



UNIVERSITY OF
SURREY

ANNUAL REPORT

AND FINANCIAL STATEMENTS

2024/25

CONTENTS

Foreword from the Chair of Council 03

Vice-Chancellor's Review 04

Surrey's Year in Numbers 06

Strategic Update 07

1. Transformative Research and Innovation/Impact Unleashed..... **07**

2. Exceptional Student Experience and Education **09**

3. Talented People and Inclusive Community **11**

4. Reciprocal Partnerships **12**

5. Cutting-Edge Infrastructure..... **12**

6. Sustainable Growth and Financial Capacity..... **13**

Sustainability and Environmental Impact 14

Key Risks facing the University..... 18

Corporate Governance 20

Financial Highlights 25

Financial Statements 35

FOREWORD FROM THE CHAIR OF COUNCIL



It is my pleasure to introduce this Annual Review, which marks the beginning of a new chapter in the history of the University of Surrey.

The first phase of Vision 2041, our ambitious new strategy to secure The University of Surrey's place among the top 15 universities in the UK and the top 100 worldwide is now underway and already demonstrating progress.

The University enters this next phase under the leadership of our new President and Vice-Chancellor, Professor Stephen Jarvis, who succeeded Professor Max Lu in September 2025. On behalf of Council and the entire University community, I am delighted to welcome Professor Jarvis to his new role and to express our sincere appreciation to Professor Lu for his outstanding and transformative service to Surrey.

As part of his enduring legacy, Professor Lu, now Emeritus Professor of the University, has generously established a new scholarship to support international undergraduate students, a fitting reflection of his commitment to excellence and global engagement.

This report shows that, while the UK higher education sector faces significant challenges, our University has strong foundations on which to build for the future.

The period covered by this report was shaped by high inflation, capped domestic tuition fees, intense competition for international students and rising operational costs. Through a rigorous financial resilience programme the University has successfully delivered an underlying financial surplus in 2024/25, ending three consecutive years of underlying deficit, with a corresponding improvement in operating cashflow.

This achievement is a testament to the professionalism of our community. I wish to extend my sincere thanks to members of Council, the Executive Board and to all academic and professional services colleagues for their continued commitment and hard work during this challenging period.

Looking forward, the University is well positioned to support sustainable growth, guided by a clear strategic direction and our ambition to strengthen research and innovation, with Innovate Surrey Ltd playing a pivotal role in translating the University's research into real-world impact.

While the funding environment remains highly competitive, Surrey secured £48 million in research income this past year, and our two established interdisciplinary Institutes - the Institute for People-Centred Artificial Intelligence and the Institute for Sustainability - continue to develop and broaden their reach.

A third major institute will open in 2025/26, the Surrey Space Institute, building on more than 45 years of leadership in small satellites and space infrastructure.

The University's position in several international rankings—such as the QS World University Rankings, the Times Higher Education World University Rankings and the Shanghai Rankings—has shown upward movement. In the Times Higher Education World University Rankings 2026, the University reached 219th globally, its highest position to date.

The University continues to expand its transnational education portfolio, including plans for a new International Branch Campus in GIFT City, Gujarat, India. This initiative will deliver teaching in areas of high global demand such as artificial intelligence, data science, cyber security, business, and finance, while deepening research and educational collaboration between the UK and India.

The University also remains one of the few UK universities within the top 20 nationally for each of research, publication quality, teaching and student satisfaction. Demand for places is strong, with the 2025/26 intake set to be our largest cohort and increased attendance at the 2025 Open Days. These outcomes are reflected in the National Student Survey, which has placed Surrey within the UK's top 15 universities for the fourth year running.

Our new School of Medicine has made a positive start as it contributes to training the future NHS workforce. Students in the inaugural cohort have completed their first year and are now beginning their first clinical placements in Year 2, with the majority of the next three years to be spent on placement with our partner NHS Trusts gaining practical experience.

As outlined in Vision 2041, the University remains focused on improving the academic environment and student experience, aiming to ensure that Surrey's strengths continue to be recognised nationally and internationally.

Charlie Geffen
Chair of Council



VICE-CHANCELLOR'S REVIEW

It gives me great pleasure to introduce this Annual Report, the first of my tenure as President and Vice-Chancellor, which celebrates the many successes of the University of Surrey, highlights how our community has risen to the challenges facing the higher education sector, and provides strong grounds for optimism about the future.

The University of Surrey has long been recognised as a purpose-driven institution — one that prepares future-ready graduates for an ever-changing world and delivers research that makes a tangible difference to society. This dual commitment to excellence in both education and research lies at the heart of Surrey's identity and deeply aligns with my own professional values — one of the key reasons I was drawn to join the University.

It gives me great confidence for the future and, when combined with the strength of our collaborative and supportive community, it reinforces why Surrey's global reputation continues to rise.

The initial phase of Vision 2041, our new institutional strategy, is starting to develop and show early signs of progress. Built on firm foundations, it is designed to position Surrey among the top 15 universities in the UK and the top 100 globally. As a university that adapts to changing circumstances, we will continue to review our ambitions and consider how best to deliver them - including how we make appropriate use of Artificial Intelligence.

The University is embracing AI in a measured and forward-thinking way. We are developing a framework to ensure that both staff and students acquire the skills needed for the future, and we are embedding AI across our curricula to ensure every graduate is prepared for the opportunities of a changing world.

There is clear evidence of progress over the past year.

- We are about to formally launch our third pan-University research institute, the Surrey Space Institute, with plans for further development in the years ahead.
- Our first global philanthropic campaign, The Future Says Surrey, significantly exceeded our original target of £60m and is supporting students through scholarships and funding pioneering research.

- We continue to strengthen our reputation for excellent graduate outcomes and employability.

The University of Surrey has an outstanding record of preparing students for the future, and demand for our degrees continues to grow. Undergraduate applications rose by 10% during the period covered by this report and in October 2025 we welcomed our largest-ever intake of students.

This momentum is reflected in national performance measures. In the 2025 National Student Survey, the University was ranked among the UK's top 15 universities for the fourth consecutive year, highlighting our continued attention to student experience, retention and transition.

Our graduates remain highly employable, with the Graduate Outcomes Survey once again placing Surrey in the top 15 UK universities for the proportion of graduates in highly skilled roles — for the fifth successive year.

I am very proud that the School of Medicine is helping to train the medical experts of the future. Following a successful first year, we have now welcomed our second cohort of around 100 students, including a higher proportion of home students as a result of a new allocation of government-funded places.

Our efforts to ensure that Surrey's academic and research excellence are reflected externally are also paying dividends: in 2025 we rose across all three major global rankings, further reinforcing our growing international standing.

This global outlook forms an integral part of our preparations for REF 2029, as we continue to expand the scale, visibility, and reach of Surrey's research. Our focus is on creating a culture that enables talented people to thrive and make a tangible difference through discovery and innovation.



Despite an increasingly competitive funding environment, the University achieved a research income of £48 million in the past year, supported by a series of high-value awards. Among these are pioneering projects such as SignGPT, a large-language model built for the Deaf community that translates between signed and spoken language.

Colleagues have also secured major infrastructure and doctoral training grants totalling over £15 million, helping to develop the next generation of researchers and strengthen Surrey's research ecosystem.

The University's interdisciplinary institutes continue to play a central role. The Institute for People-Centred Artificial Intelligence is widely recognised for its leadership in ethical, human-focused AI, while the Institute for Sustainability contributes directly to the United Nations Sustainable Development Goals through world-leading research.

Sustainability continues to be a central principle of our strategy and operations, informing our teaching, research, student activity and campus management. Our Net Zero Carbon plan is progressing, including work on proposals for a 12MW solar farm to the west of the University Research Park. Other campus-wide initiatives - such as waste reduction, energy efficiency and water conservation - are helping to embed sustainability in day-to-day practice.

Our commitment to people is equally strong. We are fostering an inclusive culture that enables everyone to thrive, with new mentoring schemes, targeted management and leadership development, and focused work on improving diversity and pay equity.

This spirit of empowerment extends beyond our campus. The University continues to collaborate with local authorities, government, and community partners to deliver benefits across the region, strengthening the civic and economic fabric of Surrey.

Despite the continuing financial pressures facing the UK higher education sector, the University has demonstrated strong financial resilience. Thanks to disciplined planning, strategic investment, and the commitment of our staff, Surrey has delivered an underlying financial surplus, enabling us to reinvest in our people, our research, and our future.

I remain deeply optimistic about what lies ahead. The University of Surrey is forward-looking, resilient, and united by purpose. Above all, I have every confidence in our future because our people are shaping it.

Professor Stephen Jarvis
President and Vice-Chancellor



SURREY'S YEAR IN NUMBERS

85.6%

overall positivity in National Student Survey
Compared with 84.7%

2,725

FTE staff as at 31 July
Compared with 2853 FTE

£47.5m

RG&C income received in year
Compared with £45.6m

216

THE Ranking
Compared with 233

16,277

students (exc TNE/SII Dufe)
Compared with 15,552

72%

Staff Engagement
Compared with 73% (in 2023/24)

12,563

Undergraduates (exc TNE)
Compared with 11,357

13th

Grad employment in highly skilled roles
Compared with 12th

£12.6m

Underlying surplus
Compared with a deficit of £11.2m

£346.8m

Total revenue
Compared with £332.7m

£70.3m

The Future says Surrey total raised (over multiple years)
£60m target The Future says Surrey raised (over multiple years)

STRATEGIC UPDATE

INTRODUCTION

2025 has been an important year in the implementation of Vision 2041. With the delivery plan for 'chapter 1' now in motion, the University has made significant progress across all the strategic themes. Despite a challenging financial environment, we have prioritised high-impact initiatives, laid the foundations for long-term transformation, and maintained momentum toward our strategic goals. This document provides an overview of progress within each strategic theme as set out in our Vision 2041.

1. Transformative Research and Innovation/Impact Unleashed

Summary

The University has made meaningful progress, improvements in bid ambition and mechanics have led to a significant rise in average bid value and research recovery. Despite a more competitive funding landscape, the University secured several high-value awards exceeding £1 million and saw notable success in doctoral training and infrastructure grants. The expansion of the pan-University institutes further marks a key milestone toward Vision 2041. Plans to foster a supportive research culture are underway, with REF 2029 preparations and initiatives focused on integrity, governance and environment. Innovation and impact have been strengthened through leadership changes at Innovate Surrey Ltd and enhanced commercialisation strategies. Public engagement activities are also being developed to further connect research with the wider community.

Strategic goals:

- i. Deliver world-leading research and innovation through an ecosystem of frontier disciplinary excellence and challenge-facing, interdisciplinary pan-University research institutes, working collaboratively and openly with a wide range of international partners.*

Bidding Better

This programme of work has set out to improve bidding behaviour in terms of ambition and activity. Four focused workstreams (Culture, Mechanics, Portfolio and Industry) have successfully contributed to an increase in average bid value (over £100,000 more per bid than 2023/24), an increase in the number and scale of EU bids, improved bid pricing and improved research recovery pre-award. However, success rates have dropped across many of the key funders, and consequently the overall value of awards has dropped slightly compared to previous years. Nevertheless, the strong success in recent years for multiyear programmes has enabled research income (revenue recognised in year from work completed) to grow 4% year on year. Maintaining this growth trajectory will be challenging in 2025/26 given the long lead in time to secure new income (bid to project start date is typically well in excess of 12 months).

Notably, the following successful research and research-related awards were valued above £1 million:

Project	Amount	Funder
Sign GPT – Programme Grant	£3.5m	Engineering and Physical Sciences Research Council
NILOMORPH - Evolution of monosyllabic morphology in West Nilotic	£3.0m	European Commission
Staff Wellbeing: innovative partnerships to enable staff to care well under pressure and thrive at work	£2.4m	National Institute for Health Research
AURORA ³ IoSR Strategic Infrastructure	£2.2m	Engineering and Physical Sciences Research Council
Developing a robust research infrastructure underpinned by culture change to build local knowledge about health determinants and reduce health inequalities	£1.6m	National Institute for Health Research
Virtual Exascale Calculations Transform Aviation	£1.3m	Engineering and Physical Sciences Research Council
AZTEC: aerothermal Net Zero Technologies	£1.1m	Innovate UK
Better Water for All: re-engineer water engineering for equitable and resilient access to high-quality water for future generations	£1.1m	Engineering and Physical Sciences Research Council
Noise Network Plus	£1.3m	Engineering and Physical Sciences Research Council
SustaPack Partnership: AI and Modelling for the Next Generation of Sustainable, High-Performance Packaging to Meet Net Zero Targets	£1.0m	Engineering and Physical Sciences Research Council
Vertical Farming to Improve UK Food System Resilience (VF-UKFSR)	£1.2m	Biotechnology and Biological Sciences Research Council
ACITHub: Accelerated Compute Infrastructure Training Hub	£3.0m	UK Research and Innovation
Centres for Doctoral Training and Doctoral Landscape awards	£15m+	Various

Pan-University Institutes (PUIs)

This year sees our number of PUIs increase to three, a significant step forward towards our Vision 2041, with many successes to be proud of including the growth of the Institute of Sustainability Innovation hub and launch of a new set of focused research programmes.

The University's newest PUI, the Surrey Space Institute, was soft launched at the UK Space Agency Conference (UKSA) and will build on the University's 45-year leadership in small satellites and space infrastructure to deliver new technologies, policies, systems and skills to create solutions for climate resilience and secure global connectivity. Through 2025/26 we will continue to develop pan-University Institutes as a catalyst for the growth of multidisciplinary research in response to global challenges.

ii. Build a supportive, inclusive, diverse and open research culture and environment that inspires, energises and motivates staff and students and attracts and retains talent across disciplines.

Preparing for Research Excellence Framework 2029

The Research Excellence Framework is the sector wide periodic assessment of research quality and impact that informs the level of central funding per university or research institute to underpin their research environment. Surrey has continued to prepare for this exercise, ensuring every discipline is on track to submit an optimised REF return in due course.

iii. Deliver and translate research into impact that benefits society and the economy locally, nationally and globally, through entrepreneurship and by working in partnership with industry, NGOs and governments.

Impact and Innovation

The new lead for innovation at Surrey, Dr Jim Shaikh, started in March with a brief to build a function able to facilitate bridging the gap between groundbreaking research and real-world applications. By fostering strategic partnerships and supporting entrepreneurial ventures, the University aims to transform innovative ideas into impactful licensing opportunities and enterprises that address global challenges and drive meaningful change. Under the new leadership work has commenced to improve the functioning of the Technology Transfer Office, uplift research commercialisation and impact, establish seed and growth funds and, through collaboration with the Surrey Business School, to scale up student entrepreneurship activity.

Engagement with regional industry has been driven by the Surrey Innovation District, supporting innovation partnerships and commercialisation growth, centred on the Surrey Research Park. Activities have supported the growth in regional excellence in space technologies, games design, cancer research, animal health and women's entrepreneurship with over 45 new industry collaborations formed and 11 new companies taking up residence. 97 start-ups have been supported to raise over £8.4 million and employ over 220 new staff. The incubator has had a particular focus on animal health and space technology companies, helping to drive new innovations into our established local clusters.

2. Exceptional Student Experience and Education

Summary

The University continues to make meaningful progress toward delivering an exceptional and increasingly personalised student experience. Targeted initiatives to support student retention are helping to identify and address academic and social confidence early on. The Education 2030 project is advancing interdisciplinary learning, with new modules in entrepreneurship and AI launching in 2025/26. Portfolio reviews have refreshed course offerings, with successful new programmes

supporting growth. An AI Framework is being developed to embed future-ready skills across curricula in support of the wider employability agenda. Work is also underway to enhance inclusive practice and wellbeing support.

Strategic goals:

i. Deliver an excellent and increasingly personalised education and student experience to a growing and increasingly diverse student body.



Student Experience, Retention and Outcomes

A range of initiatives have been established that focus on student experience and in particular retention. These include improving our transition offer, both for new students but also returning students to ensure they are given the support and information to allow them to succeed. A new Student Success Questionnaire for all students has been introduced. This is gathering rich information relating to our students' confidence around both academic and social skills. This will be used to support interventions in both academic skills and creating a sense of belonging to support students as they join and progress through university.

Personal Tutor Review

Following a comprehensive review of our Personal Tutoring system and best practice within the sector, a new model has been formulated. This focuses on a consistent and quality experience for all students. A pilot is being conducted in a small number of selected schools and includes putting in place a new Student Success Coach role, and a Personal and Professional skills module.

ii. Create an adaptive and flexible provision that responds to student demands, the changing needs of the workplace and enables students to be prepared to tackle global challenges.

Education 2030

The Education 2030 project aims to provide Surrey students with opportunities to develop critical skills and competencies working across disciplines on contemporary challenges. As part of this a number of Surrey Interdisciplinary Modules (SIMS) will be developed. These will include an entrepreneurship module ready for Semester 1 2025/26 and a new Artificial Intelligence module from Semester 2 2025/26. Over the next academic year, the aim is to scale this up across all faculties and integrate into the core curriculum adding additional modules in future years.

Portfolio Review

Building on the previous wholesale review of curriculum design, a review of the course portfolio has been conducted, seeking to withdraw programmes that are no longer contemporary while refreshing others. A limited number of new programmes have been established and are now scaling up successfully including Games Design, Airport Management, Pharmaceutical Sciences and Graduate Medicine. Together with a small number of other new offerings due to launch this year such as Biotechnology, these will underpin future student number growth.

iii. Exploit the rapidly developing technology landscape to enhance education delivery and increase engagement.

We are currently developing an Artificial Intelligence (AI) Framework with the aim of clearly articulating how AI is embedded within the curriculum for all programmes, including identifying the skills our students will need both for study and within their future careers and articulating how these will be delivered through the modules they take. This new framework will be in place by Semester 2 2025/26 and will be enhanced by the delivery of an AI toolkit to support their learning.

iv. Deliver a rounded experience that supports students through to completion of their programme and, at an exceptional rate, into highly skilled employment.

Graduate Outcomes

Our key strength in supporting students to progress to graduate-level professional opportunities after study has been maintained for another year, with Surrey graduates remaining highly employable according to the latest Graduate Outcomes Survey. This year we ranked 13th in the UK for the number of graduates in highly skilled roles, with 85% of our graduates in graduate-level employment and in total 94% of graduates employed or in further study.

A number of actions are underway to further boost our position in graduate outcomes including: to increase student take-up of the professional training year (this increased from 645 to 770 in 2024/25 but remains below the levels seen pre pandemic), introduce shorter-length alternatives, embed employability skills in the curriculum, develop alumni and peer mentoring programmes and establish a structured Leaver's programme. These actions and activities will be progressed over the coming academic year.

3. Talented People and Inclusive Community

We attract, inspire and develop talented people who care about society and each other, and want to build a supportive inclusive community in which to thrive.

Strategic goals:

Future ready

i. We will adopt new technologies, supported by career-long skills development, to respond to the opportunities and challenges posed by the future of work.

The internal staff development provision has been refreshed and re-launched, with a particular focus on AI literacy development. A central hub has been established to signpost support and guidance, to ensure we maintain integrity and ethics while optimising AI. 2025/26 will see a significant focus in this area as new platforms are introduced and AI becomes a significant tool in many roles.

To further support career development, a new mentoring platform will soon also be introduced enabling an increase in collaborative learning both through traditional and reverse mentoring relationships, underpinned by robust training and automated administration.

ii. We will enhance our recruitment, development and reward structures to recognise individual and team achievements and innovative practice across teaching, research and professional support.

To combat the risk of staff turnover in a highly competitive recruitment environment and grow our academic capacity, a talent attraction plan is being developed to inform a strategic approach to recruitment.

Whilst average headcount has reduced year-on-year following a period of managed staff departures within the University's financial resilience programme, permanent staff numbers have since remained stable. This reflects strengthened recruitment controls and the University's commitment to delivering its activities without materially increasing the staff cost base.

For the year ahead, we will seek a greater focus on optimising our internal talent pool. This will include better visibility of potential career opportunities, increased opportunities for peer-to-peer coaching and increased emphasis on building individual development plans aligned to local goals.

Leadership and Management Development

iii. We will develop our current and emerging leaders.

Our refreshed in-house Management Development Portfolio has three different offerings, supporting managers at every stage – from aspiring to advanced. The portfolio continues to receive consistently high feedback, with all cohorts rating it at least 9 out of 10 for meeting its objectives and achieving a 98% attendance rate. The first programme is People Management Essentials, an agile and practical programme designed

for both aspiring and current managers. A third of managers have already completed this programme, and in response to growing demand, the number of offerings will double in 2025/26. The second programme is tailored for new team managers, using a coaching-led approach to develop inclusive, values-driven leadership focused on building high-performing teams. The third, Advanced Management Programme, is designed for experienced leaders overseeing larger areas. Delivered in part by an external facilitator, it aims to further strengthen strategic leadership capabilities and support the successful delivery of complex organisational change.

2025/26 will continue to see a significant focus on management and leadership development, which will expand to include more tailored teams and coaching offerings. We will also be enhancing our talent management focus through targeted succession planning for strategically critical areas.

Inclusive high-performing culture

iv. We will create a values-led inclusive culture that supports high performance and individual wellbeing.

Following the challenging financial resilience programme in 2023/24, morale has improved in many areas, although some challenges still exist where teams are operating on a smaller scale and where systems changes are in progress. Moreover, the broader sector context is having an impact on morale, particularly in academic disciplines. Improved strategic communications, and an increased focus on identifying and celebrating successes is expected to support progress in this area through the year ahead.

Significant progress has been made across the four objectives of the Equality, Diversity and Inclusion (EDI) Plan: improving staff diversity, closing pay gaps (with the gender pay gap reduced by two percentage points to 16%), addressing student awarding gaps, and fostering a more inclusive culture. The EDI networks have been strengthened through the formalisation of Chair roles and dedicated support from senior leadership, enabling them to provide insights and guidance to their communities. In parallel the awarding gaps between students with different characteristics are being addressed through the Access and Participation plan, resulting in a 11 percentage point narrowing of the gap between the attainment of black and white students.

Amid ongoing internal and external change, there has been a renewed and growing focus on employee wellbeing. The University's wellbeing provision has been significantly enhanced: the Wellbeing Champion network has been revitalised through clearer role definitions, targeted learning and development and strengthened professional support. A new process has been introduced to identify emerging trends and systemic barriers to staff wellbeing, and a dedicated support hub is now in place to signpost tailored resources for individuals.



4. Reciprocal Partnerships

Summary

There has been significant success with conclusion of a multi year philanthropic campaign alongside the development of a series of purposeful collaborations with organisations worldwide to further Surrey's mission.

Strategic goals:

- i. Build a partnership network that supports the research and innovation endeavour, expands our reach, informs the education agenda, and creates opportunities for students.*

Coordinated, high-impact delegation visits to priority countries have seen substantial returns in terms of research and educational collaborations, mobility opportunities and broader forms of interaction. Activity around our new strategic partnership with the University of Adelaide has built strongly. Of note is the team's pivot to support international student recruitment through progression and articulation arrangements, as well as through embracing new innovative partnership opportunities. Momentum around transnational education has built strongly, and we now have two active opportunities under consideration, in India, and in China.

Further educational collaborations have been instigated through the long-established University Global Partnership Network (UGPN). Our students, alongside those from North Carolina State University and the University of São Paulo, are researching the impact of climate change through AI and exploring nature-based solutions for healthy global cities. We also continue to develop collaborative PhD programmes with universities

and research institutes worldwide. These include a dual PhD with Hong Kong Polytechnic University, with joint research projects in sustainable tourism and digital innovation in the hospitality sector; and a split-site PhD with King Abdulaziz University in Saudi Arabia, enabling female academic staff to undertake a PhD based in the country.

- ii. Develop our philanthropic community to enable successful delivery of a major fund-raising campaign.*

The Future Says Surrey campaign, which concluded during 2024/25 delivered £70.3 million against a target of £60 million. Over 3,100 donors contributed to this achievement, allowing the University to invest in research projects ranging from sign language translation and vaccinology to the exploration of time itself.

The campaign has also given vital support to students, with over a quarter of the funds raised allocated to scholarships, bursaries and additional financial support for students facing hardship.

The campaign closed as planned in February, marked by a spectacular event at Windsor Castle. It has not just exceeded expectations; it has set the University of Surrey on a bold path for the future. Thanks to the collective effort of our philanthropic supporters, we are building a legacy of innovation, inclusion and impact that will shape Surrey – and the world – for generations to come. Early planning is already underway for Campaign 2.0.

5. Cutting-Edge Infrastructure

Summary

Whilst our capital investment has been constrained, the University has prioritised a limited number of projects that support the strategic vision, laying the foundations for future step changes in the use of technology and the optimisation of our space and facilities.

Strategic goals:

- i. Develop a net zero campus that blends the ongoing development of teaching, study and research facilities with the need for spaces that support physical and mental wellness.*

Net Zero Campus

To generate low carbon energy, solar panels have been installed on the Surrey Sports Park roof and over the car

park. The planned solar farm project has been delayed by a judicial review process, however progress still continues, just at a slower than planned rate.

Further energy reduction initiatives are continuing, including the Surrey Overnight Project, effective from 1 August, which will see the majority of campus buildings (except critical buildings) closed overnight to reduce unnecessary energy usage and a printer replacement scheme which has seen 350 printers replaced with just 100 new models.

- ii. Develop the housing capacity on campus and in the surrounding areas to support the growth of students on campus ensuring a full university experience.*

Future-Ready Campus

A ten-year programme has been initiated to ensure we maintain the integrity of the physical estate, aligning the evolving space/usage requirements and the available capital envelope, while prioritising income-generating parts of the estate and business. It is acknowledged that more will need to be spent than in recent years to meet the University's strategic requirements. In addition to the long-term maintenance programme, we have progressed two significant facilities – the first is the creation of a Games Lab which will underpin a new programme in games design which accepted its first cohort in September 2025. The second is conversion of the first floor of Stag Hill House into an education space that will be used for learning activities and events.

In parallel, we will be developing a new forward-looking University estates strategy to support Vision 2041, that balance academic excellence with community wellbeing and sustainability, creating the foundation for a comprehensive approach to campus evolution.

Several high-level key themes will underpin the delivery of the strategy.

- **Estate optimisation** – utilisation improvement goals to enable growth from within our existing footprint, while reducing operating costs (the first building block to a new estate strategy).

- **Building for the future** – an emphasis on adaptability and flexibility responsive to changing needs and essential infrastructure.
- **Sustainability** – deliver our environmental sustainability commitments for Net Zero Campus 2030.
- **Smart estate** – embracing digital technologies to enable us to make data-driven decisions regarding our campuses, while enhancing the campus experience and support learning, research and collaboration.

iii. Use technology to streamline services and improve accessibility, while enabling focus on meaningful work that supports both staff and students.

Digital Plan

A new five-year digital plan has been developed on the dual tracks of strong essential foundations and becoming digitally distinctive as a university. Short-medium enhancements include: launching a student and staff AI portal, providing seamless access to multiple LLM generative AI chatbots; begin Digital Workspace rollout initially for HR self-service and IT services before moving into Student Support and One Surrey; and deliver phase one of a Data Lakehouse to unlock data potential, enabling AI and advanced analytics.

6. Sustainable Growth and Financial Capacity

Summary

Following the Financial Resilience programme in 2023/24, Surrey has continued to build financial strength and grow the size of the student population. This will continue to be a priority into 2025/26 where a plan has been set to expand intakes further, and increase capacity to invest.

Strategic goals:

- i. Expand the student population extensively through an adaptive course portfolio delivered both in person and remotely.**

Through a combination of a strong new intake and improving continuation through levels of study, Surrey's student population based in Guildford grew by 5%. Applicant demand was high with undergraduate applications increasing by 10%, and postgraduate overseas applications increasing by 2% despite a very challenging and competitive market. Surrey launched a handful of new programmes for the start of September 2025, all of which exceeded their first intake plan. Work continues across all three faculties to continue

to optimise the course portfolio ensuring what is offered meets the needs of both students and employers. Surrey trialled a number of fully remote programmes and has now elected to withdraw this offer, and focus on the use of online technologies to support in person delivery and short course.

- ii. Maintain an underlying surplus at a level that supports the investment needs of the University.**

The 2024/25 planning round has marked the first opportunity to align University resources fully with Vision 2041. The plan sets out a clear trajectory toward a sustainable and strengthening operating position over the coming years, with improving underlying surpluses and healthier cashflow that support both strategic investment and appropriate contingency. Given the continued impact of high inflation, the plan is anchored in a commitment to greater efficiency and smarter use of technology. This will help ensure we can maintain an excellent student experience while managing the financial pressures facing the sector.



SUSTAINABILITY AND ENVIRONMENTAL IMPACT

Utility budget

The utility budget (electricity, gas, water and fuel oil) has increased dramatically over the last five years. In 2019/20 it was £7.6 million, in 2024/25 it was £10.2 million. This reflects the price of energy and water on the open market.

The continued delivery of the Net Zero Carbon plan is key to reducing risk and exposure to external geopolitical cost drivers, by reducing the amount of utilities the University needs to procure.

The University continues to buy energy via The Energy Consortium – a sector-based not-for-profit broker. Its buying saved the University circa £400,000 compared to buying on the open market on its own. In addition

to this, the sustainability team checks all invoices for incorrect billing and during the year secured almost £50,000 in avoided costs.

Energy and carbon

The University has set out the steps it will take to achieve net zero carbon in figure 1. The target date of 2030 is a challenging one and this may have to move as more detailed information becomes available about how the University will fund this work, the changing planning and legislative landscape and wider geopolitical impacts. Any change to the date will be evidence based so as to accurately specify a new date.

Carbon emissions (scope 1 and 2) tCO2e:

2017/18 baseline	2023/24 emissions	2024/25 emissions	Reduction against baseline
19,470	15,625	14,581	25%

Carbon emissions have fallen against baseline by 25% (last year the reduction was 19%). This is a function of decarbonisation of the grid, the reduction in on-site activity post Covid and implementation of demand management measures.

The University's NZC 8-point plan can be seen in Figure 1. The percentages noted against each point show their contribution to achieving NZC.

Delivery of the University's NZC 8-point plan has progressed building on reported actions in 2023/24. Three significant developments have been undertaken,

1. Work on reducing energy demand by improving building services controls and behavioural engagements, leading to an estimated £360,000 worth of savings, reducing carbon emissions by 460 tco2e. Energy reduction projects include improving operation of the combined heat and power units, hot water control during holidays and night setback for ventilation.

2. Installation of a 728kW solar PV array on Surrey Sports Park.
3. Planning permission for a 12MW solar farm at Blackwell Farm, with an expected operation date of 2027.

During 2025/26 further solar projects on car parks and roof tops are planned, including a 3MW solar array on Stag Hill car park.

The energy partnership with Scottish and Southern Energy (SSE) was reconfirmed during the year. With the help of SSE the University is hoping to accelerate delivery of its NZC plan, particularly looking at how to reduce demand, improve energy efficiency, increase energy supply from renewables and decarbonise its heat infrastructure.

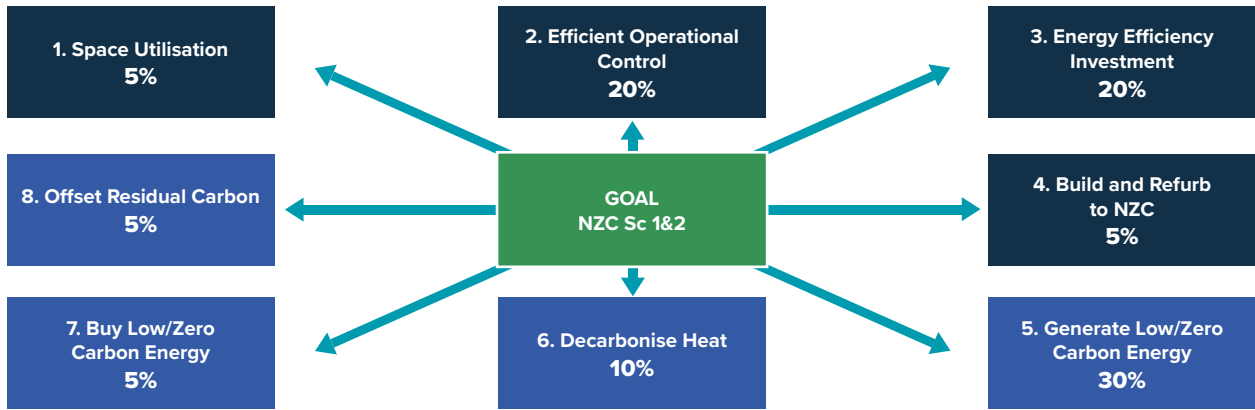


Figure 1: NZC 8-point plan

A Scope 3 Carbon Reduction plan was approved during 2025, aiming to reduce carbon emissions within the supply chain by working with suppliers.

A copy of the plan can be seen at surrey.ac.uk/sustainability/estates-and-operations/energy

A Climate Adaptation and Resilience Plan was approved which focuses on how to mitigate the impacts and risks of actual climate change, such as higher summer temperatures and more frequent storm events.

The Climate Adaptation plan will be a key document in addressing the financial risks related to climate change, particularly around insurance costs. Storm damage and flooding mitigation will be needed over the coming years, and the adaptation plan will set out how to address these challenges.

A copy of the plan can be seen at surrey.ac.uk/sustainability/estates-and-operations/energy

Water consumption

2022/23 baseline	2023/24	2024/25
395,374 m ³	376,814 m ³	370,864 m ³

During 2023/24 a large meter at the Manor Park site was found to be faulty and was fixed. This identified that previous consumption baseline data had been unreliable, so the baseline was reset using the new metered data using 2022/23 data.

Water consumption has fallen over the last year by 1.5% and against baseline by 6% primarily due to fixing water leaks and identifying and fixing where water is being wasted from leaking taps, showers and urinals.

A new water reduction plan has been approved which sets a reduction target of 30% by 2030. This is focused on leak and wastage reduction, replacing old water using equipment with more efficient technologies and behavioural change activities.

The Stag Hill borehole continues to operate, though the University has been asked by the Environment Agency to reduce the amount of water extracted.

Waste and re-use

Surrey diverts 100% of its waste from landfill, by reusing, recycling and recovering (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. This year has seen a reduction in the total amount of waste produced at the University, a 7% drop on last year. Also seen has been a drop in energy from waste which indicates a move up the waste hierarchy. During 2025 new legislation has seen a revision in how waste is separated, leading to the introduction of a 4-bin approach, mixed dry recycling, food waste, glass and all other wastes.

Waste disposal

	2021/22	2022/23	2023/24	2024/25
Tonnes of waste collected	1,321.14	1,230.29	1,276.07	1,190.61
Dry recyclable %	61%	58%	58%	61%
Energy from waste %	37%	37%	37%	34%
Food waste %	2%	5%*	5%	5%
Percentage diverted from landfill	100%	100%	100%	100%

* Food waste data was not available for a number of months due to a change in contract to Chambers.

Due to change in waste data provision from the University's contractor, a simplified table of waste data is now shown above.

A new waste management plan has been developed during 2024/25.

A copy of the waste plan can be seen at surrey.ac.uk/sustainability/estates-and-operations/waste-management

Sustainability Strategy

The University is integrating sustainability into all activity, from its operations and community engagement to its teaching and research. This process has started with the inclusion of sustainability objectives within the University's eight governing policies.

Operations have been the first main policy to include sustainability objectives and set out delivery plans which include KPIs, targets and timelines for delivery.

During 2025/26 all policies will include sustainability and have delivery plans for these objectives.

Time Higher Education Impact Rankings

In recognition of our contributions to meeting the UN Sustainable Development Goals, we were ranked within the top 200 in the world (191st) down from 86th and top 40 in the UK (38th) by the *Times Higher Education Impact Rankings*. This equates to being in the top 10% of universities in the world. More universities took part in the ranking this year – 2,318, up from 1,963 in 2024 – with competition increasing. The ranking is also becoming harder, with our overall score being 87.5 down from 90.2 the previous year.

A structured focus on how to improve scores is being delivered over the next two years, and will include a focus on the sustainability elements of the QS ranking and People and Planet (green) league.

Engagement and Behaviour Change

The Sustainability team has developed a sustainability engagement plan during 2024/25 which will be reported on in subsequent sustainability annual reports.

A copy of the plan can be seen at surrey.ac.uk/sustainability/engagement

Green Impact is a departmental scheme where staff take sustainable actions. Since the programme started in October 2023, a total of 25 teams across the University have implemented 785 actions. In 2025, 18 teams implemented a total of 363 actions. Eleven of those teams achieved either participation, bronze, silver, gold or platinum certification.

LEAF (Laboratory Efficiency Assessment Framework) continues to roll out across the University. A total of 34 labs have signed up, with 22 labs achieving bronze standard and four others silver. LEAF aims to make lab areas more sustainable, reducing their carbon emissions, waste creation and improving management systems.

Sustainability Week – a week of sustainability activity took place, engaging and encouraging staff and students to take sustainable action on campus and at home. Events included a clothes swap in collaboration with CloSH app, biodiversity walks on campus, Sustainable Development Goals workshops run by the Institute for Sustainability, and litter picks organised by University societies and clubs. In total, 33 events were run with over 300 people involved.

Sustainability assemblies – these run each term and offer opportunities for staff and students to be actively involved in sustainability actions. This year, sustainable inductions for staff and students, plus the University's newly launched Sustainable Procurement Plan, were discussed.

Student projects – the Sustainability Mark launched. The mark is a sustainable awards scheme for societies and clubs, run in collaboration with Surrey’s Students’ Union. In total, 27 societies and clubs took part in the scheme, with 14 achieving a Sustainability Mark award.

Student-led projects were supported, including the community garden, sustainable crochet workshops and upcycling activities.

Surrey students also got involved with the London university hackathons. These cross-university events, organised by Climate Jams, encouraged students to collaborate and develop innovative solutions to tackle the ‘big sustainability problems’, including e-waste and food waste.

Other sustainable development activity

Procurement – the University’s Procurement Team released their Sustainable Procurement Plan. The plan sets out the ways the team are already working towards embedding sustainability across our supply chain and maps out actions needed for future improvement. Sustainability impact assessments for commodities have been launched to reduce cost, social and environmental risk. The University has signed up to a supplier engagement tool that has identified 40 key suppliers it wants to work with to improve their sustainability, reducing carbon emissions and wider sustainability impacts.

The University continues to follow the Government’s flexible framework on sustainable procurement (scored out of five). During 2024/25 the University reached level 2, with an aim to achieve level 4 by 2025/26.

Biodiversity – a baseline study was commissioned and completed during the year. It sets out over 350 biodiversity credits associated with 12 different habitats from grassland and woodland to aquatic and amenity. Our aquatic habitats are home to multiple flora and fauna, including moorhens, geese, toads, smooth newts, carp, perch, blackworms and copepods. During 2025/26 activities include measures to encourage swifts, water-borne species and invertebrates like stag beetles.

Catering – the University’s Catering Team achieved three stars in the Sustainable Restaurant Association’s Food Made Good accreditation – the highest possible rating. The University’s ethical and sustainable catering plan has been updated, mapping out how we will continue to reduce carbon emissions and material waste, and provide healthy eating options and Fairtrade produce.

Information technology – a draft sustainable IT plan has been written, with a number of actions taken during the year including a ROT analysis which looks to identify files on the University storage system which are no longer required, freeing up costly space but also reducing carbon emissions.

Transport – the University’s Campus Services team undertook a travel survey during 2025 with an aim to review the Transport Plan which was last reviewed in 2018.

Preventing pollution – during 2024/25 an Emissions and Discharges plan was developed. The aim of this plan is to prevent pollution incidents from University activity and processes.

The plan will be reported on in the next sustainability annual report. A copy of the plan can be seen at surrey.ac.uk/sustainability/estates-and-operations/buildings-and-development



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. The 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.

Principal risks

Financial

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.

Strategy

Failure to deliver our University Strategy 2041.

Educational quality

Failure to realise the strategic priority to deliver an exceptional student education by providing high-quality teaching programmes and learning support.

Research, impact and innovation

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.

Student experience and satisfaction

Failure to deliver the strategic priority of an exceptional student experience as a result of under-resourced support teams, 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, or effect wellbeing.

Health, safety and wellbeing

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.

Reputation

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.

IT

Failure to maintain the resilience of our operational and enterprise IT systems and cybersecurity controls or deliver IT change, impacting on all strategic priorities.

Student recruitment

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.

Our people

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.

University infrastructure

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.

University services

Failure to provide efficient and effective services, impacting on strategic priorities including student experience and education, sustainable growth and transformative research and innovation.

Legal and regulatory compliance

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.

Changes to our principal risks

During the 2024/25 academic year, the risk climate in the following areas has become more challenging:

Financial: there continue to be financial pressures, arising from high inflation, international student recruitment challenges and high energy costs caused by current geopolitical tensions.

Strategy: financial pressure on the University is challenging our ability to generate the capacity to invest fully in the activities to drive our strategic goals.

University infrastructure: financial pressure on the University is challenging our ability to maintain investment in our infrastructure.

Staff recruitment: 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 and domestic 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 in 2024/25 was 15th in the UK and student satisfaction remains high.

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

Risk control and mitigation

There are controls in place for risks as well as action plans that are monitored within departments and through the committee structure.



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).

20

Summary of the Corporate Governance structure

The University's objects, powers and framework of governance are set out in the Charter and its supporting 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 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
- 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, with a follow-up review in 2025. It 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

surrey.ac.uk/about/governance/statutory-bodies-and-committees

Membership of the Council

Council membership in 2024/25 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

Lay members

Name	Role and subcommittee memberships in 2024/25
Vibhaker Baxi	Finance Committee, Nominations and Governance Committee. Retired from Council on 31 March 2025.
Dame Professor Julia Buckingham	Finance Committee, Partnerships and Reputation Committee.
Judith Eden	Senior Independent Member, Audit and Assurance Committee, Nominations and Governance committee. Retired from Council on 31 March 2025.
Nick Gatfield	Joined on 13 May 2025 Student Experience Sub-Committee.
Charlie Geffen	Chair, Finance Committee, Nominations and Governance Committee, Blackwell Park Ltd Board, Remuneration Committee.
Rachel Hubbard	Remuneration Committee. Retired from Council on 31 July 2025.
Pam Jestico	Audit and Assurance Committee.
Nigel Jones	Treasurer and Chair of Finance Committee (from 6 February 2025), Audit and Assurance Committee Chair (to 5 February 2025), Surrey Sports Park Board Chair, Nominations and Governance Committee.
Robert Napier	Treasurer, Finance Committee Chair, Nominations and Governance Committee, Blackwell Park Limited Board. Retired from Council on 5 February 2025.
Pam Powell	Senior Independent Member, Remuneration Committee Chair.
Dr Helen Turner	Audit and Assurance Committee (to July 2025), Innovate Surrey Ltd Board.
Sir Philip Rutnam	Innovate Surrey Ltd Board.

Philip Whitecross Joined on 13 May 2025.

Dr Linda Wilding Joined on 26 March 2025, Chair of Audit and Assurance Committee.

University members

Name	Role
Dr Josh Andresen	Senate representative.
Dr Charo Hodgkins	Senate representative.
Will Davies	Chief Operating Officer.
Liam White	Students' Union President.
Professor Tim Dunne	Provost and interim VC from 17 May 2025.
Professor Jin Xuan	Senate representative.
Professor Max Lu	Vice-Chancellor to 16 May 2025.

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.

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 senior staff and committee members 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 2024/25.

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.

The University's Chief Operating Officer oversees the Information Governance, Secretariat, Legal, Health and Safety and Internal Audit functions provided by Cervus+ in 2024/25.

Risk Management

The University has a Risk Management Procedure ([risk-management-procedure.pdf](#)) which is approved by the 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.

Strategic Risks

Executive Board identified thirteen high level Strategic risks (see page 18).

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 Strategic 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 Strategic Risk 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 PVC Executive 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 2025 and up to the date of signing the financial statements
- it accords with guidance from the OfS and Research England.

A hand holding a pen is positioned over a computer keyboard. In the background, a pair of glasses is visible. The entire scene is overlaid with a semi-transparent blue filter.

FINANCIAL HIGHLIGHTS

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 consolidated deficit after tax for 2024/25 was £13.7m (2023/24: £73.3m surplus). The significant year-on-year reduction reflects the one-off, sector-wide accounting gain recognised in 2023/24 following the reversal of the Universities Superannuation Scheme (USS) pension deficit after its triennial valuation, which reduced staff costs by £91.2m in that year and a £23.6m reduction in the fair value of Investment Properties, where the University revised its approach to estimating a fair value during the current year.

The 2024/25 result includes several non-operational, non-cash items. Excluding these, the underlying operating surplus (see page 28) was £12.6m, representing a marked improvement on the underlying operating deficit of £11.2m in 2023/24. This improvement reflects the positive impact of the financial resilience programme introduced towards the end of 2023/24, which has delivered sustained cost efficiencies across the University.

While the higher education sector continues to face significant pressures on academic and other income streams, alongside persistent inflationary and macroeconomic challenges in the UK and internationally, the University's financial position has strengthened materially through rigorous cost control and disciplined prioritisation of resources.

Total consolidated income for 2024/25 was £346.8m, an increase of £14.1m (4.3%) on the previous year. This growth was driven primarily by a £4.9m increase in tuition fee income and a £6.7m aggregate increase across non-academic revenue streams.

Capital investment in the University's estate, IT, and wider infrastructure totalled £15.7m on a cash basis (2023/24: £34.5m). Expenditure was focused on strategic priorities supporting the University's mission in education, student experience, and research. The year-on-year reduction primarily reflects the inclusion in 2023/24 of the final payment for Stag Hill House, a freehold property on the Stag Hill campus, which was financed through new borrowings arranged in 2022/23.

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 deficit after tax for 2024/25 was £13.7m (2023/24: £73.3m surplus). This result includes several significant non-operational movements, which are excluded when assessing the underlying operating position. These include:

- movements in the provision for the Universities Superannuation Scheme (USS)
- fair value movements on interest rate swaps not qualifying for hedge accounting
- the annual revaluation movement of the Surrey Research Park and Stag Hill House
- investment gains
- endowment and restricted income/expenditure

After adjusting for non-operational and non-cash items and excluding restructuring costs associated with the prior year's financial resilience programme, the University recorded an underlying operating surplus of £12.6m (2023/24: £11.2m operating deficit), representing a £23.8m year-on-year improvement.

Including restructuring costs, the underlying operating surplus was £12.1m (2023/24: £17.9m operating deficit).

Table 1: Reconciliation to underlying operating (deficit)/surplus

	2024/25	2023/24
	£m	£m
Consolidated (deficit)/surplus for the year	-13.7	73.3
Movement on USS & LGPS pension provisions	-0.8	-91.3
Increase in interest rate swaps liability/asset	-0.3	-0.3
Decrease in Surrey Research Park & Stag Hill House valuation	23.8	2.4
Other investment (gains)/losses including gain on termination of lease	-1.1	-6.5
Endowment and restricted income (net of expenditure)	0.2	-0.9
One off IT cost	4.0	5.4
Underlying consolidated operating surplus/(deficit) for the year (incl. restructuring costs)	12.1	-17.9
Restructuring costs	0.5	6.7
Underlying consolidated operating surplus/(deficit) for the year (before restructuring costs)	12.6	-11.2

Income

28

Consolidated income of £346.8m was £14.1m (4.3%) higher than the previous year.

Table 2: Consolidated income

	2024/25	2023/24
	£m	£m
Funding council grants	47.5	46.8
Tuition fees and education grants	168.1	163.2
Research grants and contracts	47.5	45.6
Residences, Catering and Conferences	45.6	40.8
Other income	21.4	20.8
Investment income, donations and endowments	16.7	15.5
Total	346.8	332.7

Tuition fee income increased by £4.9m (3.0%) compared with 2023/24. Total undergraduate fee income rose by £13.8m, reflecting the graduation of smaller student cohorts from the pandemic period and their replacement by more recent, larger intakes. Postgraduate and other fee income decreased by £8.9m.

Income from research grants and contracts grew to £47.5m, an increase of 4.0% on the previous year. This reflects both enhanced bidding activity and the University's continued strong performance in global rankings within its key research areas.

Income from Residences, Catering and Conferences rose by £4.8m (11.8%) year on year, driven by higher accommodation rental income, improved occupancy rates, and increased activity in Conferencing and Catering, supported by the larger student population.

Other income increased by £0.6m (2.9%), mainly due to higher levels of non-academic income earned by faculties through use of their facilities.

Investment income, donations and endowments rose by £1.2m, reflecting increased fundraising activity during the year.

Expenditure

Total underlying expenditure (excluding the movement on the USS provision) for 2024/25 was £338.1m, representing a £12.2m (3.5%) decrease compared with the previous year.

	2024/25	2023/24
	£m	£m
Staff costs – operational	179.0	182.6
Staff costs - restructuring	0.5	6.7
Staff costs – movement on USS provision	0	-92.1
Other operating expenses	115.9	117.9
Depreciation and amortisation	32.4	31.8
Interest and other finance costs	10.3	11.3
Total consolidated expenditure	338.1	258.2
Total consolidated expenditure excluding movement on USS provision	338.1	350.3

Operational staff costs (academic and professional services) decreased by £3.6m (2.0%) to £179.0m.

The 2024/25 figure includes the outcome of the sector-wide pay settlement agreed through the Joint Negotiating Committee for Higher Education Staff (JNCHES), of which the University is a member. Staff numbers also reduced, with full-time equivalent (FTE) staff decreasing by 128 to 2,725 (2023/24: 2,853). In addition, the University absorbed the effect of an increase in employer national insurance contributions from 1 April 2025, with a full-year impact included in the University's financial plan for 2025/26.

There was no income and expenditure pension provision movement in 2024/25 (2023/24: £92.1m credit). The prior year credit arose from the removal of the USS pension provision, following the outcome of the 31 March 2023 actuarial valuation.

In the most recent USS sector-wide actuarial valuation at 31 March 2023, the scheme was in surplus on a technical provision basis. Universities are not currently required to make deficit contributions. Under FRS 102, this actuarial surplus is not recognised in the University's consolidated balance sheet until its realisation is considered reasonably certain.

The Local Government Pension Scheme was closed to new members on 1 January 2016. A full actuarial valuation was carried out at 31 March 2022 and updated to 31 July 2025 on an FRS102 basis by a qualified independent actuary. The scheme continues to remain in a surplus position at 31st July 2025. As the surplus is not realisable for the University, in accordance with FRS102, an asset is not recognised on the Balance Sheet.

As part of the Financial Resilience Programme, the University accepted a number of voluntary severance applications. Most associated departures and costs were recognised in 2023/24, with a small number completing in 2024/25. Together with routine compensation for loss of office payments, this resulted in total restructuring costs of £0.5m, a £6.2m reduction on the prior year

Other operating expenses totalled £115.9m (2023/24: £117.9m). The reduction demonstrates the University's disciplined approach to cost control and its commitment to mitigating inflationary impacts through strong financial management and efficiency measures.

Depreciation costs increased by £0.6m, following a review of the useful economic lives of certain assets. Interest and other finance costs decreased by £1.0m, primarily due to a lower interest charge arising on the pension scheme.



Analysis of underlying surplus/(deficit)

The underlying operating position can be further analysed across the University's core activities, the Surrey Research Park, and its subsidiary companies (principally Surrey Sports Park Limited), as shown below.

Table 4: Analysis of underlying operating surplus/(deficit)

	2024/25	2023/24
	£m	£m
University core activities	1.6	-27.5
Surrey Research Park	8.6	8.4
Surrey Sports Park Limited (SSPL)	2.0	0.8
Other subsidiaries	-0.1	0.4
Underlying consolidated operating surplus/(deficit) (before restructuring costs)	12.1	-17.9

University core activities

The underlying surplus for the University's core activities in 2024/25 was £1.6m, representing a significant improvement on the prior year. Inflationary pressures were more than offset by cost savings delivered through the Financial Resilience Programme and growth in income across key areas.

Surrey Research Park

The Surrey Research Park generated an operating surplus of £8.6m in 2024/25, an increase of £0.2m on the previous year (2023/24: £8.4m). Income remained broadly consistent with last year, supported by sustained high occupancy levels, while reductions in both staff and non-staff expenditure contributed to the overall improvement in surplus.

Surrey Sports Park

Surrey Sports Park Limited (SSPL) operates under an agency agreement with the University, through which it delivers student and community sport, supporting wellbeing and participation, while also utilising spare operational capacity to generate income from commercial activities.

SSPL delivered a £2.0m contribution in 2024/25, an improvement of £1.2m on the previous year, reflecting staff cost and other efficiencies achieved through the Financial Resilience Programme, alongside strong commercial revenue performance and continued engagement with students and local community.

Net assets

Consolidated net assets decreased by £13.4m (-2.5%) in 2024/25 to £525.8m, primarily reflecting the drop in market value of the Research Park partly offset by the surplus generated during the year. Further commentary on movements in pension provisions is provided later in this Financial Review.

Table 5: Movement in consolidated net assets

	2024/25	2023/24
	£m	£m
Opening consolidated net assets	539.2	468.7
Underlying operating surplus/(deficit)	12.1	-17.9
Local Government Pension Scheme (LGPS) actuarial loss	-0.8	-1.3
Movement on USS & LGPS provisions	0.8	91.3
Movement in fair value of interest rate swaps	1.3	-1.2
Surrey Research Park & Stag Hill House revaluation	-23.6	-3.7
Other investment gains including gain on termination of lease	1.1	7.8
One-off IT cost	-4.1	-5.4
Endowment and restricted income (net)	-0.2	0.9
Closing consolidated net assets	525.8	539.2

Surrey Research Park valuation – Change in estimate

The Surrey Research Park is carried at fair value. In 2024/25 the University updated the estimation technique used to determine this value. Instead of relying on the previous external valuation prepared under RICS Valuation Global Standards, the University adopted a market-based estimate that reflects expectations of the price the asset could achieve in an active market at the reporting date. This constitutes a change in accounting estimate, not a change in policy.

Although judgement continues to be required, FRS 102 requires fair value to be based on the best available market evidence, and the increased availability of relevant market data in the year supports a move from an external valuation model to a market-participant estimate. The revised estimate results in a fair value of £98.6m (2023/24: £120.4m), with the movement driven by the change in estimation basis and prevailing market conditions.

Table 6: Surrey Research Park valuation at 31 July

	2025	2024	2023	2022	2021
	£m	£m	£m	£m	£m
Land and buildings	98.6	119.6	122.8	138.2	125.0
Properties under development	0.0	0.8	1.3	0.5	1.1
Total	98.6	120.4	124.1	138.7	126.1

Pension provisions

The University participates in the following defined benefit pension schemes:

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

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

Table 7: Pension provisions at 31 July of each year shown

	2025	2024	2023	2022	2021
	£m	£m	£m	£m	£m
Obligation to fund USS pension deficit	0.0	-	93.4	109.3	43.9
LGPS pension liabilities	0.8	0.9	1.0	13.4	61.1
Total	0.8	0.9	94.4	122.7	105

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

A deficit recovery plan was introduced as part of the 2020 USS valuation, requiring payments of 6.2% of salaries from 1 April 2022 to 31 March 2025, with a planned increase to 6.3% thereafter. No deficit recovery plan was required under the 2023 valuation, as the scheme was in actuarial surplus. With deficit recovery contributions ceasing from 1 January 2024, the University benefited from a full year saving in 2024/25.

The Local Government Pension Scheme (LGPS) was closed to new members on 1 January 2016. A full actuarial valuation was undertaken as at 31 March 2022 and updated to 31 July 2025 on an FRS 102 basis by a qualified independent actuary. The scheme remained in surplus as at 31 July 2025. However, as this surplus is not realisable by the University, no asset is recognised on the Balance Sheet, in accordance with FRS 102.

Capital assets and investment properties

A total of £15.4m was invested in capital assets and investment properties during 2024/25, a £19.1m decrease compared with the previous year (2023/24: £34.5m). The prior year included £15.5m for the second instalment payment for Stag Hill House, a building recognised partly as a fixed asset and partly as an investment property on the University's balance sheet, funded through bank borrowings fully drawn down in 2022/23.

The lower level of expenditure in 2024/25 also reflects the planned phasing of projects within the 2021–25 strategic investment programme, with several major projects completed during the year, ahead of the next cycle of strategic capital investments scheduled to commence from 2025/26.

Cash flow

The Balance Sheet on page 42 shows an increase of £25.1m in cash, cash equivalents and current investments (available cash), reflecting a substantial improvement in cashflows from operating activities to £43.0m (2023/24: outflow of £0.9m).

This improvement was supported by reduced capital expenditure and a modest favourable movement in working capital, partially offset by a small increase in loan repayments during the year.

Table 8: Movement in consolidated available cash

	2024/25	2023/24
	£m	£m
Opening consolidated available cash	22.6	54.7
Net cash inflow/(outflow) from operating activities	43.0	- 0.9
Surrey Research Park net income	8.4	8.8
Capital investment – University	-15.4	- 34.5
Other investments (including debt repayment fund)	-0.4	- 0.2
Capital grants received	2.3	4.4
Investment income	2.4	5.0
Disposal of non-current asset investments	0.1	0.2
Debt service costs	-16.7	- 15.2
Endowment cash received	1.4	0.3
Closing consolidated available cash	47.7	22.6
Movement	25.1	- 32.1

Indebtedness

Gross debt decreased by £7.2m in 2024/25 to £281.4m (2023/24: £288.6m), reflecting scheduled repayments on amortising loans and the repayment of a £2.5m Homes England loan during the year.

Net debt reduced by £32.3m to £233.7m (2023/24: £266.0m), driven by the significant improvement in cashflows from operating activities during the year.

Table 9: Net debt

	2024/25	2023/24
	£m	£m
Bank loans	44.9	48.3
Private placement	230.0	230.0
Other loans	5.9	9.5
Finance leases	0.6	0.8
Gross Debt	281.4	288.6
Cash and cash equivalents	32.7	12.6
Short term deposits	15.0	10.0
Available cash	47.7	22.6
Net Debt	233.7	266.0

Treasury management

The University's investment, borrowing and hedging strategies are determined by the Finance Committee, in accordance with the Treasury Management Policy approved by the University Council.

The University is in the fortunate position of having few financial covenants, only one of which requires ongoing monitoring: total debt (including finance leases and any undrawn overdraft facilities) must not exceed 75% of net assets (excluding pension provisions). The University remains comfortably within this limit, with a ratio including undrawn facilities of 59.3% at 31 July 2025, compared with 58.7% at the end of the previous year. The weighted average interest rate for 2024/25, inclusive of lender margins and swap costs, was 3.60% (2023/24: 3.42%).

In 2021, the University appointed a fund manager partner and began investing in a dedicated fund established to meet the private placement bullet repayments commencing in 2041. An initial investment of £8m was made in 2021/22, which has since increased in value and is now recorded at £9.9m. Of the University's total borrowings of £281.4m, £101.0m falls due before the end of 2041. Over time, the University intends to make further investments into the fund, with the objective of matching these future repayment obligations as they fall due.

Going concern

The University Council has undertaken an assessment of the University's ability to continue as a going concern. Based on this assessment, summarised in the Statement of Principal Accounting Policies on pages 44-50, 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 these financial statements. Accordingly, the going concern basis has been adopted in the preparation of the financial statements.

Future outlook

In recent years, the University, like much of the sector, has faced a challenging financial climate, characterised by rising inflation and a competitive student recruitment environment. It is encouraging that the 2025/26 student intake shows continued improvement over 2024/25, as smaller, pandemic-era cohorts graduate. Home demand for the University's courses remains strong, while the overseas student population has grown compared with the prior year.

Although the outlook for international recruitment remains uncertain due to macroeconomic and geopolitical factors beyond the University's control, potential overseas income is being maximised by focusing on markets where Surrey is most competitive and where course capacity allows for sustainable growth.

In response to the uncertain outlook, and to ensure the University's cost base is better aligned with projected income over the medium term, a number of actions were implemented to reduce underlying expenditure:

- Staff cost savings including vacancies of approximately £20m were achieved by the start of 2024/25, compared to 2023/24 plan, following the Financial Resilience Programme, which included a voluntary severance scheme leading to reductions in both academic and professional services staff.
- Non-pay expenditure was reduced by approximately £7m by the start of 2024/25 compared to 2023/24 plan, through rigorous cost controls and targeted budget reductions across most areas of the University.
- A more robust annual review process was introduced for non-fee income activities, aligning pricing (notably accommodation rents) more closely with market levels and delivering an approximate £8m benefit.
- Additional investment was made in student acquisition, through increased recruitment staffing and enhanced marketing efforts.

Taken together, these measures, supported by the University's strong league-table performance, have positioned Surrey to plan for a small surplus in 2025/26, demonstrating resilience in a challenging operating environment.

Since signing off the University budget for 2025/26, the Government announced in its Post-16 Skills White Paper that the tuition fee cap on home undergraduate students will rise in line with forecast inflation for the next two academic years (2026/27 and 2027/28), with legislation proposed to be brought forward, when parliamentary time allows, to enable automatic increases to fee caps in future years in line with inflation. Whilst welcome news, on an annualised basis, the committed increase for the next two years is expected to broadly mitigate the impact of the Overseas Student Levy, full details of which are expected in due course.

The University owns a significant asset portfolio which it continues to beneficially realise value from. The structure of this portfolio and balance sheet 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 and economic 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 University of Surrey ("the University") for the year ended 31 July 2025 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 2025, 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; and
- 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, budget targets and income targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk of inappropriate apportionment of overhead costs for the recognition of research income in line with research expenditure 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, users with minimal postings throughout the year and unusual journal combinations relating to revenue, cash and borrowings.

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 Annual Report and financial statements (including the 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 26, 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. 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

16 December 2025

Consolidated and University statement of comprehensive income

for the year ended 31 July 2025

	Note	Consolidated		University	
		2024-25	2023-24	2024-25	2023-24
		£000	£000	£000	£000
Income					
Funding council grants	2	47,488	46,802	47,488	46,802
Tuition fees and education grants	3	168,125	163,238	168,125	163,238
Research grants and contracts	4	47,484	45,644	47,484	45,644
Other income	6	66,949	61,579	66,049	58,305
Investment income	7	13,803	13,990	14,319	14,507
Donations and endowments	8	2,956	1,399	2,956	1,399
Total income		346,805	332,652	346,421	329,895
Expenditure					
Staff costs – operational	9	179,461	189,301	172,064	185,617
Staff costs – movement on USS provision	9	-	(92,061)	-	(92,061)
Other operating expenses	11	115,946	117,939	122,946	117,714
Depreciation and amortisation		32,353	31,807	32,347	31,805
Interest and other finance costs	12	10,307	11,268	10,307	11,272
Total expenditure		338,067	258,254	337,664	254,347
Surplus before other gains and losses		8,738	74,398	8,757	75,548
Other comprehensive income/(loss)					
Loss on disposal of fixed assets		(174)	(1,114)	(174)	(1,114)
(Loss)/gain on investments	13	(22,499)	309	(22,539)	797
(Deficit)/surplus before taxation		(13,935)	73,593	(13,956)	75,231
Taxation	15a	248	(279)	413	(107)
(Deficit)/surplus for the year		(13,687)	73,314	(13,543)	75,124
Actuarial loss in respect of pension schemes	37	(776)	(1,306)	(776)	(1,927)
Change in fair value of hedging financial instruments	31	1,006	(1,477)	1,006	(1,477)
Total comprehensive income for the year		(13,457)	70,531	(13,313)	71,720
Represented by:					
Endowment comprehensive income for the year	28	622	432	622	432
Restricted comprehensive income for the year		(786)	458	(786)	458
Unrestricted comprehensive income for the year		(13,293)	69,641	(13,149)	70,830
Attributable to the University		(13,457)	70,531	(13,313)	71,720

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 2025

Consolidated	Income and expenditure account			Cash flow	Total
	Endowment	Restricted	Unrestricted	Hedge reserve	
	£000	£000	£000	£000	
Balance at 1 August 2023	5,810	4,701	458,567	(368)	468,710
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	-	-
Total comprehensive income for the year	432	458	71,118	(1,477)	70,531
Balance at 1 August 2024	6,242	5,159	529,685	(1,845)	539,241
Deficit from the income and expenditure statement	1,660	1,669	(17,016)	-	(13,687)
Reclassified donations	-	125	(125)	-	-
Other comprehensive income	-	-	(776)	1,006	230
Release of endowment and restricted funds spent in year	(1,038)	(2,580)	3,618	-	-
Total comprehensive income for the year	622	(786)	(14,299)	1,006	(13,457)
Balance at 31 July 2025	6,864	4,373	515,386	(839)	525,784

University	Income and expenditure account			Non- Cash flow	Total
	Endowment	Restricted	Unrestricted	Hedge reserve	
	£000	£000	£000	£000	
Balance at 1 August 2023	5,810	4,701	466,007	(368)	476,150
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	-	-
Total comprehensive income for the year	432	458	72,307	(1,477)	71,720
Balance at 1 August 2024	6,242	5,159	538,314	(1,845)	547,870
Deficit from the income and expenditure statement	1,660	1,669	(16,872)	-	(13,543)
Reclassified donations	-	125	(125)	-	-
Other comprehensive income	-	-	(776)	1,006	230
Release of endowment and restricted funds spent in year	(1,038)	(2,580)	3,618	-	-
Total comprehensive income for the year	622	(786)	(14,155)	1,006	(13,313)
Balance at 31 July 2025	6,864	4,373	524,159	(839)	534,557

The accompanying notes form part of these financial statements.

Consolidated and University balance sheet

as at 31 July 2025


	Note	Consolidated		University	
		2025	2024	2025	2024
		£000	£000	£000	£000
Non-current assets					
Intangible assets	16	8,506	10,183	8,506	10,183
Tangible assets	17	739,137	758,241	738,709	758,067
Investment properties	18	111,144	134,884	110,680	134,420
Other investments	19	15,819	14,311	27,225	25,302
Non-current receivables	21	-	-	8,750	8,750
		874,606	917,619	893,870	936,722
Current assets					
Stocks	20	9,148	8,846	543	458
Trade and other receivables	21	37,092	42,924	38,793	44,017
Investments	23	15,000	10,000	15,000	10,000
Cash and cash equivalents		32,703	12,557	28,949	6,697
		93,943	74,327	83,285	61,172
Creditors: amounts falling due within one year	24	(97,659)	(100,643)	(97,492)	(97,962)
Net current liabilities		(3,716)	(26,316)	(14,207)	(36,790)
Total assets less current liabilities		870,890	891,303	879,663	899,932
Creditors: amounts falling due after more than one year	25	(344,331)	(351,202)	(344,331)	(351,202)
Provisions	27	(775)	(860)	(775)	(860)
Total net assets		525,784	539,241	534,557	547,870
Restricted reserves					
Income and expenditure reserve:					
- endowment reserve	28	6,864	6,242	6,864	6,242
- restricted reserve	30	4,373	5,159	4,373	5,159
Unrestricted reserves					
Income and expenditure reserve – unrestricted		515,386	529,685	524,159	538,314
Cash flow hedge reserve	31	(839)	(1,845)	(839)	(1,845)
Total		525,784	539,241	534,557	547,870

The accompanying notes form part of these financial statements.

The financial statements and notes on pages 44 to 80 were approved by the Council on 28 November 2025 and signed on its behalf on 10 December 2025 by:



Professor Stephen Jarvis
President and Vice-Chancellor



Mr C Geffen
Chair of Council

Consolidated cash flow statement

for the year ended 31 July 2025

	Note	Consolidated	
		2024-25	2023-24
		£000	£000
Cash flow from operating activities			
(Deficit)/surplus before taxation		(13,935)	73,593
Adjustments for non-cash items			
Depreciation	17	31,569	30,714
Amortisation of intangibles	16	784	1,093
Loss/(gain) on investments	13	22,499	(309)
Loss on sale, impairment, and reclassification to I&E of fixed assets		2,905	6,530
Gain on termination of finance lease		-	(3,764)
Increase in stocks		(302)	(1,546)
Decrease/(increase) in receivables		6,153	(3,069)
Increase/(decrease) in creditors		972	(2,862)
Decrease in provisions		(881)	(96,284)
Adjustment for investing or financing activities			
Net income from Surrey Research Park		(8,668)	(8,544)
Other investment income		(2,219)	(2,494)
Interest payable	12	10,307	11,273
Endowment income	28	(1,410)	(319)
Capital grant income		(5,245)	(4,684)
Cash flows from operating activities before taxation		42,529	(672)
Taxation		426	(189)
Net cash inflow/(outflow) from operating activities		42,955	(861)
Cashflows from investing activities			
Capital grant receipts		2,269	4,349
Disposal of non-current assets		118	158
Investment in deposits		(83,000)	(37,500)
Withdrawal of deposits		78,000	57,500
Surrey Research Park net cash inflow		8,406	8,840
Investment income		2,396	5,006
Payments made to acquire fixed assets		(12,431)	(25,722)
Payments made to acquire intangible assets		(2,881)	(2,010)
Payments made to acquire investment properties		-	(6,743)
New non-current asset investments		(382)	(270)
		(7,505)	3,608
Net cash outflow from financing activities			
Interest paid		(9,521)	(10,135)
Interest element of finance lease payments		(51)	(59)
Endowment cash received		1,410	319
Repayments of amounts borrowed		(6,992)	(4,187)
Capital element of finance lease payments	32	(150)	(876)
		(15,304)	(14,938)
Increase/(decrease) in cash and cash equivalents in the year	32	20,146	(12,191)
Cash and cash equivalents at beginning of the year		12,557	24,748
Cash and cash equivalents at end of the year		32,703	12,557

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 figures from the University's annual budget planning round in the Spring of 2025 updated for the final outturn for 2024/25. 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 2026. These include:

- 5% drop in student intakes in February 2026 for postgraduate students and September 2025 and 2026 for the undergraduate and postgraduate students.
- A 2% increase in student withdrawals and a 2% decrease in progression rates in 2025/26.
- A 2.5% drop in accommodation income
- A 100% increase in bad debts
- A 5% reduction in Research contribution linked to a drop in new Research awards.
- A 5% fall in other income for both 2025/26 and 2026/27.

- An increase in non-pay inflation by 0.8% above the budget assumption of 3.0% to bring the numbers into line with CPI.
- Two 0.5% falls in interest rates resulting in a net reduction in investment income over interest payable.

Risks and opportunities are monitored on an ongoing basis as part of monthly management accounts updates and discussed monthly by the Executive Board. If all the scenarios listed above were to materialise, even without any corrective action, the University would have sufficient resources to fund the downsides.

Furthermore it has the use of the £24.5m Revolving Credit Facility (RCF) that it has in place with Lloyds Bank, which would be more than adequate to cover the modelled downside position.

Should however there be unforeseen greater downsides that highlighted above as an alternative to drawing down on the RCF the University can look to reduce capital expenditure to limit the plan to essential maintenance and regulatory works.

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.

If the adverse scenarios were to materialise, with the support of the £24.5m RCF, the University would remain above the minimum OfS 30 days liquidity position.

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 2025. 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 37, 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.

A balance sheet liability would require to be recognised in respect of the University's share of the USS pension deficit based on the required deficit contributions, calculated using a number of assumptions. However, from 1 January 2024, following the 2023 valuation that valued the Scheme in surplus, the institution was no longer required to make any deficit contributions and accordingly no liability has been recorded.

The valuation of the Surrey Pension Fund at 31 July 2025 reported a net pension asset. In line with the recognising 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 2024 or 31 July 2025.

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 2025. An allowance for the full GMP indexation was therefore included in the valuations at 31 July 2024 and 31 July 2025. 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 2024 or 31 July 2025.

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 proposed subsequent changes to the Pensions Scheme Bill now offer a way for affected schemes to retrospectively secure the required actuarial confirmation. Consequently, it is no longer anticipated that the ruling will result in additional liabilities for the Surrey Pension Fund.

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% salary growth. This is broadly consistent with the University's assumptions of between -3.0% and 5% 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 prior years, fair value was determined using an external valuation prepared in accordance with RICS Valuation – Global Standards (the “Red Book”), applying a combination of market, income and cost approaches as appropriate.

During 2024/25 more market relevant data became available, therefore the University has determined that a market-based estimate reflecting expectations of the price achievable in an active market now provides a more reliable basis for fair value under FRS 102 Section 2A. The estimate incorporates market participant assumptions at the reporting date and replaces the previous RICS-based valuation technique. While judgement is still required, FRS 102 places priority on observable market inputs over entity-specific valuation methods, and the increased availability of market evidence enables a fair value estimate that is more consistent with the standard’s requirements.

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

The University has entered into an interest rate swap to hedge against variable interest rate loans. This 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.

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	
	2024-25	2023-24
	£000	£000
Recurrent grant		
OfS and Research England		
Teaching	15,281	14,593
Research	20,125	20,132
	35,406	34,725
Specific grants		
Higher Education Innovation Fund	5,883	5,872
Other	2,674	2,669
Deferred capital grants released in year		
Building	2,682	2,670
Equipment	843	866
	47,488	46,802

3. TUITION FEES AND EDUCATION GRANTS

	Consolidated & University	
	2024-25	2023-24
	£000	£000
UK undergraduates	96,213	84,068
UK postgraduates	7,388	5,733
Non-UK undergraduates	28,202	26,547
Non-Uk postgraduates	26,026	35,400
Non-credit bearing courses	1,197	1,626
Nurse training contract	3,742	4,321
Research training support grants	5,357	5,543
	168,125	163,238

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	
	2024-25	2023-24
	£000	£000
Research councils	20,217	16,403
UK based charities	4,052	2,963
Other UK government, health and hospital authorities	11,322	13,163
UK industry and commerce	2,506	2,285
EU government bodies	5,274	4,309
EU industry and commerce	1,653	2,085
Other grants and contracts	2,460	4,436
	47,484	45,644

5. GRANT AND FEE INCOME

	Consolidated & University	
	2024-25	2023-24
	£000	£000
The source of grant and fee income, included in notes 2 to 4 above is as follows:		
Grant income from the OfS	15,523	14,743
Grant income from other bodies	79,449	77,703
Fee income for taught awards (exclusive of VAT)	158,984	152,951
Fee income for research awards (exclusive of VAT)	2,586	3,117
Fee income from non-qualifying courses (exclusive of VAT)	6,555	7,170
Total grant and fee income	263,097	255,684

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

6. OTHER INCOME

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Residences, catering and conferences	45,564	40,849	45,624	40,979
Other services rendered	2,645	2,917	2,701	2,937
Income from use of University facilities	4,851	5,037	1,077	794
Other income	13,889	12,776	15,548	12,693
	66,949	61,579	64,950	57,403
Add: amounts relating to student sports membership	-	-	1,099	902
	66,949	61,579	66,049	58,305

7. INVESTMENT INCOME

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Investment income on endowments (note 28)	178	212	178	212
Investment income on restricted reserves	101	84	101	84
Research Park income	11,568	11,472	11,588	11,494
Income from cash deposits	1,177	1,921	1,103	1,889
Other investment income	779	301	1,349	828
	13,803	13,990	14,319	14,507

8. DONATIONS AND ENDOWMENTS

	Consolidated & University	
	2024-25	2023-24
	£000	£000
New endowments (note 28)	1,410	319
Donations with restrictions	1,258	947
Unrestricted donations	288	133
	2,956	1,399

9. STAFF

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Staff costs - operational:				
Wages and salaries	144,257	147,491	137,586	144,310
Social security costs	15,956	15,021	15,257	14,757
Pension costs	18,752	20,138	18,254	19,969
Compensation for loss of office	496	6,651	967	6,581
	179,461	189,301	172,064	185,617
Movement on USS provision	-	(92,061)	-	(92,061)
	179,461	97,240	172,064	93,556

Compensation for loss of office costs shown above were in respect of 102 employees on a consolidated basis and 96 on a University basis (2023/24: 262 employees on a consolidated basis and 249 on a University basis).

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	Number	Number	Number	Number
Average monthly full time equivalent staff numbers:				
Research and teaching	1,274	1,353	1,274	1,353
Professional	957	1,011	910	963
Technical and experimental	151	149	151	149
Operational	342	336	241	267
Other	1	4	1	4
	2,725	2,853	2,577	2,736

The full-time equivalent staff numbers for the University above exclude those relating to activities carried out by 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	
	2024-25	2023-24
	£000	£000
Access Investment*	1,227	1,255
Financial Support	-	-
Disability Support (excluding expenditure included in Access Investment above)	1,155	1,240
Research and Evaluation	242	255
	2,624	2,750

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

		2024-25	2023-24
		£000	£000
Emoluments of President and Vice-Chancellor:	Salary	256	307
(1 August 2024 to 18 May 2025)	Bonus/performance-related pay	59	15
	Taxable benefits	22	27
	Allowance in lieu of pension contributions	39	47
		376	396
	Pension contributions	-	8
		376	404
Emoluments of President and Vice-Chancellor:	Salary	53	-
(19 May 2025 to 31 July 2025)	Bonus/performance-related pay	-	-
	Taxable benefits	1	-
	Allowance in lieu of pension contributions	8	-
		62	-
	Pension contributions	-	-
		62	-

The term of office of the President and Vice-Chancellor who was in post at the beginning of the 2024-2025 financial year ended on 31 May 2025. An Interim Vice-Chancellor was appointed from 17 May 2025 and remained in post through to 14 September 2025. The disclosures in this note relate to the Vice Chancellor in post for the year ending 31 July 2024, and both the outgoing Vice-Chancellor and the Interim Vice-Chancellor for the year ending 31 July 2025.

In accordance with the Accounts Direction issued by the Office for Students (OfS), bonus payments are reflected in emoluments in the year during which they are awarded. The 2024-25 bonus awarded of £58,810 to the outbound Vice-Chancellor reflected the final payment under the 2021-2024 Executive Board Variable Pay Scheme as detailed in the prior Financial Statements.

Taxable benefits for the outgoing Vice-Chancellor in 2024-25 included £27,000 (2023-24: £27,000), relating to the provision of accommodation and associated utilities, and the cost of private healthcare cover.

The interim Vice-Chancellor received taxable benefits of £2,000 for similar provisions.

No salary increases were awarded to the Vice-Chancellor during the reporting periods.

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

The Vice-Chancellor's remuneration is determined by the Remuneration Committee. The Remuneration Committee takes into account a number of factors when setting the Vice-Chancellor's remuneration, including:

- The level of remuneration within other grades of staff at the University, with specific reference to the pay of those staff who participate in the nationally negotiated pay process and associated conditions of service, including professorial and other senior staff (nothing the Vice-Chancellor is not contractually entitled to automatic salary progression or the national pay award);
- The performance of the Vice-Chancellor, assessed against both an institutional balanced scorecard of metrics deemed critical to achievement of the institutional strategy and against more qualitative judgments by the Chair of Council and by members of the Remuneration Committee on the quality of the Vice-Chancellor's leadership and overall performance;
- The level of remuneration growth within comparable roles within the higher education sector, as assessed by national pay benchmarking data. This process is carried out in accordance with the Higher Education Senior Staff Remuneration Code, published by the Committee of University Chairs (CUC).

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) for the 2 Vice-Chancellors serving during the year were as follows:

	Consolidated		2023-24
	1 August 2024 to 18 May 2025	19 May 2025 to 31 July 2025	
Basic pay	6.8	5.8	6.7
Total remuneration	8.8	6.0	7.6

10. EMOLUMENTS OF HIGHER PAID STAFF (CONT.)

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.

	Consolidated	
	2024-25	2023-24
Basic salary of higher paid staff including the Vice-Chancellor (on a full time equivalent basis):	Number of employees	
£100,000- £104,999	12	32
£105,000- £109,999	26	26
£110,000- £114,999	19	12
£115,000- £119,999	11	11
£120,000- £124,999	16	18
£125,000- £129,999	16	13
£130,000- £134,999	5	5
£135,000- £139,999	5	6
£140,000- £144,999	7	10
£145,000- £149,999	9	7
£150,000- £154,999	2	2
£155,000- £159,999	3	2
£160,000- £164,999	1	5
£165,000- £169,999	2	2
£170,000- £174,999	3	4
£175,000- £179,999	-	2
£180,000- £184,999	1	-
£185,000- £189,999	-	-
£190,000- £194,999	1	1
£195,000- £199,999	1	-
£200,000- £204,999	-	2
£205,000- £209,999	1	-
£215,000- £219,999	1	-
£225,000- £229,999	-	1
£230,000- £234,999	2	-
£260,000- £264,999	1	-
£285,000- £289,999	1	-
£305,000- £309,999	1	1
	147	162

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 change in the number of colleagues earning over £100,000 is primarily attributable to the programme of change aimed at ensuring financial sustainability and the voluntary departure of some higher graded staff from the organisation.

*Unitemps is the University's in-house recruitment agency

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 11.8 (2023-24: 12.8).

	Consolidated	
	2024-25	2023-24
	£000	£000
Salary, social security costs, pension contributions, compensation for loss of office and other emoluments	3,294	3,307

Executive Board variable pay

The University’s Executive Board 2021-2024 Variable Pay scheme concluded in July 2024. As reported in the last Financial Statement, the conditions for payout had been comprehensively deliberated by the Remuneration Committee. Following attainment of the relevant goals and review of individual performance as part of the appraisal process, the total final year payout under the three year scheme to all participants amounted to £294,121 (including associated on-costs). The final figure represented 47% of the maximum potential payout, subsequent to a recalibration of the available maximum to exclude a non-eligible leaver.

A new, simplified, annual incentive scheme was implemented effective from August 2024 to apply to the Vice-Chancellor and all members of the Executive Board.

Scheme overview

The scheme was operational until 31 July 2025. Under the scheme, the maximum annual bonus payable was 10% of base salary. This was weighted equally between individual performance and team performance as follows:

- Up to 5% of base pay, contingent on achieving annual personal performance goals.
- Up to 5% of base pay, dependent on the Executive Board’s delivery against institutional strategic objectives.

Should the Executive Board achieve their personal and institutional 2024/25 goals the amount to be paid would total £173,598 (including associated on costs).

Incentive payments are subject to review and ratification by the Remuneration Committee at the end of the performance year. The Committee reserves the right to adjust the scheme, including bonus eligibility and criteria, in response to material changes in the University’s financial or operational circumstances.

11. OTHER OPERATING EXPENSES

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Other operating expenses (including irrecoverable VAT) include:				
External auditors remuneration in respect of the audit of these financial statements	187	182	187	182
External auditors remuneration in respect of other services:				
Audit of the University's subsidiaries	78	54	16	-
Audit related services	10	10	10	10
Operating lease rentals:				
land and buildings	526	510	533	501
other	1,671	1,409	1,595	1,335
Foreign exchange (gains)/ losses	(592)	37	(592)	37

The total consolidated statutory audit fee payable directly to KPMG, net of VAT, was £221,000 (2023-24: £210,000).

Trustees

No trustee received payment for serving as a trustee during the year (2023-24: £nil).

No trustee received payment for services provided to the University (2023-24: £nil).

Expenses totalling £235 was paid to two trustees during the year (2023-24: £280 to one trustee).

12. INTEREST AND OTHER FINANCE COSTS

	Consolidated & University	
	2024-25	2023-24
	£000	£000
On bank loans and other loans		
Loans wholly repayable within five years	1,011	-
Loans not wholly repayable within five years	9,523	9,816
	10,534	9,816
On finance leases	51	59
Increase in fair value of derivatives	(303)	(327)
Net charge on pension scheme	20	1,563
Other interest payable	5	157
	10,307	11,268

13. (LOSS)/GAIN ON INVESTMENTS

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Loss on revaluation of Research Park	(21,716)	(3,689)	(21,716)	(3,689)
Other investment property (loss)/gain	(2,037)	1,263	(2,037)	1,268
Gain on sale of investments	678	324	678	328
Gain on revaluation of other investments	576	2,411	536	2,890
	(22,499)	309	(22,539)	797

14. ACCESS AND PARTICIPATION

	Consolidated & University	
	2024-25	2023-24
	£000	£000
Access Investment*	1,495	1,731
Financial Support	2,164	1,762
Disability Support	1,249	1,267
Research and Evaluation	311	309
	5,219	5,069

*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

15A. TAXATION

58

	Consolidated	
	2024-25	2023-24
	£000	£000
Recognised in the statement of comprehensive income		
Theatre tax credit	(534)	-
Tax on profits/losses of subsidiary undertakings	165	172
Foreign tax	121	107
Tax (credit)/charge	(248)	279

15B. FACTORS AFFECTING TAX (CREDIT)/CHARGE

	Consolidated	
	2024-25	2023-24
	£000	£000
(Deficit)/surplus before taxation	(13,935)	73,593
(Deficit)/surplus multiplied by standard rate of corporation tax in the UK of 25% (2023/24: 25%)	(3,484)	18,398
Factors affecting (credit)/charge:		
University deficit/surplus exempt from tax	3,489	(18,808)
Theatre tax credit	(534)	-
Foreign tax	121	107
Other differences attributable to subsidiaries	160	500
Deferred tax movement	-	82
Total tax (credit)/charge (note 15a)	(248)	279

16. INTANGIBLE ASSETS

Consolidated & University

	Assets under construction	Software	Total
	£000	£000	£000
Cost			
At 1 August 2024	4,109	21,637	25,746
Additions at cost	1,865	-	1,865
Transfers	(657)	657	-
Reclassified as opex	(1,361)	(1,490)	(2,851)
Reclassified from tangible fixed assets	-	8,005	8,005
Write offs	-	(2,501)	(2,501)
At 31 July 2025	3,956	26,308	30,264
Amortisation			
At 1 August 2024	-	15,563	15,563
Charge for the year	-	784	784
Reclassified as opex	-	(118)	(118)
Reclassified from tangible fixed assets	-	7,735	7,735
Write offs	-	(2,206)	(2,206)
At 31 July 2025	-	21,758	21,758
Net book value			
At 31 July 2025	3,956	4,550	8,506
At 31 July 2024	4,109	6,074	10,183

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 2024	899,342	1,551	12,137	194,113	1,107,143
Additions at cost	-	-	9,896	3,441	13,337
Reclassified from stock	260	-	-	-	260
Transfers	5,723	-	(5,197)	(526)	-
Reclassified as intangible fixed assets	-	-	-	(8,005)	(8,005)
Impairments	-	-	(169)	(1,835)	(2,004)
Disposals	(556)	-	-	(22,639)	(23,195)
At 31 July 2025	904,769	1,551	16,667	164,549	1,087,536
Depreciation					
At 1 August 2024	196,826	438	-	151,638	348,902
Charge for the year	23,753	30	-	7,786	31,569
Reclassified as intangible fixed assets	-	-	-	(7,735)	(7,735)
Impairments	-	-	-	(1,832)	(1,832)
Disposals	(556)	-	-	(21,949)	(22,505)
At 31 July 2025	220,023	468	-	127,908	348,399
Net book value					
At 31 July 2025	684,746	1,083	16,667	36,641	739,137
At 31 July 2024	702,516	1,113	12,137	42,475	758,241

University

	Land and buildings		Assets under construction	Plant and equipment	Total
	Freehold	Leasehold			
	£000	£000	£000	£000	£000
Cost					
At 1 August 2024	899,184	1,551	12,136	194,108	1,106,979
Additions at cost	-	-	9,896	3,441	13,337
Transfers	5,723	-	(5,197)	(526)	-
Impairments	-	-	(169)	(1,835)	(2,004)
Reclassified as intangible fixed assets	-	-	-	(8,005)	(8,005)
Disposals	(556)	-	-	(22,639)	(23,195)
At 31 July 2025	904,351	1,551	16,666	164,544	1,087,112
Depreciation					
At 1 August 2024	196,838	438	-	151,636	348,912
Charge for the year	23,747	30	-	7,786	31,563
Reclassified as intangible fixed assets	-	-	-	(7,735)	(7,735)
Impairments	-	-	-	(1,832)	(1,832)
Disposals	(556)	-	-	(21,949)	(22,505)
At 31 July 2025	220,029	468	-	127,906	348,403
Net book value					
At 31 July 2025	684,322	1,083	16,666	36,638	738,709
At 31 July 2024	702,346	1,113	12,136	42,472	758,067

60

At 31 July 2025 freehold land and buildings included £143,909,000 (2024: £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 (2023-24: £nil).

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

	Consolidated & University	
	2025	2024
	£000	£000
Net book value		
Land and buildings	1,082	1,112
Equipment	42	70
	1,124	1,182
Depreciation charge for year		
Land and buildings	30	44
Equipment	28	17
	58	61

18. INVESTMENT PROPERTIES

Consolidated

	Research Park		Other	Total
	Land and buildings	Buildings under development	Buildings	
	£000	£000	£000	£000
At 1 August 2024	119,577	855	14,452	134,884
Additions	-	14	-	14
Transfers	740	(740)	-	-
Disposals	-	(110)	-	(110)
Change in market value	(21,716)	-	(1,928)	(23,644)
At 31 July 2025	98,601	19	12,524	111,144

University

	Research Park		Other	Total
	Land and buildings	Buildings under development	Buildings	
	£000	£000	£000	£000
At 1 August 2024	119,577	855	13,988	134,420
Additions	-	14	-	14
Transfers	740	(740)	-	-
Disposals	-	(110)	-	(110)
Change in market value	(21,716)	-	(1,928)	(23,644)
At 31 July 2025	98,601	19	12,060	110,680

The Research Park land and completed buildings, which have historical costs of £9,870,000 and £61,249,000 respectively (2024: £9,870,000 and £60,509,000), were valued as at 31 July 2025 on a market-based estimate reflecting expectations of the price achievable in an active market. The estimate incorporates market-participant assumptions at the reporting date. At 31 July 2024 the valuation was provided by an external valuer, Deloitte LLP, 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 2024	-	14,311	14,311
Additions	-	217	217
Disposals	-	-	-
Change in market value	-	1,291	1,291
At 31 July 2025	-	15,819	15,819

University

	Subsidiary companies	Other non current investments	Total
	£000	£000	£000
At 1 August 2024	11,425	13,877	25,302
Additions	500	172	672
Disposals	-	-	-
Change in market value	(185)	1,436	1,251
At 31 July 2025	11,740	15,485	27,225

Significant shareholdings in subsidiaries

Name	Nature of business	% held
Blackwell Park Ltd (BPL)	Property development	100
Surrey Sports Park Limited (SSPL)	Sports park management	100
University of Surrey Seed Fund Limited	Technology investment	100
Operate Surrey Limited	Educational support services	100
Cervus Plus Limited	Management Consultancy	100

All subsidiaries are registered in England and Wales.

20. STOCKS

	Consolidated		University	
	2025	2024	2025	2024
	£000	£000	£000	£000
Balance b/fwd	8,846	7,300	458	485
Net additions/(disposals) in year	302	1,546	85	(27)
Balance c/fwd	9,148	8,846	543	458

21. TRADE AND OTHER RECEIVABLES

	Consolidated		University	
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade receivables	7,972	10,400	7,768	10,084
Amounts owed by subsidiary undertakings	-	-	10,894	10,231
Other receivables including taxation	567	492	317	238
Deferred tax (note 22)	74	42	-	-
Prepayments	6,729	6,791	6,844	7,042
Accrued income	21,750	25,199	21,720	25,172
	37,092	42,924	47,543	52,767

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.

22. DEFERRED TAX ASSET

	Consolidated		University	
	2025	2024	2025	2024
	£000	£000	£000	£000
The deferred tax asset comprises:				
Accelerated capital allowances	-	5	-	-
Short term timing differences	74	37	-	-
	74	42	-	-
Deferred tax asset excluding pension:				
Balance at 1 August	42	124	-	-
Credit/(charge) to the statement of comprehensive income	32	(82)	-	-
Balance at 31 July	74	42	-	-

23. CURRENT ASSET INVESTMENTS

	Consolidated & University	
	2025	2024
	£000	£000
Short term deposits (maturing within 1 year)	15,000	10,000
	15,000	10,000

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.

24. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		University	
	2025	2024	2025	2024
	£000	£000	£000	£000
Unsecured loans (note 26a)	4,416	6,800	4,416	4,300
Obligations under finance leases	160	152	160	152
Payments received on account	5,056	4,935	5,056	4,935
Trade creditors	4,733	4,498	4,859	4,460
Amounts owed to group undertakings	-	-	612	663
Other creditors including taxation and social security	13,152	10,052	12,910	9,715
Government deferred capital grants	4,405	4,516	4,405	4,516
Accruals	15,700	18,083	15,246	17,702
Deferred income	50,037	51,607	49,828	51,519
	97,659	100,643	97,492	97,962

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	
	2025	2024
	£000	£000
Research grants received on account	13,237	14,516
Other grant income	443	324
	13,680	14,840

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.

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

	Consolidated & University	
	2025	2024
	£000	£000
Unsecured loans (note 26a)	276,397	281,005
Obligations under finance leases	456	614
Government deferred capital grants	66,942	68,757
Derivative	536	826
	344,331	351,202

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

During 2024-25 a hedging gain of £303,000 (2023-24: £327,000 gain) was recognised in the statement of comprehensive income and expenditure for changes in fair value of the interest rate swap and £1,005,000 was reclassified from the cashflow hedge reserve to the statement of comprehensive income (2023-24: £1,476,000 from the statement of comprehensive income to the cash flow hedge reserve).

26. BORROWINGS

a. Unsecured loans

	Consolidated & University	
	2025	2024
	£000	£000
Unsecured loans are repayable as follows:		
Within one year or on demand	4,416	6,800
Between one and two years	4,544	4,421
Between two and five years	24,468	25,390
Over five years	247,385	251,194
Unsecured loans repayable by 2052	280,813	287,805
Due within one year or on demand	(4,416)	(6,800)
Due after more than one year	276,397	281,005

	£000	Interest rate basis	Maturity	Borrower
Unsecured loans at 31 July 2025 were as follows:				
Banks:				
Santander	28,256	variable	2035	University
Lloyds	16,667	variable	2028	University
Private Placement:				
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
Other:				
Department of Business Energy and Industrial Strategy (BEIS)	5,506	fixed	2031	University
Other	384	nil	Not fixed	University
	280,813			

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 2024-25, inclusive of lender margins and swap costs, was 3.60% (2023-24: 3.42%).

The Santander loan and the BEIS loan are repayable in instalments over the period to maturity. The Lloyds loan is to be partially repaid within one year with the remainder of the capital repaid on maturity. Private placement loans and the Other loan are repayable in individual bullet payments in more than five years from the balance sheet date.



26. BORROWINGS (CONT.)

b. Finance leases

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

Consolidated & University

	2025			2024		
	Land & buildings	Plant & equipment	Total	Land & buildings	Plant & equipment	Total
	£000	£000	£000	£000	£000	£000
Within one year	169	31	200	169	31	200
Between two and five years	508	14	522	677	45	722
Over five years	-	-	-	-	-	-
Total minimum lease payments	677	45	722	846	76	922
Less: interest payable	(104)	(2)	(106)	(152)	(4)	(156)
Net finance lease obligation	573	43	616	694	72	766

27. PROVISIONS

Consolidated

	Defined benefit obligations	Pension enhancements on termination	Total
	£000	£000	£000
At 1 August 2024	-	860	860
Utilised in year	-	(108)	(108)
Charged to statement of comprehensive income	-	23	23
At 31 July 2025	-	775	775

University

	Defined benefit obligations	Pension enhancements on termination	Total
	£000	£000	£000
At 1 August 2024	-	860	860
Utilised in year	-	(108)	(108)
Charged to statement of comprehensive income	-	23	23
At 31 July 2025	-	775	775

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 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 statement of income and expenses in the prior year.

For the assumptions on the discount rate and inflation used for calculating the provision for pension enhancements on termination see note 37b.

28. ENDOWMENT RESERVE

Consolidated & University

	Restricted permanent	Restricted expendable	2025 Total	2024 Total
	£000	£000	£000	£000
Balances at 1 August				
Capital	2,010	3,583	5,593	5,256
Accumulated income	461	188	649	554
	2,471	3,771	6,242	5,810
New endowments	668	742	1,410	319
Investment income	43	135	178	212
Expenditure	(21)	(1,017)	(1,038)	(253)
Increase in market value of investments	53	19	72	154
	743	(121)	622	432
At 31 July	3,214	3,650	6,864	6,242
Represented by:				
Capital	2,678	3,421	6,099	5,593
Accumulated income	536	229	765	649
	3,214	3,650	6,864	6,242
Analysis by purpose:				
Scholarships and bursaries	1,043	1,672	2,715	2,332
Prize funds	-	477	477	475
Hardship funds	1,479	211	1,690	1,655
Educational	-	1,135	1,135	1,573
Other	692	155	847	207
	3,214	3,650	6,864	6,242
Analysis by asset:				
Investment property			315	315
Listed investments			2,907	2,807
Cash held as part of investment portfolio			93	93
Cash held at bank for endowment funds			3,549	3,027
			6,864	6,242

29. 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, as reported in their own accounts, were as follows:

Connected institutions with income under £100,000	At 1 August 2024	Income	Expenditure	Change in market value	At 31 July 2025
	£000	£000	£000	£000	£000
Restricted expendable endowment funds:					
Scholarship (1 fund)	564	9	(7)	22	588
	564	9	(7)	22	588

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

30. RESTRICTED RESERVES

Consolidated & University	Research Income	Donations	2025 Total	2024 Total
	£000	£000	£000	£000
At 1 August 2024	1,815	3,344	5,159	4,701
New donations	8	1,661	1,669	2,803
Expenditure	(938)	(1,642)	(2,580)	(2,345)
Transfer from general reserve	-	125	125	-
At 31 July 2025	885	3,488	4,373	5,159
Analysis of restricted reserves by purpose:				
Studentships			679	440
Prize funds			1,763	1,581
Hardship fund			35	59
Research support			1,552	2,815
Other			344	264
			4,373	5,159

31. CASH FLOW HEDGE RESERVE

	2025	2024
	£000	£000
At 1 August 2024	(1,845)	(368)
Hedging gain/(loss)	1,006	(1,477)
At 31 July 2025	(839)	(1,845)

32. ANALYSIS OF CHANGES IN NET DEBT

Consolidated	At 1 August 2024	Cash flows	Non-cash changes	At 31 July 2025
	£000	£000	£000	£000
Loans due within one year (note 24)	(6,800)	4,300	(1,916)	(4,416)
Loans due after one year (note 25)	(281,005)	2,692	1,916	(276,397)
Finance leases (note 26b)	(766)	150	-	(616)
Financing	(288,571)	7,142	-	(281,429)
Cash and cash equivalents	12,557	20,146	-	32,703
Short term deposits (note 23)	10,000	5,000	-	15,000
	(266,014)	32,288	-	(233,726)

33. CAPITAL COMMITMENTS

	2025	2024
	£000	£000
Commitments contracted at 31 July	2,736	6,384

34. LEASE OBLIGATIONS

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

Consolidated	2025		2024	
	Land & buildings	Plant & equipment	Land & buildings	Plant & equipment
	£000	£000	£000	£000
Expiry date:				
Within one year	2	202	48	226
Between two and five years	-	1,402	-	142
Over five years	-	-	-	-
	2	1,604	48	368

University	2025		2024	
	Land & buildings	Plant & equipment	Land & buildings	Plant & equipment
	£000	£000	£000	£000
Expiry date:				
Within one year	-	188	46	212
Between two and five years	-	240	-	142
Over five years	-	-	-	-
	-	428	46	354

34. LEASE OBLIGATIONS (CONT.)

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

Consolidated	2025	2024
	Land & buildings	Land & buildings
	£000	£000
Expiry date:		
Within one year	8,250	9,012
Between two and five years	12,685	15,400
Over five years	20,607	22,051
	41,542	46,463

University	2025	2024
	Land & buildings	Land & buildings
	£000	£000
Expiry date:		
Within one year	7,854	8,607
Between two and five years	11,746	14,987
Over five years	20,607	22,051
	40,207	45,645

35. CONTINGENT ASSETS AND LIABILITIES

There are no known contingent assets or liabilities.

36. FINANCIAL COMMITMENTS

There are no known financial commitments.

37. PENSION SCHEMES

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

	Consolidated		University	
	2024-25 Total	2023-24 Total	2024-25 Total	2023-24 Total
	£000	£000	£000	£000
USS	16,499	(74,806)	16,499	(74,806)
Local government pension scheme	639	1,585	639	1,583
Other pension schemes	1,614	1,298	1,116	1,131
Total pension cost	18,752	(71,923)	18,254	(72,092)

37. PENSION SCHEMES (CONT.)

a. Universities Superannuation Scheme (USS)

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (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 have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). 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%)	<p>Benefits with no cap: - CPI assumption plus 3bps</p> <p>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</p>
Discount rate (forward rates)	<p>Fixed interest gilt yield curve plus:</p> <p>Pre-retirement: 2.75% p.a. Post-retirement: 0.9% p.a.</p>

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:

	2025	2024
Males/females currently aged 65	23.8 / 25.7 years	23.7 / 25.4 years
Males/females currently aged 45	25.5 / 27.2 years	25.4 / 27.2 years

37. 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 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 statement of income and expenses in the prior year.

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. 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 £343,000 (2023-24: £396,000).

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 2025.

A full actuarial valuation was carried out as at 31 March 2022 and updated to 31 July 2025 on an FRS102 basis by a qualified independent actuary. The material assumptions used by the actuary were:

	2025	2024
Pension increase rate (CPI)	2.80%	2.75%
Salary increase rate	3.80%	3.75%
Discount rate	5.75%	4.95%

The CPI assumption allows for a difference of 100bps pre-2030 and a difference 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 0.3% over short durations and 0.25% over medium and long durations. CPI is then adjusted to reflect 7 months of observed CPI experience from September 2024 to April 2025 of 3.0%.

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2024 model, with core parameterisation, initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. Life expectancies for the prior period end are also based on the Fund's Vita Curves, with improvements in line with the CMI 2023 model, a 15% weighting of 2023 (and 2022) data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a.

37. PENSION SCHEMES (CONT.)

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

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

	2025		2024	
	Males	Females	Males	Females
Current pensioners	20.8 years	24.5 years	20.6 years	24.5 years
Future pensioners (assumed age at 31 March 2022 is 45 years)	21.7 years	25.6 years	21.5 years	25.6 years

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:

	2025	2024
	£000	£000
Equities	112,910	102,616
Bonds	21,077	19,414
Property	10,538	11,094
Cash	6,022	5,547
	150,547	138,670

74

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

Analysis of amounts shown in the balance sheet

	Consolidated		University	
	2025 Total	2024 Total	2025 Total	2024 Total
	£000	£000	£000	£000
Fair value of employer assets	150,547	138,670	150,547	138,670
Present value of funded liabilities	(105,749)	(117,632)	(105,749)	(117,632)
Net underfunding in funded plans	44,798	21,038	44,798	21,038
Present value of unfunded liabilities	(762)	(835)	(762)	(835)
Less asset ceiling adjustment	(44,798)	(21,038)	(44,798)	(21,038)
Net liability	(762)	(835)	(762)	(835)

Analysis of amounts recognised in the consolidated statement of comprehensive income

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Current service cost	1,254	1,521	1,254	1,519
Net interest	(1,021)	(573)	(1,021)	(568)
Past service cost (including curtailments)	128	16	128	16
Interest credit not recognised	1,041	-	1,041	-
Scheme assets transferred from subsidiary	-	-	-	629
	1,402	964	1,402	1,596
Actual return on plan assets	14,602	14,743	14,602	14,789

37. 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	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Changes in financial assumptions	13,554	3,261	13,554	3,062
Changes in demographic assumptions	(550)	236	(550)	236
Other experience gains	1,130	(3,945)	1,130	(3,765)
Return on assets excluding amounts shown in net interest	7,809	8,399	7,809	8,466
Asset ceiling adjustment	(22,719)	(9,257)	(22,719)	(9,926)
Total measurements recognised in other comprehensive income	(776)	(1,306)	(776)	(1,927)

Reconciliation of asset ceiling

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Balance b/fwd	21,038	11,781	21,038	11,112
Net change in underfunding in funded plans in year:				
- Net interest, recognised in the Consolidated Statement of Comprehensive Income	-	573	-	568
- Net interest, recognised in Other Comprehensive Income	1,041	-	1,041	-
- Remeasurement loss, recognised in Other Comprehensive Income	22,719	8,684	22,719	9,358
Asset ceiling applied	44,798	21,038	44,798	21,038

Changes in the present value of the defined benefit obligation

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Opening defined benefit obligation	118,467	114,951	118,467	113,057
Current service cost	1,254	1,521	1,254	1,519
Interest cost on defined benefit obligation	5,772	5,771	5,772	5,755
Contributions by members	401	464	401	462
Changes in financial assumptions	(13,554)	(3,261)	(13,554)	(3,062)
Changes in demographic assumptions	550	(236)	550	(236)
Other experience gains	(1,130)	3,945	(1,130)	3,765
Past service cost (including curtailments)	128	16	128	16
Estimated benefits paid	(5,281)	(4,610)	(5,281)	(4,606)
Unfunded benefits paid	(96)	(94)	(96)	(94)
Transfer of subsidiary Scheme liabilities	-	-	-	1,891
Closing defined benefit obligation	106,511	118,467	106,511	118,467

The 31 March 2022 triennial funding valuation included an allowance for full GMP indexation. The roll forward position to 31 July 2025 therefore includes this allowance.

Changes in the fair value of employer assets

	Consolidated		University	
	2024-25	2023-24	2024-25	2023-24
	£000	£000	£000	£000
Opening fair value of employer assets	138,670	125,856	138,670	123,293
Interest on assets	6,793	6,344	6,793	6,323
Contributions by members	401	464	401	462
Contributions by the employer	2,155	2,217	2,155	2,212
Contributions in respect of unfunded benefits	96	94	96	94
Return on assets less interest	7,809	8,399	7,809	8,466
Estimated benefits paid	(5,281)	(4,610)	(5,281)	(4,606)
Unfunded benefits paid	(96)	(94)	(96)	(94)
Transfer of subsidiary Scheme assets	-	-	-	2,520
Closing fair value of employer assets	150,547	138,670	150,547	138,670

Sensitivity analysis	Approx % increase to defined benefit obligation	Approx monetary amount
Change in assumptions at 31 July 2025:	%	£000s
0.1% decrease in real discount rate	2%	1,723
1 year increase in member life expectancy	4%	4,260
0.1% increase in the salary increase rate	0%	53
0.1% increase in the pension increase rate (CPI)	2%	1,717

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 the 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 further 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 £12,000 is included in provisions at 31 July 2025 (2024: £25,000) in respect of these unfunded benefits, representing the 31 July 2019 valuation of £77,000 less payments made since totalling £65,000 (see note 26).

38. 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.

2024-25

	Recognised income	Recognised expenditure	Balance due to/(from) the University
	£000	£000	£000
University of Surrey Students' Union	203	1,625	33

2023-24

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

39. FINANCIAL INSTRUMENTS**Carrying amount of financial instruments**

The carrying amounts of the financial instruments include:

	2025	2024
	£000	£000
Assets measured at fair value through income and expenditure before other comprehensive income	142,618	152,609
Liabilities measured at fair value through other comprehensive income	(536)	(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 £8,954,000 (2023-24: £8,927,000) and net losses on changes in fair value of £2,633,000 (2023-24: £3,162,000 losses) were recognised in the statement of comprehensive income.

The University uses an interest rate swap as a cash flow hedge against the risk of fluctuations in cash flows arising from interest rate changes on certain borrowings. This swap, included in liabilities above, is as follows:

Bank	Interest rate %	Maturity	Interest payment frequency	Fair value	
				2025	2024
				£000	£000
Lloyds	4.33	2035	Quarterly	536	826
				536	826

The fair value of the interest rate swap, recorded in liabilities, is based on broker quotes using forecast projections of SONIA. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the 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 £303,000 credit to interest payable (2023-24: £327,000 credit) and £13,000 charge to other comprehensive income (2023-24: £1,476,000 charge).

40. POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events.

41. 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			2024-25		2023-24	
Expendable Net Assets			£000	£000	£000	£000
42	Balance sheet- unrestricted reserves	Net assets without donor restrictions		514,547		527,840
42	Balance sheet- restricted reserves	Net assets with donor restrictions		11,237		11,401
76	Notes to the Financial Statements - 38 Related Party Transactions	Secured and Unsecured related party receivable	129		129	
76	Notes to the Financial Statements - 38 Related Party Transactions	Unsecured related party receivable		129		129
59 & 60	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)	849,157		891,943	
59 & 60	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		693,167		735,667
-	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		19,958		19,930
-	See table at end of note	Property, plant and equipment - post-implementation without outstanding debt for original purchase		119,365		124,208
59	Notes to the Financial Statements - 17 Tangible Fixed Assets	Construction in progress		16,667		12,137
59	Notes to the Financial Statements - 17 Tangible Fixed Assets	Lease right-of-use asset, net	1,124		1,182	
59	Notes to the Financial Statements - 17 Tangible Fixed Assets	Lease right-of-use asset pre-implementation		1,082		1,112
-	Notes to the Financial Statements - Balance Sheet - Lease right-of-use asset post-implementation	Lease right-of-use asset post-implementation		42		70
-	Balance Sheet - Goodwill	Intangible assets		-		-
59	Balance sheet - Intangible Assets	Intangible assets		8,506		10,183
67	Balance Sheet - Provisions	Post-employment and pension liabilities		775		860

41. US SUPPLEMENTARY SCHEDULE (CONT.)

Page			2024-25		2023-24	
			£000	£000	£000	£000
Expendable Net Assets						
65	Notes to the Financial Statements - 26 Borrowings	Long-term debt - for long term purposes	280,813		287,805	
65	Notes to the Financial Statements - 26 Borrowings	Long-term debt - for long term purposes pre-implementation		148,640		150,899
-	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		132,173		136,906
-	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		-		-
65	Notes to the Financial Statements - 26 Borrowings	Lease right-of-use asset liability	616		766	
65	Notes to the Financial Statements - 26 Borrowings	Pre-implementation right-of-use leases		572		694
-	Balance Sheet - Lease right-of-use asset liability post-implementation	Post-implementation right-of-use leases		44		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		-		-
68	Notes to the Financial Statements - 28 Endowment Reserve	Net assets with donor restrictions: restricted in perpetuity		3,214		2,471

Page			2024-25		2023-24	
			£000	£000	£000	£000
Total Expenses and Losses						
40	Statement of Comprehensive Income - Expenditure	Total expenses without donor restrictions - taken directly from Statement of Comprehensive Income		338,067		258,254
40	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)		8,466		(11,516)
40	Statement of Comprehensive Income - Investment income, Gain/loss on investments	Net investment losses		(13,227)		(14,299)
-	Statement of Comprehensive Income - Pension related changes other than periodic pension	Pension-related changes other than net periodic costs		-		-

41. US SUPPLEMENTARY SCHEDULE (CONT.)

Page			2024-25		2023-24	
Modified Net Assets			£000	£000	£000	£000
42	Balance Sheet - Unrestricted reserves	Net assets without donor restrictions		514,547		527,840
42	Balance Sheet - Restricted reserves	Net assets with donor restrictions		11,237		11,401
-	Balance Sheet - Goodwill	Intangible assets		-		-
76	Notes to the Financial Statements - 38 Related Party Transactions	Secured and Unsecured related party receivable	129		129	
76	Notes to the Financial Statements - 38 Related Party Transactions	Unsecured related party receivable		129		129

Page			2024-25		2023-24	
Modified Assets			£000	£000	£000	£000
42	Balance Sheet - Non-current assets + current assets	Total Assets		968,549		991,946
59	Notes to the Financial Statements - 17 Tangible Fixed Assets	Lease right-of-use asset pre-implementation		1,082		1,112
65	Notes to the Financial Statements - 26 Borrowings	Pre-implementation right-of-use leases		572		694
-	Balance Sheet - Goodwill	Intangible assets		-		-
76	Notes to the Financial Statements - 38 Related Party Transactions	Secured and Unsecured related party receivable	129		129	
76	Notes to the Financial Statements - 38 Related Party Transactions	Unsecured related party receivable		129		129

Page			2024-25		2023-24	
Net Income Ratio			£000	£000	£000	£000
42	Balance Sheet - Change in unrestricted reserves	Change in Net Assets Without Donor Restrictions		(13,293)		69,641
40	Statement of Comprehensive Income - Total income less Investment income, Loss on disposal of fixed assets	Total Revenue and Gains		332,828		317,548

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	591,886	5,922	96,441	694,249	(16,477)
Assets acquired post 1 August 2019	93,943	30,719	14,703	139,365	33,144
	685,829	36,641	111,144	833,614	16,667





FOR MORE INFORMATION:

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