in its infrastructure and estate in order to modernise and extend its facilities for high quality teaching and research with net expenditure of £15.1m during the year.

The University is continuing to review and update its capital expenditure programme, and over the next couple of years this will primarily focus on investment in the digital infrastructure and student and staff spaces.

Scope of the Financial Statements

The Financial Statements for the year ended 31 July 2022 comprise the results of the University and its operating subsidiary, Conference Aston Limited.

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019). The financial reporting framework that has been applied is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Case Studies

Clinical Simulation facilities

The University has been successful in obtaining an Office for Students capital grant of £0.8 million to contribute to the development of high-quality cutting-edge clinical simulation facilities for Aston Medical School and Aston Pharmacy School.

The funding has improved student experience by allowing students to experience and immerse themselves in a variety of medical scenarios that look and feel real. Training using simulation has been gaining ground in recent years as the demographic of patients in hospital has changed i.e., they are sicker and are discharged earlier in their recovery, so simulation can provide the foundation of, and take the place of, some real patient encounters.

The scheme included:

- The refurbishment and adaptation of existing space to provide a high-fidelity acute care simulation room, recording facilities, debrief room and control room.
- The purchase of various medical and training equipment including hi-fidelity simulation manikins, a hospital grade bed and single task trainer simulation equipment for use in ordinary classrooms.

Aston Student Union sustainability funding

As part of the University's response to the Covid-19 pandemic and its ongoing commitment to investment in student welfare, it was key that Aston Student Union was and continues to be able to provide effective, flexible support and services to our students.

The University provided an additional £0.5m of funding to Aston Student Union, over and above the annual £1.65m block grant. This allows the Union to realign its services to better support the students and invest in innovative projects that will positively impact the students.

The Year in Numbers

Top

25

in the Guardian University Guide (2023)

Over

74%

of our students undertake a placement year or equivalent experience (2021/22)

Rated

79%

for research that is 'world leading' (4*) or 'internationally excellent' (3*) in the Research Excellence Framework (REF) 2021

Our graduates achieved

20th

largest median salary in the UK five years after graduation (LEO, Longitudinal Education Outcomes, 2021)

Ranked

27

in the UK for Career Prospect Outcomes (Complete University Guide, 2023)

Over

1,300

apprentices studying with us, based at organisations across the UK (2022)

Ranked as a

1st Class

for ethical and environmental performance by People & Planet (2021)

Global network of more than

100,000

alumni in over 100 countries (2021)

Over

130

student-led clubs and societies

17,597 students

(figure based on 2021/22 data)

Villa Vision provides over

2,200

inner-city children with the tools to improve educational prospects (2022)

2nd

in England for impact on social mobility in HEPI Social Mobility Index (2022)

Top

30

in the UK for proportion of graduates achieving a First or Upper Second Class Degree (Times/Sunday Times Good University Guide, 2023)

Our population comprises the

2nd

largest proportion of Black and Minority Ethnic (BAME) students in the UK (Times/Sunday Times Good University Guide Social Inclusion Rankings for BAME students, 2023)

Ranked in the UK top

30

for the proportion of graduates in professional-level work or further study 15 months after graduation (Times/Sunday Times Good University Guide, 2023)

Awards



Aston University's College of Engineering and Physical Sciences achieve gold in diversity award

Aston University has become just the second UK university to have an engineering department awarded Athena Swan Gold. The award recognises a commitment to advancing the careers of women across all disciplines and promoting gender equality more broadly.



Aston University ranked second in the country for social mobility three years running

Aston University was ranked second in the country for making a significant contribution to social mobility for the third year running, in a report published by the Higher Education Policy Institute (HEPI), (2022).



'Best University Placement Service' in national awards

The Careers and Placements team at Aston University was voted 'Best University Placement Service' in the National University Employability (NUE) Awards 2022. This award celebrates the contributions made by a university placement service in the UK which has gone above and beyond to support their students to apply and maximise, their work experience opportunities.



Aston University holds the Athena SWAN Silver Award as an institution - a reflection of the impact we have started to make towards gender equality.



World Top 100 for Business & Management in the QS World Subject Rankings (2021)

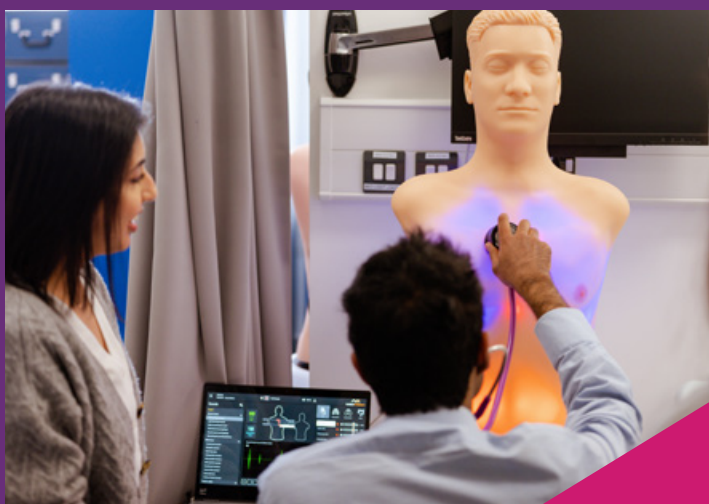
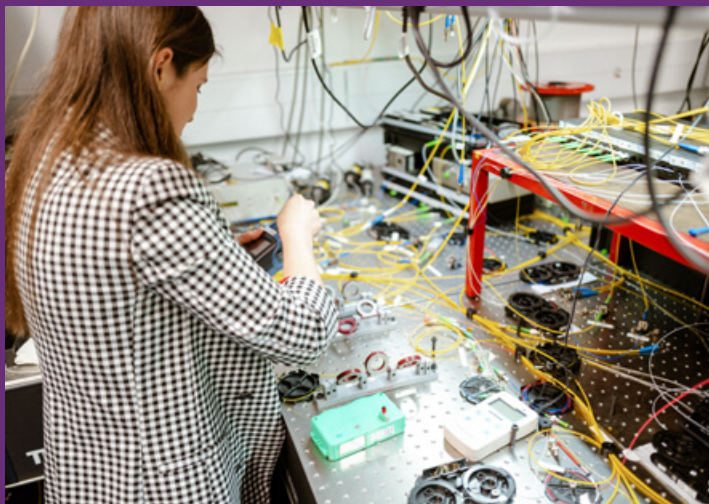


'1st Class' for sustainability in the People & Planet League

Aston University was ranked joint 17th in the 2021 People & Planet University League, which ranks 154 UK universities against sustainability and ethics criteria, placing the University in the League's 1st Class category.

A Year in the News

The engines of Aston University are three academic colleges, comprising 11 specialist schools; blending business, health, science and technology expertise to drive research, innovation and engagement for our primary beneficiaries. This synopsis highlights some of the key achievements and developments from the 2021/22 academic year.



A Year in the News (continued)

2021

August

Aston University trio awarded prestigious Advance HE honours

Aston University's Dr Gill Knight, Professor James Wolffsohn and Matt Davies were made National Teaching Fellows by Advance HE in the National Teaching Fellowship Scheme (NTFS). The NTFS recognises and rewards individuals that have made an outstanding impact on student outcomes and the teaching profession in Higher Education.

Low Carbon SMEs project at Aston University makes final of Green Gown Awards 2021

The Low Carbon SME project at Aston University was announced as a finalist in the Green Gown Awards 2021. The free service brings together academics, industrial expertise, and a solid understanding of the low carbon drivers that impact on SME businesses in the Black Country, Greater Birmingham and Solihull.

Aston University shortlisted for the Times Higher Education (THE) University of the Year 2021

Aston University was shortlisted for the University of the Year in the Times Higher Education (THE) Awards 2021 for adapting positively to the coronavirus pandemic.

October

New biochar technology installed by Aston University to combat climate change in Birmingham

State-of-the-art equipment was installed at a horticultural nursery on the outskirts of Birmingham to produce biochar from urban tree waste from around the city. The project, called the Urban Biochar and Sustainable Materials Demonstrator, is led by the Energy and Bioproducts Research Institute (EBRI).

Research project to replicate brain's networks using stem cells and 3D printing shortlisted for award

MESO-BRAIN, a major stem cell research project led by Aston University to develop three-dimensional nanoprinting techniques that can be used to replicate the brain's neural networks, was shortlisted for a 3D Printing Industry Award.

Aston University optometry students win student of the year accolade for dry eye research project

Two optometry students from Aston University were named as winners of the CooperVision 2021 FORCE Student of the Year competition.

Aston University professor awarded fellowship by The Royal Academy of Engineering

Professor Wladek Forysiak from Aston Institute of Photonic Technologies, was awarded a fellowship by The Royal Academy of Engineering.



A Year in the News (continued)

November

Aston University professor develops world's first secure international vaccine passport

Leading cybersecurity industry expert, Professor Koji Fusa, developed the first completely secure international vaccine passport standard.

Aston University professor named world expert in type 2 diabetes mellitus

Aston University professor emeritus, Cliff Bailey, was named as a world expert in type 2 diabetes mellitus by Expertscape, based on his research publications over the last ten years.

Head of School of Optometry named world expert in contact lenses

Professor James Wolffsohn, Head of the School of Optometry at Aston University, was named by Expertscape as a world expert in contact lenses research based on his publications.

December

Aston University partners with Optimec Limited in knowledge transfer partnership to increase product sales by £1m

Aston University announced the successful completion of its second knowledge transfer partnership (KTP) with Optimec Systems Ltd. The results of the project will enable the company to generate projected sales of £1 million.

Aston University helps launch UK government's National Cyber Strategy 2022

Internationally recognised cyber specialist Professor Vladlena Benson from Aston University, helped to launch the UK government's National Cyber Strategy 2022 (NCS22) at the International Convention Centre in Birmingham in December 2021.

Aston University awarded grant for equipment for photonics research to revolutionise food and agri-tech

The Institute of Photonic Technologies at Aston University was awarded a grant of £100,000 from the Garfield Weston Foundation towards the purchase of specialist equipment to support its research in food and agri-tech.



A Year in the News (continued)

2022

January

Aston University bioenergy expert appointed to Department for Transport Science Advisory Council

Bioenergy expert and director of the Energy and Bioproducts Institute at Aston University, Professor Patricia Thornley, was appointed to the Science Advisory Council of the Department for Transport. Professor Thornley is an international leader in assessing the sustainability of energy systems.

Aston University student named MBA Student of the Year

Monique Farquharson, a full time MBA student at Aston University, won the globally recognised MBA Student of the Year Award 2022, presented at the Association of MBAs (AMBA).

Aston University partners with Shoosmiths to open up opportunities to study a law degree

A programme to support students from under-represented backgrounds towards a career in law was launched by Aston University in partnership with leading law firm Shoosmiths. The Pathways to Law will begin in September 2022.

New £1.5m healthcare simulation facilities

New clinical simulation facilities for medical, pharmacy and optometry students opened in 2022, including an ocular simulation unit facility which will be the only one in Europe.

February

Prestigious Discovery Fellowship awarded to Aston University bioscience research fellow

Dr Phil Kitchen, a research fellow in the College of Health and Life Sciences, was awarded a prestigious BBSRC Discovery Fellowship. This is the first Discovery Fellowship awarded to an Aston University researcher.

Linguistics expert from Aston University helps Police Scotland secure terrorism conviction

Aston University forensic linguists made a significant contribution to a Police Scotland terrorism case that resulted in a conviction in the High Court. Professor Tim Grant provided forensic authorship analysis to the investigation.

New £2.8m MRI scanner delivered to Aston University

A landmark moment in the improvement to facilities at Aston Institute of Health and Neurodevelopment (IHN) was reached with the arrival of its new £2.8m MRI scanner on site.

March

Aston University appoints new Vice-Chancellor

Aston University announced that Professor Aleks Subic has been appointed as its next Vice-Chancellor and Chief Executive. He succeeds Professor Alec Cameron, who stepped down after five years in December 2021.

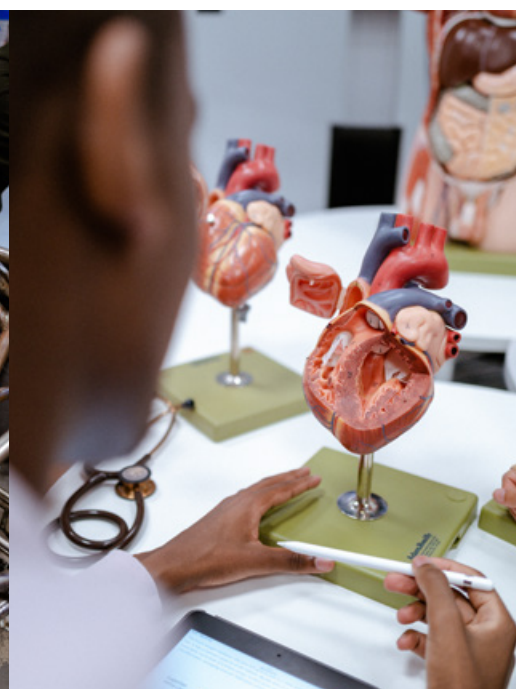
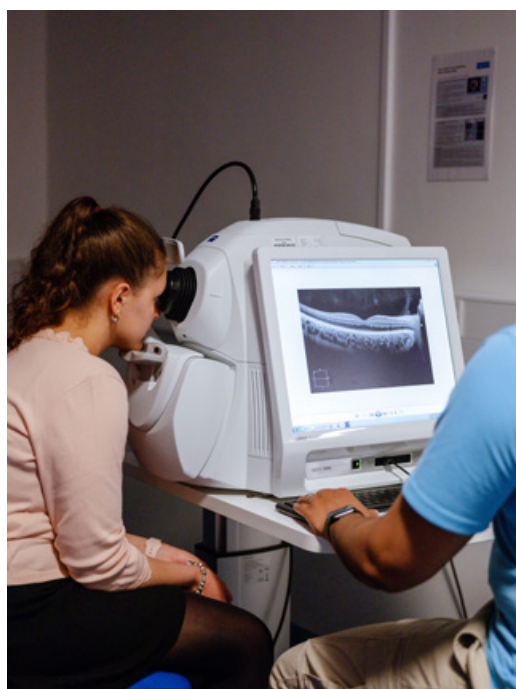
(See image bottom right, p. 13)

Aston University partners with HSBC UK to support black and ethnic minority student entrepreneurs

Aston University partnered with HSBC UK on a new pilot student incubator programme to support black and ethnic minority students to start new businesses.

Aston University wins share of £10m for research to improve UK economic productivity

Servitization experts at Aston University won a £1.85m grant for research aimed at improving UK economic productivity. It is one of seven research projects to tackle specific aspects of the so-called 'productivity puzzle'.



A Year in the News (continued)

April

Aston University MBA students take top prize at Universities Business Challenge Global Masters 2022

A team of Aston MBA students took the top prize at the Universities Business Challenge Global Masters 2022.

Global award for international human resource management expert at Aston Business School

Pawan Budhwar, Professor of International Resource Management and Head of Aston Business School, was named by the International Federation of Scholarly Associations of Management (IFSAM) as a joint recipient of its Award for Exceptional Service to the Management Field Worldwide.

Aston University launches community project to promote healthy lives in East Birmingham

Aston University and Birmingham Community Healthcare NHS Foundation Trust, in partnership with Citizens UK, launched a community project to identify local barriers that lead to poor health outcomes.

May

Aston University report sets out blueprint for advancing the growth potential of ethnic minority businesses in the UK

A report by Aston University's Centre for Research in Ethnic Minority Entrepreneurship (CREME) set out ten evidence-based recommendations to promote greater success and inclusion of ethnic minority businesses (EMBs) in finance and business support in the UK.

June

Aston University academic named President of the College of Optometrists

Professor Leon Davies of the School of Optometry at Aston University, was named as the College of Optometrists' incoming President.

Aston Law School student wins prestigious Neuberger Prize

Second year Aston Law School student Jenson Woodhouse, won a prestigious Neuberger Prize, set up by Lincoln's Inn to recognise exceptional students about to start the final year of their undergraduate law degrees.



Our population comprises the second largest proportion of Black and Minority Ethnic (BAME) students in the UK

(Times/Sunday Times Good University Guide Social Inclusion Rankings, 2023)

Our graduates achieved 20th largest median salary in the UK five years after graduation

(LEO, Longitudinal Education Outcomes, 2021)

Ranked in the UK top 30 for the proportion of graduates in professional-level work or further study 15 months after graduation

(Guardian University Guide, 2023)





Recruitment Diversification

A key strategy of the University is to diversify income from multiple markets in the UK, internationally and across all levels of study.

This is primarily focused on undergraduate students which is our largest single cohort of 3,000+ new students each year. Our postgraduate student volumes have grown well during this reporting period, with growth from the primary markets of Asia, Middle East and Africa.

Our strategy is focused on diversifying our reach and attraction to ensure that our projected income and student population is steadily balanced.

We have also grown our home recruitment across the main delivery markets including Degree Apprenticeships, Continuing Professional Development (CPD) and our online courses, delivered through Aston Online. Our ability to compete for high quality students is a key foundation of our overall performance and providing a stable financial foundation.

The rich diversity of Aston University's students and engagement is a core part of our DNA. In this reporting year, a good number of our undergraduate students and postgraduate students have come from outside the UK. Allowing for this, many of our home undergraduate students come from the West Midlands region, demonstrating our commitment to the local communities we serve, whilst growing our international student population through diversification.

ONCAMPUS ASTON

Our partnership with Cambridge Education Group setting up our embedded academic centre called ONCAMPUS Aston in September 2021, has been very successful indeed. The centre is committed to helping hundreds of international students every year to gain access to a university degree, by developing their academic research and writing skills, introducing them to the foundations of their subjects and improving their English language proficiency.

Our on-campus centre and delivery for students across foundation, year one and masters programmes have exceeded targets. Progression to further study on Aston University programmes in the 2022-23 academic year has been excellent. This partnership represents our long-term commitment to diversifying our international student base.

Partnerships

We also have strong partnerships with other providers, including NCUK, and work directly with a number of international universities to provide transnational education opportunities. This also extends to our ability to support students, partners and research colleagues, and in creating long-term partnerships through central government funded mobility opportunities as we transition away from Erasmus Funding to the Turing Scheme. Each year more than 170 of our students experience an overseas placement – placing us among the top 10 in the UK for supported international mobility.

Graduate Success

A key measure of Aston University's success can be evidenced through the continual achievements of its diverse population of graduates. We are renowned for creating work-ready, sought-after alumni who make a real economic and societal impact.



Employable graduates

Our award-winning Careers and Placements team offer a wide range of employability support to students throughout their time at Aston University, and for three years after graduation.

Placements, pre-registration years and work and study abroad opportunities feature across all our undergraduate programmes. We support over 1,800 undergraduate students into a work placement, helping to prepare them for their future careers and giving Aston University graduates a competitive edge in the job market.

Employability is embedded into our curricula. We work with employers to design many of our degrees and the majority of Aston University courses are professionally accredited.

- Ranked 27th in the UK for Career Prospect Outcomes (Complete University Guide, 2023).
- The Careers and Placements team at Aston University voted 'best university placement service' in the National University Employability (NUE) Awards 2022.

Graduate earnings

The 2021 Longitudinal Education Outcomes (LEO) data shows that employed Aston University graduates have the 20th largest median salary overall, five years after graduation at £33,400, compared with £24,900 sector average.

Subject level data in the LEO reveals that graduates from allied health subjects at Aston University had the fifth largest median salary five years after graduation at £37,200, which is over £11,000 more than the sector average (2021).

Degree apprenticeships

Aston University's degree apprenticeships are developed in partnership with employers and professional bodies. Learning relates directly to business practices and can be applied to a learner's job from day one – creating lasting benefits for both the apprentice and the organisation.

Over 1,500 degree apprentices are on-programme at Aston University with companies including Capgemini, Microsoft, the BBC and Babcock. Our degree apprenticeships offer a positive contribution to the development of a company, aiding new recruitment and boosting existing employees' skills.

Graduate Success (continued)

Entrepreneurship

The Birmingham Skills for Enterprise and Employability Network (BSEEN) offers students and graduates a package of intensive start-up support for new ventures. Aston University leads on the BSEEN programme in collaboration with three Birmingham-based universities. Since its launch in 2012 over 1,200 students and recent graduates have attended bootcamps, where over 700 businesses have been created.

Companies we work with include NatWest, HSBC and Santander as well as professional services from the city including Pinsent Masons, Higgs and Ad Valorem.

Our notable alumni include the following companies: Petalite, Narce Media, Clean Kilo, Rugged Nature, Beatfreeks, G Décor, Virtualent, Faraway Fruits and Voilo.



Narce Media founders, Connor Watt (BSc Business, Computing and IT) and Joe Housley (BSc Business and Politics)

Social mobility

We take great pride in being an inclusive university, providing opportunities for students irrespective of their background. Aston University is rated 2nd in England for its impact on social mobility in HEPI (the Higher Education Policy Institute) Social Mobility Index, 2022.

Designing an English Social Mobility Index by HEPI proposes a ranking of universities' impact on social mobility and offers a methodology for comparing the contribution of individual English higher education providers to social mobility.

“

We have partnered with Aston University for several years and each year we get fantastic students joining GSK on our graduate and placement roles. The diversity of the University, excellent focus on careers, and the strong calibre of students mean we always enjoy attending careers events at Aston University.

”

Joshua Carney
Early talent attraction specialist; GSK

Global Alumni Networks

We have a global network of more than 100,000 alumni in over 100 countries. Our alumni community connects us with their businesses, enhances our reputation and provides opportunities for current students.

Our alumni have strong established communities across the world, including in the United States of America, Germany, Greece, France, China, Hong Kong, India, Malaysia and Nigeria. These groups maintain an active connection with the University and amongst themselves.

This global network is supported by a dedicated team at Aston University which includes a focused approach towards international alumni relations and global partnerships.

Aston University alumni are generous with their industry knowledge and professional connections to support the University and our beneficiaries.

Hundreds of students benefit from alumni mentors and advice, and often source placement and graduate jobs through alumni networks. Our alumni create opportunities for Aston University to work with their businesses through KTPs (Knowledge Transfer Partnerships), degree apprenticeships and research partnerships, and give philanthropic gifts to support our research and enable students to overcome financial barriers.

The University is embarking on developing and implementing its new alumni strategy, 'Aston for Life' during 2021–22. Personal and professional development for life is at the heart of the strategy, and we will provide a tailored, tech-driven, development programme which supports the long-term career aims of our graduates.



Punit K Goyal MSc International Business, 2008

Punit is the co-founder of BluSmart Mobility: a zero-emission ride-hailing service in India's Delhi National Capital Region. Having written a dissertation at Aston University about the energy space in India, Punit realised there was a gap in the market for solar panels. After graduating he set up a manufacturing facility in India to manufacture and export 72 megawatt solar panels worth €110million to Germany, Italy, and Switzerland.

Following this venture, Punit launched a second start-up (PLG Photovoltaic), which collaborated with Zamil Group to set up India's first 20-megawatt solar power plant in 2012. "It was an historic plant for India – a dedication to the nation," Punit says.

Having become interested in automobile trends, Punit and his colleague, Anmol Jaggi, then conceived of the idea to build a sustainable, affordable ride-hailing service for people in Delhi. "Delhi is the world's most polluted capital, which is not a good crown to have, and Gurugram – another city we operate in, which is next to Delhi – is the world's most polluted city. The whole idea is to decongest the national capital region of Delhi while ensuring that we don't add any pollution."

BluSmart's cabs all have zero emissions, and the company is currently scaling-up the fleet to meet demand. "When we have about 40,000 cars in Delhi we will reach out to other cities. The second city will be

Bombay. Once we demonstrate scale in these two markets, we'll open the franchise model for BluSmart, and people can start running it in other parts of India."

Punit has been named in the 40 under 40 Solar Business Leaders list and as one of India's Top 100 Business Leaders in the Solar Industry. He explains "when we have about 40,000 cars in Delhi we will reach out to other cities. The second city will be Bombay. Once we demonstrate scale in these two markets, we'll open the franchise model for BluSmart, and people can start running it in other parts of India".

Punit was awarded an honorary doctorate from Aston University and said: "I originally wanted to study abroad to help me grow my global network and at Aston University I achieved this, working with a diverse cohort picking up business practices from different cultures. I wrote a dissertation in 2007 called the 'Role of Renewable Energy in Powering India's Future' with a focus on solar power, and it's my research and the time I spent at the Aston University campus, that gave me the confidence to launch my entrepreneurial ventures in the renewable energy space.

I'm delighted to be the recipient of an honorary doctorate from the prestigious Aston University - which gave me the platform to pursue my goals and to become a clean energy entrepreneur".

Global Alumni Networks (continued)



Dr Olayemi Cardoso

BSc Managerial and Administrative Studies, 1980;
Honorary DBA, 2017

Olayemi has worked for 30 years as a financial sector and development policy expert in Nigeria. He began his studies at Aston University in the mid-1970s, studying a business degree at a time when it was rare for UK universities to offer such courses.

Later, he became the first Cabinet Member for Economic Planning and Budget for Lagos state. It was a pivotal time in the country's history, following several decades of military rule, and people wanted democracy. "I felt that I needed to blaze a trail and encourage more people who had the skills to come into government, make their contributions and improve matters," Olayemi explains.

Now Chairman of the Board at Citibank Nigeria Ltd., Olayemi's responsibilities are to enable the smooth-running of the company by paying attention to issues such as cultural sensitivity and global reach. "It's easy to feel that there's a disconnect between you as Chairman and everybody else but, in my case, it's not like that because it's an institution I know very well. It has gone through enormous changes but it's where I cut my teeth" he says.



Liyuan Li

MBA, 2011

Liyuan is an Aston Business School alumna and an expert in organisation development at a top internet company in China; her work involves leveraging the efficiency of the organisation and its people to drive growth. Over her career she has worked with many recognisable brands including Lenovo, Bank of China and Hyundai Motors.

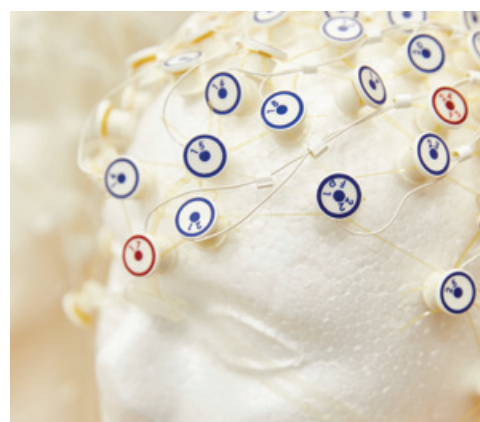
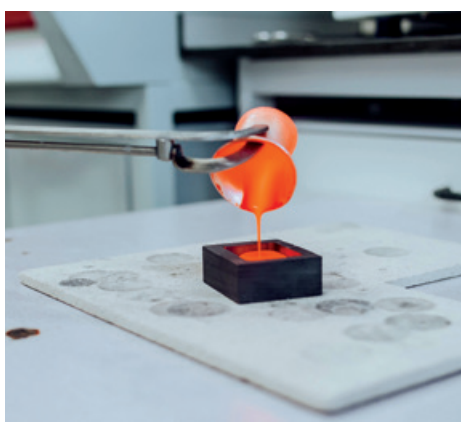
After earning her MBA in 2011, Liyuan joined the management consultancy industry. Firstly, she worked for Adfaith, China's leading domestic consulting firm, before joining Deloitte: a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services.

As the world's largest professional organisation, Deloitte has been the ideal place for Liyuan to use her expertise in strategic planning and group control, organisation design and performance management, qualification management, and leadership development.

A Growing Research Profile

Our Research and Knowledge Exchange (RKE) brings together the worlds of business, public, private and third sectors with academia in a way that increases engagement and allows everyone to benefit from the power of new ideas.

- The Research Excellence Framework (REF) 2021 has rated 79% of Aston University research as 'world leading' (4*) or 'internationally excellent' (3*).
- 74% of the impact of Aston University's research has been rated "very considerable" or "outstanding" for reach and significance.
- The number of Aston University staff being submitted for assessment has doubled since the last REF in 2014 and, over the same period, the University has increased the proportion of its highest rated 4* publications from 21% in 2014 to 29% in 2021.



University Research Institutes

These are the primary research flagships and priority for research capital investment, with a target for the research institutes to account for 50% of awards in the future.

Aston Institute for Photonic Technologies is one of the largest photonics research centres in the UK, with over 90 members of staff and current grant funding amounting to £25.5m in 60 projects.

Aston Institute for Forensic Linguistics improves the delivery of justice through the analysis of language.

Aston Institute of Health and Neurodevelopment conducts interdisciplinary research for the study of developing brains, conducting fundamental research which impacts upon the wellbeing and success of people and society.

Energy and Bioproducts Research Institute (EBRI) conducts world-class research into all aspects of bioenergy including energy-from-waste and the development of new bioproducts and services, all of which contribute to improving the UK's carbon footprint and the security of energy supplies.



Research With Impact

Aston Centre for Growth provide leading growth programmes and practical business support for entrepreneurs and small business leaders. The Centre help leaders develop their skills and grow their businesses, and supported 2,000 small businesses with leadership development and provided over 50,000 hours of peer-to-peer learning.

Aston Institute for Forensic Linguistics (AIFL) help to improve the delivery of justice through the analysis of language. In January 2022 the Institute Director, Professor Tim Grant, helped Police Scotland convict a would-be terrorist at the High Court.

Cyber Security Research Innovation Centre deliver organisational resilience and raise awareness amongst leaders on the need for greater cybersecurity skills development. Since creating the centre, the team have worked with Government to launch the 2022 National Cyber Strategy.

Aston Institute of Health and Neurodevelopment (AIHN) work with the Ministry of Defence in a major, multiple partner study to identify new ways to accurately predict whether patients will develop long-term complications due to concussion or other traumatic brain injuries.

Pharmaceutical and Clinical Pharmacy Research Group (PCPRG) work closely with industry to solve real-world challenges. For example, through work completed with Catalent UK, the Group produced a unique pharmaceutical development tool that will speed up the typically long and complicated drug development process.

Aston Institute for Photonic Technologies (AIPT) building the computers of the future will require outstanding precision. Current technologies can achieve incredible accuracy of close to one nanometre – one billionth of a metre - but this won't be enough. The Institute have beaten this and created tiny computer components with the precision that is 100 times better than has been currently achieved, which is equal to one-tenth of the size of an atom.

Energy and Bioproducts Research Institute (EBRI) state-of-the-art research facilities in EBRI enable them to develop cleaner, more sustainable products. The team produce chemicals, materials and fuels made by different types of microbes which can replace petrochemicals. EBRI are working to develop cleaner, cheaper, more efficient processes to benefit industry.

79% of Aston University research is 'world leading' or 'internationally excellent' (REF 2021)

College of Business and Social Sciences

- **Advanced Services Group** - servitization research investigates how businesses move from making products alone to the provision of services.
- **Centre for Research in Ethnic Minority Entrepreneurship** - research into ethnic minority entrepreneurship shows the benefits of targeting ethnic minority-led firms to boost innovation.
- **Centre for Circular Economy** - researchers address key industrial challenges imposed by climate change and net zero targets.
- **Sociology and Policy** - research into the impact of anti-abortion activism has helped to protect women seeking a safe abortion.

College of Engineering and Physical Sciences

- **Computer Science** - researchers use machine learning and human-robot interaction to increase the safety and comfort of driverless cars.
- **EBRI** - Tackling food waste in Nigeria through research to develop solar-powered cold storage, and researchers are finding ways to harness waste to achieve net zero energy for UK communities.
- **Aston Institute of Photonic Technologies** - using the science of light to monitor crops and help fight infestation.
- **Biosciences Research Group** - MESO-Brain: researchers are creating 'mini brains' using 3D nanoprinting technology which could help to develop treatments for Alzheimer's disease.
- **Institute of Materials Research Group** - developed antimicrobial bioactive glass which can eradicate MRSA, a leading cause of hospital infections.

College of Health and Life Sciences

- **Pharmacy** - research has improved older people's quality of life by reducing the use of potentially toxic medication.
- **Diabetes Research Group** - research contributed to the development of metformin, the most prescribed medicine in the world for treating type 2 diabetes.
- **Aston Institute of Health and Neurodevelopment** - researchers are investigating how brain cells, synapses and circuits change as epilepsy develops.
- **Cognition and Neuroscience Research Group** - neuroscience researchers are working to predict whether patients will develop long-term complications from concussion.
- **Optometry and Vision Science Research Group** - researchers are developing strategies to slow myopia progression in children.
- **Aston Research Centre for Healthy Ageing** - aims to understand, predict and prevent age-related degeneration.

Knowledge Exchange

What is Knowledge Exchange?

Knowledge Exchange (KE) brings together the worlds of business, public, private and third sectors with academia in a way that increases engagement and allows everyone to benefit from the power of new ideas.

Knowledge Exchange at Aston University

Enterprise activities and Knowledge Exchange are embedded in our culture and integral to everything we do. Our outward-looking approach puts the needs of business, the regional economy and our student body first.

We aim to deliver economic growth, productivity enhancement and social impact through five key themes:



How we’ve performed in the Knowledge Exchange Framework

Aston University has again been recognised as a top university for our research and knowledge transfer by the Knowledge Exchange Framework (KEF). Conducted by Research England, the KEF is designed to inform and assess knowledge exchange activities of UK higher education institutions and how they benefit society and the economy.

Aston University has been classified in the top bracket possible for the ‘Working with Business’ and ‘Local Growth and Regeneration’ perspectives placing us in the top 20% of UK universities. The KEF exercise also recognised Aston University’s work in commercialising academic research and commitment to nurturing student entrepreneurship, placing it in the top 40% across the sector.



Knowledge Exchange (continued)



We're sector leaders for Knowledge Transfer Partnerships (KTP) - a world-leading programme that helps businesses succeed by connecting them to academic expertise and resources.

A KTP is a three-way collaboration between a business, an academic partner and a highly qualified researcher, known as a KTP associate.

This UK-wide programme helps businesses to improve their competitiveness and productivity through the better use of knowledge, technology and skills.

Companies engaging with us
on a KTP see an average ROI of

1,107%

We are one of the

largest

provider of KTPs in the UK

Research and knowledge transfer

We collaborate closely with companies and public and third-sector organisations to pursue new knowledge transfer projects that support and encourage all forms of innovation.

Engagement with businesses

We provide innovative services for new businesses, small to medium-sized enterprises (SMEs) and large companies through our dedicated business support programmes focusing on leadership, innovation and growth.



CASE STUDY

Shortlisted for prestigious award

Aston University and Partnership Medical (PML) were shortlisted for an award at the KTP Awards 2022.

The partnership has been shortlisted in the category of Best Knowledge Transfer Partnership for its work on a revolutionary automated cleaning system which uses synthetic chemistry to sterilise endoscopes, reducing risks of contamination to patients and lowering rates of mortality.

Endoscopes are long, thin tubes with a light and camera at one end. Due to the sensitivity of the materials and electronics they cannot be sterilised, opening up high potential for cross infection.

Through their automated cleaning system, Aston University and PML achieved industry-leading levels of disinfection, reducing risks of contamination to patients and lowering rates of mortality.

The automated prototype and new cleaning materials developed in the KTP produced astonishing results in clinical trials, with a simple five-minute treatment offering deep cleaning levels 1,000 times better than anticipated, providing hygiene levels far superior to those currently possible using conventional manual procedures.

Regional and Civic Engagement Performance

Region and society form one of our key beneficiary groups, and regional and civic engagement aligns with our core mission to collaborate and co-produce mutually beneficial activities with the people who live, work and study in the West Midlands. This overview showcases examples of our commitment to engagement with our communities in the Midlands and beyond.



Aston University's civic agreement strengthens our role in the local community

This year we officially launched our civic agreement which sets out our commitment to work with partners to support Birmingham and the wider region through initiatives centred on the following:

- Improving health and wellbeing.
- Reducing inequalities.
- Support for businesses.
- Environment and sustainability.
- Crime and justice.
- Education and employment.

Our partners - working together to make a difference



Citizens UK

Aston University are proud to be principal partners in Citizens UK's Birmingham Chapter, a membership alliance of diverse civil society institutions from Birmingham's faith, education, trade union and community sectors acting together for the common good of the city. Feedback from these groups informs our civic activities.

City of Sanctuary UK - building a culture of welcome and hospitality

We are a supporting organisation of the City of Sanctuary UK and committed to becoming a University of Sanctuary, making Aston University a place of welcome, safety and inclusion for all, and to make Birmingham a better place for everyone who lives, works and studies here.

Regional and Civic Engagement Performance (continued)

Birmingham Community Healthcare NHS Trust

Signed MOU (Memorandum of Understanding) in 2021 and are partners in our civic agreement. This partnership involves the co-development of preventative health initiatives with a focus on addressing health inequalities and collaborating on engagement with the local communities.

Birmingham Women and Children's Hospital

Signed an MOU in 2022 and are collaborating with us to develop world-leading research and provision, particularly in the field of paediatric health and wellbeing.

Birmingham Anchor Network

Aston University are a member of the Birmingham Anchor Network, which is focused on key projects supporting local employment, procurement and reducing inequality across the city and beyond.

Young Women into Leadership Programme

Aston University are key partners in the Young Women into Leadership (You WIL) summit, delivered for the first time in July and August 2021. This international leadership programme demonstrated a successful partnership between the University, Birmingham City Council, the Lord Mayor's Office and the US Embassy.

Aston University pledges funding support for SME apprenticeships

The Apprenticeship Levy Transfer Fund enables large employers to pledge their unspent levy to fund the training of apprentices at SMEs in the West Midlands – boosting the region's economic recovery from the Covid pandemic.

Over the past three years, the scheme has funded apprenticeship training for more than 700 local SMEs and nearly 2,500 learners, keeping levy money within the region to help local businesses grow and upskill their staff.



Aston Villa Football Club and the Aston Villa Foundation

The University has a long-term partnership with Aston Villa Football Club as its primary education partner.

Villa Vision

The Villa Vision initiative raises awareness of the importance of eye health to children in schools and individuals in local communities. It is a partnership between the Aston Villa Foundation, Aston University's Optometry School and optical lens supplier, Essilor Vision for Life.

Villa Vision has had around 6,500 personal interactions with local children through workshops, vision screening and eye testing, since the project started.

- Over 15 priority wards within Birmingham covered.
- Around 70 Aston University optometry students have attended and supported Villa Vision school sessions.
- Around 20 community events held, engaging an additional 750 individuals.



Supporting the Birmingham 2022 Commonwealth Games

Aston University was an Official University for the Games, hosted July 2022. Around 5,000 athletes competing from 72 participating commonwealth nations and more than 13,000 volunteers helped to organise, run and manage this event.

Primary healthcare facilities were provided by the School of Optometry offering eye care expertise through our qualified optometrist volunteers.

We also supported Birmingham 2022 to be the first Games to create a carbon neutral legacy by providing parking and hosting 250 electric vehicle charging facilities for its fleet, as well as spaces on campus for the team.

Sustainability and Social Responsibility

Aston University strives to embed sustainability and social responsibility into all its practices. Our students and staff have the opportunity to integrate sustainable values into their daily activities now and in the future to improve theirs and the University's local and global impact. As a sustainable organisation, the University acts not only to ensure its own success, but also to benefit the wider community and maintain a natural, healthy environment.

At Aston University, we take a holistic approach that embeds sustainability through all our external activities at local, national and international level to deliver real impact from our research.

Our aim is to embed sustainability throughout our working practices, as well as integrate it into student education, research and our highly professional support services (Aston University Sustainability Report 2020).

Sustainability strategy:

<https://www.aston.ac.uk/about/our-values/environment>



A green, sustainable campus

Our 40-acre campus is one of the greenest and most sustainable in the country and we have a range of projects to achieve this, including the ISO 14001 and ISO 50,001.



Sustainability in the curriculum

Embedding sustainability in our education is key to solving sustainability challenges worldwide. We want to make sure students leave Aston University with the knowledge they need, while promoting inclusive and equitable education for all. Environmental and sustainability themes are embedded in a wide variety of our programmes, enabling our students to graduate with the sustainability skills required to prosper in their future careers.

Our goal is to provide teaching and learning experiences that empower and inspire students to be critical change-makers for sustainability within their field of expertise— whatever that field is (Aston University Sustainability Report 2020).



Sustainability and Social Responsibility (continued)



Aston Students' Union and sustainability

- Participating in the Big Hog Friendly Litter Pick Challenge.
- Discount on vegan/veggie food every Monday for students and staff.
- Making our campus hedgehog friendly.
- Encouraging students to live a more sustainable lifestyle.
- Participating in the Green Impact Report by SOS-UK.
- Attending conferences and webinars related to sustainability.

Sustainable construction

For refurbishment projects the University adopts the SKA HE (Higher Education). SKA HE rating is a Royal Institute of Chartered Surveyors environmental assessment method, benchmark and standard for the higher education sector. It has been designed to meet the requirements of higher education interior fit-outs and refurbishments to meet clear sustainable good practice.

Aston University is a client partner of the Considerate Constructors Scheme (CCS). This scheme looks at a number of criteria including site safety, community engagement and the environmental impact of a construction site.

Supplier engagement

Aston University has invested in the NetPositive Supplier Engagement HE Tool which enables suppliers to develop a sustainability action plan in line with our environmental, sustainability and institutional objectives.

People & Planet League

Aston University was ranked joint 17th in the 2021 People & Planet University League, which ranks 154 UK universities against sustainability and ethics criteria, placing us in the league's 1st Class category.

Carbon Management Plan

Aston University's current Carbon Management Plan is aligned with governmental and sector guidelines, committing the University to a reduction of 78% of building-related emissions by 2035, based on the 2005/06 academic year, and to achieve carbon neutrality by 2050.

Our carbon reduction targets are frequently reviewed to guarantee that the commitment degree is not only adequate but also technically feasible.

We have invested £2.6m, supported in part by Salix Decarbonisation funding, to begin the journey to remove gas-fuelled systems and invest in more energy efficient technology.

Our carbon neutral target :
<https://www.aston.ac.uk/about>

UN Climate Change Conference (COP26)

Professor Patricia Thornley spoke at a COP26 event in Glasgow along with speakers from Graanul Invest, Earthworm Foundation, REA, Weyerhaeuser and Fram Renewable Fuels. The event focused on how the sustainable forestry sector can play a crucial part in delivering global net zero.

Professor Thornley and the Aston University team also led six UK Research and Innovation Supergen Hubs in a 'fishbowl' conversation to give their ideas and thoughts in helping to develop and interrogate visions for a net zero energy future at the Ramshorn theatre in Glasgow. Full live stream here:

[What might net zero energy systems look like? A Supergen fishbowl debate live from COP26 in Glasgow – YouTube.](#)

The public were invited to 'build your own biorefinery' using an interactive game developed by the researchers to demonstrate the many routes to producing bioenergy and bioproducts, and the co-benefits that can be achieved through different choices.

Corporate Governance Statement

Aston University is committed to exhibiting best practice in all aspects of corporate governance. The University is an exempt charity as defined by the Charities Act 2011 and members of its Council are trustees of the charity. The Office for Students is the University's principal regulator in respect of the University's status as a registered higher education provider in England and as an exempt charity.

The Council, as the University's governing body, ensures that the University operates in accordance with its constitutional documents, the requisite sector standards including Committee of University Chairs' (CUC) Higher Education Code of Governance (September 2020), CUC HE Senior Staff Remuneration Code and the CUC's "Guidance on decisions taken about severance payments in HEIs" and the OfS Regulatory Framework including its terms and conditions of funding for higher education institutions, conditions of registration, audit code of practice and regulatory guidance.

Aston University recognises its responsibility to be an exemplar of behaviour and conduct in all that it does, and it aspires to be a leader in the higher education sector in terms of its approach to ethical practice. The University has an ethical framework referred to as "Our Principles" which supports our four policy pillars which help the delivery of the University's Strategy, Mission and Vision.

The policy infrastructure is made up of four pillars:

1. Academic: all policy relating to learning, teaching and research.
2. Integrity: all compliance policy.
3. Respect: all policy relating to fairness, health and safety, and respect in our community.
4. Stewardship: all policy relating to safeguarding our environment and assets, and community engagement.

Governance Structure

The University's Charter, Statutes and Ordinances set out the arrangements for the governance and management of the institution. The Charter requires the University to have three separate bodies, each with clearly defined powers and responsibilities, to oversee and manage its activities: Council, Senate and Convocation.

Council

Council is established by the Charter as the "*executive governing body of the University*" with the authority to legally bind the University and the responsibility for the management and administration of the revenue and property of the University. Furthermore, it has general control over the conduct of the University's affairs.

Council comprises 17 voting members and met seven times in the year. A majority (at least eight and no more than eleven) of Council's members are from outside the University (the independent members), contributing a wide range of experience and expertise from the public and private sectors. Up to five Council members are University staff and one is a student (the President of the Students' Union). Council members ensure that the Council conducts itself in accordance with accepted standards of behaviour in public life, embracing selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Independent members of Council bring a wide range of knowledge and expertise, ensure the financial and environmental sustainability of the University, ensure that there are effective systems of control and risk management in place and ensure that the governance structures and processes are robust, effective and agile.

Council is supported by its sub-committees:

- Audit and Risk Committee (ARC) whose purpose it is to advise and assist the Council in respect of the entire assurance and control environment of the University.
- Finance and Infrastructure (FIC) whose purpose it is to consider and make recommendations to Council on the strategies and policies for the effective and efficient use of the University's financial and physical resources, and to be responsible to Council for ensuring the solvency of the University and the safeguarding of its assets.
- Nominations and Governance Committee (NGC) whose purpose it is to keep under review and to advise Council on the efficiency and effectiveness of the University's governance arrangements; and on the processes for the appointment of new members of Council and its Committees, and their induction, mentoring, development and appraisal.
- Remuneration and Workforce Strategy Committee (RWSC) whose purpose it is to oversee and advise Council on the University's Executive Remuneration Strategy, policy and approvals processes; and matters relating to staff employment, including the Aston People Strategy.

Corporate Governance Statement (Continued)

The membership of Council: 2021-2022

Council Member	Council Role	ARC	FIC	NGC	RWSC	Retired
Dame Yve Buckland DBE	Pro-Chancellor and Chair			Member	Member	
Ranjit Dhindsa	Independent Member	Member				31.7.22
Dr Melanie Gibbs	Independent Member	Member				31.7.22
Dr Matthew Crummock	Independent Member		Member			
Dr Sue Noffke	Independent Member			Chair	Member	
Dr Rob Perrins	Independent Member		Chair			
Dr Vijith Randeniya OBE	Deputy Chair			Member	Chair	
Dr Jason Wouhra OBE	Independent Member		Member			
Dr Mike Wright	Senior Independent Member	Chair				31.7.22
Professor Gill Nicholls, OBE	Associate Non-Voting Member: HE Sector Advisor					
Professor Alec Cameron	Vice-Chancellor and Chief Executive (until 4th Dec 2021)		Attends			4.12.21
Saskia Loer Hansen	Interim Vice-Chancellor and Chief Executive (from 4th Dec 2021)	Attends	Attends			
Neil Scott	Chief Operating Officer	Attends	Attends			
Professor Paul Topham	Academic Staff Senate Representative					
Dr Hannah Bartlett	Academic Assembly Representative					31.7.22
Balraj Purwal	Students' Union President					
Sanjay Khullar	Independent ARC Member (until 10th March 2022)	External Member				10.3.22
Steve Washbourne	Independent ARC Member (from 15 June 2022)	External Member				

Attendance of independent and associate members: 2021-2022

Council Member	Total Possible	Total Attended	% Attended
Dame Yve Buckland DBE	15	15	100
Ranjit Dhindsa	11	9	82
Dr Melanie Gibbs	11	8	73
Matthew Crummock	10	8	80
Dr Sue Noffke	15	15	100
Dr Rob Perrins	10	5	50
Dr Vijith Randeniya OBE	15	15	100
Dr Jason Wouhra OBE	10	9	90
Dr Mike Wright	11	11	100
Professor Gill Nicholls OBE	7	7	100
Total	115	102	89%

Corporate Governance Statement (Continued)

Senate

Overseen by Council, Senate is the principal academic body of Aston University and it is responsible for overseeing the quality and standards of all teaching, learning and research activities. With forty-six members, including Pro-Vice-Chancellors and Executive Deans, other academic and professional staff, and student representatives, Senate is chaired by the Vice-Chancellor and meets three times a year. Senate is supported by its sub-committees:

- Learning and Teaching Committee.
- Research Committee.

A review of the effectiveness of Senate was undertaken in Autumn 2020 and the outcomes published and approved by Council in January 2021.

ARC supported the Council in the oversight of the implementation of the outcomes of the Senate effectiveness review in accordance with its role in oversight, adequacy and assurance of effective systems of the control and risk management environment at the University. The Committee reviewed progress at its meeting in October 2021, and satisfied itself with the steps taken in relation to the implementation plan.

Convocation

The Convocation is a largely formal body through which the University maintains contact with the wider community. The Convocation is chaired by Aston's Chancellor, Sir John Sunderland and meets annually. Its membership includes the University Council, Officers, academic staff, representatives of Students' Union and Aston alumni, together with representatives of a wide range of external bodies. The Convocation appoints the Chancellor on the joint recommendation of the Council and the Senate. The Convocation typically receives presentations on the work of the University and provides a forum through which Convocation members can raise any matters about the University.

Executive

The Vice-Chancellor and Chief Executive is supported by the University Executive. The Deputy Vice-Chancellor (Engagement) assists the Vice-Chancellor in the management of the University. The Pro-Vice-Chancellors (PVC) are senior appointees who assist the Vice-Chancellor in the specific areas of Research and Education. The University has three academic Colleges: Engineering and Applied Sciences, Business and Social Sciences and Life and Health Sciences. Each College is led by a Pro-Vice Chancellor and Executive Dean, who is also a member of the Executive. The other members of the Executive are the Chief Operating Officer, Executive Director of Human Resources and Organisational Development, Executive Director of Business Engagement and Executive Director of Marketing, Recruitment & Communications.

The Executive convenes to discuss topics of strategic and operational importance to the University, and to inform decisions of the Vice-Chancellor and Chief Executive and other executives. To devolve input to appropriate parties, and to manage the agenda of the Executive Committee, the following groups have been established: Executive Academic Group, Executive Engagement Group and Executive Operations Group. Each group is chaired by members of the Executive as appointed by the Vice Chancellor and Chief Executive.

The Financial and Contracting Policy states the scheme of delegation of the University from the Council and sets out the authority of the officers and the University's constitutional bodies notably Council and its sub-committees to enter legally binding arrangements.

Internal Control

The Council is responsible for the University's system of internal control which supports the achievement of policies, aims and objectives, whilst safeguarding the public and other funds and assets for which it is responsible. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

ARC underpins a robust and effective control environment at the University and regularly reports to Council. In addition, it produces an annual report to Council in which it provides an overview of how it has met its objectives and its assessment of the adequacy and effectiveness of the University's arrangements for risk management, control and governance; economy, efficiency and effectiveness and management.

Furthermore, ARC regularly receives reports from the Executive on internal controls and issues as they arise, along with having oversight of action plans to ensure effective corrective actions are taken where internal control or audit improvements have been identified.

The University's risk management function is supported by its internal auditors (currently PwC UK LLP). In order to provide assurance that the processes and controls are operating effectively, internal auditors undertake an annual review of elements of the University's procedures for governance and risk management, internal financial controls and its arrangements to promote value for money, as well as the underlying control and monitoring processes. Based on this the internal auditors provide an opinion to ARC on the adequacy and effectiveness of internal control. ARC also receives comments from the University's external auditors (currently BDO) in their management letter and other reports. ARC regularly seeks advice from the internal and external auditors to improve its internal controls and performance, and to adopt best current practice. The annual internal audit plan is also approved by ARC.

Corporate Governance Statement (Continued)

Financial Control

The Council is charged with governing and regulating the finances and ensuring there is an appropriate system of financial controls to:

- Ensure that the University is financially sustainable and has sufficient financial resources to deliver its aims and objectives.
- Ensure that public funds are appropriately safeguarded and are used only for the purposes for which they have been given, in accordance with any conditions and requirements specified by funding bodies.
- Safeguard the University's assets and prevent and detect fraud.
- Secure the economical, efficient and effective management of the University's resources and expenditure.

To support delivery of the above Council has approved policies which detail the financial controls and procedures, as well as processes for risk management, procurement, import controls, prevention of fraud, prevention of money laundering, management of conflicts of interest, procedures to prevent tax evasion and ensure compliance with data, privacy and information laws. The University has clearly defined and formalised requirements for approval and control of expenditure as set out in the Financial and Contracting Policy. This includes formalisation of roles for detailed appraisal and review according to approval levels set by the Council. The policy is approved and subject to regular review by the FIC. The effectiveness of the policy and procedures is periodically reviewed by the ARC.

Risk assessment and internal control are embedded in ongoing operations through clear definitions of the responsibilities of, and the authority delegated to, those responsible for academic and administrative departments.

Council has established a comprehensive long and medium-term planning process, supplemented by detailed annual income, expenditure, capital, and cash flow budgets. A set of key performance indicators (KPIs) to support achievement of the University's aims and objectives are reviewed by the Executive Team and Council on a six-monthly basis. Action plans are identified to address KPIs which are below target or moving in the wrong direction. The KPIs encompass student success measures together with financial and non-financial indicators which include research activity, student satisfaction, carbon emissions, availability of systems and assessment of the University estate.

The Council, through its designated Accountable Officer (the Vice-Chancellor and Chief Executive), is required to approve financial statements for each financial year which give a true and fair view of the University's financial performance including the surplus or deficit and cash flows for that year.

The University also has comprehensive personnel policies including all phases of employment, and all aspects of equality and diversity, whistleblowing, grievances and harassment and appropriate procedures for the appointment of the Vice-Chancellor and other senior officers. This also includes processes for monitoring their performance, including the Nominations and Remuneration Committee (NRC) which oversees the remuneration arrangements for senior staff.

Risk Management

Council has responsibility for setting the risk appetite for the University and ensuring that there is an appropriate framework for managing risk at all levels of the organisation. The University has a strategic risk management policy which sets out the risk appetite and the strategic risk assessment and management process, including academic risk, which informs a strategic risk register. The risk register is compiled and reviewed by the Executive every six months. The University has a Head of Strategic Risk who manages the operational activities on behalf of Council. Risks are split between operational and environmental risks and include financial and non-financial risks. Risks are evaluated on an assessment of the likelihood and the potential impact if the risk was to arise. Mitigations and sources of assurance are considered for all risks and the internal control processes revised to account for such risks.

Tactical risks are held at College or working group level and are an integral part of all governance and operating activities.

ARC reviews the University's strategic risk register at regular intervals and reports its observations to the Council, which undertakes reviews of strategic risk management on a twice-yearly basis. The University has, in the view of the Committee, developed satisfactory procedures and controls for the management of risk.

The Internal Audit Annual Report 2021-22 concluded that an opinion of moderate assurance was appropriate, indicating governance, risk management and control, and value for money arrangements in relation to business-critical areas is generally satisfactory. However, there are some areas of weakness and non-compliance in the framework of governance, risk management and control which potentially put the achievement of objectives at risk. There have been no unsatisfactory reports and no individual critical findings raised during the year.

Accounting Basis

The Council has ensured that suitable accounting policies are selected and applied consistently; judgements and estimates are made that are reasonable and prudent; applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation.

Corporate Governance Statement (Continued)

Going Concern

The Council has considered the University's academic and financial position, with due regard to its cash flows, liquidity and borrowings and the factors likely to impact on future expectations as included in the Operating and Financial Review.

The University adopts a cautious approach to financial risk management. Funds are placed in low-risk deposit accounts. While this limits the amount of financial return available, it does not expose these essential funds to undue risk.

We believe that the University is well placed to manage its business risk successfully given its positive cash position, despite the current uncertain economic outlook and continued student recruitment pressures facing the higher education sector and will continue to seek ways to drive efficiencies. Any risk to cash-flow will result in the capital plans being reviewed and amended as required.

Council is satisfied that the University has adequate resources to continue in operation for the foreseeable future and for this reason the going concern basis continues to be adopted in the preparation of the financial statements. Further information is provided on page 36.

Council Members responsibilities in respect of the financial statements:

The members of the Council are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The members of the Council must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and University and of the surplus of income over expenditure of the group and University for that period.

In preparing these financial statements, the members of the Council are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in operation.

The members of the Council are also required to give a report in the financial statements which includes the legal and administrative status of the University. The members of the Council are responsible for keeping adequate accounting records that are sufficient to show and explain the University's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with its Royal Charter, Statutes and Ordinances, the Accounts Direction as issued by the Office for Students (OfS) and the Statement of Recommended Practice: Accounting for Further and Higher Education. They are also responsible for safeguarding the assets of the University and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Council are responsible for ensuring that the funds from the OfS and the DfE are used only in accordance with the Terms and Conditions of Funding with the OfS and any other conditions that the Funding Council may prescribe from time to time. Members of the Council must ensure there are appropriate financial and management controls in place in order to safeguard public and other funds and to ensure they are used properly. In addition, members of the Council are responsible for securing economical, efficient and effective management of the University's resources and expenditure, so that the benefits that should be derived from the application of public funds by the OfS are not put at risk.

Financial statements are published on the University's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the University's website is the responsibility of the members of the Council. The members of the Council's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Auditor's Report to The Council of Aston University

Opinion on the financial statements

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2022 and of the Group's and the University's income and expenditure, gains and losses, changes in reserves and of the Group's and the University's cash flows for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

We have audited the financial statements of Aston University ("the University") and its subsidiaries ("the Group") for the year ended 31 July 2022 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated and University Statement of Changes in Reserves, the Consolidated and University Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

We are independent of the Group and the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

The Council Members are 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 we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Independent Auditor's Report to The Council of Aston University (Continued)

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

In our opinion, in all material respects:

- Funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- The requirements of the OfS's Accounts Direction (OfS 2019.41) have been met.

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

- The University's grant and fee income, as disclosed in note 4 to the accounts, has been materially misstated.
- The University's expenditure on access and participation activities for the financial year, as has been disclosed in note 11 to the accounts, has been materially misstated.

Responsibilities of the council members

As explained more fully in the Council Members' responsibilities in respect of the financial statements, the council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the council members 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 Council Members are responsible for assessing the Group and the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members either intends to liquidate the Group or the University or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations are related to their registration with the Office for Students ("OfS") and their ongoing conditions of registration, and we considered the extent to which non-compliance might have a material effect on the Group Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the OfS Accounts Direction and tax legislation.

We evaluated 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 inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Audit response to risks identified

Independent Auditor's Report to The Council of Aston University (Continued)

We designed and executed procedures in line with our responsibilities to detect material misstatements in respect of irregularities, including fraud. These procedures, together with the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and relevant regulators to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility.
- Discussions with management, the Audit and Risk Committee and the Council, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, including direct representation from the Accountable Officer.
- Reviewing items included in the fraud register;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to assumptions related to the useful economic life of fixed assets, provision for bad debtors and the pension liability.
- In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of revenue recognition.
- Identifying and testing journal entries, in particular journals to revenue codes, material journals, duplicate entries and journals containing specific text.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

In addition, we also report to you whether income from funding bodies, grants and income for specific purposes and from other restricted funds administered by the University have been properly applied only for the purposes for which they were received and whether income has been applied in accordance with the Statutes and, where appropriate, with the Terms and Conditions of Funding with the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education.

Use of our report

This report is made solely to the council member, as a body, in accordance with Section 75 of the Higher Education Research Act 2017. Our audit work has been undertaken so that we might state to the University's Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the council members as a body, for our audit work, for this report, or for the opinions we have formed.

Samantha Lifford (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Birmingham, UK
Date: 28 November 2022

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

Statement of Principal Accounting Policies

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 (FRS 102). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets).

Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2022. The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statement of Comprehensive Income and Expenditure from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation. Associated companies and joint ventures are accounted for using the fair value method.

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

Going Concern

The Council has considered the University's academic and financial position, with due regard to its cash flows, liquidity and borrowings and the factors likely to impact on future expectations as included in the Operating and Financial review above for a period until 31 July 2024.

The University adopts a cautious approach to financial risk management. Funds are placed in low risk deposit accounts. While this limits the amount of return available, it does not expose these essential funds to undue risk.

Council believe that the University is well placed to manage its business risk successfully, despite the current uncertain economic outlook and student recruitment pressures facing the higher education sector and will continue to seek ways to drive efficiencies. Any risk to cash-flow will result in the capital plans being reviewed and amendment as required.

Management have completed a thorough assessment of the appropriateness of the going concern assertion. This has included consideration of a number of budget scenarios for 2022/23 and the impact of these scenarios and capital plans on cash balances, with these scenarios being extrapolated through five-year plans. Prudent assumptions have been applied, and the capital plan has been re-phased to ensure cash balances are maintained through 2022/23 and beyond.

The University has drawn-down £15m of the agreed HSBC facility, and can draw-down the remaining £25m balance on demand, as such at budget level available funds are not expected to fall below £60m. The start to 2022/23 has been positive, and activity has been reforecast accordingly. At both budget and forecast level the University plans to meet all debt covenant obligations with significant flexibility in these measures.

The University has strong cash balances, uses prudent revenue and cost assumptions in forecasting, has reasonable levels of discretionary revenue and capital expenditure and forecasts compliance with debt covenants.

As such, Council is satisfied that the University has adequate resources to continue in operation for the foreseeable future and for this reason the going concern basis continues to be adopted in the preparation of the financial statements.

Income recognition

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.

Tuition Fee Income

Tuition 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 which are not offered as a deduction on fees are accounted for gross as expenditure and not deducted from income.

Investment income

Investment income is credited to the Consolidated Statement of Comprehensive Income and Expenditure on a receivable basis. Funds the University receives and disburses as paying agents 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.

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

Donations and endowments are non-exchange transactions without performance related conditions. 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 or restrictions applied to the individual endowment fund.

Statement of Principal Accounting Policies (Continued)

Donations and endowments (continued)

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

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

Capital Grants

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

The three principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS), Scottish Widows Pension Scheme (SWPS) and Aston University Pension Scheme (AUPS). AUPS is now a closed scheme to new entrants and future accrual and all existing members now have deferred benefits.

AUPS is a defined benefit scheme which was externally funded and for the period up to 5 April 2016 was contracted out of the State Second Pension (S2P). From 6 April 2016, contracting out ceased with the introduction of the Government's new state pension. The fund is valued every three years by professionally qualified independent actuaries. The last formal valuation of the Scheme was carried out as at 31 March 2019. The 2022 valuation is due to be finalised in early 2023 and as such the results of the 2019 valuation have been projected forward to 31 July 2022.

USS is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed 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. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. 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) with related expenses being recognised through the profit and loss account.

SWPS is a defined contribution plan, a post-employment benefit plan under which the University pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income and Expenditure in the year during which services are rendered by employees.

Further details on all pension schemes are disclosed in note 26.

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, such as holiday entitlements earned but not taken at the balance sheet date, 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.

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

Operating leases

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

Foreign currency translation

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 within the Statement of Comprehensive Income and Expenditure. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of land and buildings that had been revalued to fair value on or prior to 1 August 2014 are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation. Depreciation and impairment losses are subsequently charged on the revalued amount.

Where parts of a fixed asset have different useful lives, they are accounted for as separate components for the purposes of charging depreciation.

Statement of Principal Accounting Policies (Continued)

Land and buildings

Capitalisation: 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.

Depreciation: 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:

New buildings and extensions	40 – 50 years
Refurbishments	10 – 20 years
Building Improvements	10 – 15 years

Tangible and intangible assets under construction are accounted for at cost, based on the value of architects' certificates (for tangible assets) and direct costs incurred to 31 July. No depreciation or amortisation is charged on assets in the course of construction.

Plant & machinery, fixtures, fittings & equipment, and intangible assets

Capitalisation: Items costing less than £10,000 per individual item (where not part of a larger capital project) is recognised as expenditure in the year of acquisition. All other items are capitalised at cost.

Depreciation and amortisation: Capitalised plant & machinery, fixtures, fittings & equipment, and intangible assets are depreciated/amortised on a straight line basis over their useful economic life as follows:

Major Systems and Equipment	5 – 10 years
Computer Equipment and Software	3 – 5 years
Equipment acquired for specific research projects	1 – 5 years
Motor Vehicles and General Equipment	3 – 5 years

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

Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

Heritage assets

Works of art and other valuable artefacts and valued at over £10,000 have been capitalised and recognised at cost or value on acquisition, where such a valuation is reasonably obtainable. Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material.

Investments

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

Current asset investments are held on the Balance Sheet at fair value with movements recognised in the Statement of Comprehensive Income and Expenditure.

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment in the University's accounts.

Stock

Stock is held at the lower of cost and net realisable value, and is measured using an average cost formula.

Cash and Cash Equivalents

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

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amount of cash with insignificant risk of change in value.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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

A contingent liability arises from a past event that gives the 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 Schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from UK Corporation Tax in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

Statement of Principal Accounting Policies (Continued)

Taxation (continued)

Deferred tax is provided in full on timing differences that exist at the balance sheet date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in periods in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the Balance Sheet date. Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The University's subsidiary companies are subject to Corporation Tax and VAT in the same way as any commercial organisation.

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.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Aston University Pension Scheme (AUPS)

The University obtains a valuation from Hymans Robertson LLP who make decisions on behalf of the University on the financial assumptions used to calculate the net liability of the scheme. These assumptions include the RPI%, CPI%, salary increases, pension increases, mortality rates, discount rate and the estimate of the duration of employer liabilities.

The University allows Hymans Robertson LLP to apply their skill and judgement in setting these parameters as the pension experts rather than suggesting a rate.

Any changes in actuarial assumptions or differences between the figures derived from

Universities Superannuation Scheme (USS)

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as 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) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102. The directors 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 contributions under the recovery plan in existence at the date of approving these financial statements.

The USS modeller used for calculation of the pension deficit required in the financial statements has used assumptions on staff salary inflation percentages and the percentage change in staff numbers in subsequent years. In making the estimated percentages, management considered past movement in salary inflation and staff numbers as well as considering the University's strategic plans, current economic climate and consistency with AUPS assumptions.

Aston University has also chosen to apply the discount rate provided by Mercer Limited actuaries in the USS modeller. Mercer Limited have used a set of assumptions to arrive at the discount rate with Aston University accepting the set of assumptions as reasonable.

Impairment of assets

There are two key areas that require judgement:

- The recoverability of aged trade receivables based on the knowledge of the individuals or market. Where conditions suggest the full recoverability is doubtful, a provision will be recognised.
- Judgements as to whether any indicators of impairment are present for any of the University's assets.

Neither of these judgement areas have resulted in a significant change to the University's reported performance.

Consolidated Statement of Comprehensive Income and Expenditure

For the year ended 31 July 2022

	Notes	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	144,353	144,353	122,546	122,546
Funding body grants	2	22,372	22,372	21,011	21,011
Research grants and contracts	3	19,256	19,256	21,142	21,142
Other operating income	5	14,037	10,931	7,087	6,974
Investment income	6	46	46	46	46
Total income before endowments and donations		200,064	196,958	171,832	171,719
Donations and endowments	7	725	725	663	663
Total income		200,789	197,683	172,495	172,382
Expenditure					
Staff costs before USS pension provision	8	106,278	105,553	101,662	100,995
Increase/(decrease) in USS pension provision	8	40,657	40,657	(2,030)	(2,030)
Other operating expenses	10	60,391	58,468	49,398	50,005
Depreciation and amortisation		13,107	13,050	12,156	12,121
Interest and other finance costs	9	1,718	1,718	1,840	1,840
Total expenditure	10	222,151	219,446	163,026	162,931
(Deficit)/surplus before other gains and losses		(21,362)	(21,763)	9,469	9,451
Effect of USS pension provision		40,657	40,657	(2,030)	(2,030)
Surplus before USS pension provision and other gains and losses		19,295	18,894	7,439	7,421
Loss on disposal of fixed assets		-	-	(131)	(131)
Gain on investments		5	5	161	161
(Deficit)/surplus before tax		(21,357)	(21,758)	9,499	9,481
Taxation	12	(108)	-	40	-
(Deficit)/surplus for the year		(21,465)	(21,758)	9,539	9,481
Actuarial gain in respect of pension schemes	26	277	277	11,788	11,788
Total comprehensive (deficit)/income for the year		(21,188)	(21,481)	21,327	21,269
Represented by:					
Endowment comprehensive income for the year		200	200	68	68
Restricted comprehensive (deficit)/income for the year		(68)	(68)	309	309
Unrestricted comprehensive (deficit)/income for the year		(21,320)	(21,613)	20,950	20,892
		(21,188)	(21,481)	21,327	21,269
(Deficit)/surplus for the year attributable to:					
University		(21,465)	(21,758)	9,539	9,481
Total comprehensive (deficit)/income for the year attributable to:					
University		(21,188)	(21,481)	21,327	21,269

All items of income and expenditure relate to continuing activities.

Consolidated and University Statement of Changes in Reserves

As at 31 July 2022

Consolidated

	Income and expenditure account			Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000	
As at 1 August 2020	1,197	1,408	110,813	113,418
Surplus from the income and expenditure statement	68	309	9,162	9,539
Other comprehensive income	-	-	11,788	11,788
Total comprehensive income for the year	68	309	20,950	21,327
As at 1 August 2021	1,265	1,717	131,763	134,745
Surplus/(deficit) from the income and expenditure statement	200	(68)	(21,597)	(21,465)
Other comprehensive income	-	-	277	277
Total comprehensive income/(deficit) for the year	200	(68)	(21,320)	(21,188)
As at 31 July 2022	1,465	1,649	110,443	113,557

University

	Income and expenditure account			Total £'000
	Endowment £'000	Restricted £'000	Unrestricted £'000	
As at 1 August 2020	1,197	1,408	110,122	112,727
Surplus from the income and expenditure statement	68	309	9,104	9,481
Other comprehensive income	-	-	11,788	11,788
Total comprehensive income for the year	68	309	20,892	21,269
As at 1 August 2021	1,265	1,717	131,014	133,996
Surplus/(deficit) from the income and expenditure statement	200	(68)	(21,890)	(21,758)
Other comprehensive income	-	-	277	277
Total comprehensive income/(deficit) for the year	200	(68)	(21,613)	(21,481)
As at 31 July 2022	1,465	1,649	109,401	112,515

Consolidated and University Balance Sheet

For the year ended 31 July 2022

	Notes	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Intangible Assets	13a	1,723	1,705	1,981	1,954
Fixed assets	13b	178,379	178,083	176,468	176,276
Heritage assets	14	709	709	709	709
Fixed Asset Investments	15	505	505	112	112
		181,316	181,002	179,270	179,051
Current assets					
Stock	16	21	21	18	18
Trade and other receivables	17	20,353	22,369	15,561	17,651
Investments	18	194	194	169	169
Cash and cash equivalents	19	103,566	99,701	86,556	83,607
		124,134	122,285	102,304	101,445
Less: Creditors: amounts falling due within one year	21	(62,747)	(61,626)	(53,877)	(53,547)
Net current assets		61,387	60,659	48,427	47,898
Total assets less current liabilities		242,703	241,661	227,697	226,949
Creditors: amounts falling due after more than one year	22	(60,647)	(60,647)	(61,235)	(61,236)
Provisions					
Pension provisions	23	(67,581)	(67,581)	(27,434)	(27,434)
Other provisions	23	(918)	(918)	(4,283)	(4,283)
Total net assets		113,557	112,515	134,745	133,996
Restricted Reserves					
Income and expenditure reserve – endowment reserve	24	1,465	1,465	1,265	1,265
Income and expenditure reserve – restricted reserve	25	1,649	1,649	1,717	1,717
Unrestricted Reserves					
Income and expenditure reserve – unrestricted		110,443	109,401	131,763	131,014
Total Reserves		113,557	112,515	134,745	133,996

The financial statements were approved by the Council on 23 November 2022 and were signed on its behalf by the Pro Chancellor and the Vice Chancellor as the principal office holders, as defined in the Financial Memorandum.

Dame Yve Buckland DBE



Pro Chancellor and Chair of Council

Professor Aleks Subic



Vice Chancellor and Chief Executive

Date: 28 November 2022

Consolidated Cash Flow Statement

For the year ended 31 July 2022

	Notes	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Cash flow from operating activities			
(Deficit)/surplus for the year before tax		(21,357)	9,499
Adjustment for non-cash items			
Depreciation	13a	11,929	11,690
Amortisation of intangibles	13b	1,178	466
(Increase)/decrease in stock	16	(3)	12
Increase in debtors	17	(4,900)	(2,438)
Increase in creditors	21	9,907	8,087
Adjusted increase/(decrease) in pension provision	23	40,185	(2,525)
(Decrease)/increase in other provisions	23	(3,365)	4,283
Adjustment for investing or financing activities			
Investment income	6	(46)	(46)
Interest payable	9	1,718	1,840
Endowment income	24	(157)	(24)
Loss on the sale of tangible and intangible assets		-	131
Capital grant income	21	(2,788)	(2,842)
Cash flows from operating activities		32,301	28,133
Taxation	12	-	-
Net cash inflow from operating activities		32,301	28,133
Cash flows from investing activities			
Capital grants receipts		2,788	2,842
Investment income	6	46	46
Payments made to acquire tangible assets		(14,217)	(12,595)
Payments made to acquire intangible assets		(920)	(1,604)
Payments made to acquire non-current investments		(400)	-
		(12,703)	(11,311)
Cash flows from financing activities			
Interest paid	9	(1,479)	(1,456)
New endowments	24	157	24
Repayments of amounts borrowed	21	(1,266)	(1,227)
		(2,588)	(2,659)
Increase in cash and cash equivalents in the year		17,010	14,163
Cash and cash equivalents at beginning of the year		86,556	72,393
Cash and cash equivalents at end of the year		103,566	86,556

Notes to the Accounts

For the year ended 31 July 2022

1. Tuition fees and education contracts

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Home and EU students	92,664	92,664	95,471	95,471
International students	40,622	40,622	24,499	24,499
Other tuition	9,282	9,282	1,505	1,505
Research training support grant	1,785	1,785	1,071	1,071
	144,353	144,353	122,546	122,546

2. Funding body grants

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Recurrent grant				
Office for Students	16,585	16,585	16,112	16,112
Capital grant	1,844	1,844	1,680	1,680
Specific grants				
Higher Education Innovation Fund	2,238	2,238	1,635	1,635
Other specific funding body grants	1,705	1,705	1,584	1,584
	22,372	22,372	21,011	21,011

3. Research grants and contracts

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Research councils	4,752	4,752	5,026	5,026
Research charities	1,102	1,102	2,428	2,428
Government (UK)	2,899	2,899	3,491	3,491
European grants	7,050	7,050	6,847	6,847
Industry and commerce	1,981	1,981	1,132	1,132
Other research grants and contracts	945	945	1,731	1,731
Deferred grant income	527	527	487	487
	19,256	19,256	21,142	21,142

Notes to the Accounts (Continued)

For the year ended 31 July 2022

4. Sources of funding

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
OfS	18,427	18,427	17,792	17,792
Other bodies	13,380	13,380	12,807	12,807
Research awards	11,605	11,605	12,625	12,625
Non-qualifying	767	767	664	664
Taught	141,802	141,802	120,810	120,810
	185,981	185,981	164,698	164,698

5. Other income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Residences, catering, conferences, nursery and sports & recreation	5,403	2,065	1,356	1,010
Other revenue grant income and Erasmus Grant	1,473	1,473	897	897
Rents, and hire of rooms and land	1,936	1,936	1,194	1,194
Release of non OFS deferred capital grant	503	503	320	320
Other income and services rendered	4,722	4,954	3,320	3,553
	14,037	10,931	7,087	6,974

6. Investment income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Investment income on endowments	38	38	38	38
Investment income on restricted reserves	2	2	4	4
Other investment income	6	6	4	4
	46	46	46	46

Notes to the Accounts (Continued)

For the year ended 31 July 2022

7. Donations and endowments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
New endowments	157	157	24	24
Donations with restrictions	568	568	639	639
	725	725	663	663

8. Staff costs

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Salaries	76,457	75,911	72,827	72,352
Social security costs	8,061	8,010	8,270	8,218
Employer's pension contributions	21,931	21,806	22,068	21,933
Other staff costs	(171)	(174)	(1,503)	(1,508)
	106,278	105,553	101,662	100,995
USS pension provision movement	40,657	40,657	(2,030)	(2,030)
	146,935	146,210	99,632	98,965

The average number of staff employed, expressed as full-time equivalents and analysed over activity, is as follows:

	Year ended 31 July 2022	Year ended 31 July 2021
	Number	Number
Academic	872	852
Technical	60	55
Administrative	509	484
Clerical, manual and other	367	389
	1,808	1,780

Head of Provider to median employee pay multiple:

	Year ended 31 July 2022 Professor Alec Cameron (to 30 November 2021)	Year ended 31 July 2022 Professor Saskia Hansen (from 1 December 2021)	Year ended 31 July 2021 Professor Alec Cameron
Basic Salary	7.4	4.9	7.6
Total Salary	7.4	4.9	7.5

The median employee salary figure used to calculate the above ratio is based on the annual full time salary of all included on the University's payrolls. This includes all individuals that the University includes in its HESA staff record, including any individual service companies who are deemed employees under IR35.

This excludes agency staff, individuals with honorary contracts where the contract is not deemed to be a contract of employment and self-employed individuals outside the scope of IR35. Agency staff are excluded as it is not possible with the current systems and processes in place to identify the equivalent annual salary at an individual level. Agency staff are used for a range of activities across the University, however, they are often not full-time, are charged for via third parties often on a consolidated basis and the rate charged includes a fee to the third party and VAT. Therefore, it is not possible to identify an accurate median salary for these individuals.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

8. Staff costs (continued)

Emoluments of the Vice-Chancellor:

	Year ended 31 July 2022			Year ended 31 July 2021
	Professor Alec Cameron (to 30 November 2021)	Professor Saskia Hansen (from 1 December 2021)	Total	Professor Alec Cameron
	£'000	£'000	£'000	£'000
Basic Salary	120	134	254	304
Pension contributions and payments in lieu of contributions	-	42	42	
Benefit Replacement Payment	16	-	16	47
	136	176	312	351

The Vice Chancellor left the employment of the University at the end of November 2021, and there has been an Interim Vice Chancellor in post from 1st December 2021 through to the end of the financial year.

Former Vice-Chancellor

The emoluments of the Vice-Chancellor above exclude employer's social security. The Vice Chancellor was not a member of the USS pension scheme and therefore there were no employer contributions in 2021/22 or 2020/21. The University made a benefit replacement payment in lieu of pension contributions to USS.

The performance of the Vice-Chancellor was monitored throughout his employment including through 1:1 performance appraisal with the Chair of Council. The University does not have an Executive Bonus Scheme.

In setting the pay of the Vice-Chancellor the Remuneration Committee used a variety of benchmark data sets to get a rounded picture of what fair and competitive base pay looks like for the role at Aston University. The primary comparison was carried out using several different data 'cuts' of the UCEA Senior Staff Remuneration Report which provide a picture of where the incumbent sat relative to the wider Higher Education Sector. The conclusion of that comparison determined that the base and total reward for the role at Aston were fairly positioned against the market.

Additionally, the Remuneration Committee commissioned an independent external review of senior remuneration against the wider private and public sectors to provide a benchmark of levels of pay for senior roles found in these markets. This analysis similarly concluded that the remuneration of the Vice-Chancellor was fair, appropriate and justifiable.

Interim Vice-Chancellor

The Interim Vice-Chancellor was an internal appointment that included the adjustment of a range of Executive-level responsibilities, including some Executive roles taking on interim responsibility for aspects of operational leadership that would normally be undertaken by the Vice-Chancellor.

In determining the pay for the Interim Vice-Chancellor the Remuneration Committee used benchmarking data on Vice-Chancellor remuneration to determine a fair and equitable total pay position based on the nature, content and duration of the interim appointment.

The performance of the Interim Vice-Chancellor was monitored throughout her interim appointment including through ongoing 1:1 performance review with the Chair of Council.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

8. Staff costs (continued)

Basic remuneration of other Higher Paid Staff, excluding employer's Social Security and pension contributions:

	Year ended 31 July 2022 Number	Year ended 31 July 2021 Number
Basic salary per annum		
£100,000 to £104,999	5	4
£105,000 to £109,999	7	5
£110,000 to £114,999	4	3
£115,000 to £119,999	2	2
£120,000 to £124,999	8	5
£125,000 to £129,999	1	-
£130,000 to £134,999	2	1
£135,000 to £139,999	-	1
£140,000 to £144,999	1	1
£155,000 to £159,999	2	3
£160,000 to £164,999	-	1
£165,000 to £169,999	-	1
£170,000 to £174,999	1	-
£185,000 to £189,999	1	-
£270,000 to £274,999	1	1
£300,000 to £304,999	0	1
	35	29

The following compensation for loss of office was paid during the year in accordance with the Institution's remuneration committee policy:

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Compensation paid for loss of office	468	348
Number of individuals	46	37

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. These have been defined as members of the University's Executive. Staff costs includes compensation paid to key management personnel.

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Key management compensation	2,277	2,675
	2,277	2,675

Notes to the Accounts (Continued)

For the year ended 31 July 2022

9. Interest and other finance costs

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Loan interest	1,479	1,479	1,456	1,456
Net charge on pension schemes	239	239	384	384
	1,718	1,718	1,840	1,840

10. Analysis of total expenditure by activity

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Academic and related expenditure	98,136	98,136	89,516	89,516
Administration and central services	39,691	39,647	33,783	33,783
Premises	17,886	17,886	16,806	16,806
Residences, catering and conferences	3,529	867	1,295	613
Research grants and contracts	14,343	14,343	14,698	14,698
Increase/(decrease) in USS pension provision	40,657	40,657	(2,030)	(2,030)
Other expenses	7,909	7,910	8,958	9,545
	222,151	219,446	163,026	162,931

Other expenses include:

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
External auditor's remuneration:				
Audit services	98	85	67	61
Non-audit services	7	7	6	6
Operating lease rentals	152	152	251	251
Maintenance of land and buildings	5,912	5,912	4,719	4,719

Notes to the Accounts (Continued)

For the year ended 31 July 2022

11. Access and participation

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Access Investment	878	686
Financial Support	2,366	2,167
Disability Support (excl. costs in the two categories above)	346	251
Research and Evaluation	106	101
	3,696	3,205

The published total of planned expenditure in the University's Access and Participation Plan for the year ended 31 July 2022 was £1,003,623. The University has alerted the OfS that the Financial Support element of the plan is understated and should be £2,216,313 rather than the published £82,705. Therefore, 'planned' University expenditure was £3,126,623 for the year ended 31 July 2022. Details of the approved 2020-2025 plan can be found at <https://www.aston.ac.uk/sites/default/files/astonuniversity-app-2020-2025.pdf>

Actual spend was £3,695,593 (£568,670 over target). Within this there were overspends in planned Access Investment and Financial Support for students. The University did not set any targets for Disability Support, so all spend is overspend. Research expenditure was in line with target.

12. Taxation

Recognised in the statement of comprehensive income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Current tax				
Current tax expense	-	-	-	-
Current tax expense	-	-	-	-
Deferred tax				
Origination/(reversal) of timing differences	108	-	(40)	-
Recognition of previously unrecognised tax losses	-	-	-	-
Deferred tax expense/(credit)	108	-	(40)	-
Total tax expense/(credit)	108	-	(40)	-

Notes to the Accounts (Continued)

For the year ended 31 July 2022

13a. Fixed assets

Consolidated

	Freehold land £'000	Freehold Buildings £'000	Plant & Machinery £'000	Fixtures, Fittings & Equipment £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation						
As at 1 August 2021	51,185	146,681	34,701	32,863	5,047	270,477
Additions	-	833	932	1,045	11,030	13,840
Transfers	-	4,163	3,078	2,187	(9,428)	-
As at 31 July 2022	51,185	151,677	38,711	36,095	6,649	284,317
Depreciation						
As at 1 August 2021	-	42,928	24,460	26,621	-	94,009
Charge for the year	-	6,666	2,665	2,598	-	11,929
As at 31 July 2022	-	49,594	27,125	29,219	-	105,938
Net Book Value						
As at 31 July 2022	51,185	102,083	11,586	6,876	6,649	178,379
As at 31 July 2021	51,185	103,753	10,241	6,242	5,047	176,468

University

	Freehold land £'000	Freehold Buildings £'000	Plant & Machinery £'000	Fixtures, Fittings & Equipment £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation						
As at 1 August 2021	51,185	146,681	34,701	32,387	5,015	269,969
Additions	-	833	932	1,043	10,880	13,688
Transfers	-	4,163	3,078	2,008	(9,249)	-
As at 31 July 2022	51,185	151,677	38,711	35,438	6,646	283,657
Depreciation						
As at 1 August 2021	-	42,928	24,459	26,306	-	93,693
Charge for the year	-	6,666	2,665	2,550	-	11,881
As at 31 July 2022	-	49,594	27,124	28,856	-	105,574
Net Book value						
As at 31 July 2022	51,185	102,083	11,587	6,582	6,646	178,083
As at 31 July 2021	51,185	103,753	10,242	6,081	5,015	176,276

Notes to the Accounts (Continued)

For the year ended 31 July 2022

13b. Intangible assets

	Consolidated	University
Software	£'000	£'000
As at 1 August 2021	1,981	1,954
Additions in the year	920	920
Amortisation charge for the year	(1,178)	(1,169)
Disposals	-	-
As at 31 July 2022	1,723	1,705

14. Heritage assets

Heritage assets with a fair value of greater than £10,000 have been capitalised in line with the accounting policies.

Consolidated and University

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Heritage Assets brought forward and carried forward	709	709

Notes to the Accounts (Continued)

For the year ended 31 July 2022

15. Fixed asset investments

Consolidated

	Subsidiary companies £'000	Investment in spinouts £'000	Other fixed assets investments £'000	Total £'000
As at 1 August 2021	-	52	60	112
Additions	-	400	-	400
Revaluation	-	-	(7)	(7)
As at 31 July 2022	-	452	53	505

University

	Subsidiary companies £'000	Investment in spinouts £'000	Other fixed assets investments £'000	Total £'000
As at 1 August 2021	-	52	60	112
Additions	-	400	-	400
Revaluation	-	-	(7)	(7)
As at 31 July 2022	-	452	53	505

The non-current investments have been valued at market value where an appropriate open market is available. All other non-current investments have been valued at nominal value.

The University has interests in the following companies:

Other fixed asset investments consist of:

Year ended 31 July 2022
£

Subsidiary Companies:

Conference Aston Limited	1
Optimus Energy Limited	1
EBRI (UK) Limited	1
Aston University Consulting Limited	1
Aston Commercial Limited	1
Beautiful Canoe Limited	1

Investment in Spinout Companies:

Aston Language Technologies Limited	433
Aston Particle Technologies Limited	250,006
Eyoto Group Limited	895
Grid Edge Limited	200,281

Other Fixed Asset Investments:

Accustem Sciences Limited	346
CVCP Properties Limited	31,539
Mercia Technologies Plc	18,415
Tiziana Life Sciences Plc	3,157

Consolidated Total	505,072
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University Total	505,078
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The subsidiary company investments are University investments only. All other investments are Group and University investments.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

16. Stock

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
General consumables	21	21	18	18
	21	21	18	18

17. Trade and other receivables

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Research grants receivables	5,087	5,087	4,694	4,694
Trade receivables	8,737	8,444	5,187	5,094
Prepayments and accrued income	6,482	6,362	5,525	5,525
Amounts due from subsidiary companies	-	384	-	338
Deferred tax asset	47	-	155	-
	20,353	20,277	15,561	15,651
Amounts falling due after one year:				
Loans due from subsidiary companies	-	2,092	-	2,000
	20,353	22,369	15,561	17,651

18. Investments

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Short term investment in unit trust	194	194	169	169
	194	194	169	169

Aston University has an investment of £194k in Hermes Property Unit Trust. The investment can be redeemed annually on 26 March, 25 June, 30 September and 26 December and therefore as the cash is not instantly accessible, it is deemed to be a short term investment.

19. Cash and cash equivalents

	As at 1 August 2021	Cash Flows	As at 31 July 2022
	£'000	£'000	£'000
Consolidated			
Cash and cash equivalents	86,556	17,010	103,566
	86,556	17,010	103,566
University			
Cash and cash equivalents	83,607	16,094	99,701
	83,607	16,094	99,701

Aston University invests surplus cash funds through money market deposits with UK financial institutions and investments in COIF Charities Investment Fund.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

20. Consolidated reconciliation of net funds

Consolidated reconciliation of net funds	£'000
As at 1 August 2021	43,468
Movement in cash and cash equivalents	17,010
Repayment of secured loans	1,266
Repayment of unsecured loans	-
As at 31 July 2022	61,744
Increase in net funds	18,276

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Analysis of net funds:		
Cash and cash equivalents	103,566	86,556
Borrowings: amounts falling due within one year		
Secured loans	(1,309)	(1,266)
Unsecured loans	-	-
	(1,309)	(1,266)
Borrowings: amounts falling due after more than one year		
Secured loans	(25,513)	(26,822)
Unsecured loans	(15,000)	(15,000)
	(40,513)	(41,822)
Net funds	61,744	43,468

Notes to the Accounts (Continued)

For the year ended 31 July 2022

21. Creditors: Amounts falling due within one year

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Secured loans	1,309	1,309	1,266	1,266
Research grants and contracts in advance	8,725	8,725	9,380	9,380
Accruals and deferred income	31,752	30,962	30,855	30,586
Other taxation and social security	4,799	4,799	2,692	2,692
Other creditors	16,162	15,831	9,684	9,623
	62,747	61,626	53,877	53,547

Deferred Income

Included within creditors less than one year are the following items of income which have been deferred until specific performance related conditions have been met.

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Research grants received on account	8,725	8,725	9,380	9,380
Capital grant income	2,788	2,788	2,842	2,842
Other income	15,150	15,143	16,751	16,747
	26,663	26,656	28,973	28,969

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

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Deferred income	20,134	20,134	19,413	19,414
Secured loans	25,513	25,513	26,822	26,822
Unsecured loans	15,000	15,000	15,000	15,000
	60,647	60,647	61,235	61,236

Notes to the Accounts (Continued)

For the year ended 31 July 2022

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

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Analysis of secured and unsecured loans:				
Due within one year or on demand (Note 21)	1,309	1,309	1,266	1,266
Due between one and two years	1,352	1,352	1,310	1,310
Due between two and five years	4,364	4,364	4,207	4,207
Due in five years or more	34,797	34,797	36,305	36,305
Due after more than one year	40,513	40,513	41,822	41,822
Total secured and unsecured loans	41,822	41,822	43,088	43,088
Secured loans repayable by 2037	26,822	26,822	28,088	28,088
Unsecured loans	15,000	15,000	15,000	15,000
	41,822	41,822	43,088	43,088

Lender	Principal amount	Interest rate	Term	Borrower
	£'000	%		
Barclays Bank	40,000	3.97	2037	University
HSBC	15,000	SONIA plus 1.45	2034	University
	55,000			

The secured long-term loan comprises one loan with Barclays Bank. This loan is payable in quarterly instalments from 2008 to 2037 and is secured on a building of the University.

The University entered a £40 million unsecured credit facility with HSBC in July 2019. At the balance sheet date £15m of this facility had been drawn down. No repayments are due until 2034.

As at 31 July 2022, the University is exposed to risks arising from interest rate benchmark reform as LIBOR is replaced with alternative benchmark interest rates. The quantitative exposure is disclosed above.

The University has applied the Amendments to FRS 102: Interest rate benchmark reform (Phase 1 and Phase 2). Applying the practical expedient introduced by the amendments, when the benchmark affecting the Group's loans was replaced, the adjustments to the contractual cash flows have been reflected as an adjustment to the effective interest rate. Therefore, the replacement of LIBOR by SONIA will not result in an immediate gain or loss recorded in profit or loss, which may have been required if the practical expedient was not available or adopted.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

23. Provisions for liabilities

Consolidated

	Obligation to fund deficit on USS pension	Obligation to fund deficit on AUPS pension	West Midlands Pension Fund provision ¹	Total pension provision	Other provisions	Total other
	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 August 2021	26,673	735	26	27,434	4,283	4,283
Utilised in year	(1,276)	(458)	(7)	(1,741)	(1,173)	(1,173)
Additions	42,165	-	-	42,165	-	-
Releases	-	(277)	-	(277)	(2,192)	(2,192)
As at 31 July 2022	67,562	-	19	67,581	918	918

University

	Obligation to fund deficit on USS pension	Obligation to fund deficit on AUPS pension	West Midlands Pension Fund provision ¹	Total pension provision	Other provisions	Total other
	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 August 2021	26,673	735	26	27,434	4,283	4,283
Utilised in year	(1,276)	(458)	(7)	(1,741)	(1,173)	(1,173)
Additions	42,165	-	-	42,165	-	-
Releases	-	(277)	-	(277)	(2,192)	(2,192)
As at 31 July 2022	67,562	-	19	67,581	918	918

¹ Local Government Pension Scheme (LGPS) for pensioners retiring before 2012-13.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

24. Endowment reserves

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £'000	Expendable endowments £'000	Year ended 31 July 2022 Total £'000	Year ended 31 July 2021 Total £'000
As at 1 August				
Capital	737	277	1,014	975
Accumulated income	210	41	251	222
	947	318	1,265	1,197
New endowments	-	157	157	24
Investment income	26	12	38	38
Expenditure	(2)	(11)	(13)	(166)
Increase in market value of investments	8	4	12	172
Transfers in year	-	6	6	-
Total endowment comprehensive income for the year	32	168	200	68
As at 31 July	979	486	1,465	1,265
Represented by:				
Capital	743	438	1,181	1,014
Accumulated income	236	48	284	251
	979	486	1,465	1,265
Analysis by type of purpose:				
Academic chairs	-	66	66	61
Scholarships and bursaries	801	172	973	884
Prize funds	25	92	117	113
General	153	156	309	207
	979	486	1,465	1,265
Analysis by asset:				
Current and non-current asset investments			194	169
Cash & cash equivalents			1,271	1,096
			1,465	1,265

Deficit Balances

Aston University did not have any permanent endowments in deficit in either the year ending 31 July 2022 or the prior year.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

25. Restricted reserves

			Year ended 31 July 2022	Year ended 31 July 2021
	Unspent capital grants	Restricted donations	Total	Total
	£'000	£'000	£'000	£'000
Balances at 1 August	-	1,717	1,717	1,408
New grants	3,540	-	3,540	4,475
New donations	-	567	567	639
Investment income	-	2	2	4
Capital grants utilised	(3,540)	-	(3,540)	(4,475)
Expenditure	-	(631)	(631)	(334)
Transfer in year	-	(6)	(6)	-
Balances at 31 July	-	1,649	1,649	1,717

	Year ended 31 July 2022	Year ended 31 July 2021
	Total	Total
	£'000	£'000
Analysis of Other Restricted Funds / Donations by Type:		
Academic chairs	42	45
Scholarships and bursaries	955	971
Prize funds	29	27
General	623	674
Balances at 31 July	1,649	1,717

Notes to the Accounts (Continued)

For the year ended 31 July 2022

26. Pension schemes

Accounting for retirement benefits

The three principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS), Scottish Widows Pension Scheme (SWPS) and Aston University Pension Scheme (AUPS). AUPS is now a closed scheme to new entrants and future accrual and all existing members now have deferred benefits.

AUPS is a defined benefit scheme which was externally funded and for the period up to 5 April 2016 was contracted out of the State Second Pension (S2P). From 6 April 2016, contracting out ceased with the introduction of the Government's new state pension. The fund is valued every three years by professionally qualified independent actuaries. The last formal valuation of the Scheme was carried out as at 31 March 2019. The 2022 valuation is due to be finalised in early 2023 and as such the results of the 2019 valuation have been projected forward to 31 July 2022.

USS is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed 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. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. 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) with related expenses being recognised through the profit and loss account.

SWPS is a defined contribution plan, a post-employment benefit plan under which the University pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the year during which services are rendered by employees.

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, such as holiday entitlements earned but not taken at the balance sheet date, are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

Significant Judgements and Estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Aston University Pension Scheme (AUPS)

The University obtains a valuation from Hymans Robertson LLP who make decisions on behalf of the University on the financial assumptions used to calculate the net liability of the scheme. These assumptions include the RPI%, CPI%, salary increases, pension increases, mortality rates, discount rate and the estimate of the duration of employer liabilities.

The University allows Hymans Robertson LLP to apply their skill and judgement in setting these parameters as the pension experts rather than suggesting a rate. Any changes in actuarial assumptions or differences between the figures derived from the roll forward approach and the full actuarial valuation will impact on the carrying amount of the pension liability.

Universities Superannuation Scheme (USS)

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as 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 FRS 102. The directors are satisfied that USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

The USS modeller used for calculation of the pension deficit required in the financial statements has used assumptions on staff salary inflation percentages and the percentage change in staff numbers in subsequent years. In making the estimated percentages, management considered past movement in salary inflation and staff numbers as well as considering the University's strategic plans, current economic climate and consistency with AUPS assumptions.

Aston University has also chosen to apply the discount rate provided by Mercer Limited actuaries in the USS modeller. Mercer Limited have used a set of assumptions to arrive at the discount rate with Aston University accepting the set of assumptions as reasonable.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

26. Pension schemes (continued)

USS provides benefits for academic and academic-related employees of all UK universities and other employees. SWPS/AUPS provides benefits for other staff of the University. USS and AUPS are defined benefit schemes which are externally funded, the assets of which are held in separately administered funds. The deficit in the schemes is required to be reflected in the Consolidated Balance Sheet and the movements in the deficit to be reflected in the Consolidated Statement of Comprehensive Income and Expenditure.

The total pension cost for the Consolidated Group was:

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Contributions to USS (excluding provision movement)	19,254	19,187
Contributions to AUPS	930	930
Contributions to SWPS	1,418	1,437
NEST and other pension contributions	50	112
Total Contributions	21,652	21,666

These amounts include contributions due but not paid at the year-end as follows:

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Contributions due to USS	1,754	1,579
Contributions due to AUPS	-	-
Contributions due to SWPS	118	118
Contributions due to NEST and other pensions	19	7
Total Contributions	1,891	1,704

USS

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

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

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to 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 £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below:

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

Notes to the Accounts (Continued)

For the year ended 31 July 2022

26. Pension schemes (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 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S£PFA for females.
Future improvements to mortality	CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	2021-22	2020-21
Males currently aged 65 (years)	20.9	24.6
Females currently aged 65 (years)	23.8	26.1
Males currently aged 45 (years)	22.3	26.6
Females currently aged 45 (years)	25.8	27.9

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

	2021-22	2020-21
Discount rate	3.31%	0.87%
Pensionable salary growth	3.00%	2.35%
Staff base growth	1.50%	1.50%

The employers' contribution rates are as follows:

Effective date	Rate
1 October 2019 to 30 September 2021	21.1%
1 October 2021 to 31 March 2022	21.4%
1 April 2022 to 31 March 2024	21.6%
1 April 2024 to 30 April 2038	21.4%

AUPS

The assets of the Scheme are held in a separate trustee-administered fund. The Scheme is a defined benefit scheme which is funded and valued every three years by the actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. A full actuarial valuation was carried out at 31 March 2019 by a qualified independent actuary (Hymans Robertson LLP). The material assumptions and other data used by the actuary were:

	2021-22	2020-21
Salary scale increases per annum	2.90%	2.95%
Pension increases per annum (post 1.9.90 joiners)	3.05%	3.10%
Pension increases per annum (pre 1.9.90 joiners)	3.65%	3.65%
Discount rate	3.50%	1.60%
Consumer Price Inflation	2.50%	2.55%
Retail Price Inflation	3.10%	3.20%

The assumptions used by the actuary are best estimates chosen from a range of actuarial assumptions which are acceptable under the requirements of FRS102. The FRS102 valuation has used RPI as the inflationary index to calculate scheme liabilities for current members and used CPI in respect of deferred members. The current mortality assumptions include sufficient allowance for future improvements in the mortality rates, adopting the CMI 2020 projections with a 1.25% pa long term trend. The assumed life expectancies on retirement at age 65 are:

	2021-22	2020-21
Retiring today		
Males	20.9	20.8
Females	23.8	23.7
Retiring in 20 years		
Males	22.3	22.2
Females	25.8	25.7

Notes to the Accounts (Continued)

For the year ended 31 July 2022

26. Pension schemes (continued)

Scheme assets and assumptions on investment returns:

	Fund Value 31 July 2022 £'000	Fund Value 31 July 2021 £'000
Equity securities	13,437	45,854
Debt securities – corporate	47,028	16,125
Liability driven investments	25,843	54,884
Cash and cash equivalents	1,280	651
Real estate	6,346	7,724
	93,934	125,238

The following amounts at 31 July were measured in accordance with the requirements of FRS 102.

Analysis of the Amount Shown in the Balance Sheet:

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Total value of assets	93,934	125,238
Actuarial value of liabilities	(91,328)	(125,973)
Gain/(loss) over funded scheme assets	2,606	(735)
Unrecognised accounting gains	(2,606)	-
Balance Sheet liability	-	(735)

The surplus as at 31 July 2022 has been restricted to show a final position of £nil, as in accordance with FRS 102, an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Analysis of the Amount Charged to Staff Costs Within the Operating Surplus:

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Current service cost	-	-
Administration cost	465	417
Past service cost	-	26
Total operating charge	465	443

Analysis of the Amount that is Credited to Other Finance Income / (Charged to Interest Payable):

	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
Interest income on scheme assets	1,983	1,543
Interest payable on scheme liabilities	(1,990)	(1,719)
Net interest on Net Defined Benefit Liability	(7)	(176)
Total amount charged to Profit	458	619

Notes to the Accounts (Continued)

For the year ended 31 July 2022

26. Pension schemes (continued)

Analysis of the Amount Recognised in Other Comprehensive Income (OCI):

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Actual return on assets excl. amount included in net assets	(30,739)	14,825
Actuarial losses on scheme obligations	33,622	(3,037)
Re-measurement gain in scheme	2,883	11,788
Decrease in irrecoverable surplus	(2,606)	-
Re-measurement gain in OCI	277	11,788

Analysis of the Movement in the Fair Value of the Scheme Liabilities:

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Opening Defined Benefit Obligation	125,973	124,241
Current Service Cost	-	-
Administration Cost	465	417
Interest Cost	1,990	1,719
Past Service Cost	-	26
Contributions by Scheme Participants	-	-
Actuarial Losses	(33,622)	3,037
Benefits Paid	(3,478)	(3,467)
Closing Defined Benefit Obligation	91,328	125,973

Analysis of the Movement in the Fair Value of the Scheme Assets:

	Year ended 31 July 2022	Year ended 31 July 2021
	£'000	£'000
Opening Fair Value of Scheme Assets	125,238	111,407
Interest Income	1,983	1,543
Contributions by Aston University	930	930
Contributions by Scheme Participants	-	-
Actuarial Return on Assets exc. amount included in net interest	(30,739)	14,825
Benefits Paid	(3,478)	(3,467)
Closing Fair Value of Scheme Assets	93,934	125,238

NEST

From 1 August 2013, the University has been required to automatically enrol its workers into a workplace pension scheme if they meet certain qualifying criteria and are not members of any other scheme. Auto-enrolment does not replace the existing arrangements for contractual enrolment into AUPS/USS for regular employees. However auto-enrolment does apply to regular employees that have opted out of AUPS or USS, or who may opt out in the future, USS pensioners and casual workers. The University has chosen to offer NEST (the National Employment Savings Trust) as its workplace pension scheme for its casual workers.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

27. Capital, other commitments and contingent liabilities

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

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Commitments contracted for	4,630	4,622	6,258	6,212
	4,630	4,622	6,258	6,212

Contingent liabilities at 31 July 2022:

	As at 31 July 2022		As at 31 July 2021	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Highways Act 1980 Bond	31	31	31	31
	31	31	31	31

The University has a Section 278 Highways Act 1980 bond with Birmingham City Council for £31,282. This bond relates to the carrying out of works to Aston Street, Birmingham. In the event that the University fail to meet the terms of the Section 278 agreement the bond will be paid to Birmingham City Council.

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

28. Lease obligations

Total rentals payable under operating leases:

	As at 31 July 2022		As at 31 July 2021	
	Other leases	Total	Other leases	Total
	£'000	£'000	£'000	£'000
Future minimum lease payments due:				
Less than 1 year	192	192	202	202
Between 1 year and 5 years	240	240	523	523
Later than 5 years	-	-	-	-
Total lease payments due	432	432	725	725

29. 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
Conference Aston Limited	Management of conference and hotel activities	100% owned	15
Beautiful Canoe Limited	Provision of consultancy, workshops and student placements	100% owned	15
Optimus Energy Limited	Dormant	100% owned	15
EBRI (UK) Limited	Dormant	100% owned	15
Aston University Consulting Limited	Dormant	100% owned	15
Aston Commercial Limited	Dormant	100% owned	15

Notes to the Accounts (Continued)

For the year ended 31 July 2022

30. Financial instruments

Risk management

The University operates a centralised treasury management function which is responsible for managing the credit, liquidity, interest and foreign currency risk. These financial risks are managed within the parameters specified by the Finance Committee approved Treasury Management Policy. The treasury management policy adopts the key recommendations of the Code of Practice on Treasury Management in Public Service as issued by Chartered Institute of Public Finance and Accountancy (CIPFA) as recommended by the Office for Students and is reviewed and updated annually.

The University's principal financial instruments are cash, investments and loans. The core objective of these financial instruments is to meet the financing needs of the University's operations. Additionally, the University has other financial assets and liabilities arising directly from its operations i.e. trade debtors and creditors.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the University.

The University's credit risk arises from bank balances, investments, student debtors and commercial organisations as customers. Management of credit risk is a prime objective of the Treasury Management Policy. At 31 July 2022, the maximum exposure is represented by the carrying value of each financial asset in the balance sheet.

The credit risk of liquid funds and financial instruments is limited because the counterparties are banks with investment grade credit ratings assigned by international credit-rating agencies. The University's exposure and the credit ratings of its counterparties are monitored regularly. The credit exposure is limited by counterparty limits and minimum counter party credit ratings set within the Treasury Management Policy.

Student and commercial debtors are reviewed on an ongoing basis and a bad debt provision is made if recovery becomes uncertain. If a debtor is deemed irrecoverable it is written off. The concentration of risk is limited due to a large number of diverse customers across both students and commercial customer populations.

Liquidity risk

Liquidity risk refers to the risk that the University will not be able to meet its financial obligations as they fall due. Regular monitoring of liquidity risk is an essential feature of treasury management activities.

Cash flow forecasts form part of the University's 5 year strategic model and are revised during the financial year. The University policy is to maintain a minimum of £10m in on-call cash balances. Excess funds are invested to maximise the return whilst observing the Treasury Management Policy limits.

Foreign currency risk

Foreign currency risk refers to the risk that unfavourable movement in exchange rates may cause financial loss to the University. The University's principal foreign currency exposure is to the euro. On an annual basis after satisfying euro denominated liabilities the University is left with a surplus of Euros. Surplus euros are converted at spot rates or via forward contracts that are used to mitigate the risk of adverse exchange rate movements.

Interest rate risk

Interest rate risk refers to the likelihood that changes in interest rates will result in fluctuations of the value of balance sheet items (i.e. price risk) or changes in interest income or expenses (i.e. re-investments risk).

As at 31 July 2022, the University is exposed to risks arising from interest rate benchmark reform as LIBOR is replaced with alternative benchmark interest rates. The quantitative exposure is disclosed above.

The University has applied the Amendments to FRS 102: Interest rate benchmark reform (Phase 1 and Phase 2). Applying the practical expedient introduced by the amendments, when the benchmark affecting the Group's loans was replaced, the adjustments to the contractual cash flows have been reflected as an adjustment to the effective interest rate. Therefore, the replacement of LIBOR by SONIA will not result in an immediate gain or loss recorded in profit or loss, which may have been required if the practical expedient was not available or adopted.

Financial instruments – fair values

The fair values of each category of the University's financial instruments are the same as their carrying value in the balance sheet.

Notes to the Accounts (Continued)

For the year ended 31 July 2022

31. Related party transactions

The University's Council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the University Council (with members drawn from local, public and private sector organisations), it is inevitable that transactions will take place with organisations in which a member of Council may have an interest.

All transactions involving organisations in which a member of Council may have an interest, including those identified below, are conducted at arm's length and in accordance with the University's Financial Regulations and normal procurement procedures.

Related parties were identified by examining returns submitted by members of Council and senior management team members for the financial year 2021/22, as well as performing an online check via Creditsafe.

These financial statements include the following transactions with related parties. No information has been listed for organisations where the income and expenditure is less than £1,000 in the financial year.

2021/22

	Income Transactions	Expenditure Transactions	Creditor Balance due	Debtor Balance due
	£'000	£'000	£'000	£'000
Aston University Engineering Academy	1	-	-	-
Aston University Pension Scheme	-	360	-	-
Aston University Students' Union	617	1,784	1	101
Greater Birmingham & Solihull Institute of Technology	-	100	-	-
Greater Birmingham & Solihull Local Enterprise Partnership Limited	-	10	-	-
Membership Solutions Ltd	-	13	-	-
Birmingham Women's & Children NHS Trust	-	118	-	-
Greater Birmingham Chamber of Commerce	-	80	-	-
IDP Connect	-	42	5	-
Royal Orthopaedic Hospitals NHS Foundation Trust	-	62	-	-
University Hospital Birmingham NHS	5	308	4	-
University of Kent	-	8	-	-

Notes to the Accounts (Continued)

For the year ended 31 July 2022

2020/21

	Income Transactions	Expenditure Transactions	Creditor Balance due	Debtor Balance due
	£'000	£'000	£'000	£'000
AdvanceHE	-	9	6	-
Akatemia UK	-	3	-	-
Aston University Engineering Academy	20	-	-	20
Aston University Pension Scheme	-	360	-	-
Aston University Students' Union	59	1,589	-	-
Coventry University	-	1	-	-
Greater Birmingham & Solihull Institute of Technology	-	145	-	-
Greater Birmingham & Solihull Local Enterprise Partnership Limited	23	10	-	2
Innovation Birmingham Advisory Board	-	48	-	-
Membership Solutions Ltd	-	11	-	-
Universities West Midlands	-	36	-	-
University Vocational Awards Council	-	4	-	-

Expenses are paid to or on behalf of Council members for travel and subsistence incurred in attending meetings and events in their official capacity. This is immaterial to the financial statements for the years ending 31 July 2022 and 2021.

32. Post balance sheet events

There are no post balance sheet events to report at the date of signing.

Appendices

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The year in numbers

Top 25 in the Guardian University Guide (2023).

<https://www.theguardian.com/education/ng-interactive/2020/sep/05/the-best-uk-universities-2021-league-table>

Over 1,500 degree apprentices studying with us, based at organisations across the UK (sourced from Aston University student records system).

Ranked 27th in the UK for Career Prospect Outcomes (Complete University Guide, 2023).

<https://www.thecompleteuniversityguide.co.uk/league-tables/rankings?tabletype=full-table&sortby=graduate-prospects-outcomes>

Over 74% of our students undertake a placement year or equivalent experience (2021/22).

- *Aston University Annual Placement Report for Annual Monitoring 2020.*

Partner with over 300 employers who offer degree apprenticeships.

(Sourced from Aston University student records system)

Over 130 student-led clubs and societies.

<https://www.astonsu.com/union/student-activities/clubs-and-societies/>

2nd in England for impact on social mobility in HEPI Social Mobility Index (2022).

<https://www.hepi.ac.uk/2022/03/24/english-social-mobility-index-2022/>

Aston University graduates achieved the 20th largest median salary in the UK five years after graduation

(Longitudinal Education Outcomes, 2021).

<https://explore-education-statistics.service.gov.uk/find-statistics/graduate-outcomes-leo-provider-level-data>

Research Excellence Framework. <https://www.ref.ac.uk/>

Top 30 in the UK for proportion of graduate receiving a first or upper second class degree.

<https://www.thetimes.co.uk/article/good-university-guide-in-full-tp6dzs7wn>

Global network of over 100,000 alumni.

<https://www.aston.ac.uk/alumni>

Villa Vision.

<https://www.aston.ac.uk/latest-news/villa-vision-provides-over-2000-inner-city-children-tools-improve-educational-prospects>

2nd largest proportion of BAME students.

<https://www.thetimes.co.uk/article/good-university-guide-in-full-tp6dzs7wn>

17,597 students.

Data from Student Population Tableau Dashboard located on My Aston Portal (MAP). The data in this dashboard is extracted from our Student Record System SITS.

Appendices (Continued)

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Awards

2nd in England for impact on social mobility in HEPI Social Mobility Index (2022).
<https://www.hepi.ac.uk/2022/03/24/english-social-mobility-index-2022/>

Athena Swan Gold Award.

<https://www.aston.ac.uk/latest-news/aston-universitys-college-engineering-and-physical-sciences-becomes-second-uk-achieve>

Best University Placement Service (2022).

<https://www.aston.ac.uk/latest-news/aston-university-wins-best-university-placement-team-national-awards>

1st class for sustainability - People and Planet League.

<https://peopleandplanet.org/university-league>

World Top 100 for Business & Management in the QS World Subject Rankings (2021).

<https://www.topuniversities.com/university-rankings/university-subject-rankings/2021/business-management-studies>

Athena Swan Silver Award 2021.

<https://www.advance-he.ac.uk/equality-charters/athena-swan-charter/participants-and-award-holders#Institutional-Awards>

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A year in the news

Refer to Aston University's news and press pages for all stories on pages 9-13.

<https://www.aston.ac.uk/latest-news>

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Recruitment diversification

Top 30 in the UK for proportion of graduate receiving a first or upper second class degree.

<https://www.thetimes.co.uk/article/good-university-guide-in-full-tp6dzs7wn>

2nd largest proportion of BAME students.

<https://www.thetimes.co.uk/article/good-university-guide-in-full-tp6dzs7wn>

ONCAMPUS Aston.

<https://www.oncampus.global/uk/campuses/aston-university/welcome.htm>

Over 1,500 degree apprentices studying with us, based at organisations across the UK (sourced from Aston University student records system).

Aston University graduates achieved the 20th largest median salary in the UK five years after graduation (Longitudinal Education Outcomes, 2021).

<https://explore-education-statistics.service.gov.uk/find-statistics/graduate-outcomes-leo-provider-level-data>

Appendices (Continued)

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Graduate success

Winners of Best University Placement Service (National Undergraduate Employability Awards 2022).
<https://nueawards.co.uk/>

Aston University rated 2nd in England for significant contribution made to social mobility for its students. (HEPI Social Mobility Index, 2022).
<https://www.hepi.ac.uk/2022/03/24/english-social-mobility-index-2022/>

Narce Media founders, Connor Watt and Joe Housley. Entrepreneurial Profiles | Aston University.
www.narcemedia.com

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Global Alumni networks

Alumni | Aston University.

Page 20-21

A growing research profile

Research Excellence Framework. <https://www.ref.ac.uk/>

Page 21-23

Knowledge Exchange

Aston University recognised as a top university by the Knowledge Exchange Framework (KEF).
<https://www.aston.ac.uk/latest-news/aston-university-recognised-top-university-knowledge-exchange-framework>

Case Study: Aston University and Partnership Medical (PML) were shortlisted for an award at the KTP Awards 2022.
<https://www.aston.ac.uk/expert/spotlights/>

Companies engaging with us on a KTP see average of 1,107%
1,107% is the ROI companies achieved from working with us on KTP rather than the number of companies. The figure came from research that went into the 'Our Impact of the Region' Doc that can be accessed on this webpage: <https://www.aston.ac.uk/about/region-and-society#:~:text=Our%20Impact%20on%20the%20region,society%20via%20the%20link%20below>

Research and Knowledge Transfer.
<https://www.aston.ac.uk/business/collaborate-with-us/knowledge-transfer-partnership/academics>

Knowledge Exchange Framework.
<https://www.aston.ac.uk/business/collaborate-with-us/knowledge-transfer-partnership>

Knowledge Transfer Partnerships (KTPs).
<https://www.aston.ac.uk/business/collaborate-with-us/knowledge-transfer-partnership>

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Regional and Civic Engagement Performance

<https://www.aston.ac.uk/business>

Commonwealth Games.
<https://www.birmingham2022.com/about-us/partnerships/>

Aston University signs up to civic university agreement to strengthen role in local community, March 2021.
<https://www.aston.ac.uk/latest-news/aston-university-signs-civic-university-agreement-strengthen-role-local-community>

Aston University pledges funding support for SME apprenticeships, June 2021.
<https://www.aston.ac.uk/latest-news/aston-university-pledges-funding-support-sme-apprenticeships>

Villa Vision.
<https://www.aston.ac.uk/latest-news/aston-university-and-aston-villa-announce-launch-villa-vision>

See following document for details on Aston University Civic Agreements and Partnerships:
<https://www.aston.ac.uk/business/collaborate-with-us/knowledge-transfer-partnership/academics>

Appendices (Continued)

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Sustainability and Social Responsibility

Sustainability strategy: <https://www.aston.ac.uk/about/our-values/environment>

Student's Union

<https://www.astonsu.com/>

Sustainability webpage:

<https://www.aston.ac.uk/about/our-values/environment>

1st class for sustainability - People and Planet League.

<https://peopleandplanet.org/university-league>

Carbon neutral targets:

<https://www.aston.ac.uk/about>

COP26

Full live stream here: What might net zero energy systems look like? A Supergen fishbowl debate live from COP26 in Glasgow – YouTube.

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