University of Nottingham

Financial Statements for the year ended 31 July 2024

Contents

Council membership

1 August 2023 to 31 July 2024

Chair of Council and Pro-Chancellor	Sir Keith O'Nions
Vice-Chair of Council	Nora Senior CBE

Members Ex-Officio

President and Vice-Chancellor	Professor Shearer West CBE (to 31 October 2024)
Interim President and Vice-Chancellor	Professor Jane Norman (from 1 November 2024)
Provost and Deputy Vice-Chancellor	Professor Jane Norman
Interim Provost and Deputy Vice-Chancellor	Professor Sam Kingman (from 1 November 2024)
Treasurer	Giles Willits

Members of Staff

Dr Pearl Agyakwa

Professor Jo Lymn

Dr Stuart Reeves

External Members appointed by the Council

Vicky Bailey

Lynette Eastman

Michelle Haslem

Sonya Leydecker

Sherry Madera (until 5 February 2024)

Piyali Mitra

Stephen Odell

Rakesh Sharma OBE

Appointed by the Union of Students

Jessica Nuttall (Union Development Officer)

Tu Anh Do (Education Officer)

Other senior officers of the University

The Chancellor	Baroness Young of Hornsey OBE
The Registrar	Dr Paul Greatrix (Secretary to Council)
Pro-Vice-Chancellors	Professor Sarah Metcalfe (to 29 February 2024)
	Professor Nick Miles OBE (to 31 December 2023)
	Professor Katherine Linehan
	Professor Robert Mokaya OBE (to 14 June 2024)
	Professor Sarah Speight (to 23 July 2024)
	Professor Tom Rodden (from 1 October 2023)
	Professor David FitzPatrick (from 4 June 2024)
	Professor Jon Garibaldi (from 1 January 2024)
	Professor Mark Bradley (from 23 July 2024)
Faculty Pro-Vice-Chancellors	Professor Jeremy Gregory
	Professor Sam Kingman
	Professor Zoe Wilson
	Professor Sube Banerjee (from 1 November 2023)
Chief Financial Officer	Margaret Monckton (to 31 August 2024)
Chief Digital Officer	David Hill
Director of Human Resources	Jaspal Kaur (to 30 April 2024)
Interim Director of Human Resources	Helen Dunn (from 1 June 2024)

Foreword by the Interim Vice-Chancellor

Throughout the 2023/24 academic year, we have seen a variety of great successes across the University. I am proud that we became the first UK university to receive the institutional Athena Swan Gold award in recognition of our focus on equality. This is a momentous achievement and is a result of a strong focus on equality diversity and inclusion over a number of years.

We were also recognised for our work tackling some of the most pressing problems of our time, ranking within the Top 200 in the Times Higher Education Impact Rankings 2024, against the United Nations' 17 Sustainable Development Goals.

The University is rightly proud of its rich sporting heritage and this year, we were again named Sports University of the Year by two separate university league tables, demonstrating our continued commitment to sporting excellence and the importance of sports as part of a university student experience.

We celebrated the 20-year anniversary of our China campus, and our community of students and staff came together to celebrate the value of a truly global community. The University continues to thrive in delivering outstanding research and remains deeply rooted in its region as an important driver of economic and social growth.

The above accolades are just a snapshot of some of the excellent work being done across the University of Nottingham, and our campuses in the UK and internationally. We nurture some truly outstanding students, and the warmth, commitment and pride of colleagues is evident in all parts of the institution.

Some universities face financial pressures due to the impact of high inflation, rising utility costs and a fixed home student fee.

We have faced these challenges ourselves, with changes in student recruitment patterns causing some uncertainty in parallel with increased demand for spending on our estate. We remain in a strong position within the sector, but still needed to respond appropriately and make decisions to ensure organisational resilience within the year. We have also supported our students, who face their own financial challenges, as best we can.

Preparing for the future is important even in the best of times, but it is even more so in the volatile political, social and economic environment of today.

In response to colleague engagement and feedback, we are ambitious about developing and delivering an operating model as part of our Future Nottingham vision for the University. This will create an environment which is more streamlined, open, and transparent, with clarity of accountability for all colleagues and students, making our University fit for the future.

In my role as Interim Vice-Chancellor, I will progress these plans with staff and students. Together we will enable the University of Nottingham to deliver its mission as '*a university without borders, where we embrace the opportunities presented by a changing world, and where ambitious people and a creative culture will enable us to change the world for the better'.* Living our values of inclusivity, ambition, openness, fairness and respect, Future Nottingham can help us realise our true potential.

Finally, I would like to take this opportunity to extend my thanks to Professor Shearer West following her decision to step down as President and Vice-Chancellor of the University after seven years in the role. It has been a privilege to work alongside Shearer and she will be hugely missed, not just by the University of Nottingham community but by many across the city and region with whom she has worked closely.

Professor Jane Norman

Interim President and Vice-Chancellor of the University of Nottingham

Strategic and operational review

Solving problems and improving lives

Researchers at the University of Nottingham have continued to lead the way in undertaking world-changing research which is improving lives across the planet and addressing some of humanity's biggest challenges

In 2023/24 we celebrated the 50th anniversary of Sir Peter Mansfield publishing his first research paper which led to the development of magnetic resonance imaging (MRI) – an invention that has revolutionised medicine. The University of Nottingham continues to excel in this area and having been awarded £29.1m to establish the UK's most powerful MRI scanner as a national screening facility, Tesla Engineering and Philips UK & Ireland were selected to construct the elements of the bespoke ultra-high field MRI scanner.

Leaders in science, healthcare and industry, and a group of MPs, met to mark 20 years of research in to diagnosing, treating and curing disease at the Biodiscovery Institute. University of Nottingham scientists also discovered that prostate cancer is able to spread through a man's body by taking off the genetic 'handbrake' that stops cells growing out of control, and a new project is now working out how to put the brakes back on.

Also in healthcare, our scientists developed a ground-breaking technique to analyse the atomic-level structure of Ribonucleic acid (RNA) molecules with exceptional precision and speed, and they are the first in the world to use the method to examine structural changes in RNA when a cell gets infected with HIV.

A major clinical trial led by Nottingham experts also showed the Lee Silverman Voice Treatment is more effective than the current speech and language therapy provided by the NHS, when treating patients with Parkinson's disease. Researchers also trialled a pioneering screening test for pre-eclampsia, a potentially life-threatening condition affecting pregnant women and their unborn babies.

A new technique for 3D printing medication enabled the printing of multiple drugs in a single tablet, paving the way for personalised pills that can deliver timed doses.

In other research, a series of publications from the Rights Lab continued the fight against modern slavery. A collaborative study identified the reality of child modern slavery in the UK and signalled a critical call to action. Notable work by Rights Lab researchers showed that migrants employed as domestic workers in the UK may be at risk of labour exploitation due to questionable employment practices, while a further study found that efforts to address modern slavery practices in UK trade and investment have evolved but continue to fall behind international best practice.

A team from the University also found a way to transform metal waste into a highly efficient catalyst to make hydrogen from water, a discovery that could make hydrogen production more sustainable.

A simulator study for the RAC Foundation showed the presence of a passenger can improve drivers' focus on the road and help them to decide when manual control is needed in self-driving.

Another study showed that mental health training for line managers is strongly linked to better business performance and could potentially save companies millions of pounds in lost sick days every year.

We have also seen a musical AI robot which has been developed to help musicians with disabilities to collaborate as part of a mixed ensemble and to improvise in the creation of live scores where dexterity can be a barrier.

University spin outs have also continued to have diverse, real-world impacts across a variety of sectors and industries.

In partnership with Vet Vision AI, a new University spin-out company, Sainsbury's is trialling technology which has been designed to spot when cows are happy and healthy, and why, which could revolutionise the approach to cattle care.

Another spin-out, MatAlytics Ltd, has been launched to develop one-of-a-kind AI-driven software that can monitor the 'health' of critical power plant components and could revolutionise the power generation sector.

And Cerca Magnetics was awarded £2m for wearable brain imaging research to help detect early signs of dementia.

A number of Knowledge Transfer Partnerships (KTPs) have also been successfully established and developed throughout this year.

Researchers in the Power, Electronics and Machines Centre (PEMC) worked with digital motor control solutions company, Sprint Electric, to develop and prototype the next generation in AC drive technology. Another PEMC partnership with Kingsmill Industries is strengthening the firm's competitive edge, by creating new capability and in-house expertise in clean energy.

In the Innovate UK Knowledge Transfer Partnerships Awards 2023, University KTP associates working with Gleeds Cost Management and XAIS Asset Management scooped a double win.

The University of Nottingham remains ranked 7th in the UK for Research Power (REF2021), and our research is truly changing the world, transforming lives and shaping the future.

Supporting potential

The University is committed to recruiting students and staff with high potential and a desire to succeed, and to support them to ensure they achieve their goals. Through this approach we work with communities in our region, and beyond, to identify and encourage those people who would benefit from our education.

Our relentless drive to widen participation continues, with our vision cementing the direction of outreach and access work set out in our Access and Participation Plan (APP), which guides our activity until the end of the 2024/25 academic year. We have two principal aims: first, to attract, enrol and retain UK students who are under-represented at the University; and second, to raise aspirations, attainment and progression to higher education more broadly through intensive engagement with schools and the wider community and our long-standing commitment to our three IntoUniversity centres in the city helps to support this vision.

Our expenditure on widening participation and access in 2023/24 is summarised in the table below. The staff costs are included within the totals. The activities supported above are consistent with the APP, which can be viewed online:

Access and participation spend in 2023/24

£ million	**Staff Costs**	**Other Costs**	**Total**
Access investment	1.8	1.1	**2.9**
Financial support (such as bursaries and scholarships)	0.4	9.1	**9.5**
Disability support	1.8	0.3	**2.1**
Research and evaluation related to access and participation	0.2	0.1	**0.3**
Totals	**4.2**	**10.6**	**14.8**

The University's Equality, Diversity and Inclusion (EDI) Priorities for 2023/24 focused on diversification of the workforce and career development, awareness raising and education, and support.

A series of underpinning initiatives continued, including celebrating LGBTQIA+ History Month and International Women's Day, and Project Period, the innovation that provides free pads and tampons to our students and staff, and is seeing millions of products being distributed across all seven UK campus sites.

In recognition of our work, the University of Nottingham became the first university in the country to be awarded the coveted Athena Swan Gold Award for its commitment to advancing gender equality across higher education and research. Individual departments have previously successfully gained Gold-level awards, but this is the first time that an institutional Gold Award has been given in the 18 years since the Athena Swan Charter was launched to encourage and recognise commitment to advancing the careers of women in science, technology, maths and medicine, in higher education and research. It is an outstanding achievement and one of which the University is rightly proud.

Other awards this year have recognised the University's work in supporting potential. We were crowned the best university in the UK for sports by The Times and The Sunday Times Good University Guide 2024, and also named Sports University of the Year in the inaugural Daily Mail University Guide. The academic year also ended with a number of athletes with University of Nottingham connections, including current and former students and staff, representing Great Britain at the Olympic and Paralympic Games in Paris.

Meanwhile, learning disability nursing student Ellie Sims won a national competition, run by Positive Choices and the Makaton Charity, for the resource she developed for healthcare workers to help them use Makaton when communicating with patients who have learning or communication difficulties. PhD student Diret Bitrus Tang'an's presentation on *Hope for The Environment: Microwave Heating* saw him named as the People's Choice winner at the Universitas21 Global Three Minute Thesis competition. The Faculty of Engineering also inspired future engineers and architects across the globe by organising the second edition of the School's Structure Building competition in Ghana.

Developing the campus experience

We are continuing to develop our campuses to answer the contemporary needs of staff and students for new kinds of spaces; a secure and inclusive environment that supports the wellbeing of the community; an education that is more than a degree; and a rich and stimulating social, cultural and sporting life, open to all. Work underway as part of Future Nottingham will lead to improved focusing and utilisation of our built environment.

In the most significant development over the past 12 months, works continued at pace on the Castle Meadow campus, a dynamic hub for innovation and entrepreneurship which will ultimately be the home for a vibrant community of academics, students and industry partners, supported by state-of-the-art facilities benefiting the wider Nottingham community. This year the University's Inclusive Financial Technology Hub was also awarded a £1.4m Research England grant to develop a fintech hub on the campus.

A number of other estates announcements have been made throughout the year, including the approval and 'topping out' for the National Rehabilitation Centre near Loughborough, run by Nottingham University Hospitals NHS Trust and part of the Government's New Hospital Programme, with research, innovation and training to be led by the University of Nottingham and Loughborough University as academic partners.

Another collaborative initiative with Loughborough University is the £5m award from East Midlands Freeport, match-funded by the two universities, for the first phase of a zero-carbon innovation centre, which will be primarily based at our Jubilee Campus. As part of the University's ambitious, science-based carbon reduction target to reach net zero by 2040, the centre will provide the necessary technology and laboratories to progress research in electrification, hydrogen propulsion systems, and advanced manufacturing for industry use.

Second-year Design and Manufacture students became the first in the country to benefit from a brand-new virtual reality classroom that revolutionises teaching. Based in the Engineering Science and Learning Centre, the classroom enables new approaches to remote viewing and communication between lecturers and students.

Our community of students and staff also came together to celebrate the 20th birthday of our Ningbo China campus. This culminated in a prestigious gala event attended in person by more than 1,000 students, staff, alumni and distinguished guests, with many more joining the celebrations online for a truly global event marking this notable occasion.

As part of another of our strategic goals, Cultivating a Global Mindset, we continue to evolve further our distinctive position of being one university with campuses in three countries, and remain committed to building on our success by developing the international outlook and engagement of our staff and students. We seek to provide an international experience for everyone, whether or not they leave their local campuses, including through deepening our teaching and research partnerships.

As part of this, we announced our first collaboration with Luleå University of Technology in Sweden on a project that aims to improve the resilience of the world's bridges. Another with Technical University of Denmark on a project that will provide a sustainable alternative to metal mining, while a new virtual Environments Designed for Gender Equity in Sport & Physical Activity Lab, developed with the University of Manitoba, aims to generate new solutions for gender equity in sport and physical activity.

Meanwhile, the European office for the Association of African Universities, which brings together UK and Africa academics in the UK and Africa to advance education and research collaboration, opened at the Jubilee Campus.

Contributing to sustainable development goals

The University is committed to making an outstanding contribution to supporting the United Nations Sustainable Development Goals (SDGs) through our research and education, our engagement with partners, and our behaviour on campus and in our communities.

Through our Environmental Sustainability Delivery Plan, the University of Nottingham pledges to put sustainability at the heart of everything it does – through our research, teaching, campus activity, investments and work with partners – and this work has been widely recognised.

We were ranked in the Top 200 in the Times Higher Education Impact Rankings 2024, the only global performance tables that assess universities against the SDGs and placed in the Top 100 for a number of individual SDG areas. These included Zero Hunger, Clean Water and Sanitation, Decent Work and Economic Growth, Climate Action, Life Below Water and Life on Land.

The University also jumped 85 places in the QS World University Rankings: Sustainability 2024 up to 33rd out of 1,403 global institutions, as the University was placed 17th out of 493 European universities and 12th in the UK. These rankings were published on the same day as the University was confirmed in 7th place by the UI Green Metrics**,** a ranking on green campus and environmental sustainability initiated by Universitas Indonesia.

The University was also recognised at the 2023 Green Gown Awards, where we were highly commended in the Money for Good category for our approach to ethical and sustainable investments, and we were a finalist in the Student Engagement category for our collaboration between our Grounds Team and Student Conservation Society on a programme to protect and nurture nature and promote conservation on its campuses.

The University of Nottingham and Nottingham Trent University were jointly awarded £12m in collective investment for a Centre for Doctoral Training in Resilient Chemistry (Feedstock to Function). This will train chemists of the future to find new ways to decarbonise manufacturing sectors, and help the East Midlands achieve its net zero target. In other developments, new energy storage technology, which could significantly reduce household bills and help the UK achieve net zero, was installed at our Creative Energy Homes, and the East Midlands Airport Green Futures Study began to support the development of a net-zero industrial cluster in the East Midlands, with a specific focus on the implications for energy infrastructure at the airport.

Beyond the region, our Institute for Policy and Engagement launched a national policy commission with former Deputy Leader of the Labour Party and Honorary Professor Lord Watson, to investigate a just transition to net zero. The University also secured more than £70m to establish world-leading and open-access research facilities and programmes that will decarbonise future transport, building on our existing internationally leading capabilities in electrification, hydrogen and manufacturing.

We are also firmly committed to adopting a model of developing international partnerships with purpose, where the foundation of partnerships is world-leading research collaboration in areas linked to the SDGs. One example is the Power Electronics, Machines and Control Research Group which became the first UK institution to become both an Associated Member of the Clean Aviation Joint Undertaking – the EU's leading research and innovation programme for making the aviation industry ready for a sustainable future – and a member of the Chilean Institute of Clean Technologies.

Embedding Collaboration in all that we do

We continue to seek to operate as a university without borders, reaching out to our students, to our alumni and to our civic partners, industry, governments and citizens to ensure our research and education is developed in collaboration with our stakeholders and that we are recognised for the many benefits we provide to society.

Universities for Nottingham, as our flagship regional initiative, spearheaded a range of collaborative opportunities in 2023/24. A major highlight was the visit of HRH Royal Highness, The Princess of Wales, who met with both students and staff to learn how the University of Nottingham and Nottingham Trent University work together to share best practice on issues including mental wellbeing, as part of the Universities for Nottingham approach to positive collaboration.

A new Climate Action Planning Sector Engagement and Support Service hub was announced offering education settings in the East Midlands free access to expert support to become greener and more climate resilient, and an expanded Climate Ambassadors scheme was launched with the aim of scaling up support for English schools, colleges and universities to support the Department for Education's sustainability and climate change goals.

BBC Concert Orchestra joined forces with students and researchers from Nottingham's universities for a showcase of events and performances in the city as part of Sustainability Action Week. Both universities worked with Nottingham City Council to offer Nottingham-based businesses Talent Grants of up to £2,500, which can be used to subsidise the recruitment of a university graduate or student for a minimum of eight weeks.

Nottingham College became the newest member of the Universities for Nottingham partnership, signing up to the Civic Agreement and committing to the partnership's mission to improve levels of prosperity, opportunity, sustainability, health and wellbeing for residents and the communities of Nottingham and Nottinghamshire.

In arts and culture, the University organised Nottingham's annual History Festival featuring musical performances, historical reenactments, a Viking-inspired arts and craft workshop, and gory historical talks by local experts. As part of Byron 200, the University partnered with Nottingham Central Library and Newstead Abbey, part of the Nottingham City Museums and Galleries Service, to form a city-wide collaboration to celebrate the anniversary with a focus on Lord Byron's connections to Nottingham.

To mark the 175th anniversary of the opening of the very first Boots a new exhibition ran at Lakeside Arts' Djanogly Gallery. 'Counter Culture' explored the transformation of Boots from the neighbourhood Victorian chemist to the superstores of the 1980s and beyond and showed the shifting dynamics of high-street healthcare and retail experiences. The Nottingham Festival of Science and Curiosity, Science in the Park and Being Human also returned to campus bringing science to broad audiences.

In sport, we established a partnership with Notts County Football Club which includes a shirt sponsorship deal and their first team's training base moving to David Ross Sports Village, while the club will provide opportunities for our students to gain real-world insights and experience within elite sport. We also opened our doors to more than 190 teams for Touch World Cup 2024, the largest ever international event for touch rugby, and the first world championships to be hosted at the University.

Meanwhile, led by Midlands Innovation and the Midlands Engine Partnership and hosted at Loughborough University, Nottingham was among a coalition of Midlands universities involved in the Invest in UK University R&D – Midlands Campaign, which has been developed with a range of regional partners including the West Midlands Growth Company, Midlands Enterprise Universities and the East Midlands Freeport.

The University has also been awarded a prestigious Silver Engage Watermark by the National Co-ordinating Centre for Public Engagement for its commitment to involving the public in our work and the sharing of knowledge, teaching and research.

Governance

Responsibilities of University Council and structure of corporate governance

The University is a corporation formed by Royal Charter and is an educational charity, with exempt status, regulated by the Office for Students (OfS). The Council is the University's governing body, and, among other matters, it is responsible for overseeing the administration and management of the affairs of the University and is required to present audited financial statements for each financial year.

The University is committed to best practice in corporate governance. The Council notes the UK Corporate Governance Code and the OfS accounts direction requirements and has due regard to the Charity Commission guidance on public benefit when exercising its powers and duties. In addition, the University works to align its governance approach and processes with the Higher Education Code of Governance (the Code) published by the Committee of University Chairs (CUC). In response to the Code and in accordance with overall good governance the Council periodically reviews its role and effectiveness with next review due in 2024/2025.

Statement of the role and primary powers and responsibilities of University Council

Role

The Council is the governing body of the University. It is responsible for overseeing the University's activities, determining its future direction and developing and sustaining an environment in which its mission is achieved, and learning is fostered. Council's work is directed to supporting the success and performance of the University.

The Council is responsible for ensuring compliance with the Charter, Statutes and Ordinances regulating the University and its governance framework. Subject to these it makes all final decisions on matters of fundamental concern to the University.

The Council of the University includes 11 external members. Part way through 2023/24, a vacancy arose in the external membership and recruitment was undertaken. A new Council member joined Council from 1 October 2024. The University's Treasurer began their term of office on 1 August 2023. In 2023/24 the remainder of Council comprised the President and Vice-Chancellor, the Deputy Vice-Chancellor, two student members and three academic persons appointed from the Senate under the University's Statutes. One vacancy for a Senate member on Council remained throughout the year whilst an Effectiveness Review of Senate was completed.

The role of Chair of Council is separated from the role of the University's Chief Executive, the President and Vice-Chancellor. There has been a change of Vice-Chancellor since the year end concluded and the Provost and Deputy Vice Chancellor was appointed in the interim position from 1 November 2024. The matters specifically reserved to the Council for decision are set out in the University's Statutes. By custom and under the OfS Regulatory Framework, the Council is responsible for the University's ongoing strategic direction, approval of major developments and receiving regular reports from executive officers on the day-to-day operations of its business and its subsidiaries. The Council met seven times during 2023/24.

It has several committees, all of which are formally constituted with terms of reference. The key committees are noted below.

Finance Committee

Finance Committee, which meets five times a year, *inter alia* recommends to the Council the University's annual revenue and capital budgets and monitors performance in relation to the approved budgets. The Committee also reviews major investment decisions prior to final approval by the Council.

Nominations Committee

The Committee considers nominations for vacancies in the Council membership in accordance with Statute 6.

Audit and Risk Committee

The Committee comprises only external members and advisors and meets at least four times annually. All meetings are attended by the appointed external auditor to discuss audit findings, and the internal auditors to consider internal audit reports and recommendations for the improvement of the University's systems of risk management, internal control and its governance and assurance framework.

Incorporated into the internal audit reports are management's response and implementation plans. The Committee also considers the form of the annual report on corporate governance together with the accounting policies and reviews the implementation of risk management within the University. While senior executives attend meetings of the Audit and Risk Committee as necessary, and the President and Vice-Chancellor attended the majority of meetings in 2023/24, they are not members of the Committee. The Committee meets with the external and internal auditors on their own for independent discussions.

Remuneration Committee

A new composition of the Committee took effect in 2023/24 moving from the membership comprising all external members of Council to four external members of Council plus the Chair (who is not the Chair of Council). The Committee determines the salaries of senior staff of the University. The salary of the President and Vice-Chancellor is determined solely by the external members of Council on the Committee; the President and Vice-Chancellor is not present during discussions about their salary. The Committee also reviews retention and recruitment policies relating to professorial and other senior staff.

Health and Safety Committee

The Health and Safety Committee comprises the Faculty Pro-Vice-Chancellors, five representatives from central professional service departments, eight representatives from staff unions reflecting the spread of workplace hazards, and two external Council members. Its terms of reference are to formulate safety and environmental policies to ensure that the University meets all legislative requirements and best practice standards, and to promote and monitor effective implementation of those policies. It reports regularly to Council.

Senate

Membership of Senate includes senior academics from across the University (in the UK, Malaysia and China), student members and, from 2024/25, has Professional Service staff members too. Meeting once per term, it has the power, subject to the Statutes and Ordinances, to oversee teaching, education and research and is responsible for the academic quality and standards of the University. Recommendations arising from an Effectiveness Review of Senate were approved by Senate in June 2023 and throughout the course of 2023/24 work was undertaken to develop plans to implement the recommendations.

University Executive Board

Day-to-day management of the University is via the University Executive Board, comprising the President and Vice-Chancellor, the Provost and Deputy Vice-Chancellor, the Pro-Vice-Chancellors, the Faculty Pro-Vice-Chancellors, the Chief Financial Officer, the Registrar, the Chief Digital Officer and the Director of Human Resources. University Executive Board acts as an executive committee and normally meets monthly, to consider the strategic and financial direction of the University. The President and Vice-Chancellor is the principal academic and administrative officer of the University and chairs the Executive Board. The Provost and Deputy Vice-Chancellor and the Pro-Vice-Chancellors have specific responsibilities for major policy areas, whilst responsibility for professional services is largely shared between the Registrar and the Chief Financial Officer. Two of the Pro-Vice-Chancellors are appointed to serve as Provosts of the University's campuses in Malaysia and China. Both Council and Senate are kept informed of the key decisions and discussions of the University Executive Board via formal statements presented at their meetings by the President and Vice-Chancellor.

Statement of internal control

The Council as the governing body of the University has responsibility for ensuring that a sound system of internal control is maintained which supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible, in accordance with the responsibilities assigned to the Council in the charter and statutes.

The system of internal control and risk management is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The system of internal control and risk management is designed to manage rather than eliminate risk.

The internal control environment includes system controls, delegations, policies as well as planning and budgetary processes, governance structures and management reporting. A scheme of delegation has been formally approved by Council, and senior management receive financial performance information regularly.

University Executive Board receives an annual Assurance Report about compliance with key regulations, which is informed by self-attestation from Faculties and Professional Services.

The University is taking actions to further develop its control environment, particularly the efficiency of controls, by introducing a new finance, human resources and procurement system during 2024/25.

The Audit and Risk Committee receives an annual update on the University's arrangements for prevention and detection of corruption, fraud, bribery and other irregularities.

The Audit and Risk Committee receives regular reports from the Director of Internal Audit, together with recommendations for improvement. These reports include the annual internal audit opinion on the adequacy and effectiveness of the institution's systems of risk management, internal control, and governance, which in this year has deemed there to be reasonable assurance. Reports are also received from the external auditors as part of their year-end work.

There is a rolling six-month internal audit plan, which provides a balance of coverage of strategic risks from the University Risk Register together with a sample of core internal control processes.

There was an external review of the Internal Audit function in 2023, which determined that the internal Audit function provides a good service to the University.

This statement of controls covers the period to the date the financial statements are approved

Value for money

It remains critical that in times of financial pressure that maximum value is driven from both our people and our financial resources. Value is measured by the return that we are receiving for every pound spent, whether that return be financial or non-financial in pursuit of the University strategy. We constantly strive to prioritise our spend on the things that matter most and to ensure that we are as efficient as we can be. The University has sought to address the most recent challenges through improving financial support and decision-making, driving value through investments, improving procurement and developing further the revenue-generating opportunities offered by our commercial activities.

Delivering value for money in financial year 2023/24

Driving value through effective finance support

Much of the 2023/24 financial year has been occupied with the sector wide financial challenges and the response at Nottingham has been swift and successful. To mitigate the student recruitment shortfall which impacted University income, cost saving plans were developed across the University with a view to minimising the downside financial impact as much as possible. The finance team worked closely with the University community to develop robust plans and track delivery against the agreed plans.

A Financial approval group was established to track all University funded staff recruitment and approve all purchases over £10,000 as well as to monitor travel and purchase card transactions to ensure that activity was a priority for the University – this group was chaired by the Faculty Pro Vice Chancellor for

Engineering and included other University Executive Board members and senior members of staff: the group met weekly between April and the end of June.

The continuing investment into core systems will give us the opportunity to improve the effectiveness of the finance support we provide to our staff across the University. The Digital Core programme is not just about the replacement of technology, it also focuses on the streamlining and standardisation of processes, documentation of policies and procedures, and helping the wider University community to do things the right way.

During the year the finance team has been restructured to enable more focus on supporting the University strategy and the investment needed to support delivery as well allowing for strengthened business partnering focus and more in-depth financial performance monitoring and management. This restructuring activity will also ensure the finance team is set up for success to maximise the efficiency and operation of the new finance system when it goes live.

Group management accounts are produced on a monthly basis and presented to the finance leadership team. They are then presented to the Chief Financial Officer before being formally reported through the University governance structure.

Driving value through investments

Demand for investment exceeds available funds, so it is vital that we ensure that the University invests in the projects that will deliver the most benefit. It is therefore important to be able to measure the completed project against the expectations in the business case, including benefit delivery. In 2023/24 the University invested more than £100m on both repairs and maintenance of the digital and physical estate as well as strategic initiatives such as Castle Meadow Campus and Core systems projects.

In light of the in-year financial pressure there was a continual review and reprioritisation of the investment pipeline alongside measures taken to reduce operational expenditure. The pipeline of activities was reduced leaving principally those items already contractually committed or which were health and safety related to progress.

Driving value through procurement

The central Procurement function was responsible for influencing £222m (2022/23: £159m) of the University’s £264m (2022/23: £220m) impactable spend across approximately 11,000 suppliers of goods, products and services.

Over the last five years, the Procurement team has focused on continuous improvement with a vision to maximise social, economic and sustainable value for the University, whilst also simplifying processes and enhancing customer experience. This consistent approach has led to a continued uplift in performance year on year, reaching 3.7% savings to impactable spend in 2023/24, in line with peer universities in the same turnover group.

The value forecast for 2023/24 was £7m of procurement driven value with an additional £1.5m from commercial Supplier Relationship Management (SRM), totalling £8.5m additional value to the University. Procurement value targeted sustained performance rather than growth for the first time in four years, due to the UK seeing the highest inflationary pressures for 40 years, energy and fuel prices at a 10-year high, and raw material shortages creating ongoing marketing volatility. However, despite the challenging landscape, Procurement secured £9.2m benefits with an additional £2.9m in value from commercial SRM, totalling £12.2m overall value to the University, 44% over target. This is a significant achievement as procurement value has been tracked through the HEPA value survey since 2009/2010 and our performance in 2023/2024 represents the highest recorded in those 14 years.

This uplift can be attributed to a focus on all aspects of value within the end-to-end procurement life cycle, including cost reductions, benchmarking within the market, cost avoidance, added value and ‘additionality’ around EDI, social value, modern slavery and sustainability.

Going forward in 2024/2025, further uplift is forecast as the implementation of our new finance, HR and procurement system is completed and further efficiencies within process are identified.

Driving commercial value whilst retaining our core purpose

The more centralised Commercial function, reporting to the Commercial Governance Board, has been in place since 2019. It was established to drive improved performance and delivery from our cross university commercial operations. Its core purpose was and continues to be to build and grow new commercial business and capability at the University.

The 2023/24 budget planned £130m of commercial income and £4.6m profit which reflected some significant uncertainty around key areas like the continued return to pre-Covid trading in areas such as Retail, Catering and Hotel and Conferencing, and was against a backdrop of high inflation particularly in food and energy.

The year end position saw income of £132.3m (+£2.3m) and £3.5m profit, which is £1.1m behind budget.

The reasons for the shortfall in profit were mostly attributable to the knock-on effects of student under-recruitment and a full year of inflated costs. This masked the positive performance of the Nottingham Venues hotel and conference facilities, and our services rendered offering.

Our Chief Commercial Officer is focused on core areas and diversification of portfolio that can support the return to pre-Covid levels of £10.5m surplus within the next 5-10 years

Driving value through organisational development

People are at the centre of the University and in recognition of this, our University's human resources (HR) function is working at pace, in the midst of its critical three-year period of investment and transformation, as set out in the 2023 People and Culture Strategy.

During the financial year 2023/24, HR has been investing in its new operating model and carrying out its related operational delivery plan, which includes:

- Development of an Organisational Development (OD) function
- HR becoming a strategic enabler
- Promote new ways of working
- Establishing a pay and reward team
- Establishing a HR Policy Team
- Further investment in specialist HR services: such as Global Mobility, Data and Management Information, Project Management (PMO), and Occupational Health, to ensure that the University has skilled in-house resource to deliver on its ambitions as set out in the People and Culture Strategic development plan.
- Strengthening HR Business Partnering

Risk and risk management

Risk Management Approach

The University manages risk through its Risk Management Framework which outlines the process for identifying, assessing and reporting risks. It also includes guidance documents, tools, templates, governance structure and a Risk Management Policy to ensure standardisation of risk management practice. The Risk Management Policy is reviewed annually and was last revised in February 2024. Focus is placed upon embedding risk management practice within existing management and governance structures and business planning cycles to inform decision-making, protect against threats, and contribute towards the delivery of University Strategy.

Risk Management Framework

The University's Risk Management Framework dovetails with broader governance activities, including reporting, information flow and escalation of risk to inform decision-making and enable effective management control across all levels of the organisation. It is reviewed by the University Executive

Board (UEB) three times per year and is used to inform decision-making against agreed risk appetite. It will continue to evolve in line with best practice and emerging risk management principles.

Under the leadership of the President and Vice-Chancellor, UEB is accountable for the identification, management and oversight of strategic level risks. It is also responsible for defining and setting risk appetite for the University as a whole and across each strategic theme.

Responsibility is delegated to Planning and Resources Committee (PRC) for agreeing the Strategic Risk Register to ensure it is reflective of key concerns and that mitigations are in place to evidence that risks are well-managed and under control.

The Assurance Committee seeks assurance that the Risk Management Framework is fit for purpose and that risk management practices are well embedded across the Institution.

Principal Risks and Uncertainties

Risks are categorised by strategic risk themes to align with the University's Strategic Delivery Plans. The following risks were the key high-scoring strategic risks identified on the University Risk Register in the June 2024 review. Risk mitigations are in place and action plans have been agreed to reduce risk further.

Strategic Risk Theme	**Principal Risks**
Education and Student Experience	• Declining student satisfaction (Teaching & Learning) impacting student recruitment in an increasingly competitive market, University reputation and financial sustainability
Financial Sustainability	• Challenging international student recruitment environment • Financial efficiency and affordability
People and Culture	• Inability to deliver the People and Culture Strategy impacting recruitment and retention alongside supporting the wellbeing, capacity and capability of our people to deliver the University's strategic ambition • Insufficient culture of accountability and responsibility among senior leaders resulting in inconsistent and sub-optimal decision-making across the University and limiting the ability to perform to its full potential
Infrastructure and Systems to Deliver	• Increased costs and complexity in maintaining the condition of the estate
External Environment	• Geopolitical risks including changes in the global political environment and international partnerships could impact operations across home and international campuses, University reputation and international student recruitment
Institutional and Compliance	• Bio-Support Unit – increased costs and complexity in maintaining and providing research facilities and complying with the necessary legislation • Increased complexity in maintaining compliance with UKVI Regulations • Information Security – continued threats from cyber-attacks despite affirmative progress against mitigation of the risk

Financial Review

Introduction

The 2023/24 financial year has seen significant pressures across the sector driven primarily by a high inflationary environment impacting the cost base of the University and our staff and student communities. We at Nottingham are not immune from the financial challenges and this has been compounded by A level grade deflation and the University focus on recruiting the most talented students in a more challenging and competitive student recruitment environment, which has resulted in lower student numbers than were anticipated. This has resulted in an adjusted financial deficit, before pension provisions and interest costs, of £17.0m, including one off restructuring costs of £12.1m.

Despite the challenging financial position, there is a good deal to celebrate. Our research awards and income have reached record levels and there is a strong pipeline of applications. International Postgraduate Taught (PGT) recruitment numbers held up and applications for 2024 entry are significantly higher than have been seen in previous years. Commercial activity has exceeded expectations through a combination of improved contract negotiation and income growth as well as enabling the development of new pathways to enhance teaching and research funding and experience.

We were pleased to have maintained our Standard and Poors credit rating at an A+ with stable outlook. We are proud to have maintained this despite the challenging external environment. Debt levels remain low which gives us the opportunity and flexibility to support the future strategic direction of the University.

Steps have been taken to manage the cost base in year and a voluntary severance scheme was concluded which will improve our ongoing operational efficiency. Plans for future organisational and financial stability continue to be developed under the banner of Future Nottingham.

Preparation of financial statements

These financial statements have been prepared on a going concern basis and include the consolidation of the financial results of the University and its subsidiary companies. The campuses in both Ningbo, China and Seminyeh, Malaysia as associated undertakings are included within investments based on percentage ownership.

As a public benefit entity, these financial statements are prepared in accordance with the University's Charter and Statutes, the Statement of Recommended Practice on Accounting for Further and Higher Education Institutions and other relevant accounting standards and in line with the terms and conditions of the Memorandum of Assurance and Accountability agreed between the Office for Students (OfS) and the Council of the University.

2023/24 financial performance

Consolidated key highlights

	Note	2023/24 £ million	2022/23 £ million	2021/22 £ million	2020/21 £ million	2019/20 £ million
Total income		**849.4**	**822.8**	**801.8**	**696.1**	**710.4**
Expenditure before operational investments and pension adjustments		819.3	775.1	704.3	645.1	665.0
Operational Investment	1	47.1	44.7	37.4	21.3	14.0
Total expenditure		**866.4**	**819.8**	**741.7**	**666.4**	**679.0**
Adjusted (deficit) /surplus		**(17.0)**	**3.0**	**60.1**	**29.7**	**31.4**
Valuations and other (losses) or gains	2	(0.9)	7.2	50.5	14.5	0.5
Operating (deficit) / surplus		**(17.9)**	**10.2**	**110.6**	**44.2**	**31.9**
USS pension adjustment		243.6	53.3	(181.7)	(14.4)	85.0
Pension interest costs		(5.0)	(9.8)	(2.2)	(2.9)	(5.3)
Surplus / (deficit) for the year		**220.7**	**53.8**	**(73.3)**	**26.9**	**111.6**
Actuarial movement on CPAS pension		(10.8)	15.6	62.5	60.1	(22.4)
Total comprehensive income (or loss) for the year		**209.9**	**69.4**	**(10.8)**	**87.0**	**89.2**
Staff costs before USS adjustment		494.1	445.5	402.2	378.5	402.4
Total net assets		835.9	625.9	556.5	567.2	480.2
Cash generated from operations		4.9	27.2	108.9	77.5	38.3
Capital investment	3	78.3	59.2	89.3	36.9	41.6
Total invested back into UoN	4	125.4	103.9	126.7	58.2	55.6

Notes

1. Operational investment includes investments in initiatives and projects that are typically one-off in nature, over and above the normal day-to-day running costs of the University and drive future benefits.
2. Other (losses)/gains including disposal of assets, investments and private placement valuations, % share of associate results.
3. Capital investment includes investment in new buildings, IT systems and other assets providing future benefit to the University.
4. Total invested in UoN includes the total operational investment (1) and capital investment (3) spent during the year.

Surplus / (deficit) for the year

The 2023/24 financial statements continue to be impacted by the volatility driven from the application of relevant accounting standards which do not reflect the underlying performance of the University during the year.

The single largest adjustment is to recognise a provision for its proportion of the USS deficit recovery plan within staff costs, the movement going through income and expenditure. As set out in Note 28, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provision basis. The University was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision. This movement is excluded from the commentary below as it is unrepresentative of the University's underlying financial performance and delivery of the University strategy, although further details are available in the policies and notes to these financial statements.

The underlying deficit for the year is £17.0m (2022/23: surplus of £3.0m). This was arrived at by deducting total expenditure (£866.4m), excluding the effects of the USS pension liability movement of £243.6m and pension interest costs (£5m), from the income of £849.4m. This position reflects income growth through the improved mix of international students, mainly postgraduate, a smaller cohort of undergraduate students aligned with the strategy to increase tariff and a successful year for research income, however the cost base has been impacted by cumulative years of high inflation that has far exceeded income growth in spite of cost saving plans having been implemented in year.

Income

Total income increased by 3.2% to £849.4m. This was largely driven by an increase in research income and other operating income and reflects an improvement in operational and strategic focus.

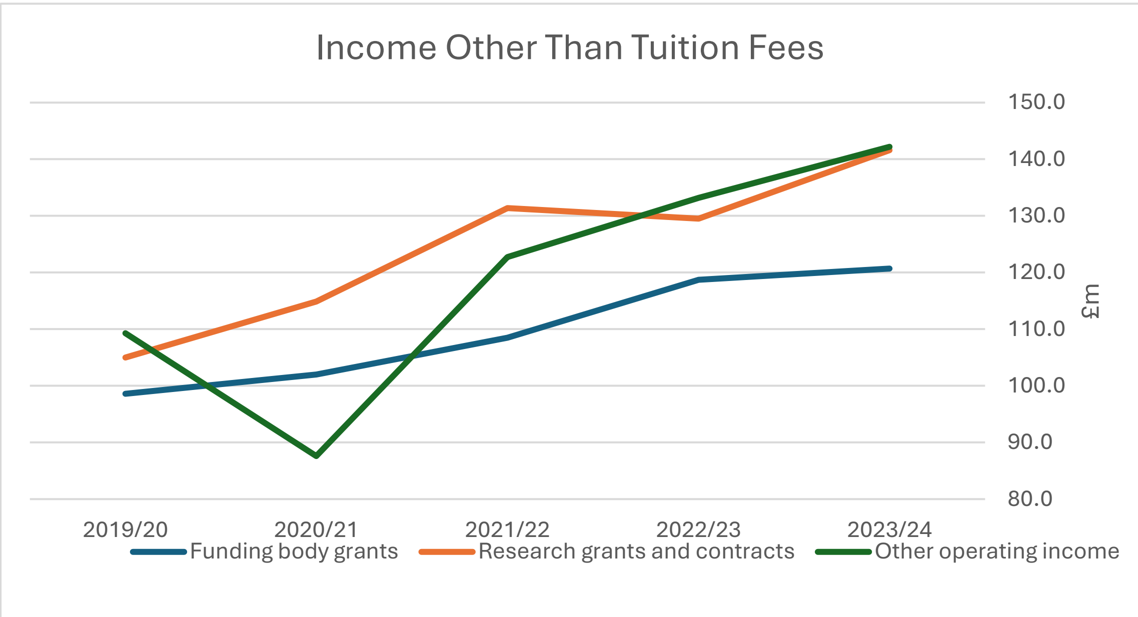
	2023/24 £ million	2022/23 £ million	2021/22 £ million	2020/21 £ million	2019/20 £ million
Tuition fees and education contracts	437.5	435.4	433.7	387.7	389.0
Funding body grants	120.7	118.7	108.5	102.0	98.6
Research grants and contracts	141.6	129.5	131.4	114.9	105.0
Other operating income	142.2	133.2	122.8	87.6	109.3
Investment income	3.2	3.2	1.2	2.1	2.8
Donations and endowments	4.2	2.9	4.3	1.8	5.7
Total income	**849.4**	**822.8**	**801.8**	**696.1**	**710.4**

Tuition fee income grew by £2.1m (0.5%) to £437.5m, driven by increased fees from postgraduate students and other fees. The University's strategy is to gradually increase the mix of international students as a proportion of total students, a strategy which will gradually grow tuition fee income but maintain the overall size of the student population.

Student numbers (FTE)	2023/24	2022/23	2021/22	2020/21	2019/20
Undergraduate					
Home/EU	23,628	24,559	24,437	23,542	22,183
International	3,543	3,736	3,634	3,441	3,860
	27,171	**28,295**	**28,071**	**26,983**	**26,043**
Postgraduate taught					
Home/EU	1,377	1,782	2,037	2,214	2,068
International	3,248	3,222	2,811	1,959	2,902
	4,625	**5,004**	**4,848**	**4,173**	**4,970**
Postgraduate research					
Home/EU	1,282	1,577	1,885	1,951	1,848
International	936	916	998	987	938
	2,218	**2,494**	**2,883**	**2,938**	**2,786**
Total	**34,014**	**35,793**	**35,802**	**34,094**	**33,799**

Research income has excelled in year, with income of £141.6m (2022/23: £129.5m) and is greater than the University has achieved for many years - this is a result of an increase in the levels of applications (especially those greater than £1m) post pandemic, which are now feeding into higher levels of awards and income. All faculties exceeded their targets for awards in 2023/24, and there is evidence that the proportion of academics engaged with research and knowledge exchange is increasing.

Commercial and other operating income increased by 6.8% to £142.2m (2022/23: £133.2m). This is a result of the continued commercial recovery from the pandemic, greater strategic focus on diversification and maximisation of other revenue streams as well as improved debt recovery.

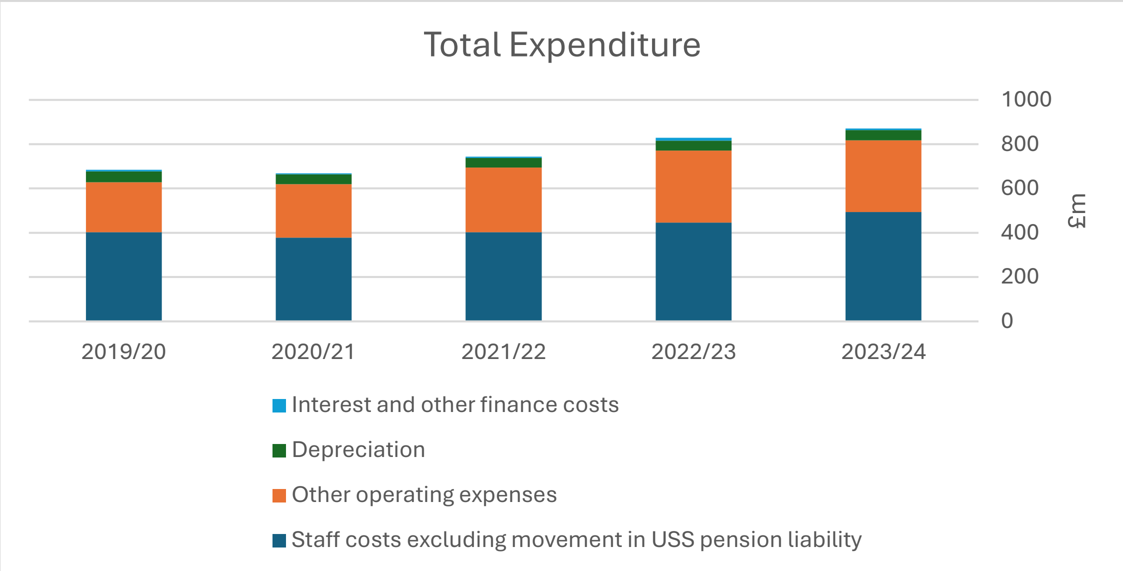


Expenditure

Prior to the USS pension adjustment and finance costs related to pension adjustments, spend in the year has increased to £866.4m, of which £47.1m related to operational investment for strategic activity (2022/23: £819.8m, with operational investment of £44.7m).

Total expenditure increased by 5.7% (2022/23: 11.0%), largely due to staff costs and inflationary pressures on pay. The University continues to prioritise investment in backlog maintenance of both its physical and digital estate as well as through strategic priorities such as the Castle Meadow Campus.

Staff costs have increased to £494.1m (2022/23: £445.5m), forming 57.0% (2022/23: 54%) of total expenditure. This includes £12.1m of cost driven by a voluntary severance scheme that concluded in July 2024 and reduced USS and CPAS pension contributions, both were driven by the respective 2023 triennial valuations.



Other operating expenses are £323.8m (2022/23: £326.0m). This is representative of compounded high inflation environment that has been mitigated by cost control measures introduced in year.

Pensions

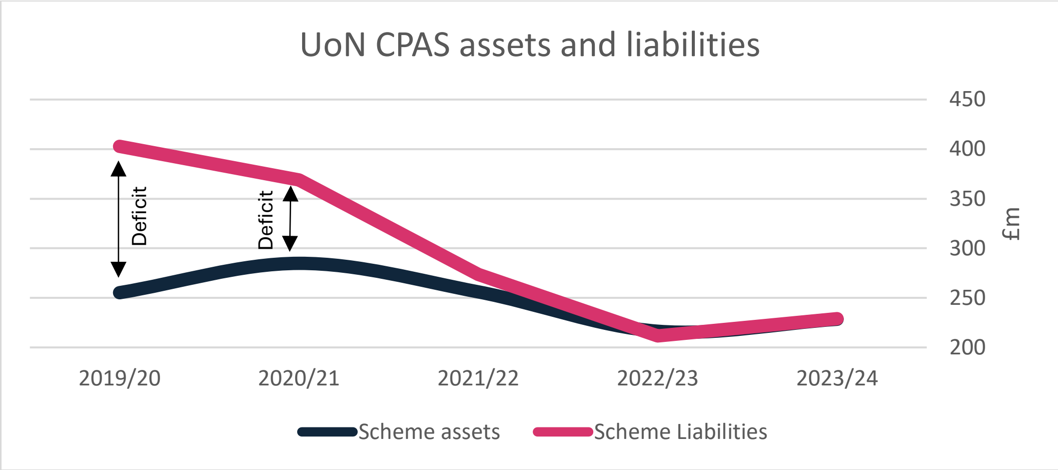
The University operates two defined benefit pension schemes. The University of Nottingham Contributory Pension and Assurance Scheme (CPAS) valuation for July 2023 was completed on 20 March 2024. The latest complete actuarial valuation for the Universities Superannuation Scheme (USS) is as at 31 March 2023 and completed on 20 December 2023 and continue to have a material impact on the financial results of the University. Whilst CPAS is in a slight deficit position, the provision held in relation to USS was removed as the scheme is now in surplus.

CPAS

The CPAS scheme closed to new members in 2006 and remains open to future accrual, therefore existing members continue to pay into the scheme to receive their pensions upon retirement.

The key assumptions used to calculate the present value of the CPAS pension liability are discount rate, inflation and salary growth, and mortality rates. These assumptions are based on actuarial expertise and implied rates from financial markets.

Following the completion of the triennial valuation, the CPAS scheme shows a small deficit position of just £0.2m (2022/23: gain of £4.6m). The change in position is largely attributable to an experience loss, partially offset by an increase in the value of the scheme’s assets. Overall, the University shows a £10.9m actuarial loss from the net movement in the CPAS scheme (2022/23: gain of £15.6m).



USS

USS is a multi-employer scheme, and as such, is unable to identify individual employers' shares of assets and liabilities in the financial statements. The University is required to record a provision for the liability of future contributions to the scheme's deficit recovery plan, rather than individual assets and liabilities of the scheme – increases or decreases to this provision go through staff costs in the accounts.

The 2023 valuation has concluded in year and the improved funding position has resulted in the removal of scheme deficits as well as an improvement in pension benefits.

The removal of the University's share of the USS deficit in year has resulted in £243.6m gain in staff costs on the income and expenditure account (2022/23: impact of 238.1m).

Net assets

Total net assets of the University group increased to £835.9m (2022/23: £625.9m) and this is reflective of the changes in provisions for future pension liabilities described above.

Total assets of the University have shrunk to £1,353.3m (2022/23: £1,385.2m) as a result of a trade receivable balance following an increased focus on debt collection and a reduced cash balance.

Cash and liquidity

The cash and cash equivalents balance on 31 July 2024 stood at £69.9m (2022/23: £124.4m). Lower than expected income in year driven by a smaller student cohort has meant that some of the University's cash reserves have been used in year.

The University had £80m of revolving credit facility available in year, which remains undrawn at year end.

The introduction of the private placement during 2019 with a US-based investor has resulted in the need to value the facility at fair value. Details are described in the accounting policies. The fair value adjustment totals a loss of £1.9m (2022/23: gain of £10.1m) and is a non-cash adjustment, therefore the total private placement is recorded as debt of £62.5m (2022/23: £60.6m) on the balance sheet. The movement is recorded in the statement of comprehensive income within gains and losses on investments.

The contractual cash payments arising from the £100m private placement remain unchanged.

Fundraising

The University of Nottingham was founded on the vision and philanthropic spirit of Jesse Boot who, in 1928, donated the land that is now University Park. In 2023/24 our fundraising activities included face-to-face meetings, events, applications to Trusts and Foundations, legacy stewardship and integrated direct mail and online appeals.

Over the course of 2023/24 the University's Campaign and Alumni Relations Office secured new funds of £13.6m (2022/23 £5.3m) and 11 new legacy pledges (2022/23: 5).

Overall, 3,081 individuals and organisations contributed financially to the University in 2023/24 (including 359 first time donors), and we have worked hard to retain donors through our stewardship programme. Our Director of Philanthropy for Asia, based in Hong Kong, has worked with colleagues across the University to build our brand in the Asia Pacific region and has met with numerous alumni and donors. We have now recruited a further two staff members to support them, one focussing on fundraising and the other on supporting administration and events.

During 2023/24, 1,263 volunteers shared their unique expertise with 10,991 student beneficiaries and supported University strategic priorities including student recruitment, student experience, employability and teaching and learning (2022/23 1,175 volunteers and 6,429 student beneficiaries). We also grew our Nottingham University Business School (NUBs) Alumni Volunteering team from 1 to 4.4 FTE. This team has worked hard to celebrate the NUBs 25th anniversary and engage alumni worldwide via tri-campus events. This activity has helped deliver many benefits including alumni contributions to the Financial Times 2024 Masters in Finance ranking which ranked our MSc Finance and Investment course in the top 60 globally.

Independent auditor’s report to the Council of the University of Nottingham

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 2024 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; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

We have audited the financial statements of University of Nottingham (“the University”) and its subsidiaries (“the Group”) for the year ended 31 July 2024 which comprise Consolidated and University Statement of Comprehensive Income, the Consolidated and University Statement of Changes in Reserves, the Consolidated and University Statement of Financial Position, the Consolidated Cashflow 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 board 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 board members with respect to going concern are described in the relevant sections of this report.

Other information

The Council is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and 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.

Opinion on other matters required by the Office for Students ("OfS"), UK Research and Innovation (including Research England), 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 3 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 12 to the accounts, has been materially misstated.

Responsibilities of University Council

As explained more fully in the Responsibilities of the University Council statement, the Council 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 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 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 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Direct representation from the Accountable Officer.

We considered the significant laws and regulations to Financial Reporting Standard 102, the Statement of Recommended Practice: Accounting for Further Education and Higher Education (FEHE SORP 2019), the OfS' Accounts Direction (OfS 2019.41) and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, the Bribery Act 2010, data protection and registration with the Office for Students and their ongoing conditions of registration.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance, also Audit and Risk Committee and internal audit regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override including the posting of inappropriate journals to manipulate financial results and management bias in accounting estimates. In addition, we considered revenue recognition an area to be susceptible to fraud, particularly in relation to the posting of manual journals to material revenue streams, the recognition of tuition fee revenue in line with course dates and the recognition of research grant income in line with performance conditions.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criterion, by agreeing to supporting documentation;
- A review of estimates and judgements applied by Management in the financial statements to assess their appropriateness and the existence of any systematic basis; and
- In addressing the risk of fraud through improper income recognition, we tested the appropriateness of certain journals to material revenue streams, tested a sample of research grant contracts to the performance conditions noted in their agreements and re-performed the deferred income calculation for a sample of courses for tuition fees revenue.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Use of our report

This report is made solely to the Council, as a body, in accordance with Section 75 of the Higher Education Research Act 2017 and the charters and statutes of the University. 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.

DocuSigned by:

Kyla Bellingall

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Kyla Bellingall (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Birmingham, UK

03 December 2024

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

The University of Nottingham

Consolidated and University Statement of Comprehensive Income

For the Year Ended 31 July 2024

	Note	Consolidated 2024 £m	Consolidated 2023 £m	University 2024 £m	University 2023 £m
Income					
Tuition fees and education contracts	1	**437.5**	435.4	**437.5**	435.4
Funding body grants	2	**120.7**	118.7	**120.7**	118.7
Research grants and contracts	4	**141.6**	129.5	**141.6**	129.5
Other operating income	5	**142.2**	133.2	**127.2**	121.2
Investment income	6	**3.2**	3.2	**3.5**	3.6
Donations and endowments	7	**4.2**	2.8	**4.2**	2.8
Total income		**849.4**	822.8	**834.7**	811.2
Expenditure					
Staff costs excluding movement in USS pension liability	8	**494.1**	445.5	**488.1**	440.0
Movement in USS pension liability	8, 21	**(243.6)**	(53.3)	**(243.6)**	(53.3)
Total staff costs		**250.5**	392.1	**244.5**	386.7
Other operating expenses	9	**323.8**	326.0	**317.9**	319.6
Depreciation and amortisation	13,14	**45.4**	45.1	**44.8**	44.6
Interest and other finance costs	10	**8.1**	13.1	**8.1**	13.0
Total expenditure		**627.8**	776.3	**615.3**	763.9
Surplus before other gains and share of operating surplus in associates		**221.6**	46.6	**219.4**	47.4
Loss on disposal of fixed assets and investments		**(2.3)**	(0.3)	**(2.3)**	(0.3)
Gain / (loss) on valuation of investments		**4.0**	(7.0)	**4.9**	(0.2)
(Loss) / gain on fair valuation of private placement	20, 29	**(1.9)**	10.1	**(1.9)**	10.1
Share of (loss)/profit in associated companies	17	**(0.7)**	4.4	**-**	-
Surplus for the year		**220.7**	53.8	**220.1**	57.0
Actuarial (loss) / gain in respect of pension scheme	28b	**(10.8)**	15.6	**(10.8)**	15.6
Total comprehensive income for the year		**209.9**	69.4	**209.3**	72.6
Represented by:					
Endowment comprehensive income for the year	22	**5.6**	0.3	**5.6**	0.3
Restricted comprehensive income for the year	23	**1.3**	0.1	**1.3**	0.1
Revaluation reserves comprehensive income for the year		**-**	-	**-**	-
Unrestricted comprehensive income for the year		**203.0**	68.9	**202.4**	72.2
		209.9	69.4	**209.3**	72.6

The consolidated income is attributable to the University and its subsidiaries, there is no non controlling interest. All income and expenditure of the University and its subsidiaries relate to continuing operations.

The University of Nottingham

Consolidated and University Statement of Changes in Reserves

For the Year Ended 31 July 2024

Consolidated		**Income and expenditure account**			**Revaluation reserve**	**Total**
	Note	*Endowment* **£m**	*Restricted* **£m**	*Unrestricted* **£m**	*Unrestricted* **£m**	**£m**
Balance at 1 August 2022		**72.2**	**7.7**	**475.4**	**1.3**	**556.6**
Unrestricted surplus from the income and expenditure statement		-	-	68.9	-	68.9
Income from investment of the endowment portfolio	**22**	1.4	-	-	-	1.4
New endowments, donations and grants (including research)	**22/23**	-	2.2	-	-	2.2
Release of restricted funds spent in year	**22/23**	(0.1)	(2.1)	-	-	(2.2)
Unrealised appreciation of endowments, investments and investment properties	**22/23**	(1.0)	-	-	-	(1.0)
Transfers between revaluation and income and expenditure reserve		-	-	-	-	-
Total comprehensive income for the year		**0.3**	**0.1**	**68.9**	**-**	**69.3**
Balance at 31 July 2023		**72.5**	**7.8**	**544.3**	**1.3**	**625.9**
Unrestricted surplus from the income and expenditure statement		-	-	203.0	-	203.0
Income from investment of the endowment portfolio	**22**	6.1	-	-	-	6.1
New endowments, donations and grants (including research)	**22/23**	0.7	3.0	-	-	3.7
Release of restricted funds spent in year	**22/23**	(1.0)	(1.7)	-	-	(2.7)
Unrealised appreciation of endowments, investments and investment properties	**22/23**	(0.2)	-	-	-	(0.2)
Transfers between revaluation and income and expenditure reserve		-	-	-	-	-
Total comprehensive income for the year		**5.6**	**1.3**	**203.0**	**-**	**209.9**
Balance at 31 July 2024		**78.1**	**9.1**	**747.3**	**1.3**	**835.8**

The University of Nottingham

Consolidated and University Statement of Changes in Reserves

For the Year Ended 31 July 2024

University		**Income and expenditure account**			**Revaluation reserve**	**Total**
	Note	*Endowment* **£m**	*Restricted* **£m**	*Unrestricted* **£m**	*Unrestricted* **£m**	**£m**
Balance at 1 August 2022		**72.2**	**7.7**	**420.4**	**1.3**	**501.6**
Unrestricted surplus from the income and expenditure statement		-	-	72.1	-	72.1
Income from investment of the endowment portfolio	**22**	1.4	-	-	-	1.4
New endowments, donations and grants (including research)	**22/23**	0.0	2.2	-	-	2.2
Release of restricted funds spent in year	**22/23**	(0.1)	(2.1)	-	-	(2.2)
Unrealised appreciation of endowments, investments and investment properties	**22/23**	(1.0)	-	-	-	(1.0)
Transfers between revaluation and income and expenditure reserve		-	-	-	-	-
Total comprehensive income for the year		**0.3**	**0.1**	**72.1**	**-**	**72.5**
Balance at 31 July 2023		**72.5**	**7.8**	**492.5**	**1.3**	**574.1**
Unrestricted surplus from the income and expenditure statement		-	-	202.4	-	202.4
Income from investment of the endowment portfolio	**22**	6.1	-	-	-	6.1
New endowments, donations and grants (including research)	**22/23**	0.7	3.0	-	-	3.7
Release of restricted funds spent in year	**22/23**	(1.0)	(1.7)	-	-	(2.7)
Unrealised appreciation of endowments, investments and investment properties	**22/23**	(0.2)	-	-	-	(0.2)
Transfers between revaluation and income and expenditure reserve		-	-	-	-	-
Total comprehensive income for the year		**5.6**	**1.3**	**202.4**	**-**	**209.3**
Balance at 31 July 2024		**78.1**	**9.1**	**694.9**	**1.3**	**783.4**

The University of Nottingham

Consolidated and University Statement of Financial Position

As at 31 July 2024

		Consolidated		University	
		2024	**2023**	**2024**	**2023**
	Note	**£m**	**£m**	**£m**	**£m**
FIXED ASSETS					
Fixed assets	13	**1,010.6**	983.9	**1,003.0**	977.5
Intangible Fixed Assets	14	**5.4**	2.9	**5.4**	2.9
Heritage assets	15	**1.1**	1.1	**1.1**	1.1
Investments	16	**82.2**	75.7	**82.6**	76.1
Investments in associates	17	**62.9**	64.5	**11.1**	11.1
		1,162.2	1,128.0	**1,103.2**	1,068.6
CURRENT ASSETS					
Stock		**1.5**	2.0	**1.5**	2.0
Trade and other receivables	18	**119.6**	130.7	**126.7**	136.0
Short term investments	29	**0.1**	0.1	**0.1**	0.1
Cash and cash equivalents	27	**69.9**	124.4	**64.2**	118.5
		191.1	257.2	**192.5**	256.6
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	19	**(242.3)**	(250.1)	**(237.1)**	(241.9)
NET CURRENT (LIABILITIES)/ASSETS		**(51.2)**	7.2	**(44.6)**	14.7
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,111.0**	1,135.2	**1,058.6**	1,083.3
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	20	**(274.9)**	(271.1)	**(274.9)**	(271.1)
Provisions	21	**(0.2)**	(238.1)	**(0.2)**	(238.1)
TOTAL NET ASSETS		**835.9**	625.9	**783.5**	574.1
RESTRICTED RESERVES					
Income and expenditure reserve - endowment reserve	22	**78.1**	72.6	**78.1**	72.6
Income and expenditure reserve - restricted reserve	23	**9.2**	7.8	**9.2**	7.8
		87.3	80.4	**87.3**	80.4
UNRESTRICTED RESERVES					
Income and expenditure reserve - unrestricted		**747.3**	544.2	**694.9**	492.5
Revaluation reserve		**1.3**	1.3	**1.3**	1.3
		748.6	545.5	**696.2**	493.8
TOTAL RESERVES		**835.9**	625.9	**783.5**	574.1

The accompanying accounting policies and notes on pages 33 to 68 form part of these financial statements. The financial statements were approved by Council on 19th November 2024 and signed on its behalf on 3rd December 2024 by:

PROFESSOR JANE NORMAN
Vice Chancellor

GILES WILLITS
Treasurer and Chairman of Finance Committee

The University of Nottingham

Consolidated Cashflow Statement

For the Year Ended 31 July 2024

	Notes	2024 £m	2023 £m
Cash flow from operating activities			
Surplus for the year		**220.8**	53.8
Adjustment for non-cash items			
Depreciation	13	**45.1**	45.0
Amortisation of intangibles	14	**0.3**	0.1
(Gain) on endowments and investments		**(2.0)**	(2.9)
Decrease / (Increase) in stock		**0.5**	(0.5)
Decrease / (Increase) in debtors	18	**11.1**	(19.7)
(Decrease) / Increase in creditors	19,20	**(9.1)**	12.9
(Decrease) in pension provision	21	**(253.9)**	(55.8)
Share of operating deficit/(surplus) in associates	17	**0.7**	(4.4)
Adjustment for investing or financing activities			
Investment income	6	**(2.1)**	(1.9)
Investment income on endowments	6	**(1.1)**	(1.3)
Interest payable	10	**8.1**	13.1
Loss on the sale of fixed assets and investments		**2.3**	0.3
Capital grant (income)		**(15.8)**	(11.5)
Net cash inflow from operating activities		**4.9**	27.2
Cash flows from investing activities			
Proceeds from sales of fixed assets	13	**1.5**	0.3
Capital grants receipts		**19.0**	18.0
Disposal of non-current asset investments	16	**-**	-
Payments to acquire non-current asset investments		**(0.6)**	(1.2)
Investment income	6	**2.1**	1.9
Proceeds on sale of endowment investments	22	**1.1**	1.1
Payments to acquire endowment investments	22	**(2.8)**	(0.9)
New deposits of endowment investments	22	**0.7**	0.0
Investment income on endowments	6	**1.1**	1.3
Payments made to acquire fixed assets	13	**(78.3)**	(59.2)
Cash flows used in investing activities		**(56.2)**	(38.6)
Cash flows from financing activities			
Interest paid	10	**(3.0)**	(3.2)
Cash flows used in financing activities		**(3.0)**	(3.2)
Effect of retranslation of foreign currency cash balances		**(0.2)**	0.0
Decrease in cash and cash equivalents in the year		**(54.5)**	(14.7)
Cash and cash equivalents at beginning of the year	27	**124.4**	139.0
Cash and cash equivalents at end of the year	27	**69.9**	124.4

As permitted under FRS102, the University has taken advantage of the disclosure exemption available to it in respect of a University-only cashflow statement.

Statement of Principal Accounting Policies

1. Accounting convention

The consolidated and institution financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS102) and the Statement of Recommended Practice on Accounting for Further and Higher Education 2019 (HEFE SORP) and they conform to the accounts direction issued by the Office for Students.

The University is a public benefit entity and therefore has applied the public benefit entity requirements of the applicable UK laws and accounting standards. The functional currency of the University is pound sterling, as the United Kingdom is the primary economic environment in which the University operates.

These policies have been reviewed by the Audit and Risk Committee on behalf of Council and are considered appropriate to the University's activities. They have been applied consistently in the current and prior year.

The consolidated and institution financial statements have been prepared under the historical cost convention (modified by the revaluation of certain financial assets and liabilities at fair value).

As permitted under FRS102 the University has taken advantage of the disclosure exemptions available to it in respect of a University only cashflow statement.

2. Going concern

The University has assessed the external environment and noted the increase in risk factors. It has therefore revised its five-year Medium Term Financial Plan on that basis, and this has been taken account of in the going concern assessment. In updating the financial plan, the following aspects were particularly considered, balanced against the University's available funds and need to meet borrowing covenants:

- Student size and shape
- Right sized cost base (including voluntary severance in year)
- Research performance and research awards
- Increased commercial income targets
- Levels of strategic investment
- Future Nottingham strategy

Key risks and uncertainties considered include student recruitment and retention, potential changes in government policy regarding immigration and funding higher education and research, inflation and condition of the estate. Planning found the University's finances to be sufficient to cope with these changes, particularly with the benefit of the new finance, HR, and procurement system.

Having made appropriate enquiries, Council considers that the University and Group has adequate financial resources to continue in operational existence for the foreseeable future, being not less than 12 months from the date of signing the financial statements. Accordingly, it continues to adopt the going concern basis of accounting in preparing the financial statements. In doing so, the University has regard to the elements of current assets and current liabilities, the availability of cash via the University's banking arrangements and the expectation that grants will continue to be received into the foreseeable future.

3. Basis of consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiary undertakings, together with the share of the results of joint ventures and associates, for the financial year to 31 July 2024.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation. Balances between the institution and its associates and joint ventures are not eliminated.

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

The consolidated financial statements do not include those of the University of Nottingham Students' Union as it is a separate body in which the University has no control or significant influence over policy decisions.

4. Recognition of income

Transactions with commercial substance are credited to income at the fair value of consideration receivable net of any discounts. Where the provision of services – relating to research or other ad-hoc services supplied by the University - is incomplete at the financial year end the percentage completed will be determined in a way appropriate to each contract and any funds received in advance held as deferred income.

Tuition fee income is credited to income over the period in which students are studying.

Other key income streams of this type are consultancy, accommodation, catering and conference, sales of goods and services, royalties and research income from commercial sources. Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customers or the terms of the contract, including any staged payments due at contract milestones, have been satisfied.

University-funded bursaries and scholarships are accounted for gross as both income and operating expenses where the transaction does not represent a discount.

Education contracts are recognised when the entity is entitled to the income, which is the period in which students are studying, or where relevant, when performance conditions have been met.

Donations and endowments

Donations and endowment transactions are assessed to determine whether performance related conditions, restrictions on expenditure, both or neither applies. The income is recognised in the Statement of Comprehensive Income as follows:

- Where performance related conditions exist, income is recognised in line with the performance criteria being met.
- Where restrictions exist, income is recognised when it is receivable and taken to a restricted reserve, expenditure is then recognised as restricted expenditure and charged to the restricted reserve over time to reduce it to nil as the fund is fully used. Endowments where the donor has specified that the capital sum can be spent are treated in this way.
- Where there are neither performance related conditions nor restrictions income is recognised when it is receivable.
- Endowments are recognised as income on entitlement and then held in the permanently restricted reserve where the donor has specified that the capital sum cannot be spent.
- Endowment and investment income is credited to the income and expenditure account on a receivable basis. Gains or losses on investment are recorded in the capital element of the fund to which it relates and recognised in income as gain or loss on investments.

Grant funding

Government grants – including funding body grants and research grants - are recognised based on the accrual model, over the period for which the University recognises the related costs. 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.

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

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 in the Statement of Financial Position and released to income as the conditions are met.

5. Total return investment accounting

As authorised by Council, the University adopted a total return basis for investment of its endowment funds. The carrying value was taken as the fair value of these funds on 1 August 2021 including the original gift value and any subsequent additions.

The University's investment managers invest these funds without regard to capital or income distinction and with the discretion to apply the accumulated total return as income to be spent. Until exercising this option, total return is accumulated in the 'unapplied total return' component of the endowment to be retained for further investment or released to income.

Council determined that a 4% application rate to investment return was appropriate for sustainable investment and expected investment returns.

6. Retirement benefits

The three principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS), the University of Nottingham Contributory Pension and Assurance Scheme (CPAS) and the University of Nottingham Contributory Retirement Savings Plan (CRSP). A small number of staff remain in other pension schemes. USS and CPAS are defined benefit schemes which are externally funded and contracted out of the State Second Pension.

The funds are valued every three years by professionally qualified independent actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. In the intervening years, the actuaries review the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuaries, based on the latest actuarial valuations of the schemes.

Universities Superannuation Scheme (USS)

The institution participates in the Universities Superannuation Scheme. 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 income and expenditure account.

University of Nottingham Contributory Pension and Assurance Scheme (CPAS)

CPAS is a defined benefit scheme. For a defined benefit scheme, the amounts charged to staff costs are the current service costs and gains and losses on settlements and curtailments. The interest cost and the expected return on assets are shown within interest and other finance costs. Actuarial gains and losses are recognised immediately in the Statement of Comprehensive Income. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

University of Nottingham Contributory Retirement Savings Plan (CRSP)

CRSP is a defined contribution scheme, and the amount charged to staff costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

7. Employee 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 institution. Any unused benefits are accrued and measured as the additional amount the Institution expects to pay as a result of the unused entitlement.

8. Foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency of pound sterling at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling either at year end rates or, where there are related forward foreign exchange contracts, at contract rates. Non-monetary items held at historical cost are translated into sterling using the exchange rate of the date of the transaction. Non-monetary items held at fair value are translated into sterling at the exchange rates on the date the fair value was determined. The resulting exchange differences are dealt with in the Statement of Comprehensive Income for the financial year.

9. Leases

A lease is treated as a finance lease if it transfers substantially the risks and rewards of ownership of the leased asset. Fixed assets held under finance leases and the related lease obligations are recorded in the Balance Sheet at the lower of the fair value of the leased assets at the inception of the lease or the present value of the minimum lease payments. The excess of lease payments over recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations. Assets held under finance leases are depreciated over their useful economic lives in the same way as other property, plant and equipment. Where there is no certainty that ownership of the asset will pass to the University at the end of the lease the asset will be fully depreciated by the end of the lease term.

Rental costs under operating leases are charged to expenditure in equal annual amounts over the periods of the leases. Lease incentives are similarly spread on a straight-line basis over the lease term.

10. Intangible assets and goodwill

Intangible assets

The costs of significant software and its development for use in the long term are capitalised as intangible assets, less any reduction for impairment. Costs are amortised on a straight-line basis over their useful economic life (not exceeding ten years) and are subject to annual impairment reviews.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment.

Relevant costs are attributed to each major phase of the configuration and implementation project. Costs relating to the development and implementation phases have been capitalised, costs relating to the research and training phases are expensed as incurred. Where software is provided on a subscription basis, the annual subscription costs are expensed as incurred.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on a straight-line basis over its useful economic life. Useful economic life is assessed separately for each business acquired, depending on the nature of that business. Where a reliable estimate of the useful life of goodwill cannot be made, the life shall not exceed five years. Provision is made for any impairment.

11. Property, plant and equipment

Land and buildings

Land is stated at deemed cost using the valuation on 31 July 2014. The valuation of land was undertaken during the 2012/13 year by Fisher Hargreaves Proctor Ltd, Property Consultants. Commercially held land is valued by suitably qualified chartered surveyors, the last valuation was at 31 July 2021 and the basis of valuation being open market value on an existing use basis. Land, with the exception of the Arts Centre and DH Lawrence Pavilion land, which are held on a long lease, is held freehold and is not depreciated as it is considered to have an indefinite useful life.

Buildings are stated at cost, other than those held as investments. Buildings are depreciated over their expected useful lives, which are between 40 and 50 years, with certain specific buildings depreciated over a longer period where appropriate. Each major component of land and buildings is reviewed separately and where major components have a significantly different useful economic life they are depreciated separately.

Major refurbishments are depreciated over their estimated life, normally 15 years. Leasehold land is depreciated over the life of the lease.

Assets in the course of construction are recognised at cost less impairment and are not depreciated.

Plant and equipment

Plant and equipment, including computers and software, costing less than £30,000 per individual item or group of related items is written off in the year of acquisition (unless specified by a grant condition). All other equipment is capitalised. Where expenditure on maintenance and refurbishments is expected to provide incremental future benefits to the University, it is capitalised and added to the carrying value of the building or equipment.

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

- IT equipment – three to five years
- IT software – three years
- Configured IT systems – useful economic life up to a maximum of 10 years
- Motor vehicles and other general equipment – three to 10 years
- Equipment acquired for specific research projects – project life (generally three years)

Each major component of capitalised plant and equipment is reviewed separately. Where major components have a significantly different useful economic life they are depreciated separately.

Impairment

At each reporting date all property, plant and equipment is reviewed for indications of impairment. If events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable, an assessment is completed and any impairment charge arising is recognised against the asset and in the Statement of Comprehensive Income.

Borrowing costs

Borrowing costs are recognised as an expense within the Statement of Comprehensive Income and are not separately identified and capitalised.

12. Heritage assets

Heritage assets are recorded at cost or value of the asset where a revealed price is available. Heritage assets are reviewed for indicators of impairment annually and are not depreciated. They are subsequently recorded at cost less accumulated impairment. The University does not recognise heritage assets where the cost or value is not available and cannot be obtained at a reasonable expense. The nature of such assets is disclosed. The University's policy is to preserve the heritage assets in its care, to encourage access to its collections for teaching and research, and to enable public engagement with the collections.

13. Investment properties

Investment properties are initially measured at cost then subsequently at fair value at the reporting date, based on a professional valuation performed every 3-5 years, unless there is an indication each year that an interim valuation is needed, with changes in fair value recognised in the Statement of Comprehensive Income. Considering the balance between the cost of valuation and the materiality of the investment properties held management has assessed that to be sufficient.

Mixed use investment property is separated between investment properties and property, plant and equipment. If the fair value of the investment property portion cannot be reliably measured the entire property will be included within property, plant and equipment. Investment property owned by one Group company which is leased to another group company is treated as an investment property in the owner's individual financial statements.

Investment property is reviewed yearly to confirm whether it still meets the definition of an investment property. Where the asset is held in service of the University’s charitable purpose, it is transferred to property, plant and equipment at its deemed cost.

The most recent valuation of investment property was on 30 July 2021, whereby management engaged external property consultants to provide an estimated existing use valuation.

14. Investments and endowments

Where there is a ready market for investments, they are shown at fair value with changes in value being taken to the Statement of Comprehensive Income. For investments in non-listed companies a fair value is determined by reference to a percentage of the company’s estimated net book value.

Should there not be a ready market, investments are shown at historical cost less impairment.

Endowment asset investments are included in the statement of financial position at fair value, with changes taken to the Statement of Comprehensive Income. Cash held as part of the endowment portfolio is treated as an investment, as it is held as part of the portfolio in accordance with the University’s strategy and is therefore not considered as free cash.

Investments in subsidiaries and associates in the University's separate financial statements are recorded at cost less impairment.

15. Financial instruments

Financial assets and financial liabilities are recognised when the University becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the University after deducting all of its liabilities.

(a) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when there exists a legally enforceable right to set off the recognised amounts and the University intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of being ‘basic’ financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method. Debt instruments that have no stated interest rate (and do not constitute a financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. With the exception of some hedging instruments, other debt instruments, held for trading, are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment. Financial assets are derecognised when:

(1) the contractual rights to the cash flows from the financial asset expire or are settled;

(2) the University transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or

(3) the University, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(b) Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded, or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment. In the University’s balance sheet, investments in subsidiaries are measured at cost less impairment.

(c) Derivative financial instruments

The University uses derivative financial instruments to reduce exposure to interest rate and cash flow movements. The University does not hold or issue derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument.

(d) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

16. Stocks

The inventories are stores held centrally for some academic schools, food and catering supplies, and farm livestock, produce and consumables. They are valued at the lower of cost and selling price less costs to sell.

17. Cash and cash equivalents

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

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

18. Taxation status

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Paragraph 1 of schedule 6 to the Finance Act 2010 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 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

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

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

19. Provisions, contingent liabilities, and contingent assets

Provisions are recognised in the financial statements when:

- the institution 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 Institution a probable 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 Institution a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes.

20. 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 Institution 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.

21. Changes in accounting policies

There have been no changes to accounting policies during the year.

22. Critical accounting estimates and significant judgements

In the application of the University's accounting policies, judgements, estimates, and assumptions are required, which affect the application of accounting policies and the reported values of assets, liabilities, income and expenses. Judgements, estimates and assumptions are based on historical experience and other factors such as reasonable expectations of future events. They are reviewed regularly and applied consistently to the current and prior year. Estimates based on assumptions and judgements are likely to differ from the actual results.

Critical accounting estimates

Listed below are areas where estimation uncertainty at the reporting date could cause a material adjustment to the carrying amount of assets or liabilities within the next financial year.

(a) Provision for doubtful debts

The Group holds a provision for doubtful debts of £6.4m (2023: £7.1m). Of this provision, £4.4m (2023: £4.3m), being 69% (2023: 60%) relates to debt from student tuition fees.

The £3.3m tuition fee aspect of the provision represents 75% (2023: 76%) of outstanding tuition fee debt at the year-end.

Assumptions on recoverability are substantially unchanged from the prior year, taking into account several measures including the registration and course status of students, ageing, post year end recovery and experience in-year of the recovery of prior year debts.

Various scenarios were reviewed based on the year end debt balance and these were tested against post year-end recovery and credits raised.

The University will continue to actively recover debt in line with the University debt collection policy.

(b) Provision for USS pension recovery plan

At 31 July 2023, the University’s balance sheet included a liability of £238.1m for future contributions payable under the deficit recovery agreement, which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit.

No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the University was no longer required to make deficit recovery contributions. The remaining liability of £236.7m was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 28a.

(c) CPAS pension actuarial measurement

To determine the appropriate values for the CPAS pension recovery plan the scheme's independent trustees carry out a formal actuarial valuation on a yearly basis using reasonable actuarial assumptions which are disclosed in note 28. The marginal liability for the plan is £0.2m (2023: asset of £4.7m). The movement during the year was caused by an increase in the defined benefit obligation due to a fall in corporate bond yields which drive the discount rate and changes in demographic assumptions, resulting in an increase in the liabilities.

The nature of actuarial valuations means that different assumptions could reasonably be applied and result in a material variation to the valuation. Management mitigates the level of estimation by the use of an independent third party for the actuarial valuation.

(d) Liability for staff annual leave not taken at the reporting date

To determine an appropriate accrual for holiday pay contractually earned but not yet taken, management applies an estimation. A sample of data was taken from holiday records maintained by departments across the University and used to generate a percentage value of leave untaken versus staff costs. This percentage was then extrapolated to cover all staff. This percentage value was last calculated in the 2020/21 year. This extrapolation method resulted in an estimated liability on 31 July 2024 of £24.4m (2023: £18.6m).

(e) Fair valuation of the private placement

In November 2019, the University issued a 30-year private placement loan note for £100m. The note contains an embedded prepayment option with related currency swaps. As such it is treated as a complex financial instrument as per FRS 102 sections 11 and, 12 and is restated to fair value at the balance sheet date. To limit the level of management’s estimation, an external third party undertakes the fair valuation.

The valuation is split principally into two phases. Firstly, a discounted cashflow based on the contractual payments. Secondly, this is weighted by probability of the prepayment option being exercised. The resulting valuation is highly sensitive to changes in the discount rate applied and is reliant on management’s assumptions.

In arriving at the valuation of the integral option, management has made assumptions that are judged to be commercially reasonable and reflective of the position at the balance sheet date: that the option to prepay will be reassessed every five years or more and would only be exercised should it result in a substantial net benefit to the University. These assumptions result in the integral option having an immaterial value.

Therefore, the most sensitive input to the estimation is the discount rate applied to future cashflows. This was an implied rate of 5.22% (2023: 5.33%). The discount rate is based on that of government bonds (gilts) forward to maturity of the instrument, with an adjustment to reflect the University’s credit risk profile. This adjustment is based on the credit risk spread on issuance rolled forward with other comparable and observable traded debt instruments. Management considers this to be a reasonable credit risk estimate.

The assumptions above result in the private placement being recorded at a fair value of £62.4m (2023: £60.6m) with a loss of £1.8m (2023: £10.1m) being recorded through income and expenditure.

In the judgement of management, the unchanged S&P credit rating of A+ indicates that the University’s credit risk is unchanged from the prior period. The University’s current risk profile and future outlook is detailed in the strategic report. However, the discount rate applied by management is based on prevailing market rates for similar debt instruments. These have increased during the year, resulting in a higher discount rate and a lower liability being recorded.

Contractual payments relating to the £100m private placement remain unchanged.

Significant judgements

(a) Fair value of investments in non-listed companies

The University recognises its investment in collaboration and spin out companies which are at an early stage of their development. For non-listed companies it has been judged that a percentage of net assets reveals a fair value of the investment. Where net assets are negative the investment is valued at nil. Alternative judgements could be made to recognise a fair value, for example by discounting expected future cashflows. However, due to the significant uncertainty attached to these investments, management considers a percentage of net assets to be the most reliable and prudent valuation method.

(b) Treatment of USS Pension Scheme

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 the 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. Management is satisfied that the USS meets the definition of a multi-employer scheme, and the institution 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.

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
1. Tuition fees and education contracts				
Full-time credit bearing courses - home fees	**224.1**	228.7	**224.1**	228.7
Full-time credit bearing courses - international fees	**181.8**	177.5	**181.8**	177.5
Part-time credit bearing courses	**3.5**	4.6	**3.5**	4.6
Other teaching contracts	**3.8**	3.3	**3.8**	3.3
Non credit bearing courses and other fees	**24.3**	21.3	**24.3**	21.3
	437.5	435.4	**437.5**	435.4

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
2. Funding body grants				
Recurrent Grants				
Office for Students (OfS)	**49.4**	44.3	**49.4**	44.3
OfS Capital Grant	**6.9**	5.8	**6.9**	5.8
Research England	**64.4**	68.5	**64.4**	68.5
	120.7	118.6	**120.7**	118.6
Specific Grants				
Other OfS	**-**	0.1	**-**	0.1
	-	0.1	**-**	0.1
	120.7	118.7	**120.7**	118.7

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
3. Sources of grant and fee income				
Grant income from the OfS	**56.2**	50.2	**56.2**	50.2
Grant income from other bodies	**64.4**	68.5	**64.4**	68.5
Fee income for taught awards	**388.4**	391.3	**388.4**	391.3
Fee income for research awards	**43.5**	40.3	**43.5**	40.3
Fee income from non-qualifying courses	**5.7**	3.8	**5.7**	3.8
Total grant and fee income	**558.2**	554.1	**558.2**	554.1

4. Research grants and contracts

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Research councils	**64.4**	57.0	**64.4**	57.0
UK based charities	**13.0**	12.7	**13.0**	12.7
UK central or local government and health authorities	**35.6**	30.7	**35.6**	30.7
UK industry, commerce and public corporations	**10.2**	9.3	**10.2**	9.3
EU government and other sources	**8.8**	10.4	**8.8**	10.4
Other grants and contracts	**9.6**	9.4	**9.6**	9.4
	141.6	129.5	**141.6**	129.5

5. Other operating income

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m		£m
Residences, catering and conferences	**52.4**	51.5	**39.0**	39.6
Other services rendered	**32.2**	37.7	**30.9**	36.3
Health authorities	**11.5**	9.6	**11.5**	9.6
Released from deferred capital grants	**3.6**	0.9	**3.6**	0.9
Other income	**42.5**	33.5	**42.2**	34.8
	142.2	133.2	**127.2**	121.2

6. Investment Income

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Investment income on endowments (note 22)	**1.1**	1.3	**1.1**	1.3
Other interest receivable	**2.1**	1.9	**2.4**	2.3
	3.2	3.2	**3.5**	3.6

7. Donations and endowments

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
New endowments (note 22)	**0.7**	0.0	**0.7**	0.0
Donations with performance conditions	**1.0**	0.1	**1.0**	0.1
Donations with restrictions (note 23)	**2.5**	1.8	**2.5**	1.8
Unrestricted donations	**0.0**	0.9	**0.0**	0.9
	4.2	2.8	**4.2**	2.8

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
8. Staff				
Staff costs:				
Gross pay	**387.8**	349.4	**382.3**	344.5
Social security costs	**39.9**	35.1	**39.6**	34.7
Voluntary severence scheme	**12.1**	0.0	**12.1**	0.0
Other pension costs (note 28)	**54.3**	61.0	**54.1**	60.8
Movement on USS pension provision (note 21, 28)	**(243.6)**	(53.3)	**(243.6)**	(53.3)
	250.5	392.2	**244.5**	386.7

During the year a volunatary severence scheme operating as a Mutually Agreed Resignation Scheme (MARS) was offered to all employees which resulted in £12.1m costs during the year (2023: nil)

	2024	2023
	£	£
8a. Emoluments of Vice-Chancellor Professor Shearer West		
Contractual salary	**323,400**	311,080
Basic salary	**323,400**	311,080
In lieu of pension contributions	**36,118**	30,502
Remuneration	**359,518**	341,582
Employers pension contributions	**8,683**	19,598
Total cost	**368,201**	361,180

The above figures look at the financial year ending 31 July 2024. Details of the current salary, as approved by the Remuneration Committee, are available on University's website.

The Vice-Chancellor is eligible to be a member of the Universities Superannuation Scheme pension and has received employer pension contributions at the same rate as for other members of the scheme. Where a payment is made in lieu of employer pension contribution, this is calculated on the same basis as the employer contribution rate to ensure it is cost-neutral to the University.

The Vice-Chancellor’s salary has been determined according to a number of factors including, but not limited to:

• the depth of the Vice-Chancellor’s leadership, management and academic experience within the higher education section;

• the breadth of leadership responsibilities for one of the UK’s largest universities consisting of more than 46,000 students and over 8,000 staff based in campuses across the UK, China and Malaysia, as well as a global community of 340,000 alumni in more than 200 countries;

• the financial responsibilities for an institution with an annual turnover of circa £800 million, and which contributes more than £1 billion to the national economy, £677 million to the regional economy, and supports 18,000 jobs; and

• the accountability for sustaining an excellent educational experience for our students, and a world-leading research portfolio worth £600 million devoted to solving some of the most pressing global challenges, to the benefit of society in the UK and around the world.

Salaries for the Vice-Chancellor and senior staff are set by the Remuneration Committee – part of the University's Council, its governing body – which comprises independent external members of Council, who possess commercial and public sector pay knowledge and expertise. Objectives for the Vice-Chancellor are set annually by the Chair of Council and performance and progress against them reported to and assessed by the Remuneration Committee.

The Vice-Chancellor is not a member of the Remuneration Committee and has no role in determining remuneration for herself or those under her line management. She does not attend meetings of the Remuneration Committee unless specifically invited to discuss the performance and her annual remuneration review recommendations for senior staff under her line management. Details of the membership and terms of reference of the Remuneration Committee can be found here.

In 2023/24, the Vice-Chancellor Professor Shearer West only received a cost of living increase of 5%. This is the same percentage as the nationally negotiated 2023/24 JNCHES pay award for levels 4 to 6 staff, which the University also applies to it's senior staff.

Professor Shearer West was employed for the full financial year. Her basic salary was 7.7 times the median basic pay of staff (2023: 8.2), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff excluding agency staff.

Her total remuneration was 8.0 times (2023: 8.0 times) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff. In both cases the median is calculated gross, i.e. prior to any voluntary waiver of salary.

8b. Compensation for loss of office	**2024 £m**	2023 £m
Compensation for loss of office paid (or payable) to employees of the University	**13.8**	1.4
Number of employees of the University where compensation has been paid (or is payable)	**408**	126

	2024 £m	2023 £m
Compensation for loss of office paid (or payable) to employees of subsidiaries of the University	**-**	-
Number of employees of subsidiaries of the University where compensation has been paid (or is payable)	**-**	-

8c. Average Staff Numbers (Consolidated)	**2024 FTE**	2023 FTE
Average staff numbers by major category:		
Teaching and Research	**3,475.9**	3,334.1
Technical	**560.4**	546.2
Administrative, Professional and Managerial	**3,292.0**	2,973.1
Other, including manual	**987.0**	961.0
	8,315.3	7,814.4

8d. Higher paid staff

This lists the number of staff (full time equivalent) with a basic salary, i.e. excluding employer's pensions contributions, of over £100,000 per annum, broken down into bands of £5,000. It does not include staff who left part way through a year but who would have received salary in these bands for a full year. Where a proportion of the salary is reimbursed by the NHS or Research Council for example, only the portion paid by the institiution is disclosed.

In each band, the number of University Executive Board members is indicated as a subset of the total in that band, The membership of the Executive Board can be seen here: https://www.nottingham.ac.uk/about/structure/university-executive-board/university-executive-board.aspx

	Number (FTE) of staff 2023/24	**Of which, University Executive Board members (FTE)**	Number (FTE) of staff 2022/23	Of which, University Executive Board members (FTE)
Basic salary per annum				
£100,000 - £104,999	**67.20**		30.38	
£105,000 - £109,999	**23.37**		15.40	
£110,000 - £114,999	**25.08**		16.01	
£115,000 - £119,999	**3.10**		14.42	1.00
£120,000 - £124,999	**14.19**	**1.00**	11.80	
£125,000 - £129,999	**13.85**	**1.00**	23.85	2.00
£130,000 - £134,999	**6.05**		7.55	
£135,000 - £139,999	**30.03**	**1.00**	6.80	1.00
£140,000 - £144,999	**4.80**	**1.00**	6.50	1.00
£145,000 - £149,999	**4.50**		4.60	1.00
£150,000 - £154,999	**3.00**	**1.00**	2.00	2.00
£155,000 - £159,999	**1.00**	**1.00**	1.00	1.00
£160,000 - £164,999	**2.00**	**2.00**	1.60	0.80
£165,000 - £169,999	**2.40**	**1.00**	0.25	
£170,000 - £174,999	**0.25**			
£175,000 - £179,999				
£180,000 - £184,999			1.00	1.00
£185,000 - £189,999			2.20	1.00
£190,000 - £194,999	**3.00**	**2.00**	1.00	1.00
£195,000 - £199,999	**1.20**	**1.00**		
£225,000 - £229,999	**1.00**	**1.00**		
£310,000 - £314,999			1.00	1.00
£315,000 - £319,999				
£320,000 - £324,999	**1.00**	**1.00**		
Grand Total	**207.02**	**14.00**	**147.36**	**13.80**

8e. Key management personnel

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the University. The University's Executive Board are determined as having the appropriate level of authority to meet this definition. Staff costs includes compensation paid to key management personnel. Compensation consists of salary and benefits excluding employer's pension contribution. The Vice-Chancellor sits as part of the Executive Board. Her remuneration is disclosed separately above and is thus excluded here.

At 31st July 2024 there were 15 members (2023: 15 members).

	2024 £m	2023 £m
Compensation paid to key management personnel	**2.5**	2.4

9. Other Operating Expenses

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Purchase, hire and repair of equipment	**45.7**	44.4	**45.1**	44.2
Consumables and laboratory expenditure	**20.8**	25.3	**20.4**	24.9
Published materials	**10.5**	8.4	**10.5**	8.4
Travel and subsistence	**11.8**	12.5	**11.7**	12.4
Professional and other fees	**85.9**	86.4	**83.7**	84.3
Fellowships, scholarships and prizes	**49.3**	51.6	**49.3**	51.6
Catering supplies	**7.9**	7.8	**6.6**	6.6
Repairs and general maintenance	**28.7**	28.8	**25.9**	26.3
Heat, light, water and power	**37.4**	30.8	**36.7**	30.7
Rent, rates and insurance	**9.4**	12.1	**9.4**	12.0
Grants to University of Nottingham Students' Union	**2.4**	2.2	**2.4**	2.2
Auditor's remuneration	**0.8**	0.7	**0.7**	0.6
Training	**2.9**	3.0	**2.8**	3.0
Advertising	**1.8**	1.9	**1.6**	1.8
Other expenses	**8.5**	10.0	**11.1**	10.7
	323.8	326.0	**317.9**	319.6

Auditor's remuneration includes:

	Consolidated		University	
	2024	2023	**2024**	**2023**
	£000	£000	**£000**	**£000**
Prior year costs, excluding VAT	**80.0**	148.3	**40.0**	118.3
In respect of audit services, excluding VAT	**421.7**	375.0	**342.5**	299.5
Other assurance services, excluding VAT	**171.7**	97.3	**171.7**	97.3
	673.4	620.5	**554.2**	515.0

Overruns from prior year's audit (excl vat) amounted to £80,400.

10. Interest and Other Finance Costs

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Bank interest on loans	**3.0**	3.2	**3.0**	3.2
Finance (credit)/costs for CPAS pension scheme (note 28)	**(0.4)**	0.5	**(0.4)**	0.5
Finance costs for USS pension scheme provision (notes 21 and 28)	**5.5**	9.4	**5.5**	9.4
	8.1	13.1	**8.1**	13.0

11. Analysis of Expenditure by Activity

Consolidated

	Staff Costs £m	Dep'n £m	Other Operating Expenses £m	Interest Payable £m	2024 Total £m	2023 Total £m
Academic departments	262.9	5.9	62.3	-	**331.1**	334.4
Research grants and contracts	57.0	5.0	45.0	-	**107.0**	94.2
Total teaching and research	319.9	10.9	107.3	-	**438.1**	428.6
Academic services	38.9	3.3	50.3	-	**92.5**	86.8
Administration	76.1	5.1	62.0	-	**143.2**	129.2
Premises	17.5	21.0	64.4	-	**102.9**	98.1
Residences, catering and conferences	17.2	4.9	27.2	-	**49.3**	48.2
Other expenses	(219.1)	0.2	12.5	8.0	**(198.4)**	(14.7)
Total per income and expenditure account	250.5	45.4	323.7	8.0	**627.6**	776.2

University

	Staff Costs £m	Dep'n £m	Other Operating Expenses £m	Interest Payable £m	2024 Total £m	2023 Total £m
Academic departments	262.9	5.9	62.5	-	**331.3**	334.4
Research grants and contracts	57.0	5.0	45.0	-	**107.0**	94.2
Total teaching and research	319.9	10.9	107.5	-	**438.3**	428.7
Academic services	38.9	3.3	50.5	-	**92.7**	86.9
Administration	76.1	5.1	62.0	-	**143.2**	129.3
Premises	17.5	20.6	66.7	-	**104.8**	99.8
Residences, catering and conferences	11.7	4.7	21.5	-	**37.9**	36.9
Other expenses	(219.6)	0.2	9.6	8.0	**(201.8)**	(17.7)
Total per income and expenditure account	244.5	44.8	317.8	8.0	**615.1**	763.8

Other operating expenses includes a reduction of £243.6m in relation to the USS pension provision (2023: reduction of £53.3m).

12. Access and Participation

Consolidated and University

	2024 Staff Costs £m	2024 Other Costs £m	2024 Total £m	2023 Total £m
Access investment	1.8	1.1	**2.9**	2.9
Financial support	0.4	9.1	**9.5**	10.5
Disability support	1.8	0.3	**2.1**	2.0
Research and evaluation	0.2	0.1	**0.3**	0.2
	4.2	10.6	**14.8**	15.6

The staff costs are included within the totals at note 8. The staff costs also disclosed in this note are intrinsic to the delivery of Access and Participation activities.

The University's OfS Access and Participation Plan is published online (https://www.nottingham.ac.uk/externalrelations/documents/theuniversityofnottingham-app-2020-21-v1-10007154.pdf). It sets out how the University will improve equality of opportunity for under-represented groups in higher education. The plan must be approved by the OfS to allow an institution to charge higher UK undergraduate tuition fees.

Consolidated

	Land and buildings					
	Freehold	**Long leasehold**	**Investment properties**	**Equipment**	**Assets in course of construction**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
13. Tangible fixed assets						
Cost / deemed cost						
At 1 August 2023	1,053.6	35.9	1.4	301.2	74.1	**1,466.2**
Re-categorisation of assets	(4.4)	(0.2)	-	4.6	-	**(0.0)**
Additions at cost	-	-	-	0.6	74.9	**75.5**
Transfers	23.7	0.1	-	26.3	(50.1)	**-**
Disposals	(0.3)	(3.6)	(0.1)	(9.3)	-	**(13.3)**
At 31 July 2024	1,072.6	32.2	1.3	323.4	98.9	**1,528.4**
Depreciation						
At 1 August 2023	247.4	10.1	-	224.7	-	**482.2**
Re-categorisation of assets	(4.4)	(0.2)	-	4.6	-	**(0.0)**
Charge for year	21.8	0.5	-	22.8	-	**45.1**
Eliminated on disposals	(0.0)	(0.7)	-	(8.8)	-	**(9.5)**
At 31 July 2024	264.8	9.7	-	243.3	-	**517.8**
Net book value						
At 31 July 2024	**807.8**	**22.5**	**1.3**	**80.1**	**98.9**	**1,010.6**
At 31 July 2023	806.2	25.8	1.4	76.5	74.1	**984.0**

University

	Land and buildings					
	Freehold	**Long leasehold**	**Investment properties**	**Equipment**	**Assets in course of construction**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Cost / deemed cost						
At 1 August 2023	1,053.6	35.9	1.3	292.1	74.0	**1,456.9**
Re-categorisation of assets	(4.4)	(0.2)	-	4.6	-	**-**
Additions at cost	-	-	-	-	73.7	**73.7**
Transfers	23.7	0.1	-	24.6	(48.4)	**-**
Disposals	(0.3)	(3.6)	-	(9.3)	-	**(13.2)**
At 31 July 2024	1,072.6	32.2	1.3	312.0	99.3	**1,517.4**
Depreciation						
At 1 August 2023	247.4	10.1	-	221.9	-	**479.4**
Re-categorisation of assets	(4.4)	(0.2)	-	4.6	-	**-**
Charge for year	21.8	0.5	-	22.2	-	**44.5**
Eliminated on disposals		(0.7)	-	(8.8)	-	**(9.5)**
At 31 July 2024	264.8	9.7	-	239.9	-	**514.4**
Net book value						
At 31 July 2024	**807.8**	**22.5**	**1.3**	**72.1**	**99.3**	**1,003.0**
At 31 July 2023	806.2	25.8	1.3	70.2	74.0	**977.5**

Included in both consolidated and University within freehold land and buildings is £243m (2023: £243m) of land which is not being depreciated.

Property valuations were made by senior management using the July 2014 surveyor's report of Savills (L&P) Ltd, the basis of valuation being open market value taking groups of properties together for this purpose. This valuation was applied on transition to FRS102 and these assets have subsequently been accounted for at deemed cost.

Investment property was valued by management at 31 July 2021 using an indicative property valuation report by Avison Young, and a RICS valuation report from Savills. Management consider both reports to be a reasonable basis for a reliable estimate. Investment property was not revalued during the year ending 31 July 2024 as management do not consider the valuation to have altered materially.

14. Intangible fixed assets

	Consolidated and University		
	Intangible Assets	**Assets in course of construction**	**Total**
	£m	**£m**	**£m**
Cost			
At 1 August 2023	2.3	0.7	**3.0**
Additions at cost	-	2.8	**2.8**
Transfers	0.4	(0.4)	**-**
Disposals	-	-	**-**
At 31 July 2024	2.7	3.1	**5.8**
Amortisation			
At 1 August 2023	0.1	-	**0.1**
Charge for year	0.3	-	**0.3**
Eliminated on disposals	-	-	**-**
At 31 July 2024	0.4	-	**0.4**
Net book value			
At 31 July 2024	**2.3**	**3.1**	**5.4**
At 31 July 2023	2.2	0.7	**2.9**

Intangible assets capitalised during the year related to separable assets created through the university's Digital Engagement programme.

Consolidated and University

15. Heritage assets

	2024	2023
	£m	£m
Heritage assets	**1.1**	1.1

The heritage assets recognised are the Ada Clarke collection relating to D. H. Lawrence, and the Wollaton Library Collection of medieval manuscripts.

These are recognised at cost when the collections were purchased by the University.

The University also holds several classes of heritage assets that are not recognised in the financial statements because no cost or value can be obtained at a reasonable expense.

Assets include numerous pieces of artwork, a special collection of papers relating to D. H. Lawrence, and the papers of Nobel laureate Sir Peter Mansfield. The significance of these assets is in the preservation of the unique documents for future use by researchers.

Both the artwork and the special collections are covered by insurance (to £6m and £80m respectively), however the insurance values are not considered by management to be representative of a reliable market value. Management has not obtained an accurate valuation due to the disproportionate cost of doing so.

16. Investments

	Consolidated 2024 £m	Consolidated 2023 £m	University 2024 £m	University 2023 £m
Subsidiary companies	**-**	-	**0.4**	0.4
Spin out investments	**3.5**	3.8	**3.5**	3.8
Medium term expendable endowments	**9.9**	9.0	**9.9**	9.0
Endowment asset portfolio (note 22)	**68.8**	62.8	**68.8**	62.8
	82.2	75.7	**82.6**	76.1

Included within investments are amounts invested in University collaborations and spin out companies. As the companies that are invested in are at early stage of development there is a degree of financial uncertainty attached to them. The cost of such investments are £9.5m (2023: £8.5m) with an impairment provision of £5.7m (2023: £4.7m). The University is also a member of EMMAN Limited, The Manufacturing Technology Centre Limited, CIELivestock Limited, all of which are companies limited by guarantee for which the University's potential liability is limited to £1 each.

16a. Breakdown of consolidated investments

	Spin out Investments £m	Medium Term Endowments £m
Cost or market valuation		
At 1 August 2023	8.5	9.0
Additions at cost	0.9	-
Revaluation	(0.3)	0.9
Disposals	-	-
At 31 July 2024	**9.1**	**9.9**
Provisions for impairment		
At 1 August 2023	(4.7)	-
Impairment	(0.9)	-
At 31 July 2024	**(5.6)**	**-**
Carrying value		
At 31 July 2024	**3.5**	**9.9**
At 31 July 2023	3.8	9.0

Investments in spin-out companies are structured such that the University does not have voting rights, and as such does not control nor have significant influence over the spin-out company. As such, the investments listed below are not consolidated or equity accounted. Rather a share of net assets is included in investments. The university's principle spin-out investments are listed below, with full details on the university's website: https://www.nottinghamtechventures.com/

Investment	Type of business	Country of Incorporation	% Holding 2024	% Holding 2023
Reactive Fusion Ltd	Additive Manufacturing	United Kingdom	**50%**	50%
Taraz Metrology	Optical Metrology	United Kingdom	**48%**	48%
The Reverse Mentoring Practice (Remedi) Ltd	Human Health Activities	United Kingdom	**47%**	47%
PERFORMS Assessment Ltd	Clinical Performance Assessment	United Kingdom	**45%**	45%
Texture Jet Ltd	Innovative Surfacing Solutions	United Kingdom	**41%**	44%
Vet Vision AI Ltd	Veterinary activities	United Kingdom	**40%**	0%
MiDx Ltd	Research and Development	United Kingdom	**32%**	0%
The Thinking Pod Innovations Ltd	Sustainable Transport & Energy Systems	United Kingdom	**32%**	45%
Peptimatrix	Peptide Hydrogels	United Kingdom	**30%**	30%
Blue Skeye AI Ltd	Artificial Intelligence	United Kingdom	**28%**	28%
Quantified Imaging	Medical diagnostics	United Kingdom	**26%**	0%
Added Scientific Ltd	3D Printing	United Kingdom	**20%**	21%
Neurotherapeutics Ltd	Research and Development	United Kingdom	**19%**	31%
Surepulse Medical Ltd (formerly Heartlight)	Heart Rate Measuring Technology	United Kingdom	**18%**	18%
TherageniX Ltd	Gene Delivery for Orthopaedic Applications	United Kingdom	**15%**	15%
FaHRAS Ltd	Health Related Software	United Kingdom	**15%**	15%
NuVision Biotherapies Ltd	Human Health Activities	United Kingdom	**8%**	11%
Terra Motion Ltd	Environmental Consulting Activities	United Kingdom	**10%**	13%
Exonate Ltd	Drug development (therapeutics)	United Kingdom	**10%**	10%
PBD Biotech Ltd	Medical/veterinary diagnostics	United Kingdom	**10%**	11%

The Group owns 100% (2023: 100%) of the issued share capital of the following companies which are registered in England and operating in the UK:

Company Name	No of £1 Ordinary Shares
Nottingham University Industrial and Commercial Enterprise Limited (NOTICE)	100,000
Nottingham Venues Limited (previously East Midlands Conference Centre Limited)	100
UNIP Management Limited	2
Eminate Limited	1
Nottingham Technology Ventures Limited	2

NOTICE is a provider of services, such as consultancy and power supplies. UNIP Management provides rental and property services. Eminate developed products for the food and pharmaceutical sectors and receives royalties. Nottingham Venues Limited is a provider of facilities for conference and other events. Nottingham Technology Ventures manages the University's spin-out portfolio.

The consolidated results of the Group incorporate the above 100% owned companies and the results of The University of Nottingham Foundation (Hong Kong) Limited, a company granted charitable status in April 2003, Nottingham Technologies Asia Limited (a company registered and operating in Hong Kong), University of Nottingham Chile Foundation and University of Nottingham Italy SCARL, which are all wholly owned subsidiaries of the Group.

The University acts as a guarantor and provides financial support, by the way of loans on an arms length basis and by formal agreement, to the subsidiary and associate companies in order that they can meet their financial obligations.

17. Investment in associated companies	**Consolidated £m**	**University £m**
At 1 August 2023	64.5	11.1
Share of retained profits	(0.7)	-
Exchange movements	(0.9)	-
At 31 July 2024	**62.9**	**11.1**

The University owns 37.5% (2023: 37.5%) of the University of Nottingham Ningbo, China, a co-operative joint venture established in China. It has a financial year end of 31 December in accordance with Chinese regulations. The consolidated financial statements of the University reflects a carrying value of £49.6m (2023: £48.4m) equal to 37.5% of the net assets, excluding intellectual property, as at 31 July.

The University owns 29.9% (2023: 29.9%) of the ordinary share capital of the University of Nottingham, Malaysia, a company incorporated in Malaysia. It has a financial year end of 31 December in common with its majority shareholder. The consolidated financial statements of the University reflects a carrying value of £13.3m (2023: £16.1m) equal to 29.9% of the net assets, excluding intellectual property, as at 31 July.

Academic quality in both China and Malaysia is controlled by The University of Nottingham.

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
18. Trade and other receivables				
Amounts falling due within one year:				
Trade receivables	**43.0**	50.2	**41.5**	48.4
Amounts due from subsidiaries	**-**	-	**12.1**	9.5
Amounts due from associates (note 26)	**9.6**	8.4	**9.6**	8.4
Prepayments and accrued income relating to research grants	**31.9**	32.7	**31.9**	32.7
Prepayments and accrued income	**34.8**	34.5	**31.3**	32.1
	119.3	125.8	**126.4**	131.0
Amounts falling due after more than one year:				
Surplus of UoN CPAS pension scheme	**0.3**	4.9	**0.3**	4.8
	0.3	4.9	**0.3**	4.8
Total trade and other receivables	**119.6**	130.7	**126.7**	136.0
Donations and pledges included within prepayments and accrued income above	**0.7**	0.8	**0.7**	0.8

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
19. Creditors: amounts falling due within one year				
Payments received in advance	**3.4**	2.0	**1.4**	0.7
Trade payables	**31.6**	45.1	**31.2**	43.3
Social security and other taxation payable	**-**	-	**-**	-
Amounts due to subsidiaries	**-**	-	**2.2**	0.4
Accruals and deferred income	**207.3**	202.9	**202.3**	197.5
	242.3	250.0	**237.1**	241.9

19a. Deferred Income

	Consolidated		University	
	2024	2023	**2024**	2023
	£m	£m	**£m**	£m
Donations	**9.9**	2.0	**9.9**	2.0
Research grants received in advance	**88.4**	87.2	**88.4**	87.2
Deferred capital grants	**11.6**	10.4	**11.6**	10.4
	109.9	99.6	**109.9**	99.6

20. Creditors: amounts falling due after more than one year	Consolidated 2024 £m	Consolidated 2023 £m	University 2024 £m	University 2023 £m
Government energy efficiency loans	**0.3**	0.3	**0.3**	0.3
Private placement of debt	**62.4**	60.6	**62.4**	60.6
Deferred capital grants	**212.2**	210.2	**212.2**	210.2
	274.9	271.1	**274.9**	271.1

The University's borrowing facilities are the following:

• A £100m unsecured fixed-rate Private Placement issued in November 2019 for a 30-year term at a coupon rate of 2.47%. The private placement is restated to fair value at each period close (note 29 refers).

• An £80 million non-amortising Revolving Credit Facility issued in November 2019 at a variable rate of SONIA plus 0.4% for a term of 10 years. The University has the ability to repay and redraw against the facility over the period of the loan and utilises this facility to manage its cash requirements. As at 31 July 2024 this facility was undrawn (2023: undrawn).

• A multi-option facility (an overdraft) for £15 million reviewable annually by the University's main banker.

• A HEFCE loan to enable the installation of energy efficient technology, which does not have a fixed repayment profile, with repayments being dependent on the individual project.

The University does not currently hold any finance lease arrangements.

21. Provisions	Consolidated and University: Obligation to fund USS deficit £m	CPAS deficit £m	Pension Total £m	Total £m
At 1 August 2023	238.1	-	238.1	**238.1**
Additions in year (note 8)	-	-	-	-
Utilised in year (note 8 and 10)	(1.4)	(10.7)	(12.1)	**(12.1)**
Unused amounts reversed in year (note 28)	(236.7)	10.9	(225.8)	**(225.8)**
At 31 July 2024	**-**	**0.2**	**0.2**	**0.2**

At 31 July 2023, the institution's balance sheet included a liability of £238m for future contributions payable under the deficit recovery agreement which was consluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions. The remaining liability was released to the profit and loss account. Further disclosure relating to the deficit recovery liability can be found in note 28.

The University of Nottingham Contributory Pension and Assurance Scheme (CPAS) is a closed scheme. Over the year the Scheme has moved to a slight deficit position, the detail behind the assessment is described in note 28.

22. Endowments (Permanent)

With effect from 1 August 2021 Council adopted a policy of total return for the University's permanent endowment assets.

Expendable endowments are shown at note 16.

The initial amount of the trust for investment on 1 August 2021 is the £72.3m carrying value of permanent endowment investments on that date.

Total return generates an investment return without regard to a capital or income distinction. The return is accumulated into the 'unapplied total return' of the endowment.

Council policy is to apply 4% of the investment return. This is determined to provide a sustainable investment return. Council is advised by an investment partner, Cazenove Capital, in this regard.

	Consolidated and University		
	2024	**2024**	**2024**
	Capital	**Unapplied Total Return**	**Total**
	£m	**£m**	**£m**
Endowments			
At 1 August 2023			
Gift component of the endowment	44.2	28.3	**72.5**
Unapplied total return	-	-	**-**
	44.2	**28.3**	**72.5**
Movements in the reporting period:			
Gift of endowment funds	0.7	-	**0.7**
Investment return: dividends and interest	-	6.1	**6.1**
Investment return: realised and unrealised losses	-	(0.2)	**(0.2)**
Less: investment management costs	-	-	**-**
	0.7	5.9	**6.6**
Unapplied total return allocated to income in the period	-	(1.0)	**(1.0)**
At 31 July 2024	**0.7**	**4.9**	**5.6**
At 31 July 2024			
Gift component of the endowment	44.9	34.2	**79.1**
Unapplied total return	-	(1.0)	**(1.0)**
	44.9	**33.2**	**78.1**

Analysis by type of purpose:	**2024**	2023
	£m	£m
Academic staff	**37.4**	34.9
Prizes, scholarships and student support	**22.1**	19.8
Subject specific	**5.9**	5.8
Research	**3.3**	3.1
Other	**9.4**	8.9
	78.1	72.5

	Consolidated and University			
	2024	**2024**	**2024**	2023
	Research	**Donations**	**Restricted Total**	Total
	£m	**£m**	**£m**	£m
23. Restricted reserves				
At 1 August 2023	1.3	6.6	**7.9**	7.7
New grants	0.3	-	**0.3**	0.2
New donations	-	2.6	**2.6**	2.0
Expenditure	(0.2)	(1.4)	**(1.6)**	(2.1)
At 1 August 2024	**1.4**	**7.8**	**9.2**	7.8

Analysis by type of purpose:	**2024**	
Academic staff	**0.4**	0.2
Prizes, scholarships and student support	**2.8**	2.4
Subject specific	**3.7**	3.3
Research	**1.1**	1.2
Other	**1.2**	0.7
	9.2	7.8

			Consolidated and University	
	Equipment	**Buildings**	**2024**	2023
24. Operating lease obligations	**£m**	**£m**	**£m**	£m
Minimum lease payments due:				
Within one year	0.3	2.0	**2.3**	2.5
Between two and five years	0.6	7.9	**8.5**	8.1
Over five years	-	4.4	**4.4**	4.2
	0.9	14.3	**15.2**	14.8

	Consolidated		University	
	2024	2023	**2024**	2023
25. Capital Commitments	**£m**	£m	**£m**	£m
Commitments contracted at 31 July	30.8	9.2	**30.8**	9.2

The largest capital commitment at the financial year end is £15.6m relating to the refurbishment of the Castle Meadow Campus.
A grouped total of £2.6m relate to the Capital Backlog Replacement Programmes (CBRP).
The remaining commitments relate to a number of refurbishment programmes which are in progress to improve teaching, research and halls space across all campuses.

26. Related party transactions

(a) Entities with control, joint control or significant influence over the institution
Two senior elected Officers of the University of Nottingham Students' Union are also members of the University Council. The Students'

(b) Entities over which the institution has control, joint control or significant influence
Transactions with wholly owned subsidiaries which have been consolidated in the Group financial statements are not disclosed below, in accordance with the exemption given in FRS 102 Section 33 (Related Party Disclosures). Details of the wholly owned subsidiaries are disclosed in note 14.

The University of Nottingham owns a 29.9% (2023: 29.9%) stake in the University of Nottingham, Malaysia, and a 37.5% (2023: 37.5%) stake in the University of Nottingham, Ningbo China both of which are accounted for as associated entities (see note 17). Academic quality in both China and Malaysia is controlled by The University of Nottingham, for which it receives management fees, and certain members of staff are seconded to both overseas campuses for periods of up to 3 years. In addition certain costs incurred by the University are rechargeable between each associate and the University in accordance with signed agreements.

The University sponsors the University of Nottingham Contributory Pension and Assurance Scheme (CPAS), a pension scheme for the benefit of employees which is closed to new members. The University also participates in the Universities Superannuation Scheme and operates a defined contribution scheme, the Contributory Retirement and Savings Plan (CRSP). Transactions with related pension schemes are disclosed at notes 8 and 28.

	Year to 31 July 2024		**At 31 July 2024**	*Year to 31 July 2023*		*At 31 July 2023*
	Income from related party	**Expenditure to related party**	**Balances due from the related party**	Income from related party	Expenditure to related party	Balances due from the related party
	£000	**£000**	**£000**	£000	£000	£000
University of Nottingham, Malaysia	1,811	355	5,558	1,843	348	4,102
University of Nottingham, China	10,724	-	4,013	9,546	-	4,221
IAMET (subsidiary of UoN China)	-	-	-	-	-	-
NMI (subsidiary of UoN China)	-	-	-	-	-	-
NEC (subsidiary of UoN China)	-	-	-	-	-	-
NBL (subsidiary of UoN China)	-	-	-	-	-	-
China Beacons Institute (subsidiary of UoN China)	-	-	243	-	-	50

(c) Key management personnel
Key management personnel are defined as trustees of the institution and those responsible for planning, directing and controlling its activities. These persons are:

- members of the University Council, being the University's governing body, and with Council members being trustees for purposes of
- the Chancellor, as ceremonial head of the University
- other senior management, being members of the University Executive Board.

Names of these individuals are disclosed in the introduction to the financial statements.

Remuneration of key management personnel is disclosed at note 8. No remuneration was paid to Council members in connection with

Expenses of £46,144 were paid to Council members in connection with their duties (2023: £5,449).
The University does not remunerate its external lay members of the University Council. Reasonable travel and subsistence expenses incurred in attending meetings relating to the work of the Council and associated charitable events in members’ official capacity are reimbursed upon request. The salaries of members of the staff of the University who serve on the Council do not include any element specific to their trusteeship.

Due to the nature of the University’s operations and the composition of the Council (members being drawn from commerce, industry Management have reviewed the substance of the relationship with any organisation over which the University's key management or their close families has control or significant influence. No related party transactions were identified.

27. Reconciliation of net cash	At 1 August 2023 £m	Cash Flows £m	Non-cash Changes £m	**Consolidated At 31 July 2024 £m**
Cash and cash equivalents				
Cash	63.5	(52.8)	-	**10.7**
Cash equivalents	60.9	(1.7)	-	**59.2**
Bank overdraft	-	-	-	**-**
	124.4	(54.5)	-	**69.9**
Borrowings				
Private placement of debt	(60.6)	-	(1.9)	**(62.5)**
Government energy efficiency loans	(0.3)	-	-	**(0.3)**
	(60.9)	-	(1.9)	**(62.8)**
Net cash	63.5	(54.5)	(1.9)	**7.1**

28. Pension schemes

The principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS), the University of Nottingham Contributory Pension and Assurance Scheme (CPAS) - which is closed to new members - and a defined contribution scheme, The University of Nottingham Contributory Retirement Savings Plan (CRSP).
The total pension charge for the University and its subsidiaries was:

	2024 £m	2023 £m
Contributions to USS	**46.6**	53.0
USS deficit recovery adjustment	**(243.6)**	(53.3)
Charge to I&E account re CPAS	**1.3**	2.0
Contributions to Other Pension Schemes	**6.4**	5.8
Total Pensions Cost (note 8)	**(189.3)**	7.5

28a. Universities Superannuation Scheme (USS)

The institution participates in Universities Superannuation Scheme (USS) which is the main scheme covering most
The total cost charged to the Consolidated Statement of Comprehensive Income is £46.6m (2023: £52.9m) including PensionChoice, but excluding the impact of the change in the deficit recovery plan, as shown in note 8.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme’s technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

No deficit recovery contributions are due within one year for the institution (2023: £16.4m)

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2023 ("the valuation date"), which was carried out using the projected unit method.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles)

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus:
	Pre-retirement: 2.5% p.a.
	Post retirement: 0.9% p.a.

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 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females.
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, 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:

	2024	**2023**
Males currently aged 65 (years)	**23.7**	24.0
Females currently aged 65 (years)	**25.6**	25.6
Males currently aged 45 (years)	**25.4**	26.0
Females currently aged 45 (years)	**27.2**	27.4

A deficit recovery plan was put in place as part of ther 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 21, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contribution from 1 January 2024 and accordingly released the outstanding provision to the profit and loss.

28b. University of Nottingham Contributory Pension and Assurance Scheme (CPAS)

The University sponsors the University of Nottingham Contributory Pension and Assurance Scheme, a funded defined benefit pension scheme in the UK. The Scheme is a separate trust independent of the University and is supervised by independent trustees. The Trustees are responsible for ensuring that the correct benefits are paid, that the Scheme is appropriately funded and that the Scheme assets are appropriately invested.

Active members of the Scheme pay contributions at the rate of 7.5% of salary and the University pays the balance of the costs as determined by regular actuarial valuations. The Trustees are required to use prudent assumptions to value the liabilities and costs of the Scheme whereas the accounting assumptions must be best estimates.

The basis of valuation is the Scheme's 31 July 2023 Statutory Funding Valuation, results of which can be found in the Scheme Actuary's report dated 20 March 2024.

Over the year the Scheme has moved from a £4.7m Surplus (2023) to a marginal deficit of £0.1m. An increase in the defined benefit obligation due to a fall in corporate bonds yields, which drive the discount rate, was one of the main reasons for the movement. This has been partially offset by an increase in assets due to asset returns being above what was expected.

CPAS - FRS102 Disclosure	**2024 £m**	2023 £m
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of defined benefit obligation	**(229.0)**	(211.7)
Fair value of plan assets	**228.9**	216.3
Net defined benefit (liability) / asset	**(0.1)**	4.6
The amounts recognised in staff costs within Comprehensive Income are as follows:		
Service cost (recognised in staff costs)		
Current service cost	**1.8**	2.3
Net interest (credit) / expense	**(0.4)**	0.5
Operating charge	**1.4**	2.8
Actual return less expected return on pension scheme assets		
Effect of changes in assumptions	**(5.2)**	59.3
Effect of experience adjustments	**(9.3)**	(9.3)
Effect of demographic assumptions	**(1.0)**	13.1
Return on plan assets	**4.7**	(47.5)
Actuarial (loss) / gain recognised in Comprehensive Income	**(10.8)**	15.6
Total income / (cost) related to CPAS recognised through the Statement of Comprehensive Income	**12.3**	(12.8)
The return on plan assets was:		
Interest income	**11.1**	8.9
Return on plan assets (excluding amount included in net interest)	**4.7**	(47.5)
Actual return on plan assets	**15.8**	(38.5)

Reconciliation of scheme assets and liabilities	2024 Assets £m	2024 Liabilities £m	**2024 Total £m**
At 1 August 2023	216.3	(211.6)	**4.7**
Benefit payments from plan assets	(10.6)	10.6	**-**
Administration expenses	(0.1)	0.1	**-**
Current service cost	-	(1.8)	**(1.8)**
Employer contributions	7.3	-	**7.3**
Employee contributions	0.3	(0.3)	**-**
Interest income	11.1	(10.6)	**0.5**
Return on assets (excluding amount included in net interest)	4.7	-	**4.7**
Actuarial change in assumptions	-	(6.2)	**(6.2)**
Actuarial experience adjustments	-	(9.3)	**(9.3)**
Gain on plan introductions and changes	-	-	**-**
At 31 July 2024	**229.0**	**(229.1)**	**(0.1)**

Principal actuarial assumptions at the balance sheet date (expressed as weighted	**2024**	**2023**
Liability discount rate	**4.95%**	5.15%
Inflation assumption - RPI	**3.15%**	3.15%
Inflation assumption - CPI	**2.55%**	2.55%
Rate of increases in salaries	**2.55%**	2.55%
Revaluation of deferred pensions:		
benefits accrued prior to Sep 2006	**2.55%**	2.55%
benefits accrued after Sep 2006	**3.15%**	3.15%
Increases for pensions in payment		
RPI - min 3%, max 5%	**3.70%**	3.70%
RPI - max 5%	**2.95%**	3.00%

	2024	**2023**
Post-retirement mortality assumption	**Non-pensioners: 114%/101% (M/F) of SAPS3 tables ('middle for female') Pensioners: 106%/99% (M/F) of SAPS 3 tables ('middle for female') CMI 2023 with a long-term trend rate of 1% p.a., smoothing parameter (skappa) of 7. nil initial addition parameter, w2020=w2021 = 0%, and w2022=w2023= 100%**	111%/102% (M/F) of SAPS3 tables ('middle for female') CMI 2022 with a long-term trend rate of 1.0% p.a., a smoothing parameter (skappa) of 7.nil initial addition parameter, w2020 and w2021=10% w2022=35%

Assumed life expectancy on retirement at age 65	**2024**	**2023**
Retiring today (male age 65)	**20.5**	20.2
Retiring in 20 years (male age 45 today)	**20.9**	21.1
Retiring today (female age 65)	**23.0**	22.8
Retiring in 20 years (female age 45 today)	**24**	23.9

The major categories of scheme assets are as follows:	**2024**	**2023**
	£m	**£m**
Equities and equity-type instruments	**38.7**	37.0
Government bonds	**89.0**	53.7
Corporate bonds	**46.9**	37.1
Infrastructure	**27.7**	25.0
Diversified growth	**11.2**	31.3
Diversified alternatives	**12.0**	28.6
Insured annuities	**1.9**	2.4
Cash	**1.0**	1.1
Total market value of assets	**228.4**	216.3

The Scheme has no investments in the Group or in property occupied by the University.

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	31 July 2024	31 July 2023	31 July 2022	31 July 2021	31 July 2020
	£m	£m	£m	£m	£m
Amounts for the current and previous four periods are as follows:					
Defined benefit obligation	**(229.0)**	(211.6)	(273.6)	(368.9)	(402.8)
Plan assets	**228.9**	216.3	256.0	284.8	255.2
Deficit/(Surplus)	**(0.1)**	4.7	(17.6)	(84.1)	(147.6)
Experience adjustments on plan liabilities	**(15.6)**	63.1	95.6	32.7	(34.7)
Experience adjustments on plan assets	**4.7**	(47.5)	(33.0)	27.4	12.3

28c. Contributory Retirement Savings Plan (CRSP)

Following the closure of CPAS to new entrants on 1 September 2006, the University engaged Legal & General to operate a defined contribution pension scheme for the benefit of members. The Contributory Retirement Savings Plan (CRSP) is designed as the primary pension plan for members of staff who are not already in another pension scheme. The University makes contributions equivalent to twice the employee's contribution, up to a maximum of 14%. As at 31 July 2024 the University owed no contributions to the scheme (2023: nil).

	Consolidated		**University**	
	2024	2023	**2024**	2023
29. Financial Instruments	**£m**	£m	**£m**	£m
Financial Assets				
Measured at fair value through income and expenditure				
Investments (including endowments) (note 16)	**82.2**	75.7	**82.6**	76.1
Short term investments	**0.1**	0.1	**0.1**	0.1
Measured at undiscounted amount receivable				
Trade and other receivables (note 18)	**43.0**	50.2	**41.5**	48.4
	125.3	126.0	**124.2**	124.5
Financial Liabilities				
Measured at fair value through income and expenditure				
Private placement (note 20)	**(62.4)**	(60.6)	**(62.4)**	(60.6)
Measured at undiscounted amount payable				
Trade payables (note 19)	**(31.6)**	(45.1)	**(31.2)**	(43.3)
Amounts due to subsidiaries (note 19)	**-**	-	**(2.2)**	(0.4)
Bank loans (note 20)	**-**	-	**-**	-
Government energy efficiency loan (note 20)	**(0.3)**	(0.3)	**(0.3)**	(0.3)
	(94.3)	(106.0)	**(96.1)**	(104.6)

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities which are carried at fair value or amortised cost as appropriate. Further details are provided in the accounting policies.

At period end, the University recorded a fair value loss of £1.86m on the discounted value of the future payments arising from the £100m private debt placement (note 20 refers). The method of calculation is disclosed under critical accounting estimates. The contractual cash payments arising from the private placement remain unchanged. As per note 20, these are bi annual payments of a coupon rate of 2.47% on the principal debt of £100m, with the principal repaid in 2050.

30. Connected Charitable Institutions

The following non-operating charities are linked to the University and are consolidated within the Group.

Reserves	2024 £m	2023 £m
Children's Play Activities Trust Fund	**0.4**	0.4
The AF Bird Memorial Award	**0.0**	0.0

31. Contingent Liability - Overseas Employment Taxes

Management estimates that there is a possible but uncertain obligation to pay for employer's taxes for University employees who are currently based in overseas jurisdictions. The possible liability arises from employees who left the UK for personal reasons during the 2020-21 national lockdowns, and have remained working from home in various overseas jurisdictions. At the date of signing these accounts, management was in the process of gathering information on the employees concerned so that professional advisors can be engaged to estimate the possible scale of the liability to both the employer and the employee. It is possible that there will be an outflow in the next five years, should the University be found liable for employer's taxes. The amount cannot currently be estimated but will almost certainly be immaterial to the Group.

32. Contingent Liability and Asset - NHS Pension Scheme Pays

As an employer of members of the NHS Pension Scheme, the University is obliged under the NHS Pension Scheme Pays policy to pay members an amount on their retirement to compensate a tax charge for exceeding the pensions annual allowance in 2019/20. NHS England has committed to reimburse employers for this amount leaving a net nil financial impact. NHS England recommends a standard amount per employee is used to calculate a provision, which would suggest a provision of £63,555. Management considers the standard amount does not give a reliable estimate, but does not have the data to calculate a reliable estimate. Therefore a contingent liability of £63,555, and a corresponding contingent asset of £63,555 is disclosed. The present value of the liability is likely to be immaterial to the group.

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33. US Federal Aid Supplementary Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the University is required by the US Department of Education to present the following Supplemental Schedule in a prescribed format. The amounts presented within the schedules have been:

• compiled from the example financial statements included in the Federal Register / Vol 84 No 184 / Mon Sept 23, 2019 / Rules and Regulations
• prepared under the historical cost convention, subject to the revaluation of investments.
• prepared using United Kingdom Generally Accepted Accounting Practice, in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (SORP 2019) and with Financial Reporting Standard FRS 102.
• presented in Sterling: the functional currency of the entity

Statement of Financial Position		**2024 £m**	2023 £m
1	Cash and cash equivalents	70.0	124.5
2	Accounts receivable, net	43.0	50.2
3	Other debtors and Prepaid expenses	67.0	72.1
4	Related party receiveable	9.6	8.4
5	Contributions receivable, net	-	-
6	Student loans receivable, net	-	-
7	Investments	145.0	140.2
8	Property, plant and equipment, net (includes Investment property and Heritage assets)	1,011.3	986.9
9	Lease right-of-use asset, net	-	-
10	Goodwill	-	-
	Other intangible assets	5.3	2.9
11	Inventories	1.5	2.0
12	**Total assets**	**1,352.8**	1,387.2
13	Line of credit - short term	-	-
14	Line of credit - short term for CIP	-	-
15	Accrued expenses/Accounts payable	247.2	257.3
16	Accruals and Deferred revenue	207.3	203.0
17	Post-employment and pension liability	0.2	238.1
18	Line of credit - operating	-	-
19	Other liabilities	-	-
20	Notes payable	-	-
21	Lease right-of-use asset liability	-	-
22	Line of credit for long term purposes	62.7	60.9
23	**Total liabilities**	**517.4**	759.3
24	Net assets without donor restrictions	748.4	545.5
	Net Assets with Donor Restrictions	-	-
25	Annuities	-	-
26	Term endowments	-	-
27	Life income funds	-	-
28	Other restricted by purpose and time	-	-
29	Restricted in perpetuity	87.3	80.4
30	**Total Net Assets with Donor Restrictions**	**87.3**	80.4
		-	-
31	**Total Net Assets**	**835.7**	625.8
32	**Total Liabilities and Net Assets**	**1,353.1**	1,385.2

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Statement of Activites		2024 £m	2023 £m
Changes in Net Assets Without Donor Restrictions			
Operating Revenue and Other Additions			
33	Tuition and fees, net	437.6	435.4
34	Funding body income	120.6	118.7
35	Investment return appropriated for spending	3.2	3.2
36	Other income	146.3	136.0
37	Research income	141.7	129.5
38	**Total Operating Revenue and Other Additions**	**849.4**	822.8
Operating Expenses and Other Deductions			
39	Education and research expenses	574.2	824.8
40	Depreciation and Amortization	45.5	45.1
41	Interest expense	8.0	13.1
42	Auxiliary enterprises	-	-
43	**Total Operating Expenses**	**627.7**	882.9
44	**Changes in Net Assets from Operations**	**221.7**	(60.1)
Non-Operating changes			
45	Investments, net of annual spending, gain (loss)	4.1	(7.0)
46	Other components of net periodic pension costs	(10.9)	15.6
47	Pension-related changes other than net periodic pension costs	-	-
48	Change in value of split-interest agreements	-	-
49	Other (losses)/gains	(2.6)	14.5
50	Sale of fixed assets, (losses)	(2.3)	(0.3)
	Taxation	-	-
Total Non-Operaing Changes		**(11.7)**	23.0
		-	-
51	**Total Change in Net Assets**	**210.1**	(37.1)
Change in Net Assets With Donor Restrictions		-	-
52	Contributions	6.9	0.4
53	Net assets released from restriction	-	-
54	**Change in Net Assets With Donor Restrictions**	**6.9**	0.4
55	**Change in Net Assets without restrictions**	**203.2**	(37.5)
56	**Net Assets, Beginning of Year**	**625.8**	663.2
57	**Net Assets, End of Year**	**835.7**	625.8