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A merger of minds: The deal that created City St George's, University of London

This case study has been written by Professor Scott Moeller with the assistance of case writer Arjun Calidas Krishnaswamy of Bayes Business School, City St George's, University of London as a basis for classroom discussion rather than to illustrate effective or ineffective handling of an administrative situation. The case was made possible by the co-operation of City St George's, University of London.

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A merger of minds: The deal that created City St George's, University of London

'These early wins are encouraging, but we must remain focused on the broader, long-term vision. There is still much work to be done in creating a unified institution that meets the expectations of both our students and staff.'

Sir Anthony Finkelstein, President of City, University of London

The union between City, University of London and St George's, University of London is a journey that has changed the landscape of higher education and health sciences in the UK, with the intent to create a bigger and broader institution of consequence and choice for students, faculty and other staff.

The Strategic Imperative: Rational Planning, not Serendipity

In many ways, the combination of City and St George's wasn't initially perceived as a necessity to either institution. According to those involved with the deal, it started as a slow burn with not much more than mutual respect and a somewhat superficial knowledge of each other. They were both full degree-awarding research and teaching universities within the larger federal University of London that included sixteen other institutions including King's College, University College London and the London School of Economics and Political Science,

Both City and St George's had its own independent identity, strengths and proud history:

- St George's was the older of the two universities with a legacy stretching back to 1733 as part of St George's Hospital in central London at Hyde Park Corner, and then as a university in 1838. It was a specialised institution and the last remaining independent medical school in London. The Complete University Guide listed St George's number one for graduate prospects in its 2023 edition, which meant that St George's had the best rate in the country for students moving into highly skilled employment or further study. Notably, in 2008, St George's had agreed to a merger with Royal Holloway, University of London; however, that deal was called off in late 2009 only to resurface with new discussions in 2021.
- City had deep roots in professional education in, amongst other fields, law, business, nursing, journalism and engineering — serving as a bridge between academia and London's, if not the UK's, economic heart. Its law school was founded in 1852 as The Inns of Court School of Law and included not only multiple prime ministers of the UK as graduates (including Sir Tony Blair and Margaret Thatcher), but also international heads of state (for example for India, Mohandas 'Mahatma' Gandhi and Jawaharlal Nehru). Similarly, its business school (originally City University Business School and then, for a period, Cass Business School before becoming Bayes Business School in 2022) counted amongst its alumni some very successful and famous business leaders, including Sir Stelios Haji-Ioannou, the founder of the easyJet empire. Notably, City was itself a product of acquisitions, including what was now the law and nursing schools, and more recently, in 2022, the prestigious Urdang Academy which became part of the School of Communication and Creativity.

By early 2022, both universities were operating in an evolving higher education landscape in the UK that had significant financial pressures for many in the sector. However, with its location in central London and focus on professional services education and research, City was responding well and continuing to deliver surpluses for reinvestment back into its infrastructure and strategic growth plans. St George's, though stable, lacked the scale and breadth to diversify and was also more vulnerable to financial shocks that had been exacerbated by the impact of the Covid pandemic on the higher education market.

While financial stability was a key consideration, the merger was driven by the strategic desire to be a larger, more stable university. The greater scale and resiliency would then naturally bring financial benefits. Leadership from both institutions saw the potential for growth through interdisciplinary collaboration across academic disciplines, where healthcare could intersect with fields like business,

law and engineering. The merger plan also anticipated financial benefits through operating efficiencies over time, for example through the integration of professional services. As the Chair of Council at St George's, Christine Swabey, wrote in her comments to the 2022/23 St George's Annual Report,

'We have recently signed a Memorandum of Understanding with City, University of London to progress talks about a combined institution. As the UK's only university dedicated to medical and health sciences education, training and research, St George's has much to offer and there is little overlap with City's existing portfolio of teaching and research.'

Indeed, much of the discussion so far has focused on exciting possibilities for research collaboration in areas such as Health Technology Research, Imaging and Data, and Psychology and Mental Health. Discussions on joint educational opportunities show potential in areas including health leadership and science communication.'

This vision of a more integrated academic offering made the idea of a merger not just a solution, but a strategic opportunity for both institutions to thrive in the changing societal and educational environment where many of these professional services linked in practice and therefore could and should be combined in education and research.

From Initial Contact to Commitment: The Merger Timeline and Process

As in any significant partnership, City and St George's needed time to assess their compatibility before formalising their relationship. This took around two years, as what began as strategic discussions evolved into a full commitment to merge.

Early Discussions (Early 2022 - February 2024)

The initial discussions were, as Sir Anthony Finkelstein, President of City, later described, *'delicate negotiations'*. Like any good relationship, each side had to figure out how to come together without losing their identity.

St George's was understandably cautious, being particularly protective of its specialist focus on healthcare education. *'The merger represented a pivotal moment for us,'* noted Professor Jane Saffell, Deputy Vice-Chancellor of St George's, *'as we faced financial constraints that limited our ability to grow independently. The discussions were focused on how we could retain our heritage while expanding into new interdisciplinary fields.'* She also remarked that City *'courted'* St George's better than other institutions which presented similar offers.

Finkelstein initiated the contact with an email in August 2021 to the Vice Chancellor of St George's, Professor Jenny Higham, which suggested that they should talk about a possible partnership or combination of the two institutions. Finkelstein wanted to make sure that happened before any decision on the St George's merger with Royal Holloway would be finalised. Higham had been serving as the university's Principal since 2015, while Finkelstein had joined City as its President in June 2021.

Finkelstein was aware of an important fact about the London higher education market, which was that of the eight teaching hospitals in London, seven were already affiliated with other universities and only St George's remained independent. So, he was surprised when there was no immediate response to his email, and thus asked his Chair of Council to contact St George's Chair of Council. Soon after the St George's – Royal Holloway talks ended in December 2021, the face-to-face discussions began in early 2022.

It was critical to both sides from the start of talks that the merger was not seen as one institution simply absorbing the other. To respect the distinct legacies, it was framed as a *'merger of equals'* rather than an acquisition, although legally it was structured as an acquisition. Early on it was agreed that there would be a single brand and indeed this was an absolute condition for St George's -- a red line -- that the University name would change. Subject to agreement of the authorities, the new university would be known as

'City St George's, University of London', honouring the history and strengths of both universities.

Formalising the Union (February - July 2024)

By February 2024, the councils of both institutions had formally agreed to the merger, as noted in a joint press release issued that month (see Exhibit 1). The official announcement emphasised the mutual benefits: City's broad professional vocational focus could support St George's expansion into interdisciplinary programmes, while St George's healthcare expertise would elevate City's already strong health sciences offerings.

Branding was one of the early challenges, particularly among St George's staff who were concerned about being overshadowed by City's larger size and academic portfolio. *'The challenge was not just about rebranding but about reassuring our community that the things that made St George's special — our relationships with healthcare providers, our unique medical culture — would not be lost,'* Saffell noted. The solution was a soft launch on 1 August 2024, giving staff and students time to adjust before the full public brand launch in March 2025. The two universities originally planned for that brand launch to take place one year later, but subsequently decided that they could – and should – do it more quickly.

The Early Days of Integration (August 2024 - early 2025)

Once the formalities were out of the way, it was agreed that the hard work of making the relationship work would begin. Combining two universities' operations was no small feat, and the management teams of both institutions understood that this would require time. One person working on the integration said that it's like two people moving in together, agreeing that they will keep all the furniture from both sides but realising that they still both have strong opinions about where the furniture should go.

From August 2024 for what was expected to be an intensive year of change, City and St George's had put in place early planning for significant integration of their administrative systems, IT systems and workflows. *'Aligning these systems without overwhelming the teams or disrupting daily operations was one of our greatest challenges,'* said Mick Vincent, head of the Merger Office.

Operational systems weren't the only thing that needed realignment. Professional services staff and academic teams from both institutions faced the delicate task of blending different cultures. While no layoffs were planned in the first year, it was recognised that rationalising duplicated roles might become a necessity. *'It's a tough process,'* remarked Andre Spicer, Executive Dean of Bayes Business School, *'but rationalising duplicated roles would be necessary if we are to achieve the financial and operational goals we set out in this merger.'*

Can 2+2=5?: How City and St George's Planned to Complement Each Other

As the negotiations and merger planning progressed, the more the teams were able to identify opportunities for both institutions to streamline their operations and achieve cost savings. For Council members, academics and professional services staff, these remained secondary to the overall strategic benefits for programmes, research, enterprise and innovation, but the cost savings also formed an essential part of delivering the financial plans that underpinned approval of the merger.

Take, for instance, the provision of what is called 'Student Services'. Before the merger, City had a comprehensive system of support across multiple disciplines, while St George's had very highly specialised student services because of the narrow nature of the subjects studied, and inevitably operated on limited resource due to their size. But by combining the two, City St George's planned to offer a robust, interdisciplinary and much more efficient support system that catered consistently well to its wide range of students — from those studying law to those pursuing a career in health services.

Research infrastructure was also expected to benefit from the merger. At the heart of academic excellence is the quality of the research conducted by the members of the faculty. City's strength in law, business, engineering and social sciences, for example, blended seamlessly with St George's

specialised medical research capabilities, allowing for new interdisciplinary initiatives. *'We could pursue large-scale interdisciplinary research initiatives that neither institution could undertake alone,'* noted Mick Vincent.

Cultural Integration: Finding Harmony Together

Cultural integration will be one of the most delicate and challenging aspects of the merger. City's professional, results-driven culture and St George's healthcare-driven environment presented significant cultural differences. Leadership focussed on fostering a shared institutional identity while preserving the unique strengths of both institutions. Finkelstein emphasised that cultural respect and patience were necessary keys to this success. *'This merger is as much about cultural bridging as it is about operational alignment,'* said Finkelstein. *'We're making progress, but building a unified institution that respects the strengths of both City and St George's will take time.'*

To foster integration, the leadership set clear ambitions to create a unified institution, particularly in the fields of health and medical sciences where they saw some early wins. In this respect, Finkelstein outlined three long-term strategic goals: making City St George's the best place in the UK to (i) be a clinical researcher and educator; (ii) do translational, impact-oriented, clinically-engaged science; and (iii) receive an inter-professional education in health and medicine. These ambitions were designed to guide investment and strategic decisions moving forward. The combinations within the health and medical services were emphasised in the press release on the day of the formal merger (see Exhibit 2), although the benefits were expected ultimately to help the university in all areas of study and research.

Practical steps to achieve the early benefits of merger included ongoing efforts to unify governance, management and policies across the institution. For professional services, the university was already implementing a 'target operating model' aimed at bringing services together incrementally. While specific interdisciplinary programmes like 'Interdisciplinary Health and Innovation' were not yet in place, there was a strong expectation for academics to start building these interdisciplinary links, bid for shared research funding and establish joint programmes.

Finkelstein emphasised that the integration process would take time, acknowledging that some elements, such as the digital and operational systems, would require an extended period to fully converge. Early announcement not just of Finkelstein as President but also the other members of the senior leadership team of City St George's enabled them to focus on making sure that the integration proceeded smoothly and to plan across all the schools.

While the leaders acknowledged that the integration process would take time, the frequent messaging in emails, social media posts and face-to-face (including hybrid delivery) meetings insisted that staff and students gradually embrace the new identity. According to Finkelstein, the focus must be on respecting the past whilst building something new and forward-looking for the future. The leadership continually reiterated that they remained committed to respecting the unique strengths of both City and St George's while shaping a new, unified institutional identity.

Governance and Stakeholder Engagement: Standing Strong Together

The success of the merger also required a well-designed governance structure. Governance and stakeholder engagement were critical to ensuring smooth decision-making and effective integration. Prof. Elisabeth Hill, Deputy President and Provost of City, who oversaw the governance transition from two universities to one, noted the importance of collaboration between the Councils of both universities to ensure a smooth process. St George's Council disbanded on 31 July 2024, with the new City St George's Council operational as of 1 August with a new, externally appointed chair taking the helm.

Joint governance structures were established to address key issues ranging from academic policy to operational systems, ensuring that decisions reflected the needs of both institutions. Sub-committees and key appointments helped maintain trust and ensured that both institutions had a voice in the strategic decisions of City St George's even in advance of the formal merger.

Angela McIntyre, who supported the delivery of the communications strategy, played a vital role in keeping stakeholders informed. Her approach, based on the 'rule of seven' (a marketing concept that

states that stakeholders or customers need to hear or see a message at least seven times before they would fully accept it), emphasised transparency and consistency. *'We had to make sure everyone — from students to external partners — was aware of what was happening and why,'* she explained.

Financial Outcomes: Stability on the Horizon

Although the strategic advantages of the merger were paramount in driving the deal forward, financial considerations did become key to whether the merger would be approved to go ahead, as Hill explained. The Councils of both universities recognised that it was the strategic arguments which most strongly supported the decision to merge. Indeed, from a financial perspective, the risk for City of the merger was high and, for City, a safer decision in the short-term might have been not to do the deal.

Yet it was also critical to show the potential for financial stability through leveraging the combined strengths of both institutions. As with most institutes in the sector, City was facing increasing financial pressure due to the historic freezing of UK undergraduate tuition fees, while St George's was also investment-constrained due to its size. The merger presented an opportunity to pool resources, explore new revenue-generating avenues and achieve operational efficiencies.

According to Matthew Swales, the Chief Financial Officer of City, the process of identifying financial opportunities began almost immediately, with the aim of achieving long-term efficiencies. The primary focus was on creating a more sustainable financial model over time through both growth and by reducing duplicative costs and streamlining services. Interdisciplinary programmes — such as those in Healthcare Management and Bioethics — could both attract interest from a broader student base and, along with other new interdisciplinary offers, hold the potential to contribute substantially to the institution's financial health over time. Additionally, the newly-merged institution would then be better positioned to compete for larger research grants, thanks to the combined expertise in healthcare, business and other fields.

The principal driver always remained the strategy, but working together with Big 4 professional advisors, the executive teams from both institutions spent a considerable amount of time on making sure that the merger financials were both correct and properly supportive of that strategy. The financial work to support the transaction itself was also complex and included the transition of legacy loan arrangements to the new combined institution, ensuring that sufficient investment capacity remained in place through the merger and beyond.

As Hill noted, the vision can't deliver immediate returns or changes that are immediately noticeable to the various stakeholders, but the financials do show up quickly. She added, *'If we couldn't get the university to be on a strong financial footing, we wouldn't exist to realise our vision.'*

Early Wins and Long-Term Prospects

In the early days following the merger, several signs of success began to emerge. There were substantial improvements in league table positions, particularly in *The Guardian University Guide 2025*, where City St George's University saw a 23-place rise, moving to 38th in the UK. This marked the most significant improvement of any university in the top 50. Furthermore, *The Daily Mail University Guide 2025* recognised City St George's as the University of the Year for Graduate Jobs and the runner-up for the overall University of the Year award.

'These early wins are encouraging,' Finkelstein remarked, which he attributed to a collective focus on improving student experience. The improvements reflect not only the better league table rankings but also enhanced National Student Survey scores reported by the UK's Office for Students. That report highlighted the student satisfaction with teaching quality and feedback during their courses.

The merger integration team said that as the newly-combined institution moves forward, the focus will need to remain on maintaining the momentum generated by the merger. Financial stability, cultural integration and academic excellence must remain top priorities. While some operational systems were integrated by early 2025, the continued development of a unified institutional identity needed to be an ongoing project.

Is This a Match Made for Growth?

'Mergers like this are inherently complex, with many layers of operational and cultural integration required,' said Paul Kett, Senior Adviser and Global Director of Education and Skills at PwC UK. While not directly involved in the City and St George's merger, he emphasised that the success of mergers *'depends heavily on the ability to navigate organisational differences while focusing on long-term sustainability.'* He noted that for both universities, the merger presented an opportunity to create an institution that maximises the strengths of each.

The strategic union has the potential to position City St George's as a leading interdisciplinary institution, building on St George's excellence in healthcare education with City's established excellence in a breadth of disciplines including health, business, law, creativity, communications, policy and global affairs, science and technology. This emphasised, in Hill's words, one of the major advantages of the merger in that *'every School [in the City portfolio] will benefit the health and medicine strength, and vice versa. It was important that no School felt that the merger wouldn't be positive for them. This helped bring people along in both institutions.'* Spicer further pointed out the importance of that cross-disciplinary collaboration. He remarked, *'We are seeing opportunities for collaboration that few institutions can match, especially at the intersection of healthcare and professional disciplines like business and law.'*

Both Kett and Spicer acknowledged that while the merger holds tremendous promise, the path to success requires sustained collaboration and careful cultural integration. *'Mergers of this nature require continuous effort,'* Kett noted, *'particularly when it comes to bridging organisational cultures and maintaining momentum after the initial phase.'* This sentiment is reflected in Spicer's outlook on the university's development: *'While we have made substantial progress in operational integration, the true challenge is embedding a shared institutional identity that builds on the strengths of both universities.'*

Although some early indications of success were already emerging, as Finkelstein pointed out, *'we must remain focused on the broader, long-term vision. There is still much work to be done in creating a unified institution that meets the expectations of both our students and staff.'*

Spicer reinforced this cautious optimism, explaining that the plan was to start the integration at the outset quickly after announcement of the deal, but knowing that full integration would take time. *'We've made good progress, but the success of this merger will be measured by how effectively we continue to evolve and grow together as a single, cohesive entity,'* he said.

Early 2025: Countdown to the full integration

Hill summarised the state of the integration in her post New Year's message to all faculty and staff:

As we begin 2025, I want to reflect on what was an extraordinary year of progress for our university. The merger was a significant milestone in our history and its success is due to the commitment and collaboration of colleagues across City St George's.

We have created an institution that is greater than the sum of its parts and will provide the scale and resilience required for our future success. We have the opportunity to share our strengths, talents and resources to enhance our teaching, research, and external engagement.

Of course, change also brings its challenges. Integrating different cultures, processes, and systems takes time and there will inevitably be bumps in the road. It requires our patience, flexibility and, above all, our cooperation...

We have an exciting and detailed plan in place to complete a rebrand across all our campuses and communication channels by 3 March 2025. This aligns with the start of the 2026-2027 undergraduate recruitment cycle and is led by the Marketing and External Relations Directorate, in partnership with colleagues across our campuses. While our new name is already in use, our rebranding presents an important opportunity to showcase our identity, strengths and aspirations to our wider community.

To mark this milestone, we will host a series of events for staff, students, partners, and the public in the first week of March. I encourage you to get involved and help us make the public

launch of City St George's a memorable occasion. Please do save the date for our all-staff event on Thursday 6 March...

As we continue our integration this year, a key focus will be on strengthening our sense of community - creating an environment where everyone feels valued, supported, and empowered to contribute to our collective success. I encourage you to continue sharing your ideas, feedback, and insights about this as we shape the next chapter of our university together.

City, University of London and St George's, University of London agree to merge

A transfer agreement has been signed to formalise the plan to combine the two universities.

By City Press Office (General enquiries), Published Thursday, 22nd February 2024

City, University of London and St George's, University of London have signed an agreement to merge, creating a powerful multi-faculty institution.

The combined university will become one of the largest suppliers of the health workforce in the capital, as well as one of the largest higher education destinations for London students.

This development marks a key milestone for both universities, bringing together each of their strengths to form one world-class institution. It will result in significant advantages in terms of scale, reach, capability, and resilience.

Subject to the necessary regulatory approvals, the merged institution will be called City St George's, University of London and will begin operating from 1 August 2024 – although full integration will take longer.

The combined institution will be led by Professor Sir Anthony Finkelstein, the current President of City.

In the health sphere St George's will bring medicine, pharmacology, biomedical science, allied and global health to complement City's health offering which includes nursing, midwifery, speech and language therapy, optometry, counselling, and psychology. One of very few institutions offering this breadth of expertise, the combined institution will constitute a 'health powerhouse' for students, researchers, the NHS and partners.

By combining the reputation of St George's as a world-leading specialist health university with City's excellence in a breadth of disciplines including health, business, law, creativity, communications, science and technology, the merger also creates opportunities to generate significant change in the world of healthcare. This includes changes to treatment, population health monitoring, workforce development and leadership, policy, and advocacy.

Professor Sir Anthony Finkelstein, President, City, University of London said:

"City St George's will assume a role as one of the major London centres for higher education and research, distinctively different from the other member institutions of the University of London.

"We will be uniquely placed to play a key role in resolving one of the greatest societal issues of the day – training and developing the workers and leaders for the NHS and healthcare professions that are so desperately needed.

"City St George's will be the place for rethinking healthcare for the twenty-first century and will undertake the research to underpin that.

"I am looking forward to leading City St George's and to working with the remarkable and talented staff, students, and alumni in our combined institution."

Professor Jenny Higham, Vice-Chancellor, St George's, University of London said:

"As we move forward with this strategic merger, I am enthusiastic about the tremendous promise our shared vision holds - not just for healthcare and research, but for science, service, and excellence more broadly. By bringing together the strengths of both universities, our common commitment to practice and professionalism will allow City St George's to accomplish great things across many disciplines.

"I look forward to collaborating with Professor Sir Anthony Finkelstein and all our talented staff, students, and alumni as we shape City St George's, University of London into a powerhouse for healthcare education and research."

Sir Patrick Vallance, Former Government Chief Scientific Adviser and St George's alumnus said:

"I trained as a doctor at St George's and subsequently joined the staff, teaching, undertaking research in pharmacology and working as a consultant physician in the hospital. St George's has always been an institution where the medical school and the hospital have been closely joined in the mission to improve health and advance the understanding of and treatment of disease.

"It took a bold decision when it moved from central London to Tooting to meet the needs of the population and it has built an impressive independent profile.

"This latest decision to combine with City and create City St George's will bring a broad range of allied health professions together with medicine into a single institution and provides an exciting opportunity to train the next generations of medical and health professions in an innovative way and to undertake the research needed to improve patient care."

News article

City, University of London and St George's, University of London merge

Combined institution is one of the largest higher education destinations for London students.

By City Press Office (City Press Office), Published Thursday, 1st August 2024

City, University of London has formally merged with St George's, University of London, creating a powerful multi-faculty institution with a distinctive focus on professional education and research at the frontier of practice.

The combined university is now one of the most significant suppliers of the health workforce in the capital, as well as one of the largest higher education destinations for London students.

Led by Professor Sir Anthony Finkelstein, the merged institution is called City St George's, University of London and will begin operating from 1 August 2024 – although full integration is expected to take longer.

St George's educates doctors, paramedics, physician associates, biomedical scientists, radiotherapists, radiographers, physiotherapists and occupational therapists. This complements City's health offering which includes nursing, midwifery, speech and language therapy, optometry, counselling, radiography, and psychology. One of very few institutions offering this breadth of expertise, the combined institution will constitute a 'health powerhouse' for students, researchers and the NHS.

St George's is deeply embedded in London's largest hospital with a network of NHS partners and reach into a very large population with important health needs.

By combining St George's world-leading specialism in health and medicine with City's excellence in a breadth of disciplines including health, business, law, creativity, communications, policy and global affairs, science and technology, the merger creates opportunities to generate significant change in the world of healthcare through interdisciplinary working. This includes changes to treatment, population health monitoring, workforce development and leadership, policy, and advocacy.

Professor Sir Anthony Finkelstein, President, City St George's, University of London, said:

"City St George's is uniquely positioned to influence population health outcomes and shape the strategic health workforce at a national and global level through integrated professional education and translation-oriented research programmes with interdisciplinary opportunities."

City St George's will play a key role in resolving one of the greatest societal issues of the day – training and developing the workers and leaders for the NHS and healthcare professions that are so desperately needed. We will be the best place to be a clinical educator and researcher.

"While full integration – including combined branding – will take some time, we are looking forward to working together as one institution across our campuses in Clerkenwell, Moorgate and Tooting."

"I am looking forward to leading City St George's and to working with the remarkable and talented staff, students, and alumni of our combined institution."

Professor Ian Jacobs, Chair, City St George's Council, said:

"The merger of two outstanding universities, each with a rich history, to create City St George's will bring benefits to our students, our staff and the HE sector in the UK."

“The merger is timely given the pressures faced by our universities and the NHS. It will create exciting opportunities, through linking existing strengths in medicine and health to expertise across the academic spectrum from business, law, science and engineering, to policy, communication and the arts. These interactions will generate educational and research benefits, as well as advantages of scale, which will enable City St George’s to have a major impact on society, not least in healthcare.

“My congratulations to everyone involved in making this visionary merger happen. I look forward to working with the City St George’s community and our partners to ensure that the full potential of the new university is realised.”

Exhibit 3 — City Income and Expense Statement ending 31 July 2023
(source: *City Annual Report 2022/23*)

Consolidated and City statement of comprehensive income and expenditure for the year ended 31 July 2023

		Year ended 31 July 2023		Year ended 31 July 2022	
	Notes	Group £000	City	Group restated (Note 33) £000	City restated (Note 33) £000
Income					
Tuition fees and education contracts	1	221,265	221,265	208,656	208,656
Funding body grants	2	24,975	24,975	23,250	23,250
Research grants and contracts	3	13,372	13,372	12,866	12,866
Other income	5	10,325	10,326	10,411	10,361
Investment income	6	4,018	4,018	810	795
Total income before donations and endowments		273,955	273,956	255,993	255,928
Donations and endowments	7	2,771	2,789	1,804	1,804
Total income		276,726	276,745	257,797	257,732
Expenditure					
Staff costs	8	170,475	170,475	160,296	160,296
Movement on pension provision and holiday accrual	8	(16,224)	(16,224)	63,716	63,716
Other operating expenses	9	95,287	95,275	84,017	83,992
Depreciation	13	17,325	17,325	16,829	16,829
Amortisation	14	40	40	0	0
Interest and other finance costs	10	5,296	5,296	3,338	3,338
Total expenditure		272,199	272,187	328,196	328,171
Surplus/(deficit) before other gains and losses and share of operating surplus/(deficit) of joint venture		4,527	4,558	(70,399)	(70,439)
Gain on sale of fixed assets	13	0	0	10,115	10,115
(Loss)/gain on investments	15	(865)	(865)	313	313
Share of operating surplus/(deficit) in joint venture	21	70	0	(86)	0
Surplus/(deficit) before tax for the year		3,732	3,693	(60,057)	(60,011)
Taxation	12	(15)	(15)	(105)	(112)
Surplus/(deficit) for the year		3,717	3,678	(60,162)	(60,123)
Other comprehensive income/(expense)					
Actuarial gain in respect of pension schemes	23	33,289	33,289	71,668	71,668
Total comprehensive income/(expense) for the year		37,006	36,967	11,506	11,545
Represented by:					
Endowment comprehensive (expense)/income for the year	24	(446)	(446)	965	965
Restricted comprehensive income for the year	25	997	997	288	288
Unrestricted comprehensive income for the year		36,455	36,416	10,253	10,292
		37,006	36,967	11,506	11,545

Exhibit 3 — St George's Income and Expense Statement ending 31 July 2023
(source: *St George's Annual Report 2022/23*)

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT	2023	2022
	£m	£m
Tuition fees and education contracts	36.6	38.5
Funding body grants	20.2	17.9
Research grants and contracts	12.8	12.2
Other operating income	18.6	18.5
Investment income, donations and endowments	1.5	0.7
Income	89.7	87.8
Operating expenditure	(90.6)	(87.6)
Operating surplus before movement in pension provision	(0.9)	0.2
Decrease/(Increase)in pension provision	2.6	(8.8)
Operating surplus/(deficit)	1.7	(8.6)
(Loss)/Profit on investments	(0.2)	0.4
Surplus/(Deficit) for the year	1.5	(8.2)
Non-current assets	88.6	80.7
Current assets	28.8	32.6
Creditors falling due in less than one year	(40.4)	(34.7)
Net current liabilities	(11.6)	(2.1)
Creditors falling due in more than one year	(31.2)	(31.7)
Pensions provision	(19.4)	(22.1)
Total net assets	26.4	24.8
Restricted reserves	6.2	6.4
Unrestricted reserves	20.2	18.4
Total reserves	26.4	24.8
Cash and cash equivalents	14.1	21.7