

Financial Summary



2024



A medical university



Financial report¹

Karolinska Institutet's (KI's) revenue increased by 3.4 per cent compared to 2023, to SEK 8 681,9 million (SEK 8 399,3 million). This increase is reflected in all revenue streams, with the exception of revenue from fees. Research accounted for 85 per cent (85 per cent) of total revenue and thus a significant part of KI's activities.

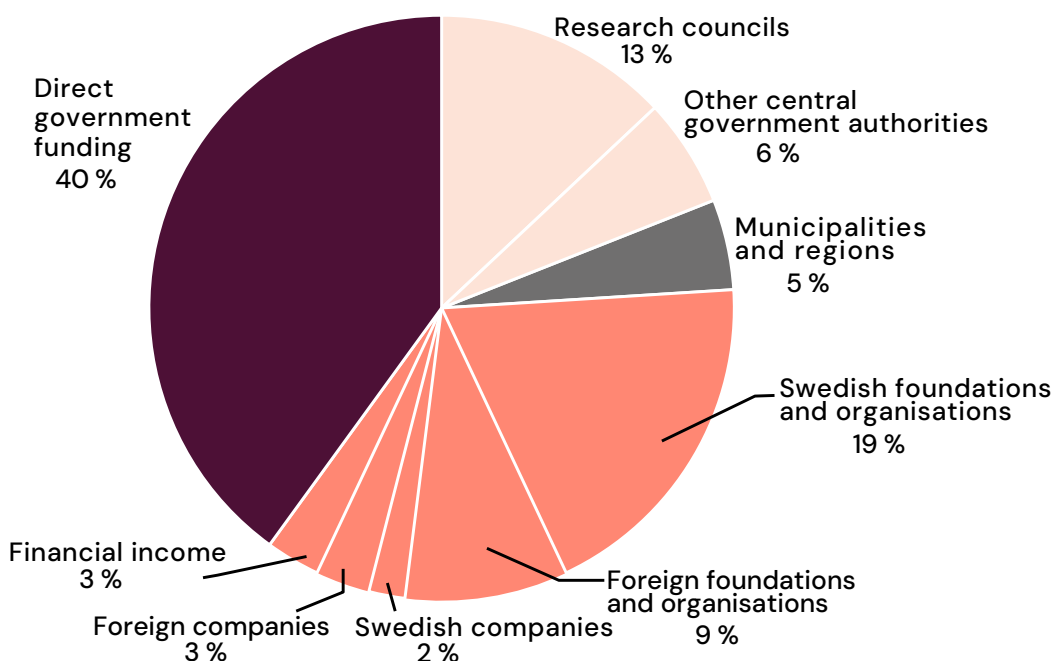
The change in capital for the year is positive, amounting to SEK 312.7 million (SEK 254.8 million). The positive change in capital is attributable to research activities totalling SEK 335.5 million (SEK 277.9 million), of which asset management generates SEK 169.0 million (SEK 30.7 million). Education activities showed a negative capital change of SEK -22.7 million (SEK -23.1 million).

Funding sources

The diagram below shows how KI's activities were funded during 2024, by category of funder.

Total central government funding accounted for 59 per cent, which is less than in 2023.

Revenue in 2024



The largest external financiers are listed in Table 9 in the Tables Appendix.

¹ In this chapter, the source is the Unit4 ERP system, unless otherwise stated. Last year's figures are presented in brackets.

Results by activity: education and research

Income statement by branch of operation 2024 (SEK million)

	Total	Education at bachelor's and master's level	Research and education at doctoral level
Income			
Direct government funding	3 442.0	1 102.0	2 340.0
Fees and other remuneration	936.1	163.3	772.8
Grants	4 005.7	33.2	3 972.5
Financial income	298.1	0.0	298.0
Total income	8 681.9	1 298.5	7 383.5
Costs			
Staff cost	4 452.6	760.0	3 692.7
Premises cost	1,119.3	144.2	975.1
Other operating costs	2 433.6	393.4	2 040.2
Financing expenses	55.1	0.7	54.5
Depreciation	308.5	23.0	285.5
Total costs	8 369.2	1 321.2	7 048.0
Change in capital for the year (excl. subsidiaries)	312.7	-22.7	335.5
Results from shares in wholly or partly owned companies	0.0		
Change in capital for the year (incl. subsidiaries)	312.7		
Capital brought forward (IB)	2 175.7	201.1	1 951.5
Total change in capital (UB)	2 488.4	178.4	2 287.0

The negative capital change in education is associated with operations funded by direct government funding and fees. KI did not reach the funding cap for education funded by direct government funding, resulting in an increase in outgoing savings on direct government funding, now amounting to SEK 81.4 million (SEK 73.7 million). The outcome is slightly higher than forecast in the autumn. For 2025, KI estimates an outcome slightly above the funding cap, based on factors such as a general increase in the number of students. Production is expected to exceed the funding cap in the coming years, and a larger portion of savings on direct government funding will be utilised as a result.

In research, grant-funded activities and activities funded by direct government funding have both seen a positive change in capital, while fee-funded research has seen a negative change in capital. The negative change in capital is the result of continued active efforts during the year to reduce the accumulated surplus in fee-funded research.

Research activities also include the change in capital of SEK 169.0 million (SEK 30.7 million) from asset management. The increase in asset management is due to a review of how endowment funds have been allocated over time, which has resulted in increased capitalisation of funds that were previously partially recorded as unused funds.

Net advances from external funders and liquid assets

Unused grant revenue and prepaid fee revenue relate to expenses not yet incurred for externally funded activities where funders pay remuneration in advance. Accrued grant revenues and accrued fee revenues refer to incurred costs for grant and contract activities in progress where the funder pays in arrears according to the agreement/contract.

The table below shows the development of these advance payments from grants and contract activities. The net advance is slightly down compared to 2023. While our donors are paying at a lower rate, our liquid assets have increased due to the receipt of interest income.

Net advances and liquid assets, SEK million			
	2022	2023	2024
Unused grants	3 884	4 120	4 103
Prepaid contract revenue	337	294	299
Accrued grant revenue	-468	-443	-493
Accrued contract revenue	-9	-8	-21
Net advance	3 744	3 963	3 888
Liquid assets, bank and National Debt Office	5 364	5 929	5 993

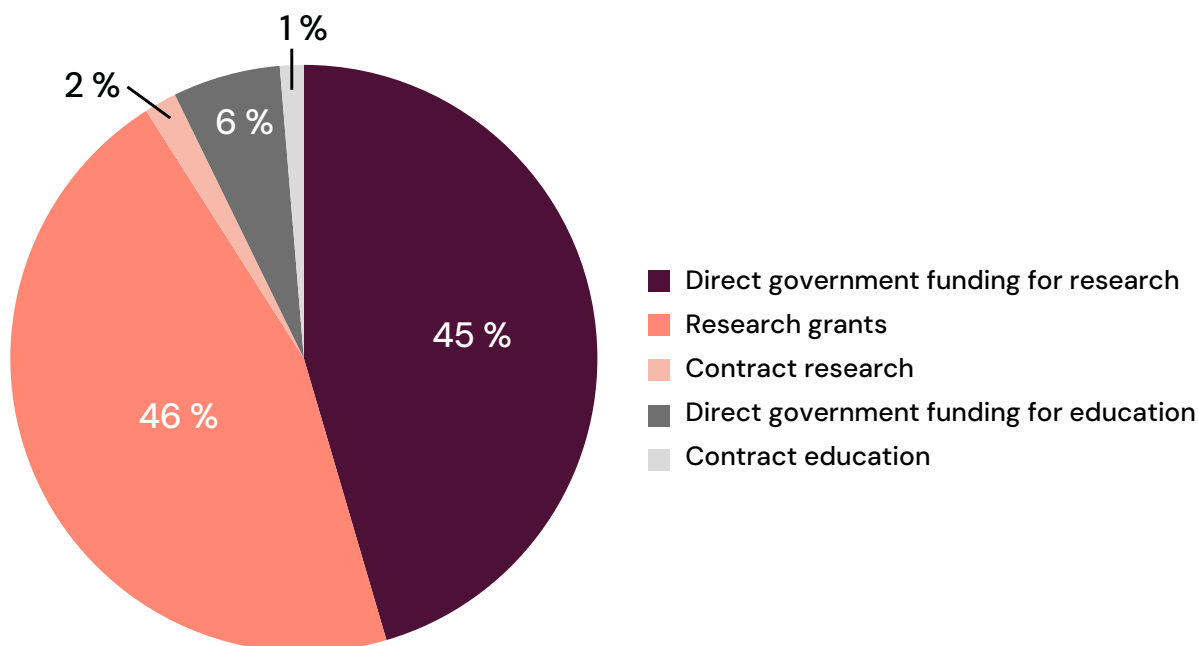
Loans with the Swedish National Debt Office

Each year, loans are taken out with the Swedish National Debt Office for the fixed assets financed with central government funding. This occurs at least twice a year, with the final occasion being in December for investments made up until the end of November, including a forecast for December. At the same time, the debt is amortised in an amount corresponding to the year's depreciation and write-offs. During 2024, new investments were made to a value of SEK 101.9 million, while depreciation amounted to SEK 216.0 million. KI's total debt with the Swedish National Debt Office is SEK 778.1 million. The debt limit for 2024 is SEK 915.0 million. In 2024, the annual average interest rate was 3.6 per cent (3.5 per cent).

Agency capital

Accumulated agency capital, including the change in capital during the year, amounted to SEK 2 488.4 million (SEK 2 174.7 million) and is broken down as shown in the diagram below. Accumulated agency capital (donations) from asset management is included in research grants.

Agency capital



Agency capital has increased in both grant-funded activities and activities funded by direct government funding. The activities funded by direct government funding include interest income from the Swedish National Debt Office that is not matched by any costs, which has led to an increase in capital.

A review of how endowment funds have been accrued has been carried out in 2024, resulting in increased capitalisation of funds in respect of grant-funded activities. In 2024, KI has capitalised SEK 169.0 million (SEK 30.7 million).

In the case of activities funded by fees, agency capital has decreased due to a concerted effort to get to grips with the surplus. The surplus in relation to revenue from activities has fallen to 22.6 per cent (34.1 per cent) in 2024.

Education at bachelor's and master's level

KI showed a negative change in capital of SEK -22.7 million, mostly attributable to a significant increase in costs for staff and premises. Activities funded by fees have declined on both the income and the costs side and are demonstrating a negative change in capital, which is according to plan as there is an accumulated surplus to be used.

Revenue

Available funds in 2024 amounted to SEK 900.5 million, made up of the funding cap for the year and direct government funding savings carried forward. The outcome, including the annual performance equivalent from December 2023, means that KI has underproduced, increasing the amount of direct government funding savings. The closing balance for direct government funding amounted to SEK 81.4 million. Direct government funding has been adjusted for prices and salaries by 3.5 per cent (1.39 per cent). See also the direct government funding report.

Operations within the framework of the ALF agreement are reported in the section on collaboration on clinical education and research. ALF funding is reported as direct government funding revenue.

Income from grants largely consists of grant funds transferred from other government agencies to KI for education activities in accordance with each agency's appropriation directions.

Costs

This year's costs associated with education increased by 1.4 per cent compared to 2023. Staff costs increased by 3.4 per cent, in line with the annual salary review.

Education activities account for 15.8 per cent of KI's total costs. Costs associated with teaching premises increased by 8.7 per cent. This increase can be explained by a combination of greater utilisation of teaching premises and more expensive leases.

Other operating costs decreased by 4.2 per cent compared to 2023, largely due to lower consultancy services and fees.

Depreciation decreased by 4.0 per cent.

Education at bachelor's and master's level, SEK million

	2022	2023	2024
Income			
Direct government funding	1 049.2	1 063.9	1 102.0
Fees and other remuneration	169.5	179.7	163.3
Grants	34.5	36.0	33.2
Financial income	0.0	0.0	0.0
Total income	1 253.2	1 279.6	1 298.5
Costs			
Staff costs	741.8	735.1	760.0
Premises costs	111.8	132.8	144.2
Other operating costs	404.2	410.5	393.4
Financial expenses	0.1	0.5	0.7
Depreciation	27.2	23.9	23.0
Total costs	1 285.0	1 302.7	1 321.2
Transfers			
Direct government funding	0,0	0,0	0,0
Funding from other government agencies	0,0	0,0	0,0
Other funding	0,0	0,0	0,0
Grants disbursed	0,0	0,0	0,0
Change in capital			
Annual	-31.8	-23.1	-22.7
Capital brought forward (IB)	256.1	224.3	201.1
Total (UB)	224.3	201.1	178.4

Research and education at doctoral level

Operations show a positive change in capital of SEK 335.5 million, of which asset management generated a surplus of SEK 169.0 million. Activities funded by fees decreased, which is to be expected as there are surpluses to be utilised. The activities funded by direct government funding include interest funds from the Swedish National Debt Office, which generated a surplus.

Income

Research revenue for the year is positive, amounting to SEK 7 383,5 million (SEK 7 119,7 million). Direct government funding has increased compared to 2023, corresponding to the allocation of funds stated in KI's appropriation directions for the budget year 2024. Direct government funding has been adjusted for prices and salaries by 3.5 per cent (1.39 per cent).

Operations within the framework of the ALF agreement are reported in the section on collaboration on clinical education and research.

Fees and other remuneration decreased by 11.7 per cent, largely explained by lower income from municipalities and regions, as well as from the Public Health Agency of Sweden for COVID-related activities.

Grant revenue increased by 7.4 per cent compared to 2023. The largest funders are listed in Table 10.

Financial revenue has continued to increase due to the fact that the interest rate at the Swedish National Debt Office has remained high and KI has received interest income on its account balance. Accrued interest from the Swedish National Debt Office totalled SEK 215.9 million (SEK 190.2 million). Other financial income mainly consists of capital gains and appreciation of financial fixed assets.

Costs

Total annual costs for research and education at doctorate level increased by 3.0 per cent year on year.

Staff costs increased by 6.1 per cent compared to 2023. A salary revision of 3.3 per cent on average was implemented during the year. The number of full-time equivalents has increased marginally compared to 2023.

Costs for premises increased by 3.6 per cent compared to 2023. Floor space decreased marginally compared to the previous year, while leases have become more expensive.

Operating costs decreased by 0.9 per cent compared to 2023. Costs for consultancy fees and analytical services have decreased, as have costs for conferences and travel.

Financial costs decreased by 21.3 per cent compared to 2023, mainly due to lower exchange rate losses and interest expenses on loans. Interest on loans from the Swedish National Debt Office amounted to SEK 32.0 million (SEK 33.2 million), a marginal decrease compared to 2023. The annual average interest rate for interest-bearing accounts with the Swedish National Debt Office is 3.6 per cent (3.5 per cent).

Depreciation decreased by 1.8 per cent compared to 2023.

Research and education at doctoral level (incl. asset management), SEK million

	2022	2023	2024
Income			
Direct government funding	2 253.2	2 285.1	2 340.0
Fees and other remuneration	762.6	875.2	772.8
Grants	3 522.9	3 699.1	3 972.5
Financial income	70.9	260.4	298.0
Total income	6 609.6	7 119.7	7 383.5
Costs			
Staff costs	3 245.1	3 480.6	3 692.7
Premises costs	896.5	941.6	975.1
Other operating costs	1 930.2	2 059.8	2 040.2
Financial expenses	40.7	69.2	54.5
Depreciation	299.8	290.7	285.5
Total costs	6 412.3	6 841.9	7 048.0
Transfers			
Direct government funding	17.9	17.6	20.4
Funding from other government agencies	65.1	80.4	82.0
Other funding	116.2	98.8	125.7
Grants disbursed	-199.2	-196.8	-228.2
Change in capital			
Annual	197.2	277.9	335.5
Capitalised (IB)	1 476.4	1 673.6	1 951.5
Total (UB)	1 673.6	1 951.5	2 287.0

Asset management

KI manages individual endowment funds to medical science at the institution. These endowment funds can be divided into the following categories:

1. Endowment funds, which are included in KI's financial reporting.
2. Independent foundations that are separate legal entities, the management of which is tied to KI.

For the endowment funds which are managed and reported within KI, both the yield and capital may be utilised. The foundations are separate legal entities and produce their own annual reports. The yield from the foundations that is distributed to KI is reported as external grants in KI's accounts. The accounts of KI's foundations are presented in summary so as to provide a complete picture of KI's endowment assets, regardless of their legal form of incorporation.

Endowment funds

The closing market value was SEK 576.2 million (SEK 405.6 million).

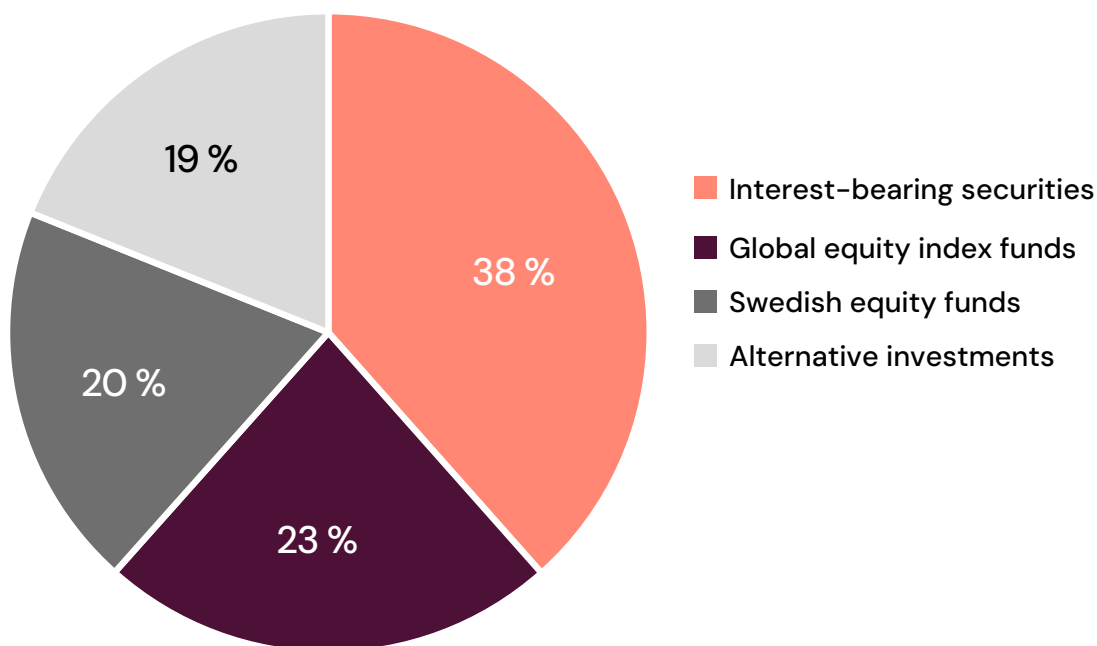
In 2024, net inflow (the difference between fund units purchased and sold) totalled SEK 164.2 million (SEK 15.2 million) and the change in value amounted to SEK 6.5 million (SEK 82.9 million).

During the year, inflow from endowment funds and return on investment exceeded the outflow of research grants, capital gains and dividends, which contributed to a positive net inflow of SEK 112.9 million (SEK 32.3 million). This includes assets of SEK 127.9 million from the Ming Wai Lau Centre for Reparative Medicine endowment fund, which had been under separate management but was transferred to endowment management following the closure of the Hong Kong operation.

The nominal rate of return for the entire portfolio was 10.8 per cent. All types of assets contributed to the positive result. Swedish shareholdings returned 9.3 per cent during the year, while foreign shareholdings returned 30.4 per cent. Fixed income investments returned 5.0 per cent, and alternative assets 7.1 per cent.

The real rate of return requirement for endowment funds is set at two per cent above average inflation over a rolling five-year period. 2024 contributed positively to the fulfilment of the target as the return exceeded inflation. However, the high inflation of recent years means that the long-term target over the past five years has not been fully realised.

Fund portfolio allocation



Return on investment compared to reference index

	2020	2021	2022	2023	2024	Average 5 years
Endowment funds	2.4 %	12.2 %	-5.6 %	10.2 %	10.8 %	6.0 %
KPI	0.5 %	3.9 %	12.3 %	4.4 %	0.8 %	4.4 %
Reference index	3.6 %	4.0 %	6.1 %	6.6 %	6.3 %	6.3 %

Disbursement from KI's endowment funds 2022–2024, SEK million

	2022	2023	2024
Research grants	40.0	120.9	129.2
Travel grants	0.7	-0.1	0.3
Undergraduate education	0.1	0.4	0.9
Total	40.8	121.2	130.4

KI foundations

KI is involved in the affiliated management of 155 foundations (155 foundations). The purpose of these foundations is to promote medical research and education.

New gifts and donations to a value of SEK 7.2 million (SEK 26.1 million) have been received and the funds transferred to existing foundations.

The surplus for the year was SEK 84.8 million (SEK 188 million), of which SEK 4.4 million (SEK 119.2 million) was attributable to capital gains from reinvestments in securities holdings and SEK 80.5 million (SEK 68.8 million) to funds under management.

Management costs included 2.0 full-time equivalents and 25 per cent of KI's total costs for the PRISMA application system.

In accordance with the purpose of the foundations, grants of SEK 113.1 million (SEK 30.3 million) were awarded during 2024, of which SEK 1.4 million (SEK 0.7 million) was utilised restricted capital. The fluctuation between years is because KI only calls for grant applications every other year, and a call was announced in 2024. The amount granted from the foundations within the framework of the call was SEK 82.7 million, half of which was paid out in 2024, while the other half was posted in the accounts as "decided funds not yet disbursed" and will be paid out in 2025.

Foundations, SEK million

	2022	2023	2024
Capital	2 359.0	2 658.8	2 943.5
Grants awarded	83.7	30.3	113.1

Statement of financial performance and balance sheet

Income Statement (SEK thousand)

	Result	Result
	202401 202412	202301 202312
Operating revenue		
Direct government funding	3 442 049	3 349 040
Revenue from fees and other remunerations	936 147	1 054 905
Revenue from grants	4 005 683	3 735 023
Financial income	298 068	260 375
Total income	8 681 946	8 399 343
Operating costs		
Staff costs	-4 452 638	-4 215 644
Costs for premises	-1 119 349	-1 074 345
Other operating costs	-2 433 597	-2 470 268
Financing costs	-55 114	-69 711
Depreciation and write-downs	-308 504	-314 616
Total costs	-8 369 202	-8 144 584
Transfers		
Funds received from the State budget for the funding of grants	20 410	17 586
Funds received from the Government budget for grant financing	82 041	80 395
Funds received from other government agencies for grant financing	125 745	98 834
Grants disbursed	-228 195	-196 815
Balance	0	0
CHANGE IN CAPITAL FOR THE YEAR	312 745	254 758

Balance sheet (SEK thousands)

Assets	202412	202312
Intangible fixed assets		
Capitalised development expenditure	0	0
Rights and other intangible fixed assets	0	358
Total intangible fixed assets	0	358
Tangible fixed assets		
Expenditure to improve property belonging to others	162 262	193 860
Machinery, inventory, installations, etc.	827 040	897 509
Fixed assets under construction	18 742	5 222
Total tangible fixed assets	1 008 045	1 096 590
Financial fixed assets		
Holdings in associated companies and subsidiaries	23 000	22,000
Other long-term securities holdings	505 109	314 351
Other long-term receivables	0	3 416
Total financial fixed assets	528 109	339 767
Short-term receivables		
Accounts receivable	185 642	217 499
Receivables from other government agencies	163 988	146 349
Other short-term receivables	623	899
Total short-term receivables	350 253	364 747
Prepayments and accrued income		
Prepaid expenses	316 136	288 412
Accrued grant income	493 193	443 413
Other accrued revenue	25 513	29 655
Total accruals and deferrals	834 842	761 479
Settlements with the Government		
Settlements with the Government	-81 419	-73 694
Total settlements with the Government	-81 419	-73 694
Cash and bank balances		
Balance in interest-bearing account with the Swedish National Debt Office	5 983 497	5 780 610
Cash and bank	9 060	148 596
Total cash and bank accounts	5 992 557	5 929 206
Total Assets	8 632 388	8 418 453

Balance sheet (SEK thousands)

Capital and liabilities	202412	202312
Agency capital		
Government capital	23 000	22 000
Capital brought forward	2 152 659	1 897 900
Change in capital and reserves per financial performance statement	312 745	254 758
Total agency capital	2 488 403	2 174 659
Provisions		
Provisions for pensions and similar commitments	1 543	1 979
Other provisions	30 395	33 980
Total provisions	31 938	35 959
Liabilities		
Loans from the Swedish National Debt Office	778 052	892 155
Current liabilities to other government agencies	174 627	176 272
Accounts payable	302 587	315 996
Other current liabilities	201 218	150 593
Total liabilities	1 456 485	1 535 016
Accruals and deferred income		
Accrued expenses	207 741	230 599
Unexpended grants	4 103 326	4 120 172
Other deferred income	344 494	322 049
Total accruals and deferrals	4 655 561	4 672 820
Total Capital and liabilities	8 632 388	8 418 453
Contingent liabilities		
Other contingent liabilities	500	10 800
Total contingent liabilities	500	10 800



**Karolinska
Institutet**

Karolinska Institutet Financial Summary 2024

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