



UNIVERSITY OF  
**SURREY**

# ANNUAL REPORT

AND FINANCIAL STATEMENTS

2023/24

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FOREWORD  
FROM THE CHAIR  
OF COUNCIL

Welcome to this Annual Review, which marks the culmination of the “Forward thinking. And doing” strategy. During its three-year period, this strategy has proved robust and has delivered major enhancements in our core missions of teaching and research.

The University’s commitment to growing its academic and research excellence is clear in a wide range of rankings, which show that Surrey is excelling beyond many of the UK’s traditionally top-ranked universities. These rankings also demonstrate the steady progress we are making as we begin the first chapter of Vision 2041, our new strategy which aims to secure our position in the top 15 in the UK and top 100 in the world. Vision 2041 has been developed from extensive engagement with the University’s community and builds on our strong foundation in advanced technology and educational excellence, evident across our campus and in our two pan-University institutes. The reputation and impact of each is growing impressively. The Institute for People-Centred Artificial Intelligence has secured over £19m in new research awards, and the Institute for Sustainability already has 13 research programmes. Both Institutes demonstrate the power of cross-collaboration, which includes the partnerships forged through our growing Surrey Future Fellows network. I am delighted that our new School of Medicine has opened its doors to our first cohort continuing Surrey’s proud history of educating the NHS workforce of the future. And it is particularly pleasing that we secured the largest number of government-funded home medical school places for entry in 2025-26, in comparison to other medical schools in the UK - a real boost for our newest School, even before it had opened. All this progress is reflected in the success of The Future Says Surrey, our three-year international fundraising campaign, which reached its £60m target a year early thanks to a number of generous donations. The University’s achievements have come despite the significant financial challenges facing the wider Higher Education Sector. Although tuition fees increase next year in line with inflation that will be the first time they have done so since the 2017-18 academic year and the increase in Employers National Insurance contributions

from April 2025 will offset the benefit received by the University. The competition for international students is intense and the increased cost of living continues to impact students and the University alike. Nevertheless, we welcome the attention the new government is giving to the sector and look forward to engaging on the proposed reforms. We have necessarily met these pressures proactively to ensure our financial resilience and enable us to continue to grow and achieve our goals. Specifically, the executive team has worked hard to ensure that we can budget an underlying surplus for the coming year after delivering an underlying deficit before restructuring costs of £11.2m this year, as many others in the sector have experienced. We are determined to make sure the University can continue to deliver an underlying surplus on a sustainable basis. The University is, however, fortunate to own a significant asset portfolio which remains under review to enable us to continue to invest strategically whilst retaining a strong balance sheet. I would like to thank our President and Vice-Chancellor, Professor Max Lu, and all of his team for their outstanding efforts. Professor Lu is a remarkable leader who has led the University with great distinction since 2016 and we will miss him when he leaves us in May 2025 to take up his new role at the University of Wollongong in Australia. Under his guidance, the Executive Board has achieved an enormous amount and has the full support of Council. We are all grateful to them and the academic and professional services teams, as well as the outstanding individuals who have left us during the year.



Charlie Geffen  
Chair of Council

# VICE-CHANCELLOR'S REVIEW

**Thanks to the efforts of the whole University community, there is much to celebrate in this year's annual report despite 2023/24 being a hugely challenging year.**

In the following pages you will discover how our people are committed to, and contributing to our mission in enhancing students' experience, delivering high-quality teaching, and impactful research and innovation.

I am pleased that the successes of the University are recognised and reflected in a range of UK and international rankings tables, which show Surrey outperforming many of the UK's traditionally top-ranked universities.

Our students continue to provide positive feedback on their experience across Undergraduate and Postgraduate programmes. The University ranked 11th in the UK for student satisfaction and 1st in the UK for communicating information about mental wellbeing support services, in the National Student Survey 2024. We will continue to make more improvements through the Seamless Student Journey programme.

In home league tables, the Complete University Guide, Guardian, Daily Mail and Sunday Times ranked us 12th, 19th, 18th and 21st, respectively. We were runner-up for 'University of the Year for Student Experience' by the Sunday Times and shortlisted for 'University of the Year' in the Times Higher Education (THE) Awards.

Globally, the THE Impact Ranking based on contributions to the United Nations' Sustainable Development Goals (SDGs) placed us 86th in the world, while the prestigious Leiden Index for research outputs ranked Surrey 61st (and 13th in the UK) for the percentage of top 1% publications. We have built on our REF21 success (19th in Output\*) and increased grant and contract awards to a historical high of £52m per annum. These achievements are a testament to our talented researchers and their dedication, passion and excellence.

We are at the forefront of people-centred AI research and our researchers and academics are also leading globally in areas such as cyber security, telecommunications, semiconductor technologies, sustainable living and tourism, blockchain, business and management, sleep research and medical diagnostics.

The university's National Ion-Beam Centre supports over £100 million worth of research projects across the UK and has enabled multiple significant international partnerships.

These achievements are a tribute to the effective delivery of the 'Forward Thinking. And Doing' strategy, which was built on distinctive pillars – to drive student experience, to focus research intensity and to create the conditions for success.

The University has secured a top-20 place in the NSS for three years running, is meeting its research grants and contracts goal of £46m per annum, and has implemented a number of efficiency improvements which have reduced the ratio of non-academic: academic staff whilst maintaining staff engagement at over 70%.

In 2024/25 the University will place added focus on improving our Academic and Employer reputation to ensure that the international rankings more accurately reflect Surrey's excellence and stature in these areas.

It is worth noting that all the achievements in the past year came against the backdrop of an incredibly challenging financial environment, where declining numbers of international students, higher inflation and the rising cost of living and utilities compounded the financial pressures of a frozen tuition fee model for the sector. For example, our energy bill has more than doubled since 2021/22, to £15.8m this year.

\*published or publicly available products of research

The executive board recognised that funding our financial deficit from reserves is not sustainable in the longer-term and has implemented a plan to return the University to an underlying surplus in the 2024/25 academic year by increasing revenue and decreasing costs.

One of the priorities will be continued investment in existing staff through cost of living pay rises (which in itself is an investment in student experience) and other support, and to recognise the key role they play in fostering innovation and economic growth.

The financial situation remains challenging, but I am confident that the steps we have already taken to reshape Academic areas and Professional Services will put the University on a sounder footing.

As the University launches its new strategy Vision 2041, and works on the detailed priorities and action plans for the first chapter of this strategy, it can be confident about its future and its continued ability to make positive and profound contributions to society and the planet.

Vision 2041 signals an ambition to grow the University into a leading global institution – one ranked among the top 15 universities in the UK and the top 100 globally.

The high-level goals articulated in this strategy include providing exceptional student experience and education; creating partnerships for success; investing in our talented people and inclusive community; developing cutting-edge infrastructure; establishing three new challenge-led institutes; and building sustainable growth and financial capacity.

The new institutes - being pan-university and multidisciplinary - build on the success of the existing Institute for Sustainability and Institute for People-Centred AI, and will harness disciplinary excellence in all relevant fields, from space, life-long health and ageing well to future of work.

In the coming year, there is much more to do in ongoing cost control and student growth, particularly in international marketing and recruitment.

Surrey has a strong legacy of tackling challenges head on, and with the great effort of its community and the collaboration and support from partners, alumni and supporters, will continue to excel in producing graduates and research outcomes which enrich lives and transform society.

The University will build on its strengths and grow its reach and impact at greater scale, through harnessing the power of digital technologies and AI.

I am very sad to be leaving Surrey in May 2025, as I take up the role of Vice-Chancellor and President of the University of Wollongong in Australia. It has been an immense privilege to serve as President and Vice-Chancellor of this University. I am proud of what has been accomplished and am confident that, with Vision 2041, Surrey will continue to soar to even greater heights and help shape a better future for us all.

**Professor G Q Max Lu AO DL**  
President and Vice-Chancellor





STRATEGIC  
REPORT

SURREY'S YEAR IN NUMBERS

11<sup>th</sup>4<sup>th</sup> in  
2022/23

in the UK, National Student Survey  
(Avg Q1-24 – Guardian university  
Guide listed institutions)

12<sup>th</sup>12<sup>th</sup> in  
2022/23

for employability in high skilled jobs,  
(UG UK FT students), HESA Graduate  
Outcomes Survey

Top 20

for quality of research outputs in the  
Research Excellence Framework 2021

86<sup>th</sup>46<sup>th</sup> in  
2022/23

in the world, Times Higher Education  
Impact Rankings 2024

11,35710,806 in  
2022/23

undergraduate students  
(23/24)

3,7183,014 in  
2022/23

overseas students (23/24)  
*includes EU students*

4,2063,940 in  
2022/23

Postgraduate students (23/24)  
*1,332 PGR / 2,874 PGT*

3,0353,170 in  
2022/23

employees as  
at 31st July 2024

£52m£50.6m in  
2022/23

research funding awards (23/24)

£15.3m£14.7m in  
2022/23

philanthropic support raised/  
pledged from donors, £7m of which  
was received in year (23/24)

EDUCATION AND STUDENT EXPERIENCE

The University has continued to maintain its significant success in relation to our Education and Student Experience over the last year. We have improved our position in the *Complete University Guide*'s league table to 12th overall, with nine subjects ranked in the top 10.

Our positive student feedback ratings have been maintained across our undergraduate and postgraduate programmes and we have achieved excellent results in the NSS survey. We achieved an overall positivity score of 84.7% in the NSS, ranking the University 11th in the UK when headline score is compared to other institutions normally included in the *Guardian University Guide*.

Over the last year, through our Seamless Student Journey Programme – a key strategic workstream in our current strategy – we have transformed the way we offer case-coordinated and joined up student support. We have launched a range of digital tools, which promote and enable student self-service and a 'one-stop shop' approach to student support providing all students with a single point of contact for any of their enquiries, which is delivered in a time and place convenient for them. This will enable us to provide sector-leading support to our student community in an effective and efficient way.

Student numbers

Surrey welcomed over 11,350 undergraduates – a 5% increase year on year – and over 4,000 postgraduate taught and research students, representing a modest increase overall on the prior year. Growth has been supported by increased demand for Home undergraduate study, reflecting our strong reputation in the UK for student experience and outcomes, and the launch of some very successful new programmes. Conversely, overseas recruitment has been challenging this year with changes to visa policy reducing the attractiveness of the UK as a destination for overseas education.

Looking ahead to 2024-25 we continue to expect good demand for undergraduate study but expect overseas postgraduate recruitment to remain highly competitive. We are investing in the delivery of online programmes and considering some carefully identified transnational education partnerships to mitigate the changing patterns of demand we have seen in recent years.

Student retention

Progression from Level 4 improved slightly from 83.8% last year to 87%. This has been supported by the creation of a continuation task and finish group, which has implemented a 44-point improvement plan to better support our student community, including a range of initiatives such as creating a pre-arrival orientation module, a range of student events to create a sense of belonging on campus, dedicated support for students in the cost of living crisis, and reviewing how we support students who wish to temporarily withdraw.

The introduction of MySurrey Attendance, which supplements our other data provided via MySurrey Engagement, has allowed us to identify students who are not engaging in their studies vs their peers and offer early intervention and support. This case approach to supporting students has been embedded across our ways of working in our newly implemented student support model. Over the next year we plan to refine this further, by using other data sets and machine learning AI to assist us in identifying those students most at risk of disengagement and to provide tailored support.

To improve our support to staff supporting our students, we have undertaken a review of our Senior Tutor role. Following a number of recommendations, we have implemented improvements to tutor training and governance to ensure that the role of Senior Tutor is more effectively recognised across the University. Over the next 12 months we will also look to achieve a holistic approach to personal tutoring that is consistent, impactful, inclusive and sustainable.

Student outcomes

We have seen a decrease in our good degrees (first or 2.1) for all students from 76% last year to 73% overall. The gap in attainment between White and Black students increased remaining high at 26%. This rise is driven by a bigger decline in good degrees for Black students compared to the decline seen by White students. The attainment gaps continue to be a concern, but is in line with the sector average. This year we have written a new Access and Participation Plan which has been approved by the Office for Students, which outlines how we will address gaps in our data across our under-represented student groups.

## Graduate outcomes

Our strength in supporting students to secure graduate opportunities after university continues and Surrey graduates remain some of the most employable in the UK, according to the latest Graduate Outcomes Survey results. This year we maintained our rank of 12th in the UK for the number of graduates in high-skilled jobs, with 87% of our graduates in graduate-level employment. In total, 95% of all students who graduated in 2021–22 were employed or in further study at the time of the survey.

As part of our values, we want to provide equal opportunity for all. However, our data shows that there was 3.9% gap for Asian vs White students and a 7.3% gap for Black vs White students when securing high-skilled employment. This gap has increased on the previous year for Black students, but decreased for Asian students. We remain committed to reducing this gap and have recently set new targets in our Access and Participation Plan to address the causes of our gap during the coming years. More broadly, students who enter the University from a lower socio-economic background (identified as eligible for Free School Meals), are showing an 0.4% gap into highly skilled employment, which compared to last year indicates that we have made a significant difference in reducing this gap.

Our positive outcomes are a result of the range of support provided by departments, alongside our award-winning Employability and Careers team which has focused on initiatives connecting students to opportunities for placements, internships, part-time work and graduate roles through engagement with employers and innovating their offering to meet future job market demands. The team have redeveloped our Employability Award to focus on skills development by aligning the Professional Skills Framework with the Surrey Graduate Attributes, building on the work already achieved through the curriculum design review process. The new Professional Skills Award will launch in October 2024 and will form part of our commitment to Future Prospects in the Access and Participation Plan.

We continued to run our Professional Training placements for students and, following a year-long campaign to increase awareness, we have boosted our numbers for this year, compared to last year. Although not yet a return to pre-pandemic levels, we have seen an improvement in participation from 525 students in 2022–23 to an expectation of over 600 this year.

In addition, as part of our strategic workstream called Employability Headstart, we have offered in total nearly 200 University-funded internships, focused on under-represented groups to help boost the employment prospects for final year undergraduates following graduation. In this final year of the project, we are able to offer a further 50 internships for our graduating students.

## Graduate Outcomes Survey 2024

The *Graduate Outcomes Survey* is the biggest annual social survey in the UK and captures the perspectives, current employment and further studies of university graduates at 15 months after leaving. All graduates who completed a higher education course in the UK between 1 August 2021 and 31 July 2022 were invited to take part in the latest survey.

### THE HIGHLIGHTS

- 95% of Surrey undergraduates are in work or further education
- 87% of undergraduates are in graduate-level roles (as opposed to roles not requiring a degree)
- Placement impact:

#### Graduates in employment:

Placement: 98%  
No placement: 92%

#### In Graduate-level roles:

Placement: 95%  
No placement: 81%

#### Average salary:

Professional Training placement: £32,436  
No placement: £30,866

- 87% of graduates agree that their current activity is meaningful
- 82% said their current activity fits with their future plans

### Surrey’s ranking for the number of graduates in high-skilled jobs:

- 2nd in the South East
- 3rd in the South
- 12th overall in the UK

### Top 5 industries for Surrey graduates:

- Healthcare
- Education
- Finance
- Veterinary
- Computing

### Top 10 Surrey graduate occupations:

1. Nursing professional
2. IT professional
3. Engineering professional
4. Finance professional
5. Sales and marketing professional
6. Therapy professional
7. Business research professional
8. Teaching professional
9. Natural and social science professional
10. Business associate professional

### Student satisfaction

Our student feedback has continued to be positive, and we have achieved excellent results in the NSS survey. Despite a slight year-on-year decline in our NSS scores, the University remains in the top decile for overall positivity, with an overall student positivity score of 84.7% ranking us 11th in the UK, when the headline score is compared to the other institutions normally included in the *Guardian University Guide* league table. Our NSS scores across all sections are above sector averages and significantly above the benchmark (≥2.5%), indicating outstanding performance in TEF terms.

We are particularly pleased to see high positivity scores in the following areas:

- Teaching: our score of 87.8%
- Learning Resources: our score of 91.4% ranks us 6th in the UK
- Learning Opportunities: our score of 85.5% places us 13th in the UK
- Academic Support: our score of 89.3%
- Student Voice: this year’s score of 79.1% places us 15th in the UK

In addition, one of the new questions in last year’s NSS focused on the important area of mental health support. We’re delighted with a score of 87.9% to be ranked 1st in the UK: *‘How well communicated was information about your university’s mental wellbeing support services?’*

Of the 46 subject areas (CAH3) that Surrey offers, 33 are ranked in the top 20 nationally with 21 of these ranked in the top 10.

Our Assessment and Feedback score saw the most significant decrease in student satisfaction. While our score of 80% compared favourably to the sector average of 78.3%, we dropped our rank to 56th in the UK. Interventions and actions have been identified for the coming year to improve performance in this area.

While we have achieved positive results in our undergraduate surveys, we are disappointed to have seen a drop in our results in the *Postgraduate Taught Experience Survey* (PTES). This year we have seen an overall drop of 4.4% ranking us 39th in the sector with an overall score of 85.4%. For the first time we have also been able to analyse results based on our September and February cohorts of students. We have identified where action needs to be taken to address the feedback received and will undertake this work over the coming year.

## Student wellbeing and disability

Building on the positive feedback on how well we communicate our services to students, we have continued over this reporting period to embed our improved mental health service provision. Over this reporting period we have reported:

- The counsellors have seen a 132% increase in their counselling appointments.
- The duty team have seen 288 more students in crisis (16% increase).
- There has been an overall increase in appointments (counselling, duty and mental health) in the Centre for Wellbeing of 32%; a total of 8,161 students were seen this year.
- The new 24/7 Student Assistance phone line introduced this year has supported approximately 100 students, of which 53% were outside office hours.

All students have been seen within our same day KPI for duty/crisis appointment support and all mental health appointments have been delivered within our five-day KPI. Satisfaction scores for counselling continue to exceed KPIs and sits at 92% across the year. The increase in service demand is in line with national trends.

The continued use of MySurrey Engagement has allowed for earlier interventions for students who have needed additional wellbeing support, and the review of the Seamless Student Journey Programme (SSJ) undertaken this year will put in place improvements for students, ultimately impacting on their wellbeing and support access. The end of the Residential Life service this academic year will allow for new services such as ThriveWell and the Community Events team to proactively reach out and support students in both their residences and academic departments to aid transition and improve wellbeing.

The Disability and Neuroinclusion Team is going through a roots and branch review to improve the support to students with disabilities. Work has already begun as part of SSJ to improve access to the services while balancing an ever-increasing number of students with registered disabilities. This includes drop-ins, fast-track events and awareness sessions.

## RESEARCH AND INNOVATION

### Summary

It has been a year of significant change in Research and Innovation (R&I) at Surrey. The academic year began with the arrival of Professor Lisa Collins as the Pro-Vice-Chancellor, Research and Innovation (PVCRI). During this 12-month period, the organisational change undertaken throughout the previous year was significantly built upon, and the Faculty Research and Innovation Offices (FRIOs) are now complemented by a refreshed Research, Impact and Innovation (RII) office, Doctoral College, Surrey Innovation District, and the newly established Innovate Surrey Limited (ISL). Throughout the year we have seen the teams grow and learn how best to work together in this new structure, with both challenges and successes being found. The introduction of our new research management system, Worktribe, marks a new era for research support and an opportunity to co-create more efficiently with our academic community. This year has

also been focused on the development of a research and innovation strategy to 2041 and the early development of future pan-university research institutes to catalyse our research ambitions.

### Research Grants

£45.6m was received in research grants and contracts income during 2023/24. This figure was an improvement on budget, and on the prior year's performance and met our three-year strategic goal.

The pipeline of research now looks extremely strong with both total bid value and success rates improving. £52.0m bids were awarded in year, an improvement of £1.4m on 2022/23.

Six awards were greater than £1m, as set out below:

Title	Total Price (£'k)	Funder
CoSTAR – StoryFutures Creative Industries Hub	8,158	Arts and Humanities Research Council
Multimodal ion beam imaging facility: for artefact-free novel elemental and molecular 3D imaging at the sub-micron scale – Strategic Equipment	2,944	Engineering and Physical Sciences Research Council
FAUST: FRIB Accelerated-beams for Understanding Science and Technology	2,393	Science and Technology Facilities Council
TENSAR: Theory and Experiment for Nuclear Structure and Astrophysics – Nuclear Structure, Astrophysics and Reactions – STFC Nuclear Physics Consolidated	2,380	Science and Technology Facilities Council
Revisioning distress and nurse suicidality through a feminist and critical suicidology lens	1,557	Wellcome Trust
Meal timing and energy restriction as regulators of central and peripheral human rhythms	1,019	Biotechnology and Biological Sciences Research Council

### Surrey Future Fellows

This year has seen our Surrey Future Fellows network strengthen and build opportunities to push forward the frontiers of knowledge. Notable successes include: a Surrey Future Fellow, Mechanical Engineering, awarded a Royal Academy of Engineering Research Fellowship, on 'Net Zero chemicals and hydrogen via plastic waste'; and a Surrey Future Fellow, Physics, receiving an STFC Ernest Rutherford Fellowship, on 'Our galaxy in motion: Ripples, ridges and spirals in the Milky Way'.

### RESEARCH HIGHLIGHTS

This year has seen many remarkable successful awards. A few research highlights are included below with a particular focus on our thriving early career and Fellows community:

- **BRAID Fellowship – BBC Challenge, British Academy Mid-Career Fellowship** on the 'Global Governance of Plastics', and a ESRC New Investigator on 'Cultural entrepreneurship amidst the mainstreaming of a fringe moral market (vegan food)'.
- **Leverhulme Early Career Fellowship** on 'The artificial court interpreter: Machine interpreting and fairness of justice', and a **British Academy International Fellowship**.
- **Wellcome Trust Early Career Award** to 'Further investigate the mechanisms underlying restoration during REM sleep', and an **MRC New Investigator award**.
- **Academy of Medical Sciences Springboard** award and a **British Academy Innovation Fellowship** on 'Measuring the Tranquil City – Co-design and development of an Impact Assessment Toolkit for equitable urban wellbeing'.
- **STFC Ernest Rutherford Fellowship** on 'Decoding the structure and formation history of the Milky Way halo with non-equilibrium models', and **EPSRC New Investigator Awards**: 'Super Catalysts: from CO2 to Net Zero', and 'TrustVote: Dispute-resolution mechanisms and systems for Private and Verifiable Voting'.

### Other major awards:

- **STFC** success for physics, totalling around £5.6m, **Royal Society Industry fellowship** with Pulpex and EPSRC successes in **Strategic Infrastructure** and the **AI for Health scheme**, 'People-Centred mammogram analysis'.
- Surrey has co-I involvement in two of UKRI's new flagship hubs: UCL-led '**AI Hub in Generative Models**', and the Kent-led '**Engineering Biology Hub for environmental processing and recovery of metals; from contaminated land to industrial biotechnology in a circular economy**'.
- Surrey has been awarded one of 36 projects that will share £32.4m from the first round of UKRI's new **cross-research council responsive mode pilot scheme**, exploring 'Microbes that listen: sono-bio technology for persistent organic pollutants'.

### Growth of the Pan-University Institutes

The University's founding Pan-University Institute for People-Centred Artificial Intelligence (PAI) continues to go from strength to strength, building both capability and reputation. Over the past year, the Institute has been awarded over £19m in new research awards to Surrey and a further £16m for training. Highlights for 2023/24 include:

- UKRI AI Centre for Doctoral Training (CDT) in AI for Digital Media Inclusion (award £13m). This CDT in AI will train 80+ PhD researchers to become leaders in the creative industry and design inclusive media services for all.
- UKRI AHRC CoSTAR National Lab for Creative Industries R&D (award £8m to Surrey; total award £51m led by Royal Holloway, University of London). PAI leads the Creative AI infrastructure and team for the national lab, a flagship government investment to support the UK's creative industries leadership.
- UKRI EPSRC People-Centred Mammogram Analysis research award designing AI solutions in healthcare to work alongside clinicians complementing their expertise to improve patient outcomes.
- Leverhulme Trust Doctoral Network in AI-enabled digital accessibility (ADA) (award £3m). This supports PhD training in AI and linguistics to improve digital accessibility.
- Prestigious AHRC BRAID Fellowship Award addressing responsible AI in journalism with the BBC.
- PAI's growing profile and influence extends to shaping national and international policy on AI, as cited by the UK Government (Hansard Vol 748, Contributors to Bletchley AI Safety Conference, Royal Society Frontier AI).
- Engagement with industry has resulted in over £40m of match-funding commitments to support PAI research and training programmes.
- PAI has significantly contributed to Surrey's media impact accounting for 20% of the University's overall media coverage.
- PAI is at the forefront of AI training across the University through the successful masters in AI and the launch of Surrey's inaugural online MSc programme in People-Centred AI.
- PAI's success builds on the strength of the University in pioneering foundational AI over the past four decades through the Centre for Vision, Speech and Signal Processing (CVSSP) which is ranked 1st in the UK for Computer Vision and among the top 5 for both Audio-Visual AI and Robotics.



The Institute for Sustainability has completed its first year and established its strategy and 13 research programmes to drive activities towards its mission – to harness the power of collaboration across all disciplines in the University of Surrey and beyond to drive the transition to a sustainable world of long-term wellbeing for all. Examples of research-funded projects include:

- Centre for Doctoral Training in ‘Aerosol Science: Harnessing Aerosol Science for Improved Security, Resilience and Global Health’, in collaboration with Bristol University.
- Innovation in environmental monitoring: NERC-funded project ‘Dynamic and adaptable monitoring of greenhouse gas emissions with mobile robots’ – bringing together a diverse Surrey team with partners such as Thames Water, Forest Research and Surrey Sensors Ltd.
- UKRI cross-council responsive mode round 1: ‘Microbes that listen: Sono-biotechnology for persistent organic pollutants’ – Surrey team of Fellows combining ultrasound and microorganisms to develop a novel hybrid technology for the treatment of persistent organic pollutants.
- Strengthening the resilience of the UK food system: ‘Vertical farming to improve UK food system resilience (VF-UKFSR)’ – using a whole-system approach to quantify how vertical farming can address key vulnerabilities in the UK food system, working with farm partners (e.g. flexfarming, lettusgrow).

The Institute also launched the Sustainability Innovation Hub to provide external organisations the opportunity to collaborate and co-deliver impactful projects with its research community.

The Hub launched three innovation contests and delivered multiple projects, including work with the UK Health Security Agency regarding weather health alerts in preparation for climate change.

### Redesigning the RII ecosystem at Surrey

RII embarked on a restructure in January 2024, to focus resource on three key missions:

- Delivering pre-award and post award functions (Operations)
- Responding to the research and innovation ambitions of the University and supporting the research and innovation strategy and initiatives (Excellence).
- Ensuring research and innovation is conducted to the highest standards of integrity and compliance with regulatory requirements (Assurance).

Roles were re-balanced across these three areas as well as across the Faculty Research and Innovation Offices (FRIOs) and RII office. New roles were created through efficiencies built into the re-design. The FRIOs continue to thrive and are complemented by a more purposeful RII office function. We successfully delivered the Researcher Support Programme, implementing two new RII systems, Worktribe and EthicsRM, by 31 July 2024.

### Preparing for REF 2029

Surrey is prioritising preparations for REF 2029 and has a working governance structure including a REF Executive Committee (overall strategic role) and a REF Management Group (operational delivery role) who have met several times this year. Units of Assessment Leads have been appointed in all faculties which will support the localised preparations.

The launch of the Worktribe research information system will significantly improve the University’s output monitoring. And a focus on impact case studies has continued with several impact quality reviews taking place across all faculties to identify strong contenders for REF 2029 and ensure resources are best placed.

### People and culture

Surrey has been actively involved in the sector-wide discussions and co-design of indicators for the new People, Culture and Environment element of REF 2029. Prioritising work on Research Culture, a new People, Culture and Environment Committee has been launched as a sub-committee of URIC.

More broadly, Surrey continues to engage in the wider issues of research culture, for example, through participation in the UK Reproducibility Network and hosting a Surrey Open Research Culture Event in January 2024. Towards the end of this year, two new leadership roles were developed to drive research culture, both will be recruited to early in 2024/25.

### Impact and innovation

The past year (2023/24) has seen an evolution in the way we deliver innovation and impact at Surrey. We have the following core support functions:

- Impact and Innovation function within RII: bringing together business development, student enterprise, technology transfer, and impact development to consolidate the multiple options and pathways that we encourage our staff and student community to engage in from their very earliest considerations at bid and award stage through to spin-out and impact development.

- Surrey Innovation District: our exciting innovative and technological ecosystem with the University of Surrey’s Research Park at its heart. A vision beyond just the Park’s physical infrastructure to a connected network of innovation stakeholders, all investing and contributing to create regional growth and positive societal impact.
- The newly formed Innovate Surrey Limited will drive commercialisation and enterprise activity across the University and support our ambition to be recognised internationally as a hub for game-changing innovation. The appointment of a Managing Director for ISL in the early part of 2024/25 will spearhead growth in our innovation outcomes.

### Impact and innovation highlights for 2023/24

Continuing to inspire a culture of engagement, impact and innovation, our Scaling Innovation workstream (supported by Business and Community Higher Education Innovation Fund, HEIF) and our Impact Acceleration Account funds channelled University resources to help our researchers engage with industry, civic authorities and the public in a range of knowledge activities designed to create positive impact. Over 100 impact projects were funded, including the PhD Commercialisation Accelerator, many academic-lead faculty projects, and multiple public and community engagement events such as Pint of Science and Bright Club, as well as the Public Engagement team hosting Surrey’s second ‘Public Engagement with Research Symposium’ in April 2024. Over 100 colleagues signed up for the event, which included a wide range of knowledge exchange workshops, delivered by expert trainers, alongside keynotes and a panel debate.

Maximising impact through strategic partnerships, our portfolio of industrial projects has expanded significantly, resulting in noteworthy accomplishments. We nurtured relationships with international industry and third-sector partners such as the Surrey Academic Health and Care Partnership (SAHCP), establishing formal links between the University of Surrey, Surrey Heartlands and Surrey County Council, and encouraging academic expertise to focus on addressing issues in population health, social care and primary care, while facilitating close collaboration with acute and tertiary care partners. The University continued to provide leadership and a substantial contribution to one of the region’s strongest industry clusters, Space, and to foster our relationship with the National Physical Laboratory (NPL).

Refreshing our approach to enterprise and business development, consultancy services have been relocated into the innovation and impact function, reflecting this important pathway to impact. Surrey continues to excel at Knowledge Transfer Partnerships working with a broad range of SMEs, agreeing five and delivering six KTPs in 2023/24.

Protecting and optimising intellectual property, our IP portfolio management continues to be under review, responding to the spin-out review and to refresh our approach to the protection and commercialisation of IP. Activity across 2023/24 includes the submission and review of 42 new invention disclosures, 15 UK patents filed, five licences, and supporting 16 potential spin-outs or spin-ins.

Key highlights include the approval of three new spin-out companies. One of Surrey’s recent spin-out successes is also going from strength to strength: Signapse, a Generative AI Sign Language translation software company closed a new seed funding round of £2 million with £1.5 million from investors including Royal Association for Deaf People, Empirical Ventures, CEAS Investments, the FSE Group, and £500k from Innovate UK.

The Surrey Innovation District (SID) strategy is focused on building a multi-channel approach to industry and academic engagement. We are focusing on making Surrey Research Park a great place to work and a place connected with the University that brings opportunity and support to grow businesses.

In the past year, SID programmes have achieved significant milestones, including supporting the £1.2 million vHive programme, which onboarded seven companies, hosted four animal health workshops, and supported ten research projects. The £2.3 million Games and Innovation Nexus engaged 45 companies and 24 academics, funded eight projects, and invested £250k in a new facility. The Cosmic Capital programme onboarded 16 space companies, facilitated over 15 workshops, and raised over £100k in equity for one company. Additionally, the SID business networks fostered collaboration through an ESG working group with 12 companies, a monthly Early Career Professionals network with over 50 attendees, and a Surrey Women’s Entrepreneurship network with 250 members, promoting women’s entrepreneurship and investment.

# VALUING OUR PEOPLE

## PRIORITY: CREATING THE CONDITIONS FOR SUCCESS

### SUMMARY

#### 2023-24 highlights

- Following last year's successful leadership programme, we have seen over 17% of the 2023 cohorts go on to secure leadership promotions.
- We have delivered the highly collaborative Optimising Academic Achievement (OAA) project, connecting all elements of academic career development.
- Our most recent annual survey, which took place in October 2023, maintained a high response rate of 75% and reflected strong engagement scores of 73% (75% in 2022).
- We have continued to build upon our employee benefits offer, including Tusker car leasing where colleagues can lease an electric or hybrid vehicle through salary sacrifice, and an Employee Assistance Programme offering a wide range of services.
- We have been awarded our Institutional Athena Swan (AS) Silver award, and our first Gold award for the School of Biosciences.
- We have continued to operate our Values Awards Scheme which recognised over 700 colleagues for demonstrating our University values.

#### Our employees and associates

Surrey as at 31st July 2024 employed a total of 3,035 colleagues (2,793 full-time equivalent). Our workforce includes 1,474 teaching and research staff and 1,561 professional, operational and technical support staff.

#### Organisational design to underpin financial resilience and growth

Against the backdrop of significant financial challenges felt right across our sector, we have had to deliver a number of changes to secure a sustainable financial footing. As a consequence, and as part of the Financial Resilience Programme during Spring 2024, the University accepted a number of applications for Voluntary Severance. This resulted in 162 employees leaving the institution, 32 of whom will retain an ongoing relationship with the University through a prestigious Emeritus/ Emerita appointment. Purposeful consultation with impacted areas and our campus Trade Unions allowed us to deliver the planned change, without the need for compulsory redundancies.

Early in 2023 we established Operate Surrey as a wholly owned subsidiary. Its operating model retains the same integrity as working directly for the University but allows

us to address certain challenges, such as being able to align salary and benefits more closely with the external market. Operate Surrey now has 115 staff, both from transferring internal colleagues and newly appointed staff members.

To support growth, a number of our structures have been re-designed and consolidated for example in the Faculty of Arts, Business and Social Science (FABSS), the Chief Student Office (CSO), and in Research, Impact and Innovation (RII) service. Ahead of the new Medical School launch in September 2024, resourcing requirements have been met, and tailored HR frameworks developed, noting the specific compliance requirements for clinical appointments and General Medical Council (GMC) validation. Similar bespoke support was provided to facilitate the prestigious and successful European Association of Establishments for Veterinary Education (EAEVE) accreditation for the School of Veterinary Medicine.

#### Our managers and leaders

Focus has continued on our management community, with over a third of our managers having completed our Managers Foundation ILM accredited programme (MFP); a number of whom have gone on to participate in the inaugural Coaching Skills for Managers course. Feedback for both was extremely positive. The Managers' toolkit (launched in 2023), providing all managers support in one place, continues to be an excellent resource with over 3,050 hits in the last year.

Our Surrey Senior Leaders development Programme (SSLP) launched in early 2023 and, due to its highly collaborative design, and experiential and creative approach, was shortlisted for the UHR Culture Change and Organisational Development award.

The Optimising Academic Achievement project has also enabled several enhancements to academic career pathways. Both the academic promotions process and the professional development review (PDR) process have fully incorporated the criteria for academic performance (CfAP) that were introduced last year. These changes highlight the recognition of academic achievements across the full academic portfolio and drive a greater focus on staff working together in support of student experience, research innovation and impact, and across citizenship, service and values. In addition, academic leadership roles were reviewed and redefined to provide role clarity and consistency of duties across all our schools and faculties.

#### Colleague voice

Hearing from our colleagues and taking action remains a key priority. Our most recent annual survey, which took place in October 2023, maintained a high response rate of 75% and reflected strong engagement scores of 73%. Several actions have been implemented this year as a result, including extending the purchase of additional leave scheme, implementation of a Parental Leave toolkit, and review of wellbeing support for colleagues, leading to the formalisation of the Wellbeing Champions network, with 53 local advocates. We have also continued to build upon our employee benefits offer, including Tusker car leasing through salary sacrifice; and an Employee Assistance Programme offering a wide range of services including counselling, online GP access, financial and legal support. Local action plans continue to be delivered and pan-University action areas of leadership, colleague appreciation, and diversity, equity and inclusion have informed our new People Strategy.

#### Seeking equity, driving diversity and creating an inclusive culture

Work continues across the University to ensure that equality, diversity and inclusion (EDI) is built in from the outset. This year's achievements include:

- Surrey has been awarded an Institutional Athena Swan award at Silver level and our School of Biosciences received a Gold award.
- A new EDI governance structure has been implemented and EDI networks have been formalised with central support and senior leadership sponsorship.
- New inclusive language guidance has been launched to support colleagues, enabling people to feel connected and have a sense of belonging to Surrey.
- The highly successful Springboard programme, for aspiring women leaders, has continued with exceptional feedback, and other tailored training sessions have been delivered including an eLearning Allyship module to help equip colleagues to tackle bias in the workplace.
- Significant work has taken place around disability, including developing and publishing the disability Tailored Adjustment Plan (TAP) toolkit



# INTERNATIONAL ENGAGEMENT

## Summary

The academic year 2023–24 has seen a huge amount of international engagement across all our key strategic focus areas: partnerships for education, student mobility and research collaboration. With a focus on impactful new opportunities in Asia, the University coordinated multi-faculty senior delegation visits to India and China as well as hosting 12 inbound delegations from countries including China, Hong Kong, India, Australia, Singapore and Saudi Arabia.

A successful Turing grant of over £1m puts Surrey among the top universities in the UK for international student mobility and ensures that students can access life-changing international opportunities.

Developing strategic partnerships in research and education with universities in Australia, USA and Brazil, as well as new UN-affiliated Centres in Ageing and Sustainability provide a platform for our global impact.

## International opportunities for students

2023/24 was a successful year for international mobility of students, with increased numbers of both incoming and outgoing students on a wider range of mobility options. Over the year, 538 Surrey students went overseas for life-changing experiences, including: study exchanges, Professional Training work placements, nursing and veterinary clinical placements, research placements and summer programmes. Our mobility programmes aim to provide students with opportunities to enhance skills and prepare for the global workplace. Feedback highlighted that after their experiences abroad, 94% of students feel more confident to network with international peers, 82% are more committed to their studies, 96% feel the experience enhanced their intercultural awareness, and 88% feel it was a valuable opportunity to learn from international academics/experts.

Our bid for UK Government Turing Scheme funding was successful and we have been awarded £1.2m for study and work abroad placements in 2024/25. This is a 35% increase in funding and we aim to support 600 students including at least 50% from widening participation backgrounds. Surrey’s Turing objectives are:

1. Advance Surrey’s widening participation (WP) agenda by increasing access to international mobility.
2. Provide students with opportunities to enhance skills and prepare for the global workplace.
3. Develop globally minded, confident, resilient individuals who think critically and differently, and make a real impact on society.

## International research impact

Surrey hosted the 2024 University Global Partnership Network (UGPN) Conference, which was themed ‘Securing a Sustainable Society’. Among the 150 registered conference attendees, Surrey welcomed senior delegations from our partner universities in the US and Brazil: North Carolina State University and the University of São Paulo. The conference provided a forum for developing international collaborations in strategic research and education. The conference also helped to catalyse 21 applications for the UGPN Research Collaboration Fund (RCF). New projects will bring together interdisciplinary research teams to address global sustainability challenges with a focus on mitigating the impact of climate change and natural disasters; accelerating the transition to clean energy and carbon-free fuels; and promoting food safety and veterinary health.

Surrey launched a new strategic partnership with the University of Adelaide, Australia. Following reciprocal visits of senior executives, as well as academic workshops and subject-specific collaborations, both partners committed to a long-term strategic partnership which will focus on key research strengths of the two universities, with academic theme leads nominated to drive the collaboration in space, sustainability, artificial intelligence and cybersecurity.

## India focus

Following last year’s high-profile visits to the University by the Indian Minister of State for the Ministry of Science and Technology, and the Deputy High Commissioner of India, a senior Surrey delegation visited India this year. The delegation aimed to develop new partnerships for research and transnational education, support student recruitment and alumni engagement, and engage with UK-India Government stakeholders. The visit was hugely successful, engaging over 15 public and private universities and research institutes and leading to successful outputs on all objectives, including:

- The signing of new agreements with top Indian universities such as the Indian Institute of Science and Manipal Academy of Higher Education, with collaborations to include research collaborations, dual degrees and opportunities for student mobility.
- A new MoU with the Central Electronics Engineering Research Institute (CSIR-CEERI), a national research laboratory of India’s Council of Scientific and Industrial Research (CSIR) to facilitate a research partnership in the field of net-zero semiconductor devices and advanced materials.
- Funding from the UK-India Education and Research Initiative (UKIERI) for our research on next-generation semiconductors.
- Surrey has joined the new Indian Network for Internationalization of Higher Education (INIHE), an alliance aimed at facilitating collaboration with top Indian institutions.

# ADVANCEMENT

## Exceeding expectations ahead of schedule

It’s been a momentous year for fundraising at Surrey.

## The Future Says Surrey

In February 2024, the University’s three-year international fundraising campaign, ‘The Future Says Surrey’, celebrated reaching its £60m goal for pledges and donations a year early. We continue to build on this momentum and will carry on fundraising until the campaign’s scheduled close date of February 2025.

The £60m target raised is made up of a combination of pledges, personal donations, legacies and grants from a variety of organisations.

Support for the campaign has included the following donations:

- £1.25m from the People’s Postcode Lottery to fund researchers to monitor and improve nature restoration in the Surrey Hills.
- \$1.5m from Google’s philanthropic arm Google.org to develop artificial intelligence-based instant Sign Language translation of web pages to improve accessibility for the deaf community.
- A £10m legacy, the University’s largest ever philanthropic gift, to support the School of Veterinary Medicine.
- Over £1m to fund scholarships for care-experienced students and those studying at Surrey’s new School of Medicine.

## Engaging alumni and supporters worldwide

This year, a total of £15.29 million was raised via donor contributions, £7m of which was received and/or recognised in year.

During our annual telephone fundraising campaign, student callers contacted 7,820 alumni asking for donations to alleviate student hardship. Surrey’s generous donors responded and gave £326,000.

There were many other notable achievements, too.

Surrey alumni gatherings brought our graduates together across the world. We held events in Australia, Hong Kong, Singapore, Norway, Saudi Arabia, Canada, India, Thailand, China, United Arab Emirates, South Africa, America, Greece and Cyprus.

Closer to home, we celebrated the 10th anniversary of Gradsport. This is an annual sporting bonanza bringing together over 1,000 students and alumni who participated in 42 fixtures across 26 different sports. More than just an athletic competition, the event raises money for the Forever Surrey Fund which provides essential financial aid to student clubs and societies.

The SurreyConnects mentoring platform, meanwhile, continues to grow and be a space where graduates offer careers advice to current students. This vibrant networking hub now boasts more than 5,500 members.

It’s been a remarkable 12 months in Advancement. The University would like to thank its donors and supporters for helping accelerate world-leading research.

# SUSTAINABILITY AND ENVIRONMENTAL IMPACT

## Energy and carbon

The University has a target to achieve net zero carbon (NZC) for scopes 1 and 2\* carbon emissions by 2030, against a baseline year of 2017/18.

	2017/18 (Baseline Year)	2022/23 emissions	2023/24 emissions	Reduction against baseline
Carbon emissions (scope 1 and 2) tCO2e:	19,470	14,975	15,625	19%

Carbon emissions have fallen against the baseline by 19%. This is a function of decarbonisation of the grid, the impact of Covid on working practices and several energy efficiency measures undertaken.

Carbon emissions have risen between 2022/23 and 2023/24 by 4%. This is a function of increased activity on site as the University continues to come out of the Covid period, with more students, as well as changes to operational activity.

The University has reviewed its NZC plan during 2023/24. This moves away from significant offsetting to action on reducing consumption and projects to use renewable (zero carbon) energy. An eight-point NZC plan has been developed.

The percentages noted against each point note their contribution to achieving NZC based on both technical assessments, and wider experience from the higher education sector. The 8-point NZC plan provides a road map to achieve our carbon reduction aspirations, but the plan's implementation is only beginning and there are many possible outcomes as each of the elements of the plan are delivered, its overall outcome is not certain.

The NZC eight-point plan has progressed to a delivery phase, with audits of space utilisation (point 1 of plan); a design guide for the integration of NZC criteria into all construction projects (point 4); an investment of £300,000 in energy efficiency projects (point 3); the setting up of a new engineering team reducing demand by improving building service controls (point 3) with initial demand reduction of 30% within buildings like the Innovation for Health building; and finally the proposal to join a carbon offsetting scheme with other universities (point 8).

Significant progress has been made in the delivery of renewable energy projects (point 5), with the planning application for a 12MW solar farm at Blackwell nearing a planning decision, and rooftop solar projects, such as a 500+KW array on Surrey Sports Park, nearing construction phase.

Further solar projects on car parks and rooftops are going through feasibility studies.

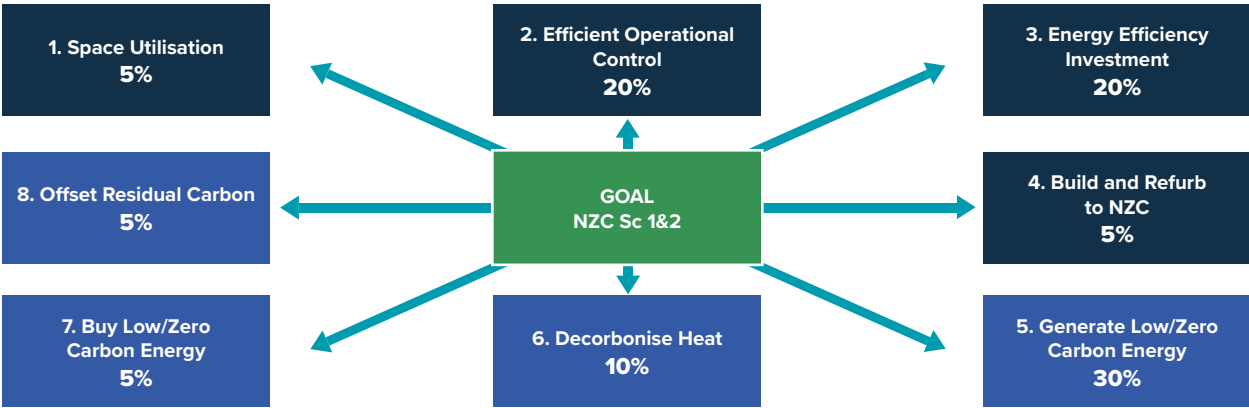
Planning permission was also approved for a new energy centre, with the aim of replacing old gas boilers with heat pumps, electro boilers and energy storage systems to decarbonise heat (point 6 of the NZC plan).

The plan will be delivered using a mix of third-party, government grant and, where available, internal financing. It will take two to five years to move the plan fully to delivery and for that work to flow through to a reduction in carbon emissions.

Next steps for 2024/25 will involve energy efficiency surveys, detailed analysis of reduction trajectory and continued action as previously noted. This will enable some milestones to be set for reductions over the next five years. Meeting our carbon target is a complex and significant challenge, requiring investment, coordination of multiple stakeholders, multiple projects to be delivered rapidly, as well as governance and procedural changes. Though there is a robust plan to get the University to NZC for its scope 1 and 2 carbon emissions, there is still uncertainty as to whether our plans will be possible within the timeframe of 2030.

A draft 'Scope 3 Carbon Reduction Plan', aiming to reduce carbon emissions primarily within the supply chain and transport, is being consulted on and should be ready for implementation during 2024/25. Our scope 3 carbon emissions total 68,950 tCO2e.

Also, a 'Climate Adaptation and Resilience Plan', which looks at how to mitigate the impacts and risks of climate change – such as higher summer temperatures and more frequent storm events – has been drafted. This is a key document in helping to mitigate insurance risks as well as managing how we ensure our estate is fit for purpose in the climate crisis.



## Key metrics review Water consumption:

	2017/18 (Baseline Year)	2022/23	2023/24
Water Consumption m³	414,188	377,521	454,661

The University aims to not allow consumption of water to rise above its baseline year consumption. Water consumption has risen over the last year (by 20%) and against baseline (by 10%) primarily due to the identification of a faulty main incoming meter to the Manor Park site. This fault has meant that the previous year's consumption figures were abnormally low.

Measures designed to reduce consumption include presence-controlled water use in bathrooms. Shower timers in halls of residence aim to be expanded over the coming years, with the first step to get surveys undertaken by our water provider, looking at leakage and water-saving measures.

The Stag Hill borehole project continues to operate, with the University continuing to have the lowest cost of water within the sector.

## Utility budget

The impact of Covid, cost-of-living crisis and the Ukraine war has seen the utility budget (electricity, gas, water and

fuel oil) for the University increase dramatically. In 2019/20 it was £7.6million, in 2023/24 it was an estimated £17.9 million.

By taking action to reduce consumption and to change VAT rates for utilities, the University has reduced spend from £17.9 million down to £15.8 million during 2023/24. The continued delivery of our net zero carbon plans will help reduce the University's exposure to external cost drivers.

## Waste and re-use

Surrey diverts 100% of its waste from landfill, by reusing, recycling and recovery (via energy from waste plants). With our partner Chambers, the University aims to increase the utility of its waste by moving it up the waste hierarchy from disposal and 'energy from waste', to reduction, reuse and recycling. Over the coming year a campaign is being run to segregate food waste from recycling, which should increase our recycling rate and reduce waste going to 'energy from waste'.

## Waste disposal

	2021/22	2022/23	2023/24
Tonnes of waste collected	1,544.92	1,408.29	1,473.76
Dry recyclable %	54%	51%	50%
Energy from waste %	32%	32%	32%
Food waste %	2%	5%*	5%
Glass %	3%	3%	4%
Other wastes %	9%	9%	9%
Percentage diverted from landfill	99%	100%	100%

Food waste data was not available for a period due to a change in contract to a new waste contractor.

\* There are 3 scopes of carbon. Scope 1 carbon emissions are direct carbon emissions from a site, e.g. gas boilers providing heat for a building emit carbon as they burn gas. Scope 2 emissions are attributable carbon emissions from a site, e.g. electricity use, the carbon emissions are at the power station, but we use that electricity generated so are attributable. Scope 3 carbon is generally the carbon in the supply chain, e.g. we buy a chair, it took energy to produce, transport to a site and so on, so the emissions are from someone else but are again attributable to us.

Key highlights and initiatives of the year

Time Higher Education Impact Rankings

In recognition of our contributions to meeting the UN Sustainable Development Goals, during the year we were ranked within the top 100 in the world (86th) and top 25 in the UK (21st) by the Times Higher Education Impact Rankings. This equates to being in the top 5% of universities in the world. More universities took part in the ranking this year and competition is increasing, thus we have seen a drop in ranking from 49th globally and 9th in the UK.

During 2024, the Institute for Sustainability has been working with departments to better understand how their work addresses the Sustainable Development Goals and where there are gaps in understanding. As well as this, a new role is being created to help coordinate work around rankings including *Times Higher Education World University Rankings* and *QS World University Rankings*.

Behaviour change programmes included:

- Green Impact: greening departments, 20 teams undertook 422 sustainable actions.

- LEAF (Laboratory Efficiency Assessment Framework) making labs sustainable.
- Two all-staff and student sustainability assemblies gathering ideas for how the University should address key sustainability challenges.
- A Sustainability Week of activities, including, energy audits, upcycling events, electric vehicle demonstrations, cooking demonstrations using leftovers and book swaps. Thirty events were run with 500 people involved.

Embedding sustainability has seen sustainability work across a broad range of areas including procurement (engaging with the supply chain), biodiversity (measuring habitats), catering (reducing food waste and carbon foot miles), careers (opportunities to learn about sustainable jobs) and information technology (looking at low-energy computing).

Student projects this year included running a community garden, a green careers events, carbon education via pop-up events and volunteering opportunities.

University infrastructure – Inflationary pressure on the University is challenging our ability to maintain investment in our infrastructure.

Staff recruitment and retention – There is a heightened level of risk due to the ongoing national dispute over pay and conditions leading to nationwide challenges for HE. Surrey has additional challenges due to its location in one of the more expensive parts of the country.

International student recruitment – Increasing competition both nationally and internationally as well as financial and political pressures worldwide have made international

student recruitment more challenging and costly.

The risk climate in the following areas remains strong:

Student experience and satisfaction – Our ranking in the National Student Survey went up from 25th in 2020/21 to 9th in the UK in 2021/22, up to 4th in 2022/23. In 2023/24, it has reduced somewhat to 11th in the UK, but student satisfaction remains high.

Reputation – Actions taken have led to successful performance in the National Student Survey (NSS), and national and international league tables.

Principal risk	Mitigating Actions
<b>Financial</b> Insufficient revenues relative to costs may limit or reduce the ability to invest in the estate, systems and strategic initiatives that underpin teaching and research, or pose a risk to going concern.	<ul style="list-style-type: none"><li>• Deliver a five-year financial sustainability plan, aligned to the University’s 2041 strategy, with agreed milestones and key metrics to monitor against.</li><li>• Prepare annual plans and report on performance, risk and corrective actions in monthly management accounts internally.</li><li>• Prepare quarterly re-forecasts of the current year, to identify risks against plan, risk and corrective actions.</li><li>• Review business cases for new capital and revenue funded investments, with regular post investment appraisal, to assess outcomes and take corrective action, if needed.</li><li>• Maintain sufficient liquidity and covenant headroom to manage internal risks or adverse changes in external market conditions.</li><li>• Continue to deliver financial resilience programme objectives to maintain affordable levels of underlying costs against likely revenues.</li><li>• Maximise the long-term value from our asset base.</li><li>• Resource prioritisation towards activities with potential to improve financial sustainability.</li></ul>
<b>Strategy</b> Failure to deliver our University Strategy 2041.	Our strategy refresh in 2023/24 updated our goals to reflect the changing external context and set targets to measure our progress in our seven priority areas for Phase 1 over the next five years. The strategy was set out to be delivered in three five-year phases, enabling us to generate short/medium-term momentum while retaining a line of sight through to the long-term goals.
<b>Educational quality</b> Failure to realise the strategic priority to deliver an exceptional student education by providing high-quality teaching programmes and learning support.	<ul style="list-style-type: none"><li>• Deliver a learner-centric curriculum, through a mix of in-person and interactive online learning.</li><li>• Use learning analytics across the student journey, targeting early intervention where required.</li><li>• Renovate/upgrade our facilities and equipment to provide excellent services for our students.</li><li>• Implement a Personal Tutor and Senior Personal Tutor review.</li><li>• Deliver a lifelong graduate employability plan.</li><li>• Implement teaching transformation including portfolio and academic regulations review.</li><li>• Deliver a programme of activities and materials, which effectively support staff to support students.</li><li>• Optimise the way that we deliver our education programmes to achieve efficiency in our teaching.</li><li>• Explore innovative application of generative AI in teaching, learning and assessment.</li><li>• Develop initiatives to drive up the uptake of students undertaking Professional Training placement opportunities.</li><li>• Continue developing Surrey Online Learning (SOL) programmes to expand the portfolio in close collaboration with schools and institutes to ensure alignment and teaching quality.</li></ul>

KEY RISKS FACING THE UNIVERSITY

Managing risk

Our approach

As part of our governance and internal control framework, we have a robust process for identifying, assessing and managing risks that could prevent us from meeting our objectives. The highest-level risks are reviewed regularly by the Executive Board and the Audit and Assurance Committee. The Executive Board holds an annual workshop to consider external opportunities and risks, the outcome of which is used to update our risk appetite and risk register. We also use it to inform our internal audit programme and strategic planning process. The University’s Executive Board has responsibility for day-to-day risk management. Along with senior management, it encourages a culture in which risks are routinely considered in decision making, and better decisions are supported through an improved understanding of risk. The Audit and Assurance Committee monitors risk management on behalf of the Council. The Committee reviews current risk exposure against our risk appetite and advises the Council on current risk exposures and future risk strategy. Council receives a biannual update on risk.

Risk management strategy and appetite

Our risk management strategy is based on minimising our exposure to compliance and regulatory risk, while

accepting varying risks that help us achieve our mission and objectives. When we accept risks, we make sure that those risks and potential benefits are fully understood and take sensible measures to mitigate those risks. We put controls in place to reduce the likelihood of risks occurring or take action to minimise their impact. Our objectives are to:

- identify the principal risks that we face
- decide the risks we will accept to deliver the right returns
- assess the likelihood of risks and potential impacts on the University
- take action to minimise the risks we don’t accept
- monitor and report the risks we are taking against our desired strategic objectives.

Changes to our principle risks

During the 2023/24 academic year, the risk climate in the following areas has become more challenging:

Financial resilience – There are increased financial pressures, arising from high inflation, international student recruitment challenges and significantly increased energy costs caused by current geo-political tensions.

Strategy – Inflationary pressure on the University is challenging our ability to maintain investment in the activities to drive our strategic goals.





Principal risk	Mitigating Actions
<b>Research, Impact and Innovation</b> Failure to deliver the strategic priority of transformative research and innovation and increasing research impact. Inability to provide facilities, infrastructure and support to foster effective research and collaborate effectively with external research partners or raise awareness of our capabilities.	<ul style="list-style-type: none"><li>• Support key areas of disciplinary excellence to continue to grow their reputation and income.</li><li>• Scale up existing and create new pan-University research institutes to support cross-disciplinary research, elevating our global impact and visibility.</li><li>• Deliver Innovate Surrey Ltd strategy and implementation plan to accelerate the commercialisation pipeline.</li><li>• Develop new and build on existing strategic partnerships to deliver richer opportunities for collaboration with industry, government and the third sector in areas that align with the University's key strengths.</li><li>• Develop more and stronger links between academics and researchers and businesses based in the Surrey Research Park.</li><li>• Develop Studentship Effectiveness software alongside new PGR lifecycle system role for effective oversight of PGR studentship finances and student journey.</li><li>• Continue to invest in facilities and infrastructure to deliver, or build towards delivering, world-leading capability in strategic areas.</li><li>• Continue the roll-out of Worktribe and Ethics RM to provide an efficient and effective tool for project planning, costing and governance.</li><li>• Seek to attract externally funded independent research fellows as well as support our own researchers to apply for external fellowship schemes.</li><li>• Carry out regular PGR and ECR surveys and use the results to plan improvements.</li><li>• Support the development of a public engagement strategy.</li><li>• Develop synergies between our research and teaching.</li></ul>
<b>Student experience and satisfaction</b> Failure to deliver the strategic priority of an exceptional student experience as a result of inadequate learning facilities, accommodation, social and recreational facilities, or digital infrastructure, all of which could hinder learning and make students less happy to study at Surrey.	<ul style="list-style-type: none"><li>• Carry out regular student satisfaction surveys and use the results to plan improvements.</li><li>• Respond to feedback from MySurrey Voice throughout the academic year.</li><li>• Invest in study resources, including online access to core texts.</li><li>• Improve assessment and feedback content and turnaround times.</li><li>• Provide wellbeing initiatives and services in conjunction with the Students' Union.</li><li>• Continue to implement the Seamless Student Journey programme</li><li>• Achieve the Mental Health Charter Accreditation.</li><li>• Implement replacement for 'out of hours' student support provision.</li></ul>
<b>Student recruitment</b> Failure to deliver the strategic priority of sustainable growth as a result of not recruiting the right numbers, quality and diversity of students, both nationally and internationally.	<ul style="list-style-type: none"><li>• Increase our national and international presence through marketing and recruitment campaigns.</li><li>• Use market intelligence data and insight to support effective targeting of our recruitment activity.</li><li>• Implement a new CRM system to enable more targeted and seamless recruitment activity.</li><li>• Tailor course development to attract students in core and emerging areas of study.</li><li>• Review fees, funding and scholarship programmes to enhance our attractiveness for particular target student groups.</li><li>• Use Clearing effectively to fill available capacity while ensuring we don't oversubscribe.</li><li>• Roll-out and scale up Surrey Online Learning.</li><li>• Develop Transnational Education partnerships to enhance our international presence.</li></ul>

Principal risk	Mitigating Actions
<b>Our people</b> Failure to deliver the strategic priority of talented people and an inclusive community as a result of not attracting, retaining and enabling the right people, with the right skills, ambition and capabilities.	<ul style="list-style-type: none"><li>• Create an attractive culture and environment that helps people to perform to their best.</li><li>• Plan for workforce requirements and carry out high-level talent reviews to assess capability and capacity needs.</li><li>• Investigate appropriate resourcing models to ensure cost effectiveness of operations.</li><li>• Train and develop staff to support in-role progression and career growth.</li><li>• Provide leadership development and enablement programmes.</li><li>• Evolve the recruitment strategy for effective market engagement.</li><li>• Maintain focus on EDI action plan, including annual gender pay gap compliance reviews and further internal analytics.</li><li>• Maintain focus on our organisational values and culture to maintain high levels of employee engagement and morale.</li><li>• Leverage the new human resources IT system that enables stakeholders to monitor relevant data and plan improvements.</li></ul>
<b>University infrastructure</b> Failure to achieve the strategic priority of exceptional infrastructure. A lack of investment or inadequate planning for student numbers and research ambitions could lead to failure to keep our buildings, equipment and student accommodation maintained and fit for purpose.	<ul style="list-style-type: none"><li>• Implement our planned maintenance programme for all building assets.</li><li>• Carry out rolling asset inspections of our estate to inform maintenance programmes.</li><li>• Implement five-year road map for infrastructure development.</li><li>• Net zero delivery plan.</li><li>• Monitor sustainability performance targets and regulatory compliance to inform programmes of work.</li><li>• Improve space utilisation and deployment measures.</li></ul>
<b>University services</b> Failure to provide efficient and effective services, impacting on strategic priorities including student experience and education, sustainable growth and transformative research and innovation.	<ul style="list-style-type: none"><li>• Offer modern facilities to support a diverse variety of sports activities and clubs at the Surrey Sports Park.</li><li>• Support a wide range of student-run clubs and societies in conjunction with the Students' Union.</li><li>• Provide on-site catering facilities.</li><li>• Develop our business continuity function to provide increased resilience during significant stress events.</li><li>• Implement actions to enhance support effectiveness and efficiency through automation.</li><li>• Evolve a high performance and service culture across Professional Services.</li><li>• Deliver more user-friendly student support through the Seamless Student Journey programme.</li><li>• Enable a more effective system to support our researchers through the Worktribe system roll-out.</li></ul>

Principal risk	Mitigating Actions
<b>Legal and regulatory compliance</b> Failure to comply with regulations and legislative requirements governing our activities including information governance, impacting on strategic priorities including student experience, research and innovation and sustainable growth.	<ul style="list-style-type: none"><li>• Implement internal policies and procedures.</li><li>• Provide e-learning guidance to help staff control our activities within regulatory commitments.</li><li>• Provide conflicts-of-interest process with fraud and bribery risk registers.</li><li>• Provide training for all staff on information governance.</li><li>• Provide information asset register to enable reporting of potential data breaches, and detailed guidance for staff on handling data compliantly.</li><li>• Provide processes for whistleblowing, complaints and Report and Support to investigate ethical concerns from staff and students.</li></ul>
<b>Health, safety and wellbeing</b> Failure to identify all potentially harmful activities, give staff and students the training and tools required, or support the wellbeing of students and staff, impacting on strategic priorities, particularly student experience and staff engagement and morale.	<ul style="list-style-type: none"><li>• Prioritise safety communications and reporting.</li><li>• Provide a programme of health, safety and wellbeing training.</li><li>• Provide a dedicated health and safety assurance committee.</li><li>• Implement clearly defined strategy, safety protocols and standards in line with legislation and industry best practice.</li><li>• Conduct institutional compliance audits and departmental inspections and audits to inform programmes of work and training requirements.</li><li>• Improve incident reporting and investigation of near misses to inform where further training is required.</li></ul>
<b>Reputation</b> Operational or regulatory failure, perceived failure to adhere to our values, or failure to effectively promote ourselves to key stakeholders could inflict reputational damage, impacting on the achievement of all strategic priorities.	<ul style="list-style-type: none"><li>• Actively demonstrate the benefits and value that the University delivers to wider society, from research discoveries and collaborations to our positive impact on the economy, environment and local community.</li><li>• Project our brand and our successes through marketing and communication channels, from student rankings to research discoveries and international partnerships.</li><li>• Foster good relations with a wide range of stakeholders and keeping open channels of communication.</li></ul>
<b>IT</b> Failure to maintain the resilience of our operational and enterprise IT systems and cybersecurity controls or deliver IT change, impacting on all strategic priorities.	<ul style="list-style-type: none"><li>• Continuously plan for disaster recovery.</li><li>• Remove and replace legacy technology.</li><li>• Increase operational service maturity.</li><li>• Provide cybersecurity training for all employees.</li><li>• Manage vulnerability with penetration testing and active replacement of unsupported infrastructure and services.</li><li>• Monitor and respond to information security and cyber threats through a dedicated information security team.</li><li>• Implement cross-sector technology maturity standards.</li></ul>





# CORPORATE GOVERNANCE

The University is a body incorporated by Royal Charter, originally granted in 1966, and an exempt charity within the meaning of Schedule 3 of the Charities Act 2011. Its compliance with charity law is monitored by the Office for Students (OfS) as principal regulator.

The University is committed to exhibiting best practice in all aspects of corporate governance. It endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life – selflessness, integrity, objectivity, accountability, openness, honesty and leadership – and with the Higher Education Code of Governance published by the Committee of University Chairs (CUC).

## Summary of the Corporate Governance structure

The University's objects, powers and framework of governance are set out in the Charter and its supporting Statutes and Ordinances (the 'governing documents').

## The Council

In accordance with the requirements of its governing documents, the Council comprises a majority of external members, together with ex officio and elected University representatives including the President of the Students' Union. The role of the Chair of Council is separated from the role of the President and Vice-Chancellor as Chief Executive. The powers of the Council are set out in the Statutes and Ordinances of the University. Under the terms and conditions of funding for higher education institutions agreed between the OfS and institutions, and the terms and conditions of the Research England grant, the Council is collectively responsible for overseeing the University's activities, determining its future direction and fostering an environment in which its mission is achieved. This is an ultimate responsibility that cannot be delegated. The Council has adopted the following Statement of Primary Responsibilities:

- To approve the mission, strategic vision and long-term academic and business plans of the University and agree key performance indicators and annual budgets to ensure that these meet the interests of stakeholders.

- To ensure that systems of control and accountability are established and monitored, including financial and operational controls and risk assessment, and procedures for handling internal grievances and managing conflicts of interest.
- To ensure processes are in place to monitor and evaluate the performance and effectiveness of the University against its plans, previous performance and agreed key performance indicators. Where possible and appropriate, these should be benchmarked against other comparable universities.
- To appoint the President and Vice-Chancellor and put suitable arrangements in place for monitoring their performance.

The Council also cannot delegate responsibility for:

- varying the Charter or Statutes
- approving the annual audited financial statements
- appointing the external auditor of the University.

The Council continually assesses skills, experience and diversity to ensure that they are appropriate. Non-executive candidates are assessed against standard criteria (including diversity) and through an interview process. New members receive an induction programme tailored to their specific needs and there is a rolling cycle of information and training sessions throughout the year.

The effectiveness of the Council is reviewed regularly. The last external review reported in 2024, which concluded that the standard of governance by the Council is good and that the University has governance processes, practices and policies which are fit for purpose and meet current expectations for higher education governance.

As well as six formal meetings a year, the Council holds a joint Awayday with the Executive Board to work on strategy and planning. The Council keeps the scheduling of its meetings under regular review.

Council minutes are published on the University website to ensure transparency around decision making. Also published is the full membership of Council, including a short biographical statement, memberships of University Committees and other governance roles in external organisations. The terms of reference of the Council and its sub-committees are also published on the University website.

[surrey.ac.uk/about/governance/council-minutes](https://surrey.ac.uk/about/governance/council-minutes)

[surrey.ac.uk/about/governance/statutory-bodies-and-committees](https://surrey.ac.uk/about/governance/statutory-bodies-and-committees)

## Membership of the Council

Council membership in 2023-24 is shown below. Profiles of Council members (who are the trustees) are available on the University website at: [surrey.ac.uk/about/governance/members-council](https://surrey.ac.uk/about/governance/members-council)

## Lay members

Name	Role and subcommittee memberships in 2023-24
<b>Elliot Antrobus-Holder</b> Stepped down from Council on 5 March 2024	
<b>Vibhaker Baxi</b>	Joint Vice-Chair, Finance Committee, Nominations and Governance Committee
<b>Professor Julia Buckingham</b>	Finance Committee, Partnerships and Reputation Committee
<b>Judith Eden</b>	Senior Independent Member, Audit and Assurance Committee, Nominations and Governance Committee
<b>Charlie Geffen</b>	Chair, Finance Committee, Nominations and Governance Committee, Blackwell Park Ltd Board, Remuneration Committee
<b>Rachel Hubbard</b>	Joint Vice-Chair, Remuneration Committee
<b>Pam Jestico</b>	Audit and Assurance Committee
<b>Nigel Jones</b>	Audit and Assurance Committee Chair, Surrey Sports Park Board Chair, Nominations and Governance Committee
<b>Robert Napier</b>	Treasurer, Finance Committee Chair, Nominations and Governance Committee, Blackwell Park Ltd Board
<b>Pam Powell</b>	Remuneration Committee Chair
<b>Dr Helen Turner</b> Joined Council on 5 March 2024	
<b>Sir Philip Rutnam</b>	

## University members

Name	Role
<b>Dr Josh Andresen</b>	Senate representative
<b>Dr Charo Hodgkins</b>	Senate representative
<b>Will Davies</b>	Chief Operating Officer
<b>Jo Yau</b>	Students' Union President
<b>Professor Tim Dunne</b>	Provost
<b>Professor Jin Xuan</b>	Senate representative
<b>Professor Max Lu</b>	Vice-Chancellor

## Council sub-committees

The Council has several sub-committees including a Finance Committee, an Audit and Assurance Committee, a Nominations and Governance Committee, and a Remuneration Committee.

All are formally constituted with appropriate external membership and terms of reference.

## Finance Committee

The Finance Committee, which has a majority of external members and is chaired by the Treasurer, meets at least four times a year. It advises the Council on financial policy and strategy, reviews the University's financial forecasts, recommends them to the Council, and keeps the University's financial position under review.

## Audit and Assurance Committee

Under the chairmanship of a lay member of the Council, the Audit and Assurance Committee meets four times a year in the presence of the external and internal auditors. It advises and assists the Council on the entire assurance and control environment of the University. It oversees the risk management process and considers detailed reports from the auditors, including recommendations for improving the University's systems of internal control, together with management's responses to those recommendations and implementation plans.

The Committee also considers elements of the draft annual financial statements in the presence of the external auditors, including the auditor's formal opinion, the statement of members' responsibilities and the statement of internal control. Although senior executives attend meetings of the Audit and Assurance Committee as necessary, they are not members of the Committee, and the Committee may meet with the external and internal auditors independently of executives. The Chair of the Committee has direct access to the Chair of Council.





## Nominations and Governance Committee

Under the chairmanship of the Chair of Council, the Nominations and Governance Committee meets as required to consider and make recommendations to the Council on the operation and effectiveness of governance arrangements. It also oversees the appointment of external members to the Council and external co-opted members to Council sub-committees and makes recommendations to the Council on the appointment of the President and Vice-Chancellor, the Chancellor and Pro-Chancellors.

## Remuneration Committee

Under the chairmanship of a lay member of the Council, the Remuneration Committee meets a minimum of twice annually, with additional meetings at the discretion of the Chair. It monitors the performance of the President and Vice-Chancellor and determines the salary and conditions of service of the President and Vice-Chancellor and members of the Executive Board.

The Committee makes sure that there is an effective succession plan for Executive Board-level posts and approves any severance payments made to staff earning over £100,000 per annum. It also oversees the University's overall strategy and principles on remuneration, with reference to the principles in the Higher Education Senior Staff Remuneration Code.

The President and Vice-Chancellor is not a member of the Committee but attends meetings, except when the Committee is discussing the President and Vice-Chancellor's own salary and conditions of service.

PricewaterhouseCoopers (PwC) act as advisers to the Committee and also attend Committee meetings.

## The Senate

Under the chairmanship of the President and Vice-Chancellor (delegated to the Provost and Senior Vice President), the Senate meets four times a year and has responsibility, under the control and approval of the Council, for oversight and assurance of the academic endeavour of the University. Senate minutes are published on the University website to ensure transparency around decision making.

[Read the Senate minutes](#)

## The Executive Board

The Executive Board is the senior management committee of the University and meets monthly under the chairmanship of the President and Vice-Chancellor as Chief Executive. The Executive Board has a number of supporting executive and advisory committees, all of which are formally constituted with appropriate terms of reference, and which include external members where appropriate.

## Meeting regulatory requirements

The University has processes in place to ensure that it meets the OfS conditions for registration on an annual basis and that reportable events are notified to the OfS in a timely manner. The University maintains a table which sets out the conditions for registration, together with the postholders responsible and accountable for ensuring each condition is met, how it will be met and the relevant timeline. The University also maintains an OfS Reportable Events Plan, which sets out the specific criteria and materiality thresholds that the University will apply in determining whether an event is reportable under the OfS regulatory framework.

The University has policies and processes in place to ensure regularity and propriety in the use of public funding from the OfS, UK Research and Innovation including Research England, and other sources. These include the control measures shown in the statement of internal control below, and:

- An Ethical Conduct Procedure which sets out the University's expectations for the highest standards of ethical behaviour and financial probity, together with the processes in place to prevent, identify, report and investigate suspected cases of bribery, fraud and corruption.
- A Public Interest Disclosure Procedure which encourages staff to report reasonable belief of wrongdoing, provides guidance on how to raise concerns, and reassurance that they can raise genuine concerns without fear of reprisal, even if they turn out to be mistaken.
- A 'Report and Support' system where staff and students can report issues of concern, anonymously if they wish.
- An annual requirement for all executive and director level staff as well as members of senior committees to complete a Declaration of Interest, including a statement of whether they are aware of any fraud or wrongdoing.
- An ongoing requirement for staff to report any conflicts of interest, gifts and hospitality. All senior committees have a standing item at the start of the agenda for those in attendance to declare any relevant conflicts of interest.

## Public benefit statement

The University's charitable purposes are defined in its Royal Charter as the advancement of education, learning and teaching. The members of Council, as trustees, have due regard to the Charity Commission's guidance on public benefit in determining the University's strategic, operational and financial objectives.

The University brings a wide range of benefits to individual students and to society as a whole through:

- the quality of the education it offers and the quality of the graduates and postgraduates it produces
- the dissemination and practical application of the outcomes of its research
- its engagement with other universities, industry and wider local, national and international communities.

The University has an Access and Participation Plan approved by the OfS which shows progress to date and future plans for improving equality of opportunity for under-represented groups to access, succeed in and progress from higher education.

The main chapters of this Annual Report describe how the University has carried out its charitable purposes for the public benefit through its educational, research and engagement activities during 2023-24.

## Statement of internal control

The Council, as governing body, is responsible for ensuring that the University has a sound system of internal control and for reviewing its effectiveness. Such a system is designed to understand and manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Key elements of the University's system of internal control include:

- A Scheme of Delegation, approved by the Council. This records the powers the Council reserves to itself, and those it delegates to its sub-committees, to the President and Vice-Chancellor, and to the Senate and its sub-committees. The Scheme of Delegation is reviewed and updated regularly.
- Clear definitions of the responsibilities of, and the authority delegated to, heads of academic faculties and professional services departments.
- A comprehensive medium and short-term planning process, supported by detailed annual income, expenditure, capital and cash flow budgets.
- Regular reviews of academic performance and monthly reviews of financial results, including variance reporting and updates to the forecast outturn for the financial year.
- Clearly defined requirements for approval and control of expenditure, with the requirement for budget holders to approve spend to confirm it is genuine and necessary prior to orders being raised.
- Investment decisions involving capital or revenue spend are subject to formal detailed appraisal and review according to approval levels set by the Council.
- Regular reviews of the University financial processes by both the Internal and External auditors in the course

of their audits. Any findings are reported to the University Audit and Assurance Committee and used to enhance controls and achieve even greater value for money.

- Financial regulations, approved by the Finance Committee, together with supporting financial policies and procedures and the ongoing development and embedding of an Internal Financial Controls Framework methodology.
- Professional Internal Audit services provided by Cervus+, a subsidiary of the University under a framework agreement. The annual programme of internal audits is approved by the Audit and Assurance Committee. The Internal Audit team provides in-year progress reports to the Committee and an annual opinion on the adequacy and effectiveness of the University's arrangements for risk management, control and governance. Cervus+ uses enhanced analytics and reporting to provide a clearer assessment of compliance, governance and risk in the areas of health and safety, information governance, insurance, legal, internal audit and operational risk.

It is noted that, during the year, there was an individual immaterial instance where University procedure relating to a subsidiary partnership agreement was not followed, where a member retired, which has been further clarified in the Scheme of Delegation for Subsidiaries.

The University's Governance and Risk Assurance team oversees the Information Governance, Health and Safety, Internal Audit functions provided by Cervus+ in 2023-24.

## Risk Management

The University has a Risk Management Procedure ([surrey.ac.uk/sites/default/files/2022-03/risk-management-policy.pdf](https://surrey.ac.uk/sites/default/files/2022-03/risk-management-policy.pdf)) which is approved by Audit and Assurance Committee and describes the University's approach to risk management and defines relevant roles and responsibilities.

The University's risk management process is designed to ensure a consistent approach throughout the University to identifying, assessing and managing Level 1 and Level 2 risks (see below). It highlights all risks that may prevent the University from fulfilling its objectives and is used to improve decision making. This consistency of approach helps risk owners respond appropriately to the risk and decide whether it should be accepted, transferred or mitigated, as well as making sure that mitigations are effective, appropriate, proportionate, affordable and flexible.

## Level 1 risks

These are high-level risks, which if they occur, could undermine the viability, reputation or strategic objectives of the University. They are reviewed by their risk owners regularly, with the Executive Board reviewing priorities

and risk to delivery on a quarterly basis. In addition, the Executive Board holds an annual workshop where the whole risk profile is reviewed and refreshed. The output of this is an updated Level 1 risk register which is reviewed in its entirety by the Council. The Council then notes updates to the register periodically as required. The Audit and Assurance Committee receives the summary Level 1 register at each meeting.

## Level 2 risks

These are risks which have the potential to significantly affect a specific department or area of the University, or a large University-driven project or programme, but would not destabilise the viability, reputation or strategic objectives of the University on their own.

The deans and heads of professional services are responsible for embedding the Level 2 risk management process in their areas. Level 2 risks should be reviewed frequently, and appropriate mitigating actions put in place. Where the actions required are outside of the discretion of the risk owner, the risk is escalated as appropriate.

## Risk appetite

Our risk appetite is defined as the amount of risk the Council is willing to take to achieve our strategic objectives. We have developed a risk appetite across our key impact criteria which forms a key element of the decision-making process in our governance and reporting framework and is reviewed and approved annually by the Council and Audit and Assurance Committee.

## Internal Audit

The Internal Audit team report to management on the effectiveness of the University's systems of internal controls, and the adequacy of these systems to manage its risks and safeguard its assets and resources. The internal audit programme is risk-based and is informed by the strategic risk register as well as by prior internal audit activity and regular meetings with key stakeholders to identify emerging risks and trends.

The Internal Audit team reports to the Audit and Assurance Committee on their work to implement the internal audit plan (agreed with the Committee at the beginning of the year with any changes to the internal audit plan agreed at subsequent Committee meetings), and provides status updates on the resulting mitigating actions. These reports are a material element of the assurance received by the committee on the company's controls. At the completion of each year's internal audit plan, the Head of Internal Audit provides an annual opinion on the effectiveness of risk management, control and governance arrangements, and economy, efficiency and effectiveness.

The Committee reviews the level of resources and the budget of the Internal Audit function at least once a year. The Head of Internal Audit is able to raise any issues with the Committee or its Chair at any time during the year. The Internal Audit team is satisfied that other matters raised in its audits have been properly acknowledged by management and that reasonable action plans have been put in place to address any control weaknesses identified.

## Conclusion

The Council is of the view that:

- there is an adequate system of internal control based on an ongoing process for identifying, evaluating and managing the principal risks to achievement of the University's objectives
- the system has been in place for the year ended 31 July 2024 and up to the date of signing the financial statements
- it accords with guidance from the OfS and Research England.

# THE FINANCIALS

STATEMENT OF COUNCIL’S RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The Council is responsible for preparing the Annual Report and the financial statements in accordance with the requirements of the Office for Students’ Terms and Conditions of Funding for Higher Education Institutions and Research England’s Terms and Conditions of Research England Grant and applicable law and regulations.

It is required to prepare the Group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. The Terms and Conditions of Funding further require the financial statements to be prepared in accordance with the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students (‘the Accounts Direction’) and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education.

The Council is required to prepare financial statements which give a true and fair view of the state of affairs of the Group and of the parent University and of their income and expenditure, gains and losses and changes in reserves, and of the Group’s cash flows for that period. In preparing each of the Group and parent University financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and the 2019 Statement of Recommended Practice– Accounting for Further and Higher Education have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent University’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent University’s transactions and disclose with reasonable accuracy at any time the financial position of the parent University. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Council is also responsible for ensuring that:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income has been applied in accordance with the University’s Statutes;
- funds provided by the Office for Students, 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 attached to them;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University’s resources and expenditure.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the University’s website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FINANCIAL REVIEW AND FUTURE OUTLOOK

Summary

The reported position for 2023/24 is a consolidated surplus after tax of £73.3m (2022/23 £22.4m deficit). This includes some significant non-operational and non-cash items, most notably, the sector-wide reversal of the prior year Universities Superannuation Scheme (USS) pension deficit, following the most recent triennial valuation, which reduces staff costs. Excluding these items, the underlying financial performance (as seen on page 34) for 2023/24 was an underlying deficit of £17.9m, an improvement compared to the 2022/23 underlying deficit of £20.6m. The deficit position is reflective of continued sector-wide teaching revenue pressures, albeit with an improved undergraduate and postgraduate population in 2023/24, coupled with continued inflationary cost pressure in the UK and broader global economy.

Consolidated income for 2023-24 was £332.7m, up by £16.4m (5%) on the previous year, largely due to a £12.5m increase in Tuition Fees and a £3.2m increase in Research income.

Capital investment in the University’s estate and IT and other infrastructure, on a cash basis, was £34.5m (2022/23 £44.1m), targeted in strategic priority areas to advance the University’s mission in teaching, student experience and research.

Scope of the financial statements

The consolidated financial statements cover the University (including Surrey Research Park) and its subsidiary companies, notably Surrey Sports Park Limited.

Income and expenditure

The consolidated reported surplus (after Tax) of £73.3m for 2023/24 (2022/23 £22.4m deficit) includes several significant non-operational movements which are excluded for the purposes of reviewing the underlying surplus/(deficit) position. These include as detailed in Table 1 on page 34:

- movements on the provision for payments under the Universities Superannuation Scheme (USS) deficit recovery plan
- movements in the fair value of interest rate swaps which do not qualify for hedge accounting
- movement in the annual valuation of the Surrey Research Park
- investment gains
- endowment and restricted income/expenditure
- a one off IT cost

After adjusting for these items the University achieved an underlying deficit (incl. restructuring costs) of £17.9m (2022/23 £20.6m underlying deficit), a £2.7m improvement year on year. Before restructuring costs of £6.7m, the underlying deficit improves to a £11.2m deficit in 2023/24 (2022/23 £19.0m underlying deficit).





Table 1: Reconciliation to underlying surplus/(deficit)

	2023/24	2022/23
	£m	£m
<b>Consolidated reported surplus/(deficit) for the year</b>	<b>73.3</b>	<b>(22.4)</b>
Movement on USS and LGPS pension provision	(91.3)	(12.7)
Decrease in interest rate swaps liability	(0.3)	(0.3)
Loss on Surrey Research Park revaluation	3.7	15.6
Other investment gains including gain on termination of lease	(7.8)	0.0
Endowment and restricted income (net of expenditure)	(0.9)	(0.8)
One off IT cost	5.4	0.0
<b>Underlying consolidated deficit for the year (incl. Restructuring costs)</b>	<b>(17.9)</b>	<b>(20.6)</b>
Restructuring costs	6.7	1.6
<b>Underlying consolidated deficit for the year (before Restructuring costs)</b>	<b>(11.2)</b>	<b>(19.0)</b>

## Income

Consolidated income of £332.7m was £16.4m (5%) higher than the previous year.

Table 2: Consolidated income

	2023/24	2022/23
	£m	£m
Funding council grants	46.8	48.4
Tuition fees and education grants	163.2	150.7
Research grants and contracts	45.6	42.4
Residences, Catering and Conferences	40.8	38.6
Other income	20.8	18.2
Investment income, donations and endowments	15.5	18.0
<b>Total</b>	<b>332.7</b>	<b>316.3</b>

Tuition fee income was £12.5m (8%) higher than in 2022/23 with Undergraduate fee income being £6.4m higher as smaller student cohorts from the pandemic period graduated and were replaced by more recent, larger student intakes. Postgraduate fee income also saw an increase of £5.5m on 2022/23 with a recently introduced new mid-year intake in February providing additional student numbers.

Income from research grants and contracts grew strongly, at £45.6m, 8% ahead of the previous year, reflecting both increased bidding activity and the University's strong performance in top 100 global rankings in its research focus areas.

Income from Residences, Catering and Conferences increased 6% through accommodation rental increases, improved occupancy levels and more buoyant demand for Conference and Catering activity.

Investment income, donations and endowments decreased by £2.5m, with the income number for 2022/23 including an element of backdated accumulated surpluses due from our Chinese partner SII DUFE.

## Expenditure

Total expenditure excluding the movement on USS provision for 2023/24 was £350.3m, a £14.3m increase on the previous year (4%).

Table 3: Consolidated expenditure

	2023/24	2022/23
	£m	£m
Staff costs – operational	182.6	175.1
Staff Costs - restructuring	6.7	1.6
Staff costs – movement on USS provision	(92.1)	(12.7)
Other operating expenses	117.9	110.8
Depreciation and amortisation	31.8	35.5
Interest and other finance costs	11.3	13.0
<b>Total consolidated expenditure</b>	<b>258.2</b>	<b>323.3</b>
<b>Total consolidated expenditure excluding movement on USS provision</b>	<b>350.3</b>	<b>336.0</b>

Staff Costs Operational (academic and non-academic) rose by £7.5m (4%) to £182.6m, reflecting the outcome of the sector-wide pay settlement for 2023/24 agreed via the national Joint Negotiating Committee for Higher Education Staff pay negotiation process (JNCHEs), which the University is a member of, together with a marginal increase in staff numbers, with full-time equivalent staff numbers increasing by 20 to 2,853 compared to the previous year [2,833 in 2022/23].

The credit which is offset against staff costs of £92.1m, arising from the reduction in the USS pension provision (2022/23 £12.7m credit) is due to the removal of the provision following the result of the 31 March 2023 actuarial scheme valuation. The actuaries valued the USS sector wide fund at a surplus of £7.4bn at 31 March 2023, compared to a deficit of £14.1bn at 31 March 2020 following the recent growth in interest rates, as a consequence universities were no longer required to pay deficit contributions. Under FRS102 the actuarial surplus would not be recognised on the University's consolidated balance sheet, until realisation became reasonably certain.

As part of the Financial Resilience Programme during the Spring of 2024, the University accepted a number of applications for Voluntary Severance which resulted in 162 employees leaving the institution as part of this process. This together with the more routine compensation for loss of office payments that happen in year, resulted in a total restructuring cost for the year of £6.7m, a £5.1m increase on 2022/23.

Other operating expenses marginally increased compared to last year at £117.9m (2022/23 £110.8m), reflecting the tight cost control measures adopted across the institution, to mitigate the impacts of inflation.

Depreciation costs fell by £3.7m (10%) due to a reduction in capital expenditure and a review of some existing assets where their useful lives have been extended. Interest and other finance costs fell by £1.7m (13%) largely due to a reduction in the interest charge arising from the pension scheme.

### Analysis of underlying deficit

The underlying deficit can be further analysed between the University's core activities, Surrey Research Park and subsidiary companies (notably Surrey Sports Park Limited) as shown below.

Table 4: Analysis of underlying deficit	2023/24	2022/23
	£m	£m
University core activities	(27.5)	(28.8)
Surrey Research Park	8.4	7.0
Surrey Sports Park Limited (SSPL)	0.8	1.0
Other subsidiaries	0.4	0.2
<b>Underlying consolidated deficit (incl. Restructuring costs)</b>	<b>(17.9)</b>	<b>(20.6)</b>

### University core activities

The underlying deficit for the University's core activities for 2023/24 of £27.5m shows a marginal improvement on last year, with the impact of inflationary pressures and the one-off cost associated with the voluntary severance programme being more than offset by the growth in income.

### Surrey Research Park

The Surrey Research Park generated a surplus for 2023/24 of £8.4m, an increase of £1.4m compared to the previous year (2022/23: £7m). Income was broadly in line with last year, with reductions in both staff and non-staff spend driving the overall surplus improvement.

### Surrey Sports Park

Surrey Sports Park Limited (SSPL) operates under an agency agreement with the University. In accordance with this agreement, the company delivers student and outreach sport as the University's agent and uses spare operational capacity to generate profit from commercial activities.

SSPL generated a contribution of £0.8m on its commercial activities, a slight reduction compared to 2022/23 (£1.0m). The costs of the Sports Park building, including the running and maintenance of it, along with the cost associated with delivering student sport is met by the University.

### Net assets

Consolidated net assets increased by £70.5m (15%) in 2023/24 to £539.2m, driven largely by the significant favourable improvement of £93.4m relating to the USS pension provision movement.

Further comment on the pension provisions movement is reported later in this financial review.

Table 5: Movement in consolidated net assets

	2023/24	2022/23
	£m	£m
<b>Opening consolidated net assets</b>	<b>468.7</b>	<b>474.0</b>
Underlying deficit	(17.9)	(20.6)
Local Government Pension Scheme (LGPS) actuarial gains	(1.3)	12.2
Movement on USS and LGPS provisions	91.3	12.7
Movement in fair value of interest rate swaps	(1.2)	5.2
Surrey Research Park revaluation	(3.7)	(15.6)
Other investment gains including gain on termination of lease	7.8	0.0
One off IT cost	(5.4)	0.0
Endowment and restricted income (net)	0.9	0.8
<b>Closing consolidated net assets</b>	<b>539.2</b>	<b>468.7</b>

### Surrey Research Park valuation

The Surrey Research Park is shown on the balance sheet as an investment property asset and revalued annually by external valuers. The recent trend in the Park's value is shown below. Completed investment properties and development land are shown at valuation, properties under development are shown at cost.

The 31 July 2024 total investment properties valuation of £120.4m reflects a downward valuation of £3.7m (2%) compared to 2022/23.

Table 6: Surrey Research Park valuation at 31 July	2024	2023	2022	2021	2020
	£m	£m	£m	£m	£m
Completed investment properties	115.7	118.9	131.0	118.8	107.8
Properties under development	0.8	1.3	0.5	1.1	0.8
Development land	3.9	3.9	7.2	6.2	5.5
<b>Total</b>	<b>120.4</b>	<b>124.1</b>	<b>138.7</b>	<b>126.1</b>	<b>114.1</b>

### Pension provisions

The University participates in the following defined benefit pension schemes:

- The Universities Superannuation Scheme (USS) for academic staff and most professional services and technical staff.
- The Local Government Pension Scheme (LGPS) for other staff groups. This scheme was closed to new members with effect from 1 January 2016 due to continued rising costs.

Balance sheet liabilities in respect of these schemes are set out below:

Table 7: Pension provisions at 31 July of each year shown	2024	2023	2022	2021	2020
	£m	£m	£m	£m	£m
Obligation to fund USS pension deficit	-	93.4	109.3	43.9	45.8
LGPS pension liabilities	0.9	-	13.4	61.1	67.1
<b>Total</b>	<b>0.9</b>	<b>93.4</b>	<b>122.7</b>	<b>105.0</b>	<b>112.9</b>

*\*included in LGPS funded pension liability figure for 2020 onwards*

A deficit recovery plan was put in place as part of the 2020 USS 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%, 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 contributions from 1 January 2024 and accordingly released the outstanding provision to the Income and Expenditure account.

The Local Government Pension Scheme was closed to new members on 1 January 2016. A full actuarial valuation was carried out as at 31 March 2022 and updated to 31 July 2024 on an FRS102 basis by a qualified independent actuary. The scheme continues to remain in a surplus position as at 31st July 2024. As the surplus is not realisable for the University, in accordance with FRS102, an asset is not recognised on the Balance Sheet.

### Capital investment

A total of £34.5m on a cash basis was spent on Capital investment in 2023/24 a planned decrease compared to (2022/23 £44.1m), reflecting the planned phasing of 2021-24 strategic programme projects having completed, ahead of the next cycle of strategic investments envisaged from 2024/25.

### Cash flow

The Balance Sheet on page 48 shows a reduction of £32.1m in Cash and Cash Equivalents, resulting largely from the combined impact of capital expenditure and debt financing costs exceeding the cash inflows generated from operating activities.

Table 8: Movement in consolidated available cash

	2023/24	2022/23
	£m	£m
<b>Opening consolidated available cash</b>	<b>54.7</b>	<b>84.9</b>
Net cash outflow from operating activities	(0.9)	(8.6)
Surrey Research Park net income	8.8	9.5
Capital investment – University	(34.5)	(44.1)
Other investments (including debt repayment fund)	(0.2)	(1.6)
Capital grants received	4.4	4.6
Investment income	5.0	2.0
Disposal of non-current asset investments	0.2	0.1
New borrowings	0.0	20.0
Debt service costs	(15.2)	(12.5)
Endowment cash received	0.3	0.4
<b>Closing consolidated available cash</b>	<b>22.6</b>	<b>54.7</b>
<b>Movement</b>	<b>(32.1)</b>	<b>(30.2)</b>

### Indebtedness

Gross debt fell by £7.9m in 2023/24 to £288.6m compared to 2022/23 reflecting the scheduled repayments on amortising loans and early termination of a finance lease.

Table 9: Net debt

	2023/24	2022/23
	£m	£m
Bank loans	48.3	51.6
Private placement	230.0	230.0
Other loans	9.5	10.5
Finance leases	0.8	4.4
<b>Gross Debt</b>	<b>288.6</b>	<b>296.5</b>
Cash and cash equivalents	12.6	24.7
Short term deposits	10.0	30.0
<b>Net Debt</b>	<b>266.0</b>	<b>241.7</b>





## Treasury management

Our investment, borrowing and hedging strategies are determined by our Finance Committee in accordance with a Treasury Management Policy approved by the University Council.

The University is in the fortunate position of having few financial covenants, only one of which is a covenant which needs to be monitored on an ongoing basis – debt (including finance leases and any undrawn overdraft facilities) must not exceed 75% of net assets (excluding pension provisions). We remain comfortably below the 75% threshold, with a ratio of 58.7% at 31 July 2024 compared with 54.7% at the end of the prior year. The weighted average interest rate for 2023-24m inclusive of lender margins and swap costs, was 3.42% (2022/23: 3.29%).

In 2020 the University selected a fund manager partner and initiated investment into a fund to meet the private placement bullet repayments which commence in 2041. An initial investment of £8m was made into the fund in 2020/21. This investment has now increased in value and is valued in the books at £9m. Of the University's total borrowings of £288.6m, approximately £57m falls due before 2041. Over time, it is intended to make further investments into the fund, with a view to it matching these liabilities as they fall due.

## Going concern

The University Council has carried out an assessment of the University's ability to continue as a going concern. Based on this assessment, a summary of which is provided in the Statement of principal accounting policies on page 50, the Council has a reasonable expectation that the University has adequate resources to continue in operation for a period of at least 12 months from the date of approval of the financial statements. The going concern basis has therefore been adopted in the preparation of these financial statements.

## Future outlook

In recent years the University, like its peers has experienced a challenging financial climate, with rising inflation, along with a challenging student recruitment environment. It is encouraging to note that 2023/24 total population is improved, with home demand for the University's courses remaining strong and an improvement in overseas population compared to the prior year. Whilst the outlook for overseas students is more uncertain, due to macroeconomic and geopolitical factors beyond the University's direct control, potential overseas incomes are being maximised by focussing on those markets where Surrey is most competitive and has capacity in its courses to scale to meet demand.

As a consequence of the uncertain outlook and to better align the University's cost base with expected incomes over the medium term, during the year a number of actions were taken to reduce underlying expenditure:-

- A targeted voluntary severance scheme resulting in a reduction in both academic and professional service staff numbers. The ongoing financial benefit equates to c£20m per year.
- Non pay expenditure was reduced by £7m, achieved through a concerted effort across all areas of the University with detailed budget reductions in most areas
- A more robust annual review process was introduced for all non-fee income related activities, bringing prices (particularly Accommodation rents) more closely in line with market norms, resulted in a £8m benefit
- Additional investment in student acquisition was made through increased staff numbers in the student recruitment team.

These actions together with a strong league-table position have allowed the University to plan for a small underlying surplus position in 2024/25.

Since signing off the University budget for 2024/25, the Government announced that the tuition fee cap on home undergraduate students will increase from the start of the academic year 2025 to £9,535 (current fee rate £9,250), the first increase since 2017. Whilst this is welcome news, on an annualised basis, this increase for Surrey only broadly mitigates the recently announced increase in Employers National Insurance.

The University owns a significant asset portfolio which it continues to realise value from. The structure of this portfolio and balance sheet will remain under review, to enable the University to continue to invest strategically and sustainably, to meet its borrowing liabilities as they fall due, whilst maintaining sufficient liquidity to manage risk and fluctuating market conditions.

**Matthew Knight**

Chief Financial Officer

# FINANCIAL STATEMENTS

# INDEPENDENT AUDITOR’S REPORT TO THE COUNCIL OF UNIVERSITY OF SURREY

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of the University of Surrey (“the University”) for the year ended 31 July 2024 which comprise the Consolidated and University’s Statements of Comprehensive Income, the Consolidated and University’s Balance Sheets, the Consolidated and University’s Statement of Changes in Reserves, and the Consolidated Cash Flow Statement and related notes, including the accounting policies in note 1.

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 of the University’s income and expenditure, gains and losses and changes in reserves, and of the Group’s cash flows, for the year then ended; and
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The Council has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the University or to cease their

operations, and as it has concluded that the Group and the University’s financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

In our evaluation of the Council’s conclusions, we considered the inherent risks to the Group’s business model and analysed how those risks might affect the Group and the University’s financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Council’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified and concur with the Council’s assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the University’s ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the University will continue in operation.

### Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud (‘fraud risks’) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of the Council, the Audit and Assurance Committee, and the internal audit function; and inspection of policy documentation as to the group’s high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the group’s channel for ‘whistleblowing’, as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Reading Audit and Assurance Committee, Council and Finance Committee minutes.
- Considering remuneration incentive schemes and performance targets
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet loan covenants and budget targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that income from research grants and contracts is overstated, where grants and conditions for the year have not been met and the risk that group management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our design and evaluation of some of the Group-wide fraud risk management controls.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included manual year-end adjustments, adjustments posted by users with minimal postings throughout the year and unusual journal combinations relating to cash and borrowings.
- Substantive audit procedures including assessment of research income recorded around the end of the year and accrued and deferred research income to confirm recognition within the correct accounting period.

### Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Council and other management (as required by auditing standards), and from inspection of the group’s regulatory and legal correspondence and discussed with the Council

and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities and higher education legislation), taxation legislation, and pensions legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: Health and Safety Legislation, Data Protection and Employment Legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### Other information

The Council is responsible for the other information, which comprises the Strategic Report and Corporate Governance Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

### Council’s responsibilities

As explained more fully in its statement set out on page 32, the Council is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and University’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the University or to cease operations, or has no realistic alternative but to do so.

### Auditor’s responsibilities

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 our opinion in an auditor’s report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC’s website at [frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities).

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We are required to report on the following matters by the Accounts Direction dated 25 October 2019 issued by the Office for Students (“the Accounts Direction”).

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income has been applied in accordance with the University’s Statutes;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the financial statements meet the requirements of the Accounts Direction.

### Matters on which we are required to report by exception

We are required by the Accounts Direction to report to you where the University has an access and participation plan that has been approved by the Office for Students’ director of fair access and participation and the results of our audit work indicate that the Group’s and the University’s expenditure on access and participation activities for the financial year disclosed in note 14 has been materially misstated.

We are also required by the Accounts Direction to report to you where the results of our audit work indicate that the Group’s and the University’s grant and fee income, as disclosed in note 5 to the financial statements has been materially misstated.

We have nothing to report in these respects.

## THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council in accordance with the Charters, Statutes and Ordinances of the University. Our audit work has been undertaken so that we might state to the 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 for our audit work, for this report, or for the opinions we have formed.



**Dean Gibbs (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL

20 December 2024



Consolidated and University statement of comprehensive income

for the year ended 31 July 2024

	Note	Consolidated		University	
		2023-24	2022-23	2023-24	2022-23
		£000	£000	£000	£000
<b>Income</b>					
Funding council grants	2	46,802	48,390	46,802	48,390
Tuition fees and education grants	3	163,238	150,726	163,238	150,726
Research grants and contracts	4	45,644	42,431	45,644	42,431
Other income	6	61,579	56,817	58,305	54,060
Investment income	7	13,990	15,868	14,507	16,322
Donations and endowments	8	1,399	2,099	1,399	2,099
<b>Total income</b>		<b>332,652</b>	<b>316,331</b>	<b>329,895</b>	<b>314,028</b>
<b>Expenditure</b>					
Staff costs – operational	9	189,301	176,706	185,617	173,640
Staff costs – movement on USS provision	9	(92,061)	(12,711)	(92,061)	(12,711)
Other operating expenses	11	117,939	110,806	117,714	111,063
Depreciation and amortisation		31,807	35,477	31,805	35,466
Interest and other finance costs	12	11,268	13,037	11,272	13,041
<b>Total expenditure</b>		<b>258,254</b>	<b>323,315</b>	<b>254,347</b>	<b>320,499</b>
<b>Surplus/(deficit) before other gains and losses</b>		<b>74,398</b>	<b>(6,984)</b>	<b>75,548</b>	<b>(6,471)</b>
Loss on disposal of fixed assets		(1,114)	(3)	(1,114)	(3)
Gain/(loss) on investments	13	309	(15,515)	797	(15,578)
<b>Surplus/(deficit) before taxation</b>		<b>73,593</b>	<b>(22,502)</b>	<b>75,231</b>	<b>(22,052)</b>
<b>Taxation</b>	15a	<b>(279)</b>	<b>125</b>	<b>(107)</b>	<b>(105)</b>
<b>Surplus/(deficit) for the year</b>		<b>73,314</b>	<b>(22,377)</b>	<b>75,124</b>	<b>(22,157)</b>
Actuarial (loss)/gain in respect of pension schemes	36	(1,306)	12,181	(1,927)	12,190
Change in fair value of hedging financial instruments	30	(1,477)	4,876	(1,477)	4,876
<b>Total comprehensive income for the year</b>		<b>70,531</b>	<b>(5,320)</b>	<b>71,720</b>	<b>(5,091)</b>
<b>Represented by:</b>					
Endowment comprehensive income for the year	27	432	312	432	312
Restricted comprehensive income for the year		458	445	458	445
Unrestricted comprehensive income for the year		69,641	(6,063)	70,830	(5,848)
Attributable to the University		70,531	(5,306)	71,720	(5,091)
Attributable to the non-controlling interest		-	(14)	-	-
		70,531	(5,320)	71,720	(5,091)
<b>Surplus/deficit for the year attributable to:</b>					
Non-controlling interest		-	(14)	-	-
University		73,314	(22,363)	75,124	(22,157)

All income and expenditure relates to continuing operations.

The accompanying notes form part of these financial statements.

Consolidated and University statement of changes in reserves

for the year ended 31 July 2024

Consolidated	Income and expenditure account			Cash flow	Non-controlling	Total
	Endowment	Restricted	Unrestricted	Hedge reserve	Interest	
	£000	£000	£000	£000	£000	£000
<b>Balance at 1 August 2022</b>	<b>5,498</b>	<b>4,256</b>	<b>469,506</b>	<b>(5,244)</b>	<b>14</b>	<b>474,030</b>
Deficit from the income and expenditure statement	478	3,208	(26,049)	-	(14)	(22,377)
Reclassify endowments	280	(147)	(133)	-	-	-
Other comprehensive income	-	-	12,181	4,876	-	17,057
Release of endowment and restricted funds spent in year	(446)	(2,616)	3,062	-	-	-
<b>Total comprehensive income for the year</b>	<b>312</b>	<b>445</b>	<b>(10,939)</b>	<b>4,876</b>	<b>(14)</b>	<b>(5,320)</b>
<b>Balance at 1 August 2023</b>	<b>5,810</b>	<b>4,701</b>	<b>458,567</b>	<b>(368)</b>	<b>-</b>	<b>468,710</b>
Surplus from the income and expenditure statement	685	2,803	69,826	-	-	73,314
Other comprehensive income	-	-	(1,306)	(1,477)	-	(2,783)
Release of endowment and restricted funds spent in year	(253)	(2,345)	2,598	-	-	-
<b>Total comprehensive income for the year</b>	<b>432</b>	<b>458</b>	<b>71,118</b>	<b>(1,477)</b>	<b>-</b>	<b>70,531</b>
<b>Balance at 31 July 2024</b>	<b>6,242</b>	<b>5,159</b>	<b>529,685</b>	<b>(1,845)</b>	<b>-</b>	<b>539,241</b>

University	Income and expenditure account			Cash flow	Non-controlling	Total
	Endowment	Restricted	Unrestricted	Hedge reserve	Interest	
	£000	£000	£000	£000	£000	£000
<b>Balance at 1 August 2022</b>	<b>5,498</b>	<b>4,256</b>	<b>476,731</b>	<b>(5,244)</b>	<b>-</b>	<b>481,241</b>
Deficit from the income and expenditure statement	478	3,208	(25,843)	-	-	(22,157)
Reclassify endowments	280	(147)	(133)	-	-	-
Other comprehensive income	-	-	12,190	4,876	-	17,066
Release of endowment and restricted funds spent in year	(446)	(2,616)	3,062	-	-	-
<b>Total comprehensive income for the year</b>	<b>312</b>	<b>445</b>	<b>(10,724)</b>	<b>4,876</b>	<b>-</b>	<b>(5,091)</b>
<b>Balance at 1 August 2023</b>	<b>5,810</b>	<b>4,701</b>	<b>466,007</b>	<b>(368)</b>	<b>-</b>	<b>476,150</b>
Surplus from the income and expenditure statement	685	2,803	71,636	-	-	75,124
Other comprehensive income	-	-	(1,927)	(1,477)	-	(3,404)
Release of endowment and restricted funds spent in year	(253)	(2,345)	2,598	-	-	-
<b>Total comprehensive income for the year</b>	<b>432</b>	<b>458</b>	<b>72,307</b>	<b>(1,477)</b>	<b>-</b>	<b>71,720</b>
<b>Balance at 31 July 2024</b>	<b>6,242</b>	<b>5,159</b>	<b>538,314</b>	<b>(1,845)</b>	<b>-</b>	<b>547,870</b>

The accompanying notes form part of these financial statements.

Consolidated and University balance sheet
as at 31 July 2024

		Consolidated		University	
		2024	2023	2024	2023
	Note	£000	£000	£000	£000
<b>Non-current assets</b>					
Intangible assets	16	10,183	14,682	10,183	14,682
Tangible assets	17	758,241	769,771	758,067	769,596
Investment properties	18	134,884	124,857	134,420	124,388
Other investments	19	14,311	11,462	25,302	19,770
Non-current receivables	20	-	-	8,750	8,750
		917,619	920,772	936,722	937,186
<b>Current assets</b>					
Stocks		8,846	7,300	458	485
Trade and other receivables	20	42,924	43,901	44,017	44,126
Investments	22	10,000	30,000	10,000	30,000
Cash and cash equivalents		12,557	24,748	6,697	19,411
		74,327	105,949	61,172	94,022
<b>Creditors: amounts falling due within one year</b>	23	(100,643)	(105,862)	(97,962)	(102,909)
<b>Net current (liabilities)/assets</b>		(26,316)	87	(36,790)	(8,887)
<b>Total assets less current liabilities</b>		891,303	920,859	899,932	928,299
<b>Creditors: amounts falling due after more than one year</b>	24	(351,202)	(356,935)	(351,202)	(356,935)
<b>Provisions</b>	26	(860)	(95,214)	(860)	(95,214)
<b>Total net assets</b>		539,241	468,710	547,870	476,150
<b>Restricted reserves</b>					
Income and expenditure reserve:					
- endowment reserve	27	6,242	5,810	6,242	5,810
- restricted reserve	29	5,159	4,701	5,159	4,701
<b>Unrestricted reserves</b>					
Income and expenditure reserve – unrestricted					
		529,685	458,567	538,314	466,007
Cash flow hedge reserve	30	(1,845)	(368)	(1,845)	(368)
<b>Total reserves</b>		539,241	468,710	547,870	476,150
non-controlling interest		-	-	-	-
<b>Total</b>		539,241	468,710	547,870	476,150

The accompanying notes form part of these financial statements.  
The financial statements and notes on pages 46 to 86 were approved by the Council on 18 December 2024 and signed on its behalf by:

  
Professor G Q Max Lu  
President and Vice-Chancellor

  
Mr C Geffen  
Chair of Council

Consolidated cash flow statement
for the year ended 31 July 2024

		Consolidated	
		2024	2023
	Note	£000	£000
<b>Cash flow from operating activities</b>			
Surplus/(deficit) for the year before tax		73,593	(22,502)
<b>Adjustments for non-cash items</b>			
Depreciation	17	30,714	33,439
Amortisation of intangibles	16	1,093	2,038
(Gain)/loss on investments	13	(309)	15,515
Loss on sale and impairment of fixed assets		6,530	3
Gain on termination of finance lease		(3,764)	-
Increase in stocks		(1,546)	(460)
Increase in receivables		(3,069)	(10,586)
Decrease in creditors		(2,862)	(1,300)
Decrease in provisions		(96,284)	(20,359)
<b>Adjustment for investing or financing activities</b>			
Net income from Surrey Research Park		(8,544)	(7,133)
Other investment income		(2,494)	(4,541)
Interest payable	12	11,273	13,037
Endowment income	27	(319)	(404)
Capital grant income		(4,684)	(5,280)
<b>Cash flows from operating activities before taxation</b>		(672)	(8,533)
Taxation		(189)	(25)
<b>Net cash outflow from operating activities</b>		(861)	(8,558)
<b>Cash flows from investing activities</b>			
Capital grant receipts		4,349	4,566
Disposal of non-current assets		158	127
Investment in deposits		(37,500)	(50,093)
Withdrawal of deposits		57,500	73,232
Surrey Research Park net cash inflow		8,840	9,489
Investment income		5,006	1,990
Payments made to acquire fixed assets		(25,722)	(35,583)
Payments made to acquire intangible assets		(2,010)	(8,477)
Payments made to acquire investment properties		(6,743)	-
New non-current asset investments		(270)	(1,601)
		3,608	(6,350)
<b>Net cash inflow from financing activities</b>		-	20,000
New loans		-	20,000
Interest paid		(10,135)	(8,869)
Interest elements of finance lease payments		(59)	(56)
Endowment cash received		319	404
Repayments of amounts borrowed		(4,187)	(3,451)
Capital element of finance lease payments	31	(876)	(114)
		(14,938)	7,914
<b>Decrease in cash and cash equivalents in the year</b>	31	(12,191)	(6,994)
<b>Cash and cash equivalents at beginning of the year</b>		24,748	31,742
<b>Cash and cash equivalents at end of the year</b>		12,557	24,748

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. ACCOUNTING POLICIES

### Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 (2019 SORP) and in accordance with Financial Reporting Standard FRS 102. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets, investment properties, other investments and derivative financial instruments). The University has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS102) not to produce a cash flow statement for the University as it is the ultimate parent entity.

### Going concern

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the Annual Report. The Annual Report also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities.

The University has prepared cash flow forecasts based on what the University considers to be the most likely outcome i.e. the 'base case' scenario. The starting point for this scenario was the University's annual budget planning round in the Spring of 2024 updated for the following:-

University Annual Budget for 2024/25 and 2025/26	
+/-	Updated for 23/24 year-end outturn
+/-	Latest information on Student Recruitment position for 2024/25
-	Employer National Insurance Changes
=	<b>'Base Case' Scenario</b>

A realistic 'worst-case' scenario was then modelled to incorporate a number of potential risks to those cash flow forecasts for the period to 31 December 2025. These included a number of downsides to some of the University's primary drivers of income, such as falls in

both student intake and student populations and falls in research and student accommodation income, along with potential increases in cost inflation.

Risks and opportunities are monitored on an ongoing basis as part of monthly management accounts updates and discussed monthly by the Executive Board. If it started to emerge that the above scenarios were likely to happen, then the University would look to take corrective action, and has identified the following options it would consider:-

- Capital expenditure rephasing and reduction.
- Staff expenditure reduction through holding back vacancies.
- Non staff expenditure reduction following further budgetary restraint requirements.

If all the scenarios listed above were to materialise collectively and without any corrective action, then the University would require the use of the £24.5m Revolving Credit Facility that it has in place with Lloyds Bank, the use of which would be more than adequate to cover the modelled downside position.

The University would also need to implement some of the mitigating actions to remain above the minimum OfS 30 days liquidity position.

These combined mitigating actions would be more than sufficient to ensure we remain well above the minimum 30 days. In considering the risk to the lenders financial covenants there would still be considerable headroom in those covenants and so no risk of non-compliance. However, in reality the likelihood is that some of the risks identified might materialise to a lesser or greater extent, but some may not.

Based on the above, the Council has a reasonable expectation that the University has adequate resources to continue in operation for a period of at least 12 months from the date of signing the financial statements even when taking into account the potential risks to the cashflows referred to above. The going concern basis has therefore been adopted in the preparation of these financial statements.

### Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year ended 31 July 2024. Intra group transactions are eliminated on consolidation.

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

### Recognition of income

Income from the sale of goods or services is credited to the statement of comprehensive income and expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is credited to the statement of consolidated income and expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced by a discount for prompt payment, income receivable is shown net of the discount. Internally-funded bursary and scholarship payments are accounted for gross as expenditure and not deducted from income.

Where students are invoiced for tuition fees for a period that spans the financial year end, that income is apportioned between financial years based on the total time the student is studying at the University, not just teaching time.

### Grant funding

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

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

### Donations and endowments

Non-exchange transactions without performance related conditions are accounted for as donations and endowments. Donations and endowments are recognised in income either when the charitable donation has been received, or before receipt if there is sufficient evidence to provide the necessary certainty that the donation will be received and the value of the incoming

resources can be measured with sufficient reliability. Income from donations and endowments with donor-imposed restrictions is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

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

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

### Capital grants

Government capital grants are initially recorded in creditors and released to the statement of comprehensive income and expenditure over the expected useful lives of the related assets. Other capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

### Pension schemes

The principal pension schemes are the Universities Superannuation Scheme (USS) and the Surrey County Council Local Government Pension Schemes (Surrey Pension Fund).

The USS, which covers most academic and academic related staff, is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits (for some members). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the USS, the scheme's assets are not hypothecated to individual universities and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other universities' employees and is unable to identify its share of the underlying assets and liabilities of the USS on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102, accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the statement of comprehensive income and expenditure represents the contributions payable to the scheme in respect of the accounting period.



Since the University has entered into an agreement (the Recovery Plan) that determines how each employer within the USS will fund the overall deficit, the University recognises a liability within provisions for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The Surrey County Council Local Government Pension Scheme (Surrey Pension Fund) is a defined benefit pension scheme with assets held in a separate trustee-administered fund. The University is able to identify its share of the underlying assets and liabilities of the Surrey Pension Fund and therefore fully adopts Section 28 of FRS 102 in respect of this scheme. The scheme closed to new members with effect from 1 January 2016.

Where the fair value of a pension scheme's assets exceeds the value of the present value of the scheme's liabilities, the resulting pension asset will only be recognised on the balance sheet if the asset can be recovered either through reduced contributions, calculated by the excess of expected future service cost over the NPV of all future contributions, or through refunds from the scheme's plan. If either of these circumstances exists, the pension asset will be recorded at either the pension asset value or the amount by which the expected future service cost exceeds the NPV of the future contributions whichever is the lowest.

The University also operates the following pension schemes for current employees:

- a. Defined contribution schemes for staff groups previously eligible for membership of the Surrey Pension Fund, temporary employees and certain employees of a subsidiary undertaking. Contributions are charged to the statement of comprehensive income and expenditure as they become payable in accordance with scheme rules.
- b. The National Health Service Pension Scheme is available to staff who immediately prior to appointment at the University were members of that scheme. This is a statutory, unfunded, multi-employer, defined benefit scheme in which the University is unable to identify its share of the underlying assets and liabilities. It is therefore accounted for on a defined contribution basis.

Employment benefits

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

Agency arrangements

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

Tangible fixed assets

Fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Certain assets, that were revalued to fair value on the date of transition to the 2015 SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

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

a. Land and buildings

Under the transition rules of FRS 102, land and buildings were revalued on 1 August 2014 to fair value which is then used as its deemed cost at that date. Depreciation and impairment losses are subsequently charged on the revalued amount. Additions subsequent to this date are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July. They are not depreciated until they are brought into use.

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

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful lives of up to 80 years.

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

b. Equipment

Equipment costing less than £10,000 per individual item, or group of related items, is written off in the year of acquisition. All other equipment is capitalised. Capitalised equipment is stated at cost and depreciated over its useful life, as follows:

Motor vehicles:	5 years
Equipment acquired for specific research projects:	Project life
Other equipment:	5 to 20 years
Furniture:	10 years

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

Finance costs

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

Intangible assets

Intangible assets are amortised over a period from 5 to 20 years representing the estimated economic life of the assets and are subject to periodic impairment reviews as appropriate.

Software that is owned outright or hosted on University-owned systems (including University hosted-Cloud) are capitalised as intangible assets. External Cloud-hosted software is expensed to the Statement of Comprehensive Income over the term of the software license period.

Fixed asset impairments

A review for potential indicators of impairment is carried out at each reporting date. If events or changes in circumstances indicate the carrying amount of the asset may not be recoverable, the impact thereof is calculated and the arising impairment is charged against the asset and the statement of comprehensive income and expenditure.

Leased assets

a. Operating lease

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

b. Finance lease

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

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

Maintenance of premises

The University has a cyclical long term maintenance plan, the frequency of which depends upon the level of funds available after meeting regulatory, Health & Safety and DDA compliance maintenance. When the maintenance costs either extend the useful life of an existing asset or increase its productive capacity, then they are considered to be capital expenditure. Expenditure on long term maintenance which does not meet the FRS 102 criteria for capitalisation, and expenditure on all routine corrective maintenance, is charged to the statement of comprehensive income and expenditure as incurred.

Investment properties

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services.

Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the statement of comprehensive income and expenditure. Properties are not depreciated but are revalued annually according to market conditions as at 31 July each year.

Investments

Non-current asset investments are held on the balance sheet at fair value where this is readily available. Otherwise they are recorded at amortised cost less impairment.

Current asset investments are held at fair value with movements recognised in the statement of comprehensive income and expenditure.

Stocks

Stock is valued at the at the lower of cost and estimated selling price less costs to complete and sell.

Cash and cash equivalents

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

Cash equivalents are short term, highly liquid investments, with a maturity date of 3 months or less from the date of acquisition, that are readily convertible to known amounts of cash with insignificant risk of change in value.



## Taxation status

The University is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 (formerly Schedule 2 of the Charities Act 1993) and is considered to pass the tests set out in Paragraph 1, Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 287 CTA 2009 and sections 471 and 478-489 CTA 2010 (formerly s505 of ICTA 1988) 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 and its subsidiaries receive no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to tangible fixed assets is included in their cost.

The University's subsidiary undertakings are subject to corporation tax in the same way as any commercial organisation, although they may be able to take advantage of Section 471 CTA 2010 to mitigate the corporation tax liability through gift aid.

## Deferred taxation

Deferred tax is provided in full on subsidiary undertaking losses that are expected to be recovered in the future and on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent they are regarded as more likely than not to be recovered. Deferred tax assets and liabilities are not discounted.

## Financial instruments

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

With the exception of derivatives, all material financial assets and liabilities meet the criteria for basic financial instruments prescribed within FRS 102 section 11.8 and are initially recognised at the transaction price plus any additional directly attributable transaction costs.

### a. Short-term debtors and creditors

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

### b. Derivatives

Derivatives are held on the balance sheet at fair value. The University has adopted and complied with the requirements of hedge accounting in respect of its interest rate swap. Movement in the fair value is recorded within other comprehensive income.

## Research and development

Expenditure on general research and development is accounted for as an expense in the statement of comprehensive income in the year in which it is incurred.

Design and content costs relating to the development of websites to support specific teaching or training courses, or for specific research projects, are capitalised. These are amortised over the useful economic life of projects. Where there is uncertainty over the life of the course or its viability such costs are written off as incurred, as are design and content costs for websites that are for the general use of the University and its staff.

## Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated into sterling either at year end rates or, where there are related forward foreign exchange contracts, at contract rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

## Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the cashflow relating to the provision extend for a number of years, the amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks.

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

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

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

## Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowments made to the University, are held as a permanently restricted fund.

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.

## Key sources of estimation uncertainty

The Financial Statements are based on a number of key estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### a. Pensions

The various assumptions and parameters used in the valuation of the pension liabilities are disclosed in note 36, together with the key sensitivities in relation to the impact of those assumptions on the net pension liabilities.

In accordance with FRS 102, since the USS scheme meets the definition of a multi-employer scheme, the University recognises the discounted fair value of the contractual contributions under the USS deficit recovery plan in existence at the date of signing the financial statements.

The valuation of the balance sheet liability in respect of the University's share of the USS pension deficit requires assumptions relating to future salary increases and growth in headcount. These assumptions, which are derived from the University's latest planning round, are set out in note 36.

At 31 July 2023, the institution's balance sheet included a liability of £93,365,000 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 institution was no longer required to make deficit recovery contributions.

The remaining liability of £92,061,000 was released to the income and expenditure account. Further disclosures relating to the deficit recovery liability can be found in note 36.

The valuation of the Surrey Pension Fund at 31 July 2024 reported a net pension asset. In line with recognising the pensions asset policy above and when considering whether there will be any reduced future contributions as a consequence, it was assumed that a minimum funding requirement does exist for future service plans but not for past service.

When calculating the net present value of future contributions, an annuity factor of 5.8 was applied to all payments, being the factor for the future working life of the existing members which was considered to be applicable for this Scheme, as advised by the actuaries.

As disclosed in note 36, no pension asset has been recognised for this Fund as it was estimated that the University would not benefit from reduced future contributions as a result of the Fund asset.

The Surrey Pension Fund actuaries included an estimate of the cost of the impact of the McCloud judgment (a Public service pensions age discrimination case) in the pension liability valuation at 31 July 2020. No further adjustment has been made in the pension liability valuations at 31 July 2023 or 31 July 2024.

The full impact of the indexation from the guaranteed minimum pension (GMP) benefits court case was included in both the valuation of the Surrey Pension Fund liability at 31 July 2020, used as the starting point for the accounting roll-forward calculations for the valuation at 31 July 2023, and the triennial valuation of the Fund at 31 March 2022 used as the starting point for the accounting roll-forward calculations for the valuation at 31 July 2024. An allowance for the full GMP indexation was therefore included in the valuations at 31 July 2023 and 31 July 2024. The actuaries consider that further ruling regarding the historic transfers from GMP equalisation is unlikely to be significant in terms of impact on the pension obligations and so no allowance for this has been made at 31 July 2023 or 31 July 2024.

On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court's ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court's ruling. The ruling may have implications for other UK defined benefit plans. It is understood this may or may not apply to the LGPS and HM Treasury is currently assessing the implications for all public service pension schemes. No adjustment has been made to the accounts for this ruling.

The discount rates used in estimating the pension liabilities were determined with reference to market yields on high quality corporate bonds at 31 July, as follows:

- (i) For the Surrey Pension Fund, a Hymans Robertson corporate bond yield curve was constructed based on the constituents of the iBoxx AA corporate bond index.
- (ii) For the USS pension deficit liability, a Mercer Yield Curve UK was used. A single discount rate was used for all years of the deficit recovery period that assumes a constant 5.0% salary growth. This is broadly consistent with the University's assumptions of between -3.0% and +5.0% for future salary increases and for headcount growth ranging between 0% and + 3.0%.

b. Fixed assets

Management assesses the useful economic life of buildings and equipment by considering the expected usage, estimated technical obsolescence, residual value and physical wear and tear of the asset. Differences between such estimates and actual results may have a material impact on the carrying values of the assets and may result in adjustments to future depreciation.

c. Investment property

Investment property has been valued on the basis of fair value. This is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. It is assumed that the property would be sold subject to any existing leases. In valuing the properties on the Research Park, the valuer has used a combination of 'Market Approach, Income Approach and Cost Approach' dependent upon the accepted basis for the asset type and its categorisation. The most appropriate valuation technique was adopted to determine the fair value of each asset based on assumptions relating to market rental yields determined from current leases and benchmarking against other research parks.

d. Fair value of swaps and their effectiveness as a hedged instrument

The University has entered into a number of interest rate swaps to hedge against variable interest rate loans. During 2020-21 all but one of the swaps was terminated as part of a larger refinancing exercise. The remaining swap has been valued at the year end using a mark-to-market value provided by the University's treasury advisors from Bloomberg data. Any ineffectiveness in the swap is charged/credited to the statement of comprehensive income for the year.

Key judgements

In considering the recoverability of debts and possible impairments to fixed assets or stock, management do not consider there to be any risk resulting from the impact of Covid-19 to these assessments.

Following a review of the lives of fixed asset equipment, particularly IT equipment, where efficiencies embedded in the University means that it is now extending the useful lives of assets, fixed asset equipment that had previously been depreciated over 5 years are now being depreciated over 10 years.

There are no other key judgements that have been made that have a significant effect on the amounts recognised in the financial statements other than those involving estimation uncertainty disclosed above.

2. FUNDING COUNCIL GRANTS

	Consolidated & University	
	2023-24	2022-23
	£000	£000
Recurrent grant		
OfS and Research England		
Teaching	14,593	14,727
Research	20,132	21,782
	34,725	36,509
Specific grants		
Higher Education Innovation Fund	5,872	5,973
Other	2,669	2,056
Deferred capital grants released in year		
Building	2,670	2,817
Equipment	866	1,035
	46,802	48,390

3. TUITION FEES AND EDUCATION GRANTS

	Consolidated & University	
	2023-24	2022-23
	£000	£000
UK undergraduates	84,068	81,812
UK postgraduates	5,733	5,872
Non-UK undergraduates	26,547	22,383
Non-UK postgraduates	35,400	29,769
Non-credit bearing courses	1,626	1,583
Nurse training contract	4,321	4,704
Research training support grants	5,543	4,603
	163,238	150,726

UK undergraduates and postgraduates above include tuition fees from a few EU students that enrolled prior to Brexit

4. RESEARCH GRANTS AND CONTRACTS

	Consolidated & University	
	2023-24	2022-23
	£000	£000
Research councils	16,403	17,738
UK-based charities	2,963	3,791
Other UK government, health and hospital authorities	13,163	7,198
UK industry and commerce	2,285	2,509
EU government bodies	4,309	5,293
EU industry and commerce	2,085	1,427
Other grants and contracts	4,436	4,475
	45,644	42,431





## 5. GRANT AND FEE INCOME

	Consolidated & University	
	2023-24	2022-23
	£000	£000
The source of grant and fee income, included in notes 2 to 4 above is as follows:		
Grant income from the OfS	14,743	15,387
Grant income from other bodies	77,703	75,434
Fee income for taught awards (exclusive of VAT)	152,951	140,902
Fee income for research awards (exclusive of VAT)	3,117	3,900
Fee income from non-qualifying courses (exclusive of VAT)	7,170	5,924
<b>Total grant and fee income</b>	<b>255,684</b>	<b>241,547</b>

Grant income from other bodies above includes grant income from Research England and HEFCE/OfS

## 6. OTHER INCOME

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Residences, catering and conferences	40,849	38,591	40,979	38,107
Other services rendered	2,917	2,791	2,937	2,932
Income from use of University facilities	5,037	4,351	794	963
Other income	12,776	11,084	12,693	10,922
	61,579	56,817	57,403	52,924
Add: amounts relating to student sports membership	-	-	902	1,136
	61,579	56,817	58,305	54,060

## 7. INVESTMENT INCOME

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Investment income on endowments (note 27)	212	141	212	141
Investment income on restricted reseves	84	51	84	51
Research Park income	11,472	11,321	11,494	11,346
Income from cash deposits	1,921	1,744	1,889	1,726
Other investment income	301	2,611	828	3,058
	13,990	15,868	14,507	16,322

## 8. DONATIONS AND ENDOWMENTS

	Consolidated & University	
	2023-24	2022-23
	£000	£000
New endowments (note 27)	319	404
Donations with restrictions	947	1,570
Unrestricted donations	133	125
	1,399	2,099

## 9. STAFF

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Staff costs – operational:				
Wages and salaries	147,491	141,171	144,310	138,553
Social security costs	15,021	14,000	14,757	13,792
Pension costs	20,138	19,913	19,969	19,793
Compensation for loss of office	6,651	1,622	6,581	1,502
	189,301	176,706	185,617	173,640
Movement on USS provision	(92,061)	(12,711)	(92,061)	(12,711)
	97,240	163,995	93,556	160,929

Compensation for loss of office costs shown above were in respect of 262 employees on a consolidated basis and 249 on a University basis (2022/23: 93 employees on a consolidated basis and 91 on a University basis).

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	Number	Number	Number	Number
Average monthly full time equivalent staff numbers:				
Research and teaching	1,353	1,306	1,353	1,306
Professional	1,011	1,052	963	1,003
Technical and experimental	149	131	149	131
Operational	336	333	267	283
Other	4	11	4	11
	2,853	2,833	2,736	2,734

The full-time equivalent staff numbers for the University above exclude those relating to activities carried out by the Surrey Sports Park Limited.

### Access and participation

Included in staff costs above are the following costs that are shown as part of the access and participation costs included in note 14:

	Consolidated & University	
	2023-24	2022-23
	£000	£000
Access Investment*	1,255	1,266
Financial Support	-	-
Disability Support (excluding expenditure included in Access Investment above)	1,240	1,360
Research and Evaluation	255	265
	2,750	2,891

Staff costs are calculated on an actual basis by referencing each individual's pay plus employer's NI and pension costs. For most departments a standard percentage of staff costs has been used, reflecting the proportion of home students meeting the Widening Participation criteria.

\*Access Investment above is defined as spend incurred on encouraging people to attend Higher Education who might not otherwise consider it due to socio-economic reasons.

10. EMOLUMENTS OF HIGHER PAID STAFF

	Consolidated & University	
	2023-24	2022-23
	£000	£000
Emoluments of President and Vice-Chancellor:		
Salary	307	305
Bonus/performance-related pay	15	13
Taxable benefits	27	25
Allowance in lieu of pension contributions	47	47
	396	390
Pension contributions	8	19
	404	409

In accordance with the Accounts Direction issued by the Office for Students (OfS), bonuses are reflected in emoluments in the year during which they are awarded. The 2023-24 bonus awarded of £15,342 reflects the 2022-23 performance and similarly the 2022-23 bonus awarded of £12,660 reflects the 2021-22 performance.

The salary increase is commensurate with the 3% cost of living rise that was awarded by the Remuneration Committee in October 2022, effective from November 2022. There have been no further salary increases.

Taxable benefits for the Vice Chancellor include £23,000 (2022-23: £21,000) relating to the provision of accommodation and associated utilities and £4,000 (2022-23: £4,000) for the cost of private healthcare cover.

Summary justification for total remuneration package for the President and Vice-Chancellor

In determining the Vice-Chancellor’s remuneration the University has complied with the Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs (CUC).

The Vice-Chancellor commenced employment at the University of Surrey on 25 April 2016. His salary is determined by the Remuneration Committee, based upon an assessment of his performance and benchmarking to sector norms.

Professor Lu asked the Remuneration Committee to reduce his salary by £25,000 per annum with effect from 1 April 2019. As a result his current basic salary remains lower than when he started at the University in 2016 (which was £310,000).

Pay ratios

Ratios of the President and Vice-Chancellor’s emoluments to the median pay of all other employees (on a full-time equivalent basis) were as follows:

	Consolidated	
	2023-24	2022-23
Basic pay	6.7	7.3
Total remuneration	7.6	7.9

In accordance with the Accounts Direction issued by the OfS, the calculation for the pay ratio above is based on all employees (including associate staff) that are included in real-time reporting to HMRC. The calculation excludes Unitemps\* workers who are included in real-time reporting to HMRC but are not classed as employees.

\*Unitemps is the University’s in-house recruitment agency

10. EMOLUMENTS OF HIGHER PAID STAFF (CONT.)

	Consolidated	
	2023-24	2022-23
Basic salary of higher paid staff including the Vice-Chancellor (on a full-time equivalent basis):	Number of employees	
£100,000-£104,999	32	30
£105,000-£109,999	26	14
£110,000-£114,999	12	13
£115,000-£119,999	11	12
£120,000-£124,999	18	7
£125,000-£129,999	13	9
£130,000-£134,999	5	8
£135,000-£139,999	6	6
£140,000-£144,999	10	8
£145,000-£149,999	7	2
£150,000-£154,999	2	8
£155,000-£159,999	2	1
£160,000-£164,999	5	1
£165,000-£169,999	2	1
£170,000-£174,999	4	-
£175,000-£179,999	2	2
£180,000-£184,999	-	1
£190,000-£194,999	1	2
£200,000-£204,999	2	1
£210,000-£214,999	-	1
£225,000-£229,999	1	2
£300,000-£304,999	-	1
£305,000-£309,999	1	-
	162	130

In accordance with the Accounts Direction issued by the OfS, these bands exclude staff who joined or left part way through the year who would have received basic salary in these bands in a full year.

The increase in colleagues earning over £100,000 is primarily due to the 5% cost of living adjustment applied to eligible staff in 2023.

Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. The University defines its ‘key management personnel’ to be the Executive Board members.

Key management personnel compensation is included in staff costs. The full-time equivalent number of key management personnel was 12.8 (2022-23: 11.9).

	Consolidated	
	2023-24	2022-23
	£000	£000
Salary, social security costs, pension contributions, compensation for loss of office and other emoluments	3,307	3,001

Executive Board Variable Pay

The University’s Executive Board Variable Pay scheme incentivises Executive Board delivery of the University’s immediate and longer-term strategic goals, as well as on achievement of personal objectives. The revised scheme applies to the Vice Chancellor, and all members of the Executive Board.

### Scheme Rules:

The scheme accrued 10% of the President and Vice-Chancellor and Executive Board members' compensation annually, requiring the attainment of agreed goals and targets in order to pay out. However, to encourage alignment to the University strategy, this 10% will now be available as follows:

- Up to 5% of pay annually, subject to satisfactory achievement of annual personal goals;
- 5% per annum to be accrued and only paid out upon successful attainment of the University strategic goals for the three academic years ending 2023/24.

The President and Vice-Chancellor and Executive Board members can earn up to a further 20% of one year's basic pay, based on the extent of the over-achievement of the University strategic goals. These will be measured at the end of the three-year period, which is the end

of the 2023/24 academic year. The stretch targets were:

- Top Decile for Assessment and Feedback in NSS
- Top Decile for Graduate Employability
- £54m Research Grant & Contract Income
- 1.90 Field Weighted Citation Index
- 77% Staff Satisfaction
- 1.5% underlying operating surplus

The stretch goals are designed to encourage a long-term focus on the University's vision and ambitions alongside a focus on immediate strategic priorities. Payout will be dependent on achieving these financial and other goals and will be closely monitored by the Remuneration Committee, which retains the discretion to adjust or cancel awards based upon performance against targets which are impacted or manipulated by internal or external events.

### Pay out Example:

Based on a nominal salary of £100,000 pa

	No strategic, stretch or personal targets met (No stretch targets met)		All personal and strategic targets met (No stretch targets met)	All personal and strategic targets met, and 2 stretch targets	Maximum Pay-out (all personal goals + all stretch targets)	
2021/22	0%	£0	5% £5,000	5% £5,000	5%	£5,000
2022/23	0%	£0	5% £5,000	5% £5,000	5%	£5,000
2023/24	0%	£0	20% £20,000	25.7% £25,700	40%	£40,000
Total Reward	0%	£0	30% £30,000	35.7% £35,700	50%	£50,000

### Pay to Date:

In the first year of operation of this Variable Pay Scheme (2022), the total paid to the Executive Board was £54,924 (excl. VC), following attainment of personal goals. In percentage terms, the total 2021/22 payout was 71% of the maximum (excl. VC).

In the second year of operation of this Variable Pay Scheme (2023), the total paid to the Executive Board was £64,528 (excl. VC), following higher attainment of personal goals than in prior years. In percentage terms, the total 2022/23 payout was 80% of the maximum (excl. VC)

This is the final year of the 2021-2024 Executive Board Variable Pay Scheme.

The 2023/24 year presented significant external challenges, notably high inflation and uncertainties in the international recruitment market, driven by changes in government immigration policy. This necessitated a programme of change to ensure financial sustainability. In percentage terms, the total 2023/24 payout for the strategic element of the Variable Pay Scheme will be 83% of the maximum. For the stretch element of the Variable

Pay Scheme the payout will be 8% of the maximum.

The Remuneration Committee comprehensively deliberated whether the conditions for payout had been met in line with the Variable Pay Scheme rules. Following attainment of the relevant goals, the participants are eligible for a combined payout of £304,198\*, (including associated on-costs). In percentage terms, this equates to 47% of the maximum. The final payout is contingent upon the review of individual performance targets as part of the appraisal process. The next iteration of the Executive Board Variable Pay Scheme is currently under consideration. Detailed communication regarding any proposed new scheme will be provided in the 2024-25 financial statements.

This would indicate that the scheme has helped to focus delivery on the targets which impact the University success, in the initial roll-out.

### Future Pay:

Should the whole Executive Board achieve their 2023/24 goals, the amount to be paid would total £95,000\*. Should the University achieve all goals and stretch goals in 2024, the amount to be paid would total £571,000\*.

\*including VC award

## 11. OTHER OPERATING EXPENSES

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Other operating expenses (including irrecoverable VAT) include:				
External auditors remuneration in respect of the audit of these financial statements	182	159	182	159
External auditors remuneration in respect of other services:				
Audit of the University's subsidiaries	54	33	-	3
Audit-related services	10	9	10	9
Operating lease rentals:				
Land and buildings	510	611	501	602
Other	1,409	1,607	1,335	1,534
Foreign exchange losses	37	47	37	47

The total consolidated statutory audit fee payable directly to KPMG, net of VAT, was £210,000 (2022-23: £167,000).

### Trustees

No trustee received payment for serving as a trustee during the year (2022-23: £nil)

No trustee received payment for services provided to the University (2022-23: £nil)

Expenses totalling £280 were paid to one trustee during the year (2022-23: £537 to two trustees)

## 12. INTEREST AND OTHER FINANCE COSTS

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
On bank loans and other loans				
Loans wholly repayable within five years	-	-	-	-
Loans not wholly repayable within five years	9,816	9,173	9,816	9,173
	9,816	9,173	9,816	9,173
On finance leases	59	56	59	56
Increase in fair value of derivatives	(327)	(299)	(327)	(299)
Net charge on pension scheme	1,563	4,089	1,568	4,094
Other interest payable	157	18	156	17
	11,268	13,037	11,272	13,041

## 13. GAIN/(LOSS) ON INVESTMENTS

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Loss on revaluation of Research Park	(3,689)	(15,606)	(3,689)	(15,606)
Other investment property losses	1,263	-	1,268	-
Gain on sale of investments	324	85	328	85
Gain/(loss) on revaluation of other investments	2,411	6	2,890	(57)
	309	(15,515)	797	(15,578)



14. ACCESS AND PARTICIPATION

	Consolidated & University	
	2023-24	2022-23
	£000	£000
Access Investment*	1,731	1,810
Financial Support	1,762	2,033
Disability Support	1,267	1,386
Research and Evaluation	309	324
	5,069	5,553

\*Access Investment above is defined as spend incurred on encouraging people to attend Higher Education who might not otherwise consider it due to socio-economic reasons.

The figures above show expenditure only and do not reflect any grants or allowances received.

Expenditure has been included in the disclosure for Disability Support at an allocation rate of 13% representing the percentage of enrolled students declaring a disability.

The full access and participation plan for the University for this year and future years can be accessed here: [surrey.ac.uk/about/governance/access-plans](https://surrey.ac.uk/about/governance/access-plans)

15A. TAXATION

	Consolidated	
	2023-24	2022-23
	£000	£000
Recognised in the statement of comprehensive income		
Theatre tax charge	-	3
Tax on profits/losses of subsidiary undertakings	172	(229)
Foreign tax	107	101
Tax charge/(credit)	279	(125)

15B. FACTORS AFFECTING TAX CHARGE/(CREDIT)

	Consolidated	
	2023-24	2022-23
	£000	£000
Surplus/(deficit) before taxation	73,593	(22,502)
Surplus/(deficit) multiplied by standard rate of corporation tax in the UK of 25% (2022-23:21.01%)	18,398	(4,725)
Factors affecting charge/(credit):		
University surplus/deficit exempt from tax	(18,808)	4,631
Theatre tax charge	-	3
Foreign tax	107	101
Other differences attributable to subsidiaries	500	(123)
Deferred tax movement	82	(13)
Total tax charge/(credit) (note 15a)	279	(125)

16. INTANGIBLE ASSETS

Consolidated & University	Assets under construction	Software	Total
	£000	£000	£000
Cost			
At 1 August 2023	5,097	24,906	30,003
Additions at cost	2,010	-	2,010
Transfers	(1,463)	1,463	-
Write offs	(1,535)	(4,732)	(6,267)
At 31 July 2024	4,109	21,637	25,746
Amortisation			
At 1 August 2023	-	15,321	15,321
Charge for the year	-	1,093	1,093
Write offs	-	(851)	(851)
At 31 July 2024	-	15,563	15,563
Net book value			
At 31 July 2024	4,109	6,074	10,183
At 31 July 2023	5,097	9,585	14,682

17. TANGIBLE FIXED ASSETS

Consolidated	Land and buildings		Assets under construction	Plant and equipment	Total
	Freehold	Leasehold			
	£000	£000	£000	£000	£000
Cost					
At 1 August 2023	884,967	5,806	21,512	180,295	1,092,580
Additions at cost	-	-	25,935	35	25,970
Transfers	20,373	(4,255)	(34,541)	18,423	-
Reclassified to investment properties	(5,663)	-	-	-	(5,663)
Impairments	-	-	(769)	-	(769)
Disposals	(335)	-	-	(4,640)	(4,975)
At 31 July 2024	899,342	1,551	12,137	194,113	1,107,143
Depreciation					
At 1 August 2023	173,577	1,444	-	147,788	322,809
Charge for the year	22,125	247	-	8,372	30,744
Transfers	1,253	(1,253)	-	-	-
Reclassified to investment properties	(30)	-	-	-	(30)
Disposals	(99)	-	-	(4,522)	(4,621)
At 31 July 2024	196,826	438	-	151,638	348,902
Net book value					
At 31 July 2024	702,516	1,113	12,137	42,475	758,241
At 31 July 2023	711,390	4,362	21,512	32,507	769,771

University	Land and buildings		Assets under construction	Plant and equipment	Total
	Freehold	Leasehold			
	£000	£000	£000	£000	£000
<b>Cost</b>					
At 1 August 2023	884,809	5,806	21,512	180,290	1,092,417
Additions at cost	-	-	25,934	35	25,969
Transfers	20,373	(4,255)	(34,541)	18,423	-
Reclassified to investment properties	(5,663)	-	-	-	(5,663)
Impairments	-	-	(769)	-	(769)
Disposals	(335)	-	-	(4,640)	(4,975)
At 31 July 2024	899,184	1,551	12,136	194,108	1,106,979
<b>Depreciation</b>					
At 1 August 2023	173,590	1,444	-	147,787	322,821
Charge for the year	22,124	247	-	8,371	30,742
Transfers	1,253	(1,253)	-	-	-
Reclassified to investment properties	(30)	-	-	-	(30)
Disposals	(99)	-	-	(4,522)	(4,621)
At 31 July 2024	196,838	438	-	151,636	348,912
<b>Net book value</b>					
At 31 July 2024	702,346	1,113	12,136	42,472	758,067
At 31 July 2023	711,219	4,362	21,512	32,503	769,596

At 31 July 2024 freehold land and buildings included £143,909,000 (2023: £143,909,000) in respect of freehold land which is not depreciated.

The freehold and leasehold land and buildings comprising the University’s estate were valued as at 1 August 2014 by an external valuer, Gerald Eve LLP, a regulated firm of chartered surveyors. The valuation was prepared in accordance with the requirements of the RICS valuation – Professional Standards (January 2014 amendment), FRS 102 and the 2015 Statement of Recommended Practice ‘Accounting for Further and Higher Education’. The valuation was undertaken on a fair value basis, with non-specialised operational properties valued on a fair value basis equating to market value on the assumption of a continuation of the existing use. The valuation is reported under the special assumptions to exclude any value of development opportunities for which planning permission would be required and has not been granted or where development has not yet commenced.

During the year there were no borrowing costs capitalised in fixed assets (2022-23: £nil)

Tangible fixed assets include the following with respect to assets held under finance leases:

	Consolidated & University	
	2024	2023
	£000	£000
<b>Net book value</b>		
Land and buildings	1,112	4,362
Equipment	70	2
	1,182	4,364
<b>Depreciation charge for year</b>		
Land and buildings	44	161
Equipment	17	7
	61	168

18. INVESTMENT PROPERTIES

Consolidated	Undeveloped land	Research Park	Completed buildings	Other buildings	Total
		Buildings under development			
	£000	£000	£000	£000	£000
At 1 August 2023	3,873	1,336	118,864	784	124,857
Additions	-	47	-	6,772	6,819
Reclassified from tangible fixed assets	-	-	-	5,633	5,633
Transfers	-	(528)	528	-	-
Change in market value	4	-	(3,692)	1,263	(2,425)
At 31 July 2024	3,877	855	115,700	14,452	134,884

University	Undeveloped land	Research Park	Completed buildings	Other buildings	Total
		Buildings under development			
	£000	£000	£000	£000	£000
At 1 August 2023	3,873	1,336	118,864	315	124,388
Additions	-	47	-	6,772	6,819
Reclassified from tangible fixed assets	-	-	-	5,633	5,633
Transfers	-	(528)	528	-	-
Change in market value	4	-	(3,692)	1,268	(2,420)
At 31 July 2024	3,877	855	115,700	13,988	134,420

The Research Park undeveloped land and completed buildings, which have historical costs of £9,870,000 and £60,509,000 respectively (2023: £9,870,000 and £59,981,000), were valued as at 31 July 2024 by an external valuer, Deloitte LLP. The valuation of the property was in accordance with Valuation Practice Standard 3 of the RICS Valuation – Global Standards 2017 (revised July 2017) (‘The Red Book’).

The valuation was prepared on the basis of fair value, defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

19. OTHER NON-CURRENT INVESTMENTS

Consolidated

	Subsidiary companies	Other non current investments	Total
	£000	£000	£000
At 1 August 2023	-	11,462	11,462
Additions	-	75	75
Disposals	-	(7)	(7)
Change in market value	-	2,781	2,781
At 31 July 2024	-	14,311	14,311

University

	Subsidiary companies	Other non current investments	Total
	£000	£000	£000
At 1 August 2023	8,628	11,142	19,770
Additions	2,200	75	2,275
Disposals	-	(3)	(3)
Change in market value	597	2,663	3,260
At 31 July 2024	11,425	13,877	25,302

Significant shareholdings in subsidiaries

Name	Nature of business	Class of share	% held
Blackwell Park Ltd (BPL)	Property development	Ordinary	100
Surrey Sports Park Limited (SSPL)	Sports park management	Ordinary	100
University of Surrey Seed Fund Limited	Technology investment	Ordinary	100
Operate Surrey Limited	Educational support services	Ordinary	100
All subsidiaries are registered in England and Wales			

20. TRADE AND OTHER RECEIVABLES

	Consolidated		University	
	2024	2023	2024	2023
	£000	£000	£000	£000
Trade receivables	10,400	17,014	10,084	16,673
Amounts owed by subsidiary undertakings	-	-	10,231	9,442
Other receivables including taxation	492	505	238	509
Deferred tax (note 21)	42	124	-	-
Prepayments	6,791	5,630	7,042	5,628
Accrued income	25,199	20,628	25,172	20,624
	42,924	43,901	52,767	52,876

Deferred tax receivable relates to deferred tax credits arising in subsidiary companies. The recoverability of this balance is dependent on future trading profits of Surrey Sports Park Limited and Blackwell Park Ltd.

Amounts owed by subsidiary undertakings includes £8,750,000 that is receivable after more than one year.

21. DEFERRED TAX ASSET

	Consolidated		University	
	2024	2023	2024	2023
	£000	£000	£000	£000
The deferred tax asset comprises:				
Accelerated capital allowances	5	6	-	-
Short-term timing differences	37	118	-	-
	42	124	-	-
Deferred tax asset excluding pension:				
Balance at 1 August	124	111	-	-
(Charge)/credit to the statement of comprehensive income	(82)	13	-	-
Balance at 31 July	42	124	-	-

22. CURRENT ASSET INVESTMENTS

	Consolidated & University	
	2024	2023
	£000	£000
Short-term deposits (maturing within 1 year)	10,000	30,000
	10,000	30,000

Short term deposits are held with banks and building societies operating in the London market and licensed by the Financial Conduct Authority with more than 3 months and less than 12 months maturity at inception.



23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		University	
	2024	2023	2024	2023
	£000	£000	£000	£000
Unsecured loans (note 25a)	6,800	6,686	4,300	4,186
Obligations under finance leases	152	2,042	152	2,042
Payments received on account	4,935	6,308	4,935	6,308
Trade creditors	4,498	4,469	4,460	4,417
Amounts owed to group undertakings	-	-	663	248
Other creditors including taxation and social security	10,052	12,484	9,715	12,295
Government deferred capital grants	4,516	4,769	4,516	4,769
Accruals	18,083	17,246	17,702	16,981
Deferred income	51,607	51,858	51,519	51,663
	100,643	105,862	97,962	102,909

Deferred income

Included within deferred income are the following items of income for which the remaining elements have no performance conditions attached but have been deferred as cash was received in advance of service delivery.

	Consolidated & University	
	2024	2023
	£000	£000
Research grants received on account	14,516	13,017
Other grant income	324	376
	14,840	13,393

The rest of deferred income will be released in the period in which the University recognises the related costs for which the income is intended to fund.

24. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated & University	
	2024	2023
	£000	£000
Unsecured loans (note 25a)	281,005	285,306
Obligations under finance leases	614	2,380
Government deferred capital grants	68,757	69,249
Derivative	826	-
	351,202	356,935

The derivative relate to an interest rate swap that the University has entered into in order to fix the interest rate payable on certain borrowings.

During 2023-24 a hedging gain of £327,000 (2022-23: £356,000 gain) was recognised in the statement of comprehensive income and expenditure for changes in fair value of interest rate swaps and £1,476,000 was reclassified from the statement of comprehensive income to the cash flow hedge reserve (2022-23: £4,876,000 from the cash flow hedge reserve to the statement of comprehensive income).

25. BORROWINGS

a. Unsecured loans

	Consolidated		University	
	2024	2023	2024	2023
	£000	£000	£000	£000
Unsecured loans are repayable as follows:				
Within one year or on demand	6,800	6,686	4,300	4,186
Between one and two years	4,421	4,300	4,421	4,300
Between two and five years	25,390	13,653	25,390	13,653
Over five years	251,194	267,353	251,194	267,353
	287,805	291,992	285,305	289,492
Due within one year or on demand	(6,800)	(6,686)	(4,300)	(4,186)
Due after more than one year	281,005	285,306	281,005	285,306
Unsecured loans repayable by 2052	287,805	291,992	285,305	289,492

	£000	Interest rate basis	Maturity	Borrower
Unsecured loans at 31 July 2024 were as follows:				
<b>Banks:</b>				
Santander	30,322	variable	2035	University
Lloyds	18,000	variable	2038	University
<b>Private Placement:</b>				
Pricoa	40,000	fixed	2041	University
North Western Mutual	10,000	fixed	2041	University
Legal & General	40,000	fixed	2046	University
Pricoa	55,000	fixed	2046	University
North Western Mutual	60,000	fixed	2051	University
BAE Systems Pension Fund	25,000	fixed	2052	University
<b>Other:</b>				
Department of Business Energy and Industrial Strategy (BEIS)	6,405	fixed	2031	University
Other	577	nil	Not fixed	University
<b>University</b>	285,305			
Other	2,500	fixed	2024	BPL
<b>Consolidated</b>	287,805			

All loans are unsecured. The bank loan agreement and the private placement note purchase agreements include a negative pledge clause whereby the University undertakes not to grant security over its assets to third parties.

The weighted average interest rate for 2023-24, inclusive of lender margins and swap costs, was 3.42% (2022-23: 3.15%)

25. BORROWINGS (CONT.)

b. Finance leases

The total minimum lease payments relating to finance lease obligations are as follows:

Consolidated & University	2024			2023		
	Land & buildings	Plant & equipment	Total	Land & buildings	Plant & equipment	Total
	£000	£000	£000	£000	£000	£000
Within one year	169	31	200	2,742	-	2,742
Between two and five years	677	45	722	2,539	-	2,539
Over five years	-	-	-	169	-	169
Total minimum lease payments	846	76	922	5,450	-	5,450
Less: interest payable	(152)	(4)	(156)	(1,028)	-	(1,028)
Net finance lease obligation	694	72	766	4,422	-	4,422

26. PROVISIONS

Consolidated	Obligation to fund deficit on USS pension	Defined benefit obligations	Pension enhancements on termination	Other	Total
	£000	£000	£000	£000	£000
At 1 August 2023	93,365	-	910	939	95,214
Utilised in year	(2,968)	(396)	(103)	(939)	(4,406)
Charged/(credited) to statement of comprehensive income	(90,397)	396	53	-	(89,948)
At 31 July 2024	-	-	860	-	860

University	Obligation to fund deficit on USS pension	Defined benefit obligations	Pension enhancements on termination	Other	Total
	£000	£000	£000	£000	£000
At 1 August 2023	93,365	-	910	939	95,214
Utilised in year	(2,968)	(396)	(103)	(939)	(4,406)
Charged/(credited) to statement of comprehensive income	(90,397)	1,025	53	-	(89,319)
Transferred from subsidiary	-	(629)	-	-	(629)
At 31 July 2024	-	-	860	-	860

A deficit recovery plan was put in place as part of the USS 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 36, 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 contributions from 1 January 2024 and accordingly released the outstanding provision to the Income and Expenditure account.

Included in the Obligation to fund the USS pension deficit are deficit recovery contributions due within one year of £nil (2023: £6,879,000).

The defined benefit obligations comprise the deficits on the local government pension scheme (Surrey Pension Fund). Although the scheme is currently showing a surplus position and so no provision recognised, obligations and payments are subject to revision following each triennial valuation with the last valuation at 31 March 2022, at which point the Scheme was in deficit. The current agreed repayment plan is for the University to make monthly payments to the Surrey Pension Fund to repay the deficit in full by 31 March 2034. From 1 August 2020 to 31 March 2023 payments totalling £1,366,000 p.a. were made. From 1 April 2023, payments are made at 5.5% of pay. The total payments made in the year to 31 July 2024 were £396,000.

For the assumptions on the discount rate and inflation used for calculating the provision for pension enhancements on termination see note 36b.

## 27. ENDOWMENT RESERVE

Consolidated & University	Restricted permanent	Restricted expendable	2024 Total	2023 Total
	£000	£000	£000	£000
Balances at 1 August				
Capital	1,878	3,378	5,256	4,920
Accumulated income	359	195	554	578
	2,237	3,573	5,810	5,498
New endowments	81	238	319	404
Investment income	55	157	212	141
Expenditure	(12)	(241)	(253)	(446)
Increase/(decrease) in market value of investments	110	44	154	(67)
Transfer to other reserves	-	-	-	280
	234	198	432	312
At 31 July	2,471	3,771	6,242	5,810
Represented by:				
Capital	2,010	3,583	5,593	5,256
Accumulated income	461	188	649	554
	2,471	3,771	6,242	5,810
Analysis by purpose:				
Scholarships and bursaries	1,006	1,326	2,332	2,276
Prize funds	-	475	475	511
Hardship funds	1,442	213	1,655	1,325
Educational	-	1,573	1,573	1,498
Other	23	184	207	200
	2,471	3,771	6,242	5,810
Analysis by asset:				
Investment property			315	315
Listed investments			2,807	2,305
Cash held as part of investment portfolio			93	320
Cash held at bank for endowment funds			3,027	2,870
			6,242	5,810

## 28. CONNECTED CHARITABLE INSTITUTIONS

A number of charitable institutions are administered by the University and have been established for its general or specific purposes. As a result, under paragraph 28 of schedule 3 to the Charities Act 2011, these connected institutions are exempt from registration with the Charity Commission. All connected institutions are included in these consolidated financial statements. The movements in the year on the total funds of connected institutions, are reported in their own accounts, were as follows:

Connected institutions with income under £100,000	At 1 August 2023	Income	Expenditure	Change in market value	At 31 July 2024
	£000	£000	£000	£000	£000
Restricted expendable endowment funds:					
Scholarship (1 fund)	585	13	(75)	41	564
Studentship (1 fund)	2	-	(2)	-	-
	587	13	(77)	41	564

There were no connected institutions with income over £100,000.

## 29. RESTRICTED RESERVES

Consolidated & University	Research Income	Donations	2024 Total	2023 Total
	£000	£000	£000	£000
At 1 August 2023	1,420	3,281	4,701	4,256
New donations	1,590	1,213	2,803	3,208
Reclassification of prior year income and expenditure	-	-	-	133
Expenditure	(1,195)	(1,150)	(2,345)	(2,616)
Transfer from endowment reserve	-	-	-	(280)
At 31 July 2024	1,815	3,344	5,159	4,701
Analysis of restricted reserves by purpose:				
Studentships			440	503
Prize funds			1,581	1,585
Hardship fund			59	17
Research support			2,815	2,374
Other			264	222
			5,159	4,701

## 30. CASH FLOW HEDGE RESERVE

	Consolidated & University	
	2024	2023
	£000	£000
At 1 August 2023	(368)	(5,244)
Hedging (loss)/gain	(1,477)	4,876
At 31 July 2024	(1,845)	(368)



### 31. ANALYSIS OF CHANGES IN NET DEBT

Consolidated	At 1 August 2023	Cash flows	Non-cash changes	At 31 July 2024
	£000	£000	£000	£000
Loans due within one year (note 23)	(6,686)	4,187	(4,301)	(6,800)
Loans due after one year (note 24)	(285,306)	-	4,301	(281,005)
Finance leases (note 25b)	(4,422)	876	2,780	(766)
Financing	(296,414)	5,063	2,780	(288,571)
Cash and cash equivalents	24,748	(12,191)	-	12,557
Short term deposits (note 22)	30,000	(20,000)	-	10,000
	(241,666)	(27,128)	2,780	(266,014)

### 32. CAPITAL COMMITMENTS

	Consolidated & University	
	2024	2023
	£000	£000
Commitments contracted at 31 July	6,384	3,988

### 33. LEASE OBLIGATIONS

Total future minimum lease payments payable under non-cancellable operating leases are as follows:

Consolidated	2024		2023	
	Land & buildings	Plant & equipment	Land & buildings	Plant & equipment
	£000	£000	£000	£000
<b>Expiry date:</b>				
Within one year	48	226	57	330
Between two and five years	-	142	46	144
Over five years	-	-	-	-
	48	368	103	474

University	2024		2023	
	Land & buildings	Plant & equipment	Land & buildings	Plant & equipment
	£000	£000	£000	£000
<b>Expiry date:</b>				
Within one year	46	212	55	282
Between two and five years	-	142	46	144
Over five years	-	-	-	-
	46	354	101	426

### 33. LEASE OBLIGATIONS (CONT.)

Total future minimum lease payments receivable under non-cancellable operating leases are as follows:

Consolidated	2024	2023
	Land & buildings	Land & buildings
	£000	£000
<b>Expiry date:</b>		
Within one year	9,012	6,623
Between two and five years	15,400	16,204
Over five years	22,051	6,513
	46,463	29,340

University	2024	2023
	Land & buildings	Land & buildings
	£000	£000
<b>Expiry date:</b>		
Within one year	8,607	6,220
Between two and five years	14,987	15,510
Over five years	22,051	6,513
	45,645	28,243

### 34. CONTINGENT ASSETS AND LIABILITIES

There are no known contingent assets or liabilities.

### 35. FINANCIAL COMMITMENTS

There are no known financial commitments.

### 36. PENSION SCHEMES

The total pension cost for the University and its subsidiaries was:

	Consolidated		University	
	2023-24 Total	2022-23 Total	2023-24 Total	2022-23 Total
	£000	£000	£000	£000
USS	(74,806)	3,681	(74,806)	3,755
Local government pension scheme	1,585	2,152	1,583	2,121
Other pension schemes	1,298	1,369	1,131	1,206
<b>Total pension cost</b>	<b>(71,923)</b>	<b>7,202</b>	<b>(72,092)</b>	<b>7,082</b>

36. PENSION SCHEMES (CONT.)

a. Universities Superannuation Scheme (USS)

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

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

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 adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, FRS 102 valuations of these assets and liabilities were:

	2023 valuation
	£000
Scheme assets	73,100,000
Total scheme liabilities	(65,700,000)
FRS 102 total scheme surplus	7,400,000
FRS 102 total funding level	111%

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the USS Statement of Funding Principles.

CPI assumption:	3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations).
RPI/CPI gap:	1.0% p.a. to 2030, reducing to 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: 2.75% p.a. Post-retirement: 0.9% p.a.

The main demographic assumptions used relate 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:

Mortality base table:	101% of S2PMA ‘light’ for males and 95% of S3PFA for females
Future improvements in mortality:	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a. w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies on retirement at age 65 are:

	2024	2023
Males/females currently aged 65	23.7 / 25.6 years	24.0 / 25.6 years
Males/females currently aged 45	25.4 / 27.2 years	26.0 / 27.4 years

36. PENSION SCHEMES (CONT.)

Recovery plan

A deficit recovery plan was put in place as part of the 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 will increase to 6.3%. 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 contributions from 1 January 2024.

The University has used a financial model to estimate its liability to USS under the USS deficit recovery plan. The model was developed by the British Universities Finance Directors Group (BUFDG), with the support of the USS trustee company.

The following assumptions were used in that model.

	2024	2023
Opening discount rate	5.49%	3.33%
Closing discount rate	n/a	5.49%
Salary inflation	n/a	3.30%
Staff changes	n/a	0% to 3.0%

b. Surrey County Council local government pension scheme (Surrey Pension Fund)

The Surrey Pension Fund is valued every three years by professionally qualified independent actuaries using the projected unit method. In the intervening years the actuary follows the roll forward approach.

The contribution rate payable by the employer as a percentage of payroll has been 30.6% since 1 April 2023 (26.0% from 1 August 2020 to 31 March 2023). Of this, 25.1% reflects the future service contribution and the remaining 5.5% is to pay the past service deficit. A new repayment plan commenced from March 2023. Payments made in respect of the past service deficit during the year were £396,000 (2022-23: £1,041,000).

Under the definitions set out in section 28 of FRS 102 “Employee benefits”, the Surrey Pension Fund is a multi-employer defined benefit pension scheme. The actuary has identified the University’s share of its assets and liabilities as at 31 July 2024.

A full actuarial valuation was carried out as at 31 March 2022 and updated to 31 July 2024 on an FRS 102 basis by a qualified independent actuary. The material assumptions used by the actuary were:

	2024	2023
Pension increase rate (CPI)	2.75%	3.05%
Salary increase rate	3.75%	4.05%
Discount rate	4.95%	5.10%

The CPI assumption allows for a wedge of 100bps pre-2030 and a wedge of 10bps post-2030 relative to RPI. The former reflects differences between RPI and CPI and the latter reflects differences between CPI and CPIH. The resulting average RPI/CPI gap is 0.35%. The CPI is also adjusted to reflect 9 months of observed CPI experience from October 2023 to June 2024 of 1.6%.

Life expectancy is based on the Fund’s Vita Curves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 (15% 2022) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. Allowance for future improvements for both current and future pensioners are based on the CMI 2022 model, with a 25% weighting of 2022 data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% pa.

36. PENSION SCHEMES (CONT.)

Based on these assumptions, the average future life expectancies at age 65 for males and females are summarised below:

	2024		2023	
	Males	Females	Males	Females
Current pensioners	20.6 years	24.5 years	20.7 years	24.5 years
Future pensioners (assumed age 31 March 2022 is 45 years)	21.5 years	25.6 years	21.6 years	25.6 years

Life expectancies for the prior period end are based on the Fund's VitaCurves.

An allowance is included for future retirements to elect to take 55% of the maximum additional tax-free cash up to HMRC limits.

The Group's estimated share of the assets in the scheme was:

	2024	2023
	£000	£000
Equities	102,616	95,651
Bonds	19,414	15,103
Property	11,094	10,068
Cash	5,547	5,034
	138,670	125,856

The following amounts were measured in accordance with the requirements of FRS 102:

Analysis of amounts shown in the balance sheet

	Consolidated		University	
	2023-24 Total	2022-23 Total	2023-24 Total	2022-23 Total
	£000	£000	£000	£000
Fair value of employer assets	138,670	125,856	138,670	123,293
Present value of funded liabilities	117,632	(114,075)	117,632	(112,181)
Net underfunding in funded plans	21,038	11,781	21,038	11,112
Present value of unfunded liabilities	(835)	(876)	(835)	(876)
Less asset ceiling adjustment.	(21,038)	(11,781)	(21,038)	(11,112)
Net liability	(835)	(876)	(835)	(876)

Analysis of amounts recognised in the consolidated statement of comprehensive income

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Current service cost	1,521	2,154	1,519	2,121
Net interest	(573)	450	(568)	455
Past service cost (including curtailments)	16	41	16	41
Scheme assets transferred from subsidiary	-	41	629	41
	964	2,645	1,596	2,617
Actual return on plan assets	14,743	4,716	14,789	4,621

36. PENSION SCHEMES (CONT.)

b. Surrey County Council local government pension scheme (Surrey Pension Fund) (Cont.)

Analysis of amounts recognised in other comprehensive income

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Changes in financial assumptions	3,261	28,217	3,062	27,259
Changes in demographic assumptions	236	2,652	236	2,750
Other experience gains	(3,945)	(7,357)	(3,765)	(7,148)
Return on assets excluding amounts shown in net interest	8,399	450	8,466	441
Asset ceiling adjustment	(9,257)	(11,781)	(9,926)	(11,112)
Total measurements recognised in other comprehensive income	(1,306)	12,181	(1,927)	12,190

Reconciliation of asset ceiling

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Balance b/fwd	11,781	-	11,112	-
Net change in underfunding in funded plans in year:				
- Net interest, recognised in the consolidated statement of comprehensive income	573	(450)	568	(455)
- Remeasurement loss, recognised in other comprehensive income	8,684	12,231	9,358	11,567
Asset ceiling applied	21,038	11,781	21,038	11,112

Changes in the present value of the defined benefit obligation

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Opening defined benefit obligation	114,951	136,147	113,057	133,693
Current service cost	1,521	2,154	1,519	2,121
Interest cost on defined benefit obligation	5,771	4,716	5,755	4,635
Contributions by members	464	470	462	457
Changes in financial assumptions	(3,261)	(28,217)	(3,062)	(27,259)
Changes in demographic assumptions	(236)	(2,652)	(236)	(2,750)
Other experience gains	3,945	6,500	3,765	6,304
Past service cost (including curtailments)	16	41	16	41
Estimated benefits paid	(4,610)	(4,117)	(4,606)	(4,094)
Unfunded benefits paid	(94)	(91)	(94)	(91)
Transfer of subsidiary Scheme liabilities	-	-	1,891	-
Closing defined benefit obligation	118,467	114,951	118,467	113,057

The 31 March 2022 triennial funding valuation included an allowance for full GMP indexation. The roll forward position to 31 July 2024 therefore includes this allowance.



Changes in the fair value of employer assets

	Consolidated		University	
	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Opening fair value of employer assets	125,856	122,747	123,293	120,293
Interest on assets	6,344	4,266	6,323	4,180
Contributions by members	464	470	462	457
Contributions by the employer	2,217	2,897	2,212	2,860
Contributions in respect of unfunded benefits	94	91	94	91
Return on assets less interest	8,399	450	8,466	441
Estimated benefits paid	(4,610)	(4,117)	(4,606)	(4,094)
Other Experience	-	(857)	-	(844)
Unfunded benefits paid	(94)	(91)	(94)	(91)
Transfer of subsidiary Scheme assets	-	-	2,520	-
Closing fair value of employer assets	138,670	125,856	138,670	123,293

Sensitivity analysis

	Approx % increase to defined benefit obligation	Approx monetary amount
Change in assumptions at 31 July 2024:	%	£000s
0.1% decrease in real discount rate	2%	2,011
1 year increase in member life expectancy	4%	4,702
0.1% increase in the salary increase rate	0%	59
0.1% increase in the pension increase rate (CPI)	2%	1,991

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, it is estimated that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

c. London Pensions Fund Authority local government pension scheme (LPFA Pension Fund)

On 7 August 2012 the University entered into a deficit repayment plan ('the Agreement') with the LPFA in relation to the pension liabilities of former employees of the University's predecessor University in the Fund. The Agreement stated that LPFA had the right to review and amend the annual deficit payment and/or the repayment period where it was estimated, on a cessation basis calculated by the Fund actuary, that the deficit amounted to £100,000 or less. The Agreement also stated that the LPFA had the right to terminate the agreement if this was the case and thus instruct the Fund actuary to carry out a final cessation valuation determining the final amount for the employer to pay.

A final cessation valuation was carried out as at 31 August 2019. This showed a surplus of £68,000 and, under the terms of the Agreement, the actuary confirmed that the University could exit the Fund with nothing to pay. This surplus was paid to the University in November 2020 at which point the scheme closed.

The cessation valuation did not include any allowance for unfunded benefits in respect of pension enhancements on termination. An amount of £25,000 is included in provisions at 31 July 2024 (2023: £34,000) in respect of these unfunded benefits, representing the 31 July 2019 valuation of £77,000 less payments made since totalling £52,000 (see note 26).

37. RELATED PARTY TRANSACTIONS

All transactions involving entities in which a member of the Council or the Executive Board may have an interest, including those identified below, are conducted in accordance with the University's financial regulations and normal procurement procedures. The University has taken advantage of the exemption under FRS 102 not to disclose transactions with subsidiaries that are wholly owned. The table below shows transactions with related parties not covered by the exemption.

Related parties include Council and Executive Board members and entities over which the Council and Executive Board members have significant influence.

2023-24

	Recognised income	Recognised expenditure	Balance due to/(from) the University
	£000	£000	£000
University of Surrey Students' Union	248	1,582	129

2022-23

	Recognised income	Recognised expenditure	Balance due to/(from) the University
	£000	£000	£000
University of Surrey Students' Union	267	1,356	78

38. FINANCIAL INSTRUMENTS

Carrying amount of financial instruments

The carrying amounts of the financial instruments include:

	2024	2023
	£000	£000
Assets measured at fair value through the statement of comprehensive income	152,609	149,707
Liabilities measured at fair value through the statement of comprehensive income	(826)	-

Assets / liabilities

The fair value of the financial assets measured at fair value through the statement of comprehensive income is determined by reference to their quoted bid price at the balance sheet date.

During the year income arising from assets measured at fair value of £8,927,000 (2022-23: £7,309,000) and net losses on changes in fair value of £3,162,000 (2022-23: £15,541,000 losses) were recognised in the statement of comprehensive income.

The University uses interest rate swaps as cash flow hedges against the risk of fluctuations in cash flows arising from interest rate changes on certain borrowings. These swaps, included in liabilities (2023: assets) above, are as follows:

Bank	Interest rate %	Maturity	Interest payment frequency	Fair value	
				2024	2023
				£000	£000
Lloyds	4.33	2035	Quarterly	826	(324)
				826	(324)

The fair value of interest rate swaps, recorded in liabilities (2023: assets), is based on broker quotes using forecast projections of SONIA. Those quotes are tested for reasonableness by discounting estimated future cash flows based on terms and maturity of each contract and using market interest rates for similar instruments at the measurement date.

During the year, the change in the fair value of the interest rate swap gave rise to a £327,000 credit to interest payable (2022-23: £356,000 charge) and £1,476,000 charge to comprehensive income (2022-23: £4,819,000 credit).

39. POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events.



## 40. US 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:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets;
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition);
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

All figures are on a consolidated basis.

### Primary reserve ratio

Page		2023-24		2022-23	
Expendable Net Assets		£000	£000	£000	£000
48	Balance sheet- unrestricted reserves	Net assets without donor restrictions	527,840		458,199
48	Balance sheet- restricted reserves	Net assets with donor restrictions	11,401		10,511
82	Notes to the Financial Statements - 37 Related Party Transactions	Secured and Unsecured related party receivable	129		78
82	Notes to the Financial Statements - 37 Related Party Transactions	Unsecured related party receivable	129		78
65, 66, 67	Notes to the Financial Statements - 17 Tangible Fixed Assets total less Leased assets, 18 Investment properties	Property, plant and equipment, net (includes Construction in progress)	891,943		890,264
65, 66, 67	Notes to the Financial Statements - 17 Tangible Fixed Assets total less Leased assets, 18 Investment properties, less construction-in-progress, less post-implementation additions below	Property, plant and equipment - pre-implementation	735,667		747,989
-	Notes to the Financial Statements - Balance Sheet - Property, plant and equipment - post-implementation with outstanding debt for original purchase	Property, plant and equipment - post-implementation with outstanding debt for original purchase	19,930		5,663
86	See table at end of note	Property, plant and equipment - post-implementation without outstanding debt for original purchase	124,208		115,100
65	Notes to the Financial Statements - 17 Tangible Fixed Assets	Construction in progress	12,137		21,512
66	Notes to the Financial Statements - 17 Tangible Fixed Assets	Lease right-of-use asset, net	1,182		4,364
66	Notes to the Financial Statements - 17 Tangible Fixed Assets	Lease right-of-use asset pre-implementation	1,112		4,364
-	Notes to the Financial Statements - Balance Sheet - Lease right-of-use asset post-implementation	Lease right-of-use asset post-implementation	70		-
-	Balance Sheet - Goodwill	Intangible assets	-		-
48	Balance sheet - Intangible Assets	Intangible assets	10,183		14,682
48	Balance Sheet - Provisions	Post-employment and pension liabilities	860		94,275

## 40. US SUPPLEMENTARY SCHEDULE (CONT.)

Page		2023-24		2022-23	
Expendable Net Assets		£000	£000	£000	£000
71	Notes to the Financial Statements - 25 Borrowings	Long-term debt - for long term purposes	287,805		291,992
-	Balance Sheet - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation	150,899		152,857
-	Balance Sheet - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes post-implementation	136,906		139,135
-	Balance Sheet - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Line of Credit for Construction in process	-		-
72	Notes to the Financial Statements - 25 Borrowings	Lease right-of-use asset liability	766		4,422
-	Balance Sheet - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases	694		4,422
-	Balance Sheet - Lease right-of-use asset liability post-implementation	Post-implementation right-of-use leases	72		-
-	Balance Sheet - Annuities	Annuities with donor restrictions	-		-
-	Balance Sheet - Term endowments	Term endowments with donor restrictions	-		-
-	Balance Sheet - Life Income Funds	Life income funds with donor restrictions	-		-
74	Notes to the Financial Statements - 27 Endowment Reserve	Net assets with donor restrictions: restricted in perpetuity	2,471		2,237

Page		2023-24		2022-23	
Total Expenses and Losses		£000	£000	£000	£000
46	Statement of Comprehensive Income - Expenditure	Total expenses without donor restrictions - taken directly from Statement of Comprehensive Income	258,254		323,315
46	Statement of Comprehensive Income - Investment income, Gain/loss on investments, Actuarial gain in respect of pension schemes, Change in fair value of hedging instruments	Non-Operating and Net Investment (loss)	(11,516)		(17,410)
46	Statement of Comprehensive Income - Investment income, Gain/loss on investments	Net investment losses	(14,299)		(353)
-	Statement of Comprehensive Income - Pension related changes other than periodic pension	Pension-related changes other than net periodic costs	-		-



40. US SUPPLEMENTARY SCHEDULE (CONT.)

Page			2023-24		2022-23	
Modified Net Assets			£000	£000	£000	£000
48	Balance Sheet - Unrestricted reserves	Net assets without donor restrictions		527,840		458,199
48	Balance Sheet - Restricted reserves	Net assets with donor restrictions		11,401		10,511
-	Balance Sheet - Goodwill	Intangible assets		-		-
82	Notes to the Financial Statements - 37 Related Party Transactions	Secured and Unsecured related party receivable	129		78	
82	Notes to the Financial Statements - 37 Related Party Transactions	Unsecured related party receivable		129		78

Page			2023-24		2022-23	
Modified Assets			£000	£000	£000	£000
48	Balance Sheet - Non-current assets + current assets	Total Assets		991,946		1,026,721
66	Notes to the Financial Statements - 17 Tangible Fixed Assets	Lease right-of-use asset pre-implementation		1,112		4,364
72	Notes to the Financial Statements - 25 Borrowings	Pre-implementation right-of-use leases		694		4,422
-	Balance Sheet - Goodwill	Intangible assets		-		-
82	Notes to the Financial Statements - 37 Related Party Transactions	Secured and Unsecured related party receivable	129		78	
82	Notes to the Financial Statements - 37 Related Party Transactions	Unsecured related party receivable		129		78

Page			2023-24		2022-23	
Net Income Ratio			£000	£000	£000	£000
48	Balance Sheet - Change in unrestricted reserves	Change in Net Assets Without Donor Restrictions		69,641		(6,077)
46	Statement of Comprehensive Income - Total income less Investment income, Loss on disposal of fixed assets	Total Revenue and Gains		317,548		300,460

Analysis of Fixed Asset Additions		Freehold and leasehold land and buildings	Equipment	Investment property	Total	Construction in progress
		£000	£000	£000	£000	£000
Net Book Value						
Assets acquired pre 1 August 2019		612,667	13,729	110,383	736,779	-
Assets acquired post 1 August 2019		90,962	28,746	24,501	144,209	12,137
		703,629	42,475	134,884	880,988	12,137





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