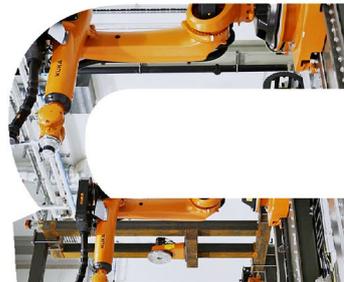
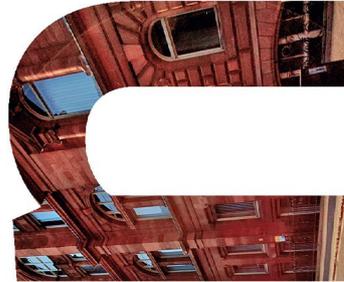


University of  
**Strathclyde**  
**Glasgow**

# Annual Report and Financial Statements

**YEAR ENDED 31 JULY 2024**

The place of useful learning





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The Rt Hon The Lord Smith of Kelvin KT CH

**Principal and Vice-Chancellor**

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**Associate Principals and Executive Deans**

Professor David Hillier BSc (Hons) PhD FRSA, Associate Principal and Executive Dean of the Strathclyde Business School

Professor Ian Rivers BA MA PhD CPsychol FRSE FBPsS FAcSS, Associate Principal and Executive Dean of the Faculty of Humanities and Social Sciences

Professor Duncan Graham BSc(Hons) PhD FRSE FRSC CChem FSAS, Associate Principal and Executive Dean of the Faculty of Science

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Professor Tim Bedford BSc MSc PhD FRSE FSaRS FIMA, Associate Principal (Research and Innovation)

Professor Douglas Brodie LLB PhD, Associate Principal, Social Inclusion

Professor Jillian MacBryde, Associate Principal, Entrepreneurship & Enterprise (from 1 January 2024)

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# Principal's Report

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This year marks the 60th anniversary of the award of the Royal Charter which conferred Strathclyde's university status. This milestone in the 228 years since the foundation in 1796 of our predecessor, Anderson's Institution, marked an exciting new phase of our University's journey. This established Strathclyde as the UK's first Technological University, an important distinction for us. Over the past six decades we have grown to become the third-largest university in Scotland in terms of student numbers, research grant awards and total income. We continue to put our founding ethos as the 'place of useful learning' at the heart of our mission and decision making while our socially progressive values ensure we remain focused on promoting equality of opportunity for all. We have made excellent progress in Vision 2025 and are now confidently looking to carry that momentum into the new Strathclyde 2030 strategy. Strathclyde is well-positioned to deliver its distinctive teaching, research and innovation to make a positive difference to the world. I am delighted to share with you our financial statements and set out our progress in 2024.

The University, as is being experienced across the sector, continues to operate in a challenging financial environment. Inflation reached levels not seen in more than 40 years in October 2022, peaking at 11.1%, and this has had a significant impact on the University's cost base. These challenges have of course also been felt by the University's students and staff. The situation has been compounded by a funding settlement for Scottish universities from the Scottish Funding Council which has seen an overall £28.5M cut from the 2024/25 teaching budget across the sector, alongside the removal of some funded places that were put in place due to the COVID-19 pandemic.

In addition, global economic stresses and currency fluctuations – particularly in important recruitment markets such as Nigeria and sponsor-driven regions such as North Africa – have made it harder for prospective students to travel and have created difficulties for many existing students. Government immigration policy related restrictions on international students bringing dependents to the UK, and uncertainty earlier in the year around the future of the graduate visa route have further contributed to a reduction in the number of international students coming to the UK, impacting on University finances.

We have been continuing to take a number of steps to address these financial challenges by looking at the way we use our assets, especially our campus in the post-pandemic world, and through the normal review of University operations. Central to our suite of efficiency reviews is the Process and Systems Enhancement Programme (PSEP) which is undertaking a root and branch review of University operational processes to ensure efficiency in these, generating cost savings and improving the experience of our staff and students. This is complemented by a structured programme of transformation projects and a rolling managed appointment strategy.

The University is also targeting growth markets by upscaling its offering in the Middle East. A new partnership in Saudi Arabia, with Princess Nourah bint Abdulrahman University – representing the first UK university physical presence in the KSA – will deliver teaching in



technology, engineering, science, business and humanities, as part of a movement in the country to expand the role of women in the fields of STEM, business and in wider society. A second partnership, with S Eleven Educational, has created the University of Strathclyde, Bahrain, offering courses in a range of subjects across Engineering, Science and Business. Later phases will see developments in research and innovation.

Encouragingly, in spite of the financial challenges we face, our total recurrent income has grown modestly, by 0.1%, to £410.1M in the last financial year. In addition, our research income has grown by 2% to £118.6M, with Knowledge Exchange related income up by 14.8% to £28.7M.

Of note is our Conferencing & Events business which continues to grow, attracting more than 600 events and 47,000 delegates to the campus in the last year, and generating revenue in excess of £2.7M – a 29% year-on-year increase – and returning an operating surplus of £609,000, a 203% year-on-year increase.

The climate emergency continues to demand our attention and, over the past year, much of our research and innovation activity has been focused on tackling this existential threat. Our efforts have helped to position Strathclyde amongst the top universities in the world for its positive contribution to achieving the United Nation's (UN) Sustainable Development Goals (SDGs). The Times Higher Education Impact Rankings 2024 puts Strathclyde at joint 25th in the world out of almost 2,000 universities included in the overall ranking, and 4th in the UK. In SDG 12: Responsible Consumption and Production, Strathclyde ranks 22nd out of 825 institutions.

We remain committed to our target of cutting our carbon emissions by 80% from the 2018/19 baseline by 2030 and achieving Net Zero by 2040. To aid this, we have introduced a new travel policy which aims to cut carbon emissions by eliminating unnecessary travel and ensuring low carbon options are used wherever possible, while improving traveller safety and well-being as well as reducing travel costs.

On our estate, we are extending our district energy network to student accommodation at Birbeck Court and Murray Hall, as well as the Lord Todd Building, to deliver an estimated emissions saving of 76 tonnes of CO<sub>2</sub> per year. Completed upgrades to the fabric of the Curran and John Anderson buildings will also deliver energy savings, alongside the more efficient use of our campus estate.

We are moving ahead with the creation of the £30M Charles Huang Advanced Technology and Innovation Centre – CH-ATIC. This digital, entrepreneurial and social engagement hub will be housed in the redesigned former premises of Strathclyde Students Union, thereby retaining a much-loved and historic building within the University

estate. The construction project will emit around 67% less carbon when compared to a new-build and will support the growth of the Glasgow City Innovation District (GCID) – Scotland’s first Innovation District – to deliver increased economic and social impact.

Within GCID, the University organised and ran Glasgow’s first Tech Week which brought together founders, investors, leaders and ecosystem builders to showcase the breadth and depth of innovation, product and service development taking place across the Glasgow City Region. The District also hosted the International Association of Science Parks and Areas of Innovation European Division conference.

Strathclyde maintains a leading position in Scotland’s educational landscape, through its teaching excellence, research prowess and ‘triple helix’ model of partnership working with business, the public and third sectors to drive innovation, inclusive economic growth and social justice.

Strathclyde has a sector leading approach to industrial research and innovation collaboration with a successful ‘Cluster’ model that builds long term partnerships within key sectors such as energy, aerospace, manufacturing, pharmaceuticals, photonics and several more. Strategic partnerships with companies such as Rolls-Royce, Boeing, GSK, Astra Zenica, Scottish Power, SSE, UKPN and Siemens Energy have also accelerated their supply chains into Strathclyde relationships. Alongside GCID, this is exemplified in the Advanced Manufacturing Innovation District Scotland – located adjacent to Glasgow airport – within which we lead the National Manufacturing Institute Scotland, the Advanced Forming Research Centre and the soon to be opened Advanced Net Zero Innovation Centre. These sit alongside the Medicines Manufacturing Innovation Centre, operated by our partners CPI.

In the past year we collected our fourth Queen’s Anniversary Prize – our third consecutive award – in recognition of our research, innovation and entrepreneurship in Photonics, the science of light.

Our local community and widening access to higher education remains a core activity for Strathclyde. Our Young Strathclyders programme is going from strength to strength, with our biggest ever cohort of ‘graduates’ taking part this year. In the academic year 2023/24, almost 21% of our Scottish domiciled entrants came from the 20% most-challenged communities – exceeding the Scottish Government target for 2030. We do this while retaining some of the very highest entry standards in the UK.

Similarly, our commitment to our student community remains as strong as ever and our strategic alliance with the students’ association continues to ensure we work closely together to benefit the student experience.

In support of this, we have secured the EmilyTest Gender Based Violence (GBV) Charter in recognition of our work to tackle gender-based violence on campus. The University has a wide range of initiatives in place to tackle GBV, including our Safe360° safeguarding policy, on-campus support from Rape Crisis Scotland, and compulsory training modules on GBV, Consent and Equality, Diversity & Inclusion that students must complete in order to undertake their studies.

Our sector-leading approach to supporting care-experienced students was recognised at the first Who Cares? Scotland Awards where we won the award for Outstanding Educational Practice in Higher Education. We supported 216 students with declared care experience in the 2023/24 academic year.

In the 2023/24 Academic Year we welcomed 3,119 new international students to Strathclyde across our September and January start courses. The University remained the destination of choice in Scotland for students from India, Saudi Arabia and Oman. At present over 1,850 students from India are studying an undergraduate or postgraduate programme at Strathclyde.

Our National Student Survey 2024 results showed an increase in overall satisfaction rate for all undergraduate students of 83.7%, up 2.1 percentage points on the previous year.

Our people lie at the heart of our success and, through our People Strategy, our commitment to our staff is unwavering. Our Strathclyde People strategy aims to ensure an exceptional, values-based work environment where colleagues feel deeply connected with the University’s strategic vision and have the skills, motivation and reward for delivering it.

We continue our work to close the gender pay gap and Strathclyde now holds 18 departmental Athena Swan Awards, as well as a Silver award at both Institutional level and Faculty level for Strathclyde Business School.

We also continue to enhance our employee experience, through a strong focus on mental health and wellbeing – including appointing a full-time Suicide Prevention Project Coordinator – and working to advance race equality and being an anti-racist institution.

As a socially progressive, people-oriented, employer Strathclyde pays the Voluntary Living Wage, supports staff with caring responsibilities, and has a strong focus on employee health and wellbeing with policies on topics such as mental health, menstruation and menopause. In 2024, Strathclyde was named Employer of the Year in the cHeRries Awards 2024 and the Herald Scottish Top Employer of the Year.

We continue to strengthen our research and educational initiatives by partnering with top-tier academic institutions worldwide, reinforcing our position as a leading international technological university. These strategic collaborations provide exciting opportunities for our academics and research staff, extend Strathclyde’s influence, and open up new pathways for innovative degree programmes, courses, and placement opportunities for our students.

Our University has now launched more than 210,000 individuals into the world as proud Strathclyders, and they are using the knowledge gained and skills developed with us to tackle the grand challenges of our time and build successful careers and lives.

As we head into our seventh decade as the University of Strathclyde, and move through our third century, we will build on our authentic tradition, recent growth and success and our distinctive and innovative approaches to continue to change the world for the better.

In October 2024 I announced my intention to retire as Principal & Vice-Chancellor of Strathclyde after 16 years in the post, and the process of recruiting my replacement is underway. My successor will inherit a University which continues to thrive, thanks to the hard work and commitment of our staff. It has been an enormous privilege to lead our wonderful institution and I look forward to driving the delivery of our strategic plan until the new Principal has been appointed.

Throughout 2024 – our Diamond Jubilee anniversary year – we have celebrated 60 years of achievement and I would like to offer my sincere thanks to all colleagues and students for their contribution to Strathclyde. Our University continues to live by its values of being people-oriented, innovative, collaborative, ambitious and bold and we can look to the year ahead with confidence in our ability to drive forward our goals.

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**Professor Sir Jim McDonald**  
**Principal and Vice-Chancellor**  
28 November 2024

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# Strategic Report

## VISION AND MISSION

Our five-year Strategic Plan, Vision 2025, builds on the University's collective achievements over recent years in realising our vision of a socially progressive, leading international technological university. Progressing the delivery of our five-year Strategic Plan, covering the period 2020 – 2025, we continue to use our distinctive position as a leading international technological university to be innovative in delivering our ambitions – questioning, challenging and developing both the boundaries of knowledge and, internally, our approaches, operations and processes to ensure that we are effective in all that we do. Coupled with our relentless commitment to pursuing a globally socially progressive vision, these two overarching characteristics define the authentic passion we have for making definite, high value, contributions to 'useful learning' in the 21st century.

In pursuit of our vision, the three key Strategic Goals through which our ambitions are being delivered are: i) Outstanding education and student experience ii) World-leading research and iii) Transformative innovation and impact. Our Cross-cutting Goals provide critical context: iv) Global engagement and v) Operational excellence.



Within Vision 2025, we refined and refocused our key performance indicators (KPIs) to build on the significant positive progress made over the period of the previous strategy. The majority of our performance indicators were extended to 2025, with further stretch included in targets and some additional enhancements introduced to our KPIs. A review of the appropriateness and efficacy of our KPIs at the mid-point of our strategy in 2022-23 resulted in updates to four of our KPIs. Further details are provided in the commentary of the changes that were approved by Court on 2 March 2023 for each KPI within this section. Following on from this review, our KPIs continue to provide a robust and focused framework to measure and demonstrate our overall success, underpinned by delivery against a wide range of supporting strategies and across the University, and informed by data and additional metrics. The information on performance measures provided below should be considered in the context of Vision 2025.

In 2023/24, Court also approved the next iteration of our strategic plan, Strathclyde 2030. Our focus and ambitious trajectory continue in the Strathclyde 2030 strategy, which launched in January 2024. Many of the KPIs from Vision 2025 remain in Strathclyde 2030 with renewed targets that reflect our ambition and progress. The focus of this report remains on Vision 2025 performance.

Our mission as a socially progressive, leading international technological university has set us apart from others in the sector, and by 2030 we will have grown our influence, reach and position by deploying our Strathclyde distinctiveness across all our activities. To ensure our 2030 Strategic Plan reflects our values, we have consulted with colleagues and students across the University to seek input and to develop the plan. Their contributions have been invaluable, because it is our people that lie at the heart of our strategy and our mission to make a positive difference to the lives of our students, and to wider society.

## **NAVIGATING SOCIETAL CHALLENGES**

The University's position as a socially progressive, leading international technological university – a strong and upward performance trajectory, underpinned by a balanced portfolio of activity and robust financial management – has enabled Strathclyde to respond pro-actively to the evolving challenges in the external environment, including the pandemic, changes to the UK's relationship with Europe, geopolitical instability, and cost of living challenges. These challenges affect the organisation as a whole, as well as having impacts on our staff and students. Our values-led response, with people at the heart of that response, is outlined below.

The University's Values provide a clear framework for decision-making which has, and continues to have, students and staff at its core. As we navigate through the 2024-2025 academic year, the quality of our provision, the student learner journey and student experience remain at the forefront of our planning, decision making and commitment, while prioritising wellbeing issues for our staff and students. We will continue to implement practical and impactful measures for our staff and students in line with our values and our socially progressive ethos. In the past year, we have worked to support our diverse student population through a range of financial difficulties that have included student issues relating to currency fluctuations, natural disasters impacting the finances of student sponsors, and geopolitical unrest.

## NAVIGATING SOCIETAL CHALLENGES CONTINUED

With the aim of enhancing the student experience, our Strategic Alliance with the University of Strathclyde Students' Association (Strath Union) provides a framework for the strategic elements that are common to the objectives of Strath Union and the University and the changing needs, wants and desires of an ever-evolving student body. Our approach to providing a safe place for flourishing in work and study is set out in Strathclyde Safe 360°. In support of this, we recently introduced Departmental Wellbeing Review Programme, an industry leading workplace wellbeing initiative, to support and to ensure that all members of a faculty/department/service are safe (physically and otherwise), fairly treated and able to flourish. The reviews identify and promote best practice, and, where appropriate, make recommendations about any concerns that emerge during the review.

Our ability to remain flexible and agile is as important as ever in both how we enable learning and work and provide wider support to our people. Strathclyde 2030 reflects this approach, as we continue to put people first. Careful consideration of the external context will continue to be critical in exploring the optimal outcomes for the University in an uncertain world. We will continue with our proactive engagement with industry partners, business and the UK and Scottish Governments to propose positive responses to local, national and international challenges, including economic and social recovery from the pandemic, student and staff support, the ongoing high inflation and cost of living.

We remain in a position of strength as we navigate these challenges and seize opportunities. Our current strategy Vision 2025 provides a robust and clear framework within which we can respond and adapt to these challenges, and this is further bolstered by the University's Corporate Risk Register. Strathclyde 2030 continues to provide that framework to allow us to respond to ongoing and future challenges.

## OUTSTANDING EDUCATION AND STUDENT EXPERIENCE

### Strategic context

The environment for student recruitment is highly competitive, due to a combination of divergence in UK higher education policy and funding, constraints on travel, the UK government's approach to student visas, and perceptions of quality created by national and international rankings. Strathclyde has a distinctive offering, and we ensure a positive learner journey for all by focusing on successful transitions across all levels of education; as a socially progressive university we are committed to providing access to people from the widest possible range of backgrounds, to improving student retention and ensuring onward success. Our strategic ambitions focus on growing our postgraduate cohorts, further diversifying our student population and creating flexible pathways, including work-based learning, so that individuals from a variety of backgrounds can benefit from the distinctive student experience at Strathclyde.

The delivery of an outstanding student experience, good retention rates and positive graduate outcomes are essential characteristics for a successful and attractive university, and this is reflected in our KPIs. The quality of our learning provision continues to be shown in our assurance review exercises.

In the most recent quality review, the Quality Enhancement & Standards Review (QESR), undertaken by the Quality Assurance Agency Scotland (QAAS) in May 2023, the QAAS confirmed that it is confident that the University is making effective progress in continuing to monitor, review and enhance its higher education provision to enable effective arrangements to be in place for managing academic standards and the quality of the student learning experience. This is the highest possible outcome for QESR and we received three commendations and just two formal recommendations. The QESR was an interim review arrangement that the SFC and QAAS put in place to cover a two-year period, whilst a new quality framework for both Higher Education and Further Education was developed. The new framework was published in July 2024 – SFC Guidance on Quality for Colleges and Universities 2024-25 to 2030-31. As a result, the University will submit its first Self Evaluation & Action Plan (SEAP) to the SFC in December 2024. We are also awaiting the publication of the QAAS Tertiary Quality Enhancement Review (TQER) schedule, which is the new QAAS review method being introduced to replace the Enhanced-Led Institutional Review (ELIR) and interim QESR.

## OUTSTANDING EDUCATION AND STUDENT EXPERIENCE CONTINUED

Vision 2025 KPIs	Progress/activity
<p>Achieve an annual intake of 1,300 Scottish domiciled undergraduates from SIMD 0-40 entrants by 2025</p>	<p>Strathclyde has a long-standing commitment to widening access to people from the widest possible range of backgrounds. The University first exceeded its 2020 target for the recruitment of Scottish-domiciled undergraduates from SIMD 0-40 areas three years early. In 2023-24, Strathclyde admitted 1,275 SIMD 0-40 entrants, which is equal to the 2023-24 milestone of 1,275. A subset of this population – SIMD 0-20, is subject to Scottish Government targets, and at Strathclyde, 20.7% of Scottish domiciled entrants in 2023/24 were from SIMD 0-20 postcodes, compared to 18.9% in 2022/23. This proportion exceeds the Scottish Government target for 2030.</p>
<p>Status: On track</p>	
<p>Maintain undergraduate retention rates from year 1 to year 2 of over 93% in each year</p>	<p>For 2023-24, the undergraduate retention rate from year 1 to year 2 was 88.4%, which is lower than our milestone of 93.0%. Analysis suggests that external factors such as the financial crisis, and the ongoing long-term impacts of the pandemic, are drivers of the retention reduction. However, there is no single cause, and additional analysis is underway to determine the causes of these withdrawals.</p>
<p>Status: Further work required</p>	
<p>Achieve National Student Survey satisfaction scores in the upper quartile for Overall Satisfaction and the upper or second quartile for at least five out of seven question sections in each year: this KPI will evolve over the period of the Strategy</p>	<p>Strathclyde's National Student Survey 2024 Overall Satisfaction score for all students is 83.7%, which is the third highest score amongst Scottish universities in this metric. This score also places us in the upper quartile for Overall satisfaction for the sixth consecutive year. The University is in the upper or second quartile in 6 out of 7 question categories.</p>
<p>Status: On track</p>	
<p>Achieve Graduate Outcomes figures for the percentage of UK full-time, first-degree leavers in highly skilled employment or further study in the upper quartile of UK HE institutions in each year</p>	<p>In 2024, based on the latest available data from graduates in 2021-22: 78% of Strathclyde's UK full-time, first-degree leavers were in highly skilled employment/ further study with Strathclyde in the upper quartile, and meeting our milestone, for the fifth consecutive year. Our rate is also higher than the UK (71%) and Scottish (74%) averages.</p>
<p>Status: On track</p>	
<p>Increase our postgraduate taught (PGT) population to 5,000 FTE by 2025</p>	<p>The postgraduate taught population was 4,855 FTE in 2023-24 exceeding the 2023-24 milestone of 4,724.</p>
<p>Status: On track</p>	



## WORLD-LEADING RESEARCH

### Strategic context

The University's ambition to further grow and sustain its research quality and intensity is integral to its mission as a leading international technological university that is socially progressive. With ambitious targets in this area, we have made significant progress over recent years in what is an increasingly competitive and challenging funding environment.

Our distinctive mission and our focus on partnership with industry and international partners continues to play a significant part in our success. Our focus on research excellence and impact has been critical, and this was recognised in the results of the Research Excellence Framework 2021 – almost 90% of research produced by the University of Strathclyde was rated 'world-leading' or 'internationally excellent'.

Our strong performance in REF 2021 relative to other institutions is reflected in the Times Higher Education's (THE) REF ranking tables based on Grade Point Average. The University was ranked 4th in Scotland and joint 33rd in the UK, an increase of four places since 2014. Reflecting Strathclyde as 'the place of useful learning', the University's impact and research environment profiles were recognised as particularly high-quality, evidenced by both sub-profiles being above average for the sector.

Although REF cycles are typically six to seven years, we are already well underway with preparations for REF 2029, which has an increased focus on research environment and

culture. As a socially progressive and values-led institution, our world-leading research must be underpinned by a positive research culture that recognises and rewards quality in all its forms, promotes research integrity and supports the career development of all staff involved in research. The University has held the EU HR Excellence in Research Award since 2011, in recognition of its support for the personal, professional and career development of its researchers, which was retained in 2024 for a further two years.

Strathclyde has been a member of the Coalition for Advancing Research Assessment (CoARA) since 2022. In our CoARA 2025-28 action plan, the University commits to review our research assessment practices and ensure that we recognise and reward diverse research outputs, practices, and activities that maximise the quality and impact of research. The University's commitment to the Researcher Development Concordat and other concordats and agreements further supports our research culture to develop in a collaborative and connected manner, ensuring that staff are enabled to deliver high-quality research in line with best practice. This includes actions under our 2024-2027 Technician Commitment, through which we are committed to enhancing the visibility, sustainability and recognition of research technician roles.

This demonstrates Strathclyde's dedication to making tangible improvements to research assessment, and research culture more broadly, in line with our shared University values to be bold, innovative, collaborative, ambitious and people-oriented.

Vision 2025 KPIs	Progress/activity
<p>Increase our total competitively won research income to £125 million by 2025</p>	<p>Our Vision 2025 strategy set very ambitious growth targets, from a 2018/19 baseline of £74 million to a 2025 target of £125 million. Each year, we have exceeded our milestone targets, reflecting huge success in the growth of research income. In 2023/24, our research income totals £118.6 million, exceeding the £112.6 million target</p>
<p>Status: On track</p>	
<p>Close the gap on the Russell Group average of published research outputs in the top 10% of their field worldwide for citations</p>	<p>The University KPI was updated as a result of the mid-strategy review. It moved from a defined target of 20% to a relative target, and instead of focusing on a single year, takes into account the period leading up to and including the most recent full calendar year. Strathclyde produces around 2,000 outputs per annum so each output contributes around 0.05% to the University's PP (top 10%) score. In 2023-24, 15.0% of our published research outputs were in the top 10% of their field for worldwide citations. The Russell Group average in the same period was 17.9%. This 2.9% gap is a marginal increase on the previous year's gap of 2.8%.</p>
<p>Status: Further work required</p>	<p>Looking ahead, our 2030 Strategy goes beyond the focus on citations as a single metric, and instead focuses on a basket of measures.</p>
<p>Increase our postgraduate research (PGR) population to 1,300-1,500 FTE by 2025</p>	<p>Our ambitions for PGR population growth continues to be aligned to our growth in research income and industry-sponsored activity. We have experienced significant growth in our postgraduate research student population over the past decade, contributing to our research intensification agenda. At the mid-strategy review, due to sector-wide recruitment challenges and the buoyant job market in the UK, we chose to update the 2025 target from 2,000 FTE to a range between 1,300-1,500 FTE per annum until 2025. Through significant focus and activity our overall population in 2024 is 1,285 FTE, slightly below the target. We are pursuing a wide range of opportunities for further growth, including PHD at Work and other industry partnerships.</p>
<p>Status: Further work required</p>	

## TRANSFORMATIVE INNOVATION AND IMPACT

### Strategic context

The growth of our distinctive Strathclyde innovation ecosystem, built around entrepreneurship, partnership and collaboration, is key to our overall strategy. Knowledge exchange and innovation are central to the University’s mission to create useful learning that benefits society and which can contribute to health, economic, social and cultural wellbeing. In a competitive global environment, our unique collaborative approach brings together diverse companies and supply chain partners to address industry challenges and contribute to the wider economy. Our work with the public and third sectors has a transformative impact on people’s lives through, for example, health and educational gains.

Vision 2025 KPIs	Progress/activity
<p>Increase our total income from conferences, training, consultancy, Knowledge Exchange Grants and other Knowledge Exchange income to £30 million by 2025</p> <p>Status: On track</p>	<p>In 2023-24, income from conferences, training, consultancy, Knowledge Exchange Grants and other Knowledge Exchange income totalled £33.9 million. This exceeded the 2023-24 milestone of £28.1 million and also surpassed the 2030 target figure of £30.0 million for the second consecutive year.</p>
<p>Increase the breadth and depth of our key strategic relationships</p> <p>Status: On track</p>	<p>Strategic relationships form a core part of the University's Vision 2025 with a particular focus on our world leading innovation districts and relationships. Our high-quality strategic partnerships extend across the NHS and private industry. Last year we added a further ‘third sector’ category to encompass the full spectrum of our partnerships. As a result, we have 24 strategic partnerships recognised under this KPI.</p>

## GLOBAL ENGAGEMENT

### Strategic context

Being international is central to our identity as a socially progressive, leading international technological university. We are committed to strengthening our engagement with international perspectives and partners in this regard with an international outlook permeating everything we do.

This is reflected in the increasingly international and collaborative nature of our research, scholarship, knowledge exchange and innovation, but also in our drive to deliver a teaching and learning experience which equips our graduates with the necessary attributes to flourish in the global workplace. Through our strategic partnerships with selected global universities we are delivering an increasing number of activities aligned with international engagement, including joint PhDs, exchange programmes, and staff secondments.

Our focus on the United Nation’s Sustainable Development Goals (SDGs) as part of our vision as a socially-progressive university goes to the heart of addressing global challenges through our research, provision of world-leading education and working in collaborative ways with our international partners. Our cross-University approach is enabling increased understanding and better supporting the delivery of international impact. This was recognised in the most recent Times Higher Education Impact Ranking, which is based on the 17 SDGs – Strathclyde was ranked joint 25th in the world overall and ranked in the top 50 globally for seven of the SDGs. The University is a signatory of the SDG Accord, and our Centre for Sustainable Development is now well-established and having a real impact on those global challenges. We remain committed to delivering and contributing towards the SDGs by means of inspiring, reporting and learning from each other.

Vision 2025 KPIs	Progress/activity
<p><b>Increase our international student population to 4,500 FTE by 2025</b></p>	<p>Despite the challenges of recent years, including the pandemic, geopolitical unrest, accommodation shortages within the city of Glasgow, and continuing inflationary pressures, we are continuing to make positive progress towards our target of having an international student population of 4,500 FTE by 2025. In 2023-24 there were 4,885 FTE international students registered at Strathclyde. This exceeded the 2023-24 milestone of 4,249 and also surpassed the 2025 target of 4,500.</p>
<p><b>Status: On track</b></p>	
<p><b>Sustain or exceed the proportion of international staff at or above 36% each year</b></p>	<p>Just as our student population becomes more internationally diverse, so too does our staff body with 37% being international compared to 31% in 2012, exceeding the annual target. This KPI relates to all academic professional staff with a non-UK nationality.</p>
<p><b>Status: On track</b></p>	

## OPERATIONAL EXCELLENCE

### Strategic context

Ensuring that our operations are excellent, across all activity and in the most effective and efficient way, is vital to maximising the impact of the funding we receive. Excellence, underpinned by efficiency and effectiveness, is a key area of focus for our funders with year-on-year efficiency gains specified in our teaching funding from the SFC and efficiency returns required by the Scottish Government. In this context, maximising the efficiency of the investments in our estate, our people and our systems is critical in order to create sufficient headroom for continued growth and investment.

Vision 2025 KPIs	Progress/activity
<p><b>Achieve a year-on-year reduction in the gender pay gap</b></p>	<p>As a socially progressive institution, we have acted over the years to reduce the gender pay gap in line with our commitment to pay equality. Alongside this we also monitor and respond to pay equality for other protected characteristic groups, for example race or disability.</p> <p>Steady progress is being made and 2023-24 year-end data shows a gender pay gap of 15.4% down from 15.9% a year earlier. Our most recent Gender Pay and Equal Pay Gap report provides an update on progress and an overview of the initiatives that we have implemented since 2023.</p> <p>Looking ahead to the 2030 Strategy, we will continue to focus on gender pay gap, and ensure we continue to monitor all pay gap categories within the Gender and Equal Pay Gap report.</p>
<p><b>Status: On track</b></p>	
<p><b>Meet or exceed planned annual net cashflow from operating activities (this figure is recalculated annually)</b></p>	<p>Periods of high inflation in 2021 to 2023 have resulted in a significantly higher cost base. This is especially the case for Staff Costs which are subject to negotiation at a national level and costs relating to infrastructure development and maintenance.</p> <p>During the last year the sector has experienced a slowing in student recruitment across several student categories, which has impacted a number of income streams.</p>
<p><b>Status: Immediate action required</b></p>	<p>The combined impact of higher costs, and income which does not grow at an equivalent rate, has resulted in pressure on this important KPI and further work will be needed to address the delivery of this target in 2024/25 and 2025/26 through the strategic initiatives which are already well underway.</p>
<p><b>Achieve a year-on-year reduction in greenhouse gas emissions leading to 30% reduction by 2025, 80% by 2030 and net zero by 2040 at the latest</b></p>	<p>Following review of current emissions data, and our ambitious campus plans, during the mid-strategy review, we rephased our planned progress towards net zero. We remain fully committed to our 2030 milestone of an 80% reduction by 2030 and achieving net zero by 2040. Due to factors beyond our control, including but not limited to the pandemic, the invasion of Ukraine, and substantially increased costs of both borrowing and materials arising from the cost of living crisis, we have recognised that substantial infrastructural and estates projects that are key to reducing our carbon emissions will not be delivered until after 2025. Our 2025 target for this KPI is now to achieve a 30% reduction in emissions from our 2018 baseline. Prior to the March 2023 KPI revision the 2025 target was 70%.</p> <p>Emissions for 2023/24 totalled just over 28,595 tCO<sub>2</sub>e. This is a total reduction of around 24% on the baseline figure. It is also a slight increase on last year's emissions of 28,460 tCO<sub>2</sub>e. Our ambitious Travel Policy aims to help reduce carbon generated from travel. Planning and policy change will be instrumental to the University's delivery of significant reductions in the coming years. Further detail on the University's plan to deliver this important KPI is set out in the Sustainability section of this Strategic Report.</p>
<p><b>Status: Further work required</b></p>	

## RISK MANAGEMENT

Risk management is about systematically examining a wide range of internal and external risk opportunities to the University, including financial, human resource, reputation, compliance, that may impact the University achieving its strategic objectives, and considering these alongside the University's risk appetite. Being able to identify, understand and manage risks at all levels of the University is essential to ensuring opportunities are identified and capitalised on, informed decisions are made, and regulatory requirements are met.

The University views risk management as integral to the successful execution of its Strategic Plan and has implemented a Risk Management Framework to support the University to adapt and meet risks and challenges in a structured way, so that it can continually align its priorities and objectives against a background of changing risk and uncertainty. The Risk Management Framework sits alongside the institutional Risk Appetite Statements.

The University developed its **Risk Appetite Statements** in 2022/23. The Risk Appetite Statements were developed by Executive Team and reviewed and approved by the Audit & Risk Committee and the University Court. They define the amount of risk the University is prepared to tolerate or be exposed to, should a risk be realised. The University's general approach is to minimise its exposure to risk. It will seek to recognise risk and mitigate the adverse consequences. However, the University recognises that in pursuit of its mission and corporate objectives, it may choose to accept an increased degree of risk. It will do so, subject always to ensuring that the potential benefits and risks are fully understood before developments are authorised, and that robust measures to mitigate risk are established.

There is an established business process for identifying, evaluating and managing the University's significant risks, which complies with the Financial Reporting Council's "Internal Control: Guidance for Directors" (formerly the Turnbull Committee Guidance) as far as it is applicable to higher education institutions. Risk registers are produced at Department and Directorate level and these are regularly reviewed and managed by the appropriate areas with regular reports being made from one level to the next in the committee structure.

At each stage the identified risks are evaluated and distilled, leading to the production of the Corporate Risk Register, incorporating the University's top risks, which is reviewed and managed by the Executive Team. Each risk in the Corporate Risk Register has an assigned Strategic Risk Owner who is a member of Executive Team and the Executive Lead for the area to which the relevant risk relates. In 2022/23, an enriched style of reporting was introduced, linking the Corporate Risk Register to a systematic approach to the understanding of institutional risk appetite and this approach was further embedded through 2023/24. The information is used to inform the strategic planning process in addition to the management of risk. A Corporate Risk Group, chaired by the University Compliance Officer, is responsible for supporting and advising the Executive Team and, through it, the Audit and Risk Committee and Court through identifying key themes, analysing high level risks, identify concerns and issues along with appropriate recommendations.



## RISK MANAGEMENT CONTINUED

### Roles and Responsibilities

The **University Court** is responsible for ensuring a structured Risk Management Framework is in place and implemented throughout the University. The Court is required to monitor significant risks within the organisation. The Court delegates authority for implementing the Risk Management Framework to the Principal, as Accountable Officer.

The **Audit & Risk Committee (ARC)** reports to the University Court and oversees the arrangements for risk, internal control and governance, including the associated assurances related to these systems. ARC is responsible for monitoring the University's general arrangements for risk management.

The **Principal** is accountable for ensuring that a Risk Management Framework is drawn up and fully implemented and maintained. Assignment of risk management responsibilities is the prerogative of the Principal, in accordance with the University's Scheme of Delegation and, accordingly, the Principal has delegated day-to-day responsibility for Risk Management to the University Compliance Officer.

The **University Compliance Officer (UCO)** will keep the Principal fully and regularly informed of any substantive issues emerging from the Risk Management Framework. As far as possible, the UCO must ensure that the Risk Management procedures are embedded within the day-to-day running of the University. The UCO chairs the University's Corporate Risk Group and the Incident Management Team and must ensure that the University has effective business continuity and disaster recovery plans in place. The UCO also oversees an annual review of the effectiveness of the University's approach to risk management.

The **Corporate Risk Group** is responsible for supporting and advising the Executive Team and, through it, the Audit and Risk Committee and Court, on the implementation and monitoring of the Risk Management Framework.

The **Executive Team** supports the Principal in discharging responsibility for risk management. Collectively, the Executive Team is responsible for the:

- Formal identification of corporate risks that impact upon the University's strategic plans, including horizon scanning to identify any emerging risks;
- Allocation of priorities; and
- Development of appropriate control measures for managing and mitigating the risks and monitoring the changing risk profile.

The Corporate Risk Group use information from Risk Reports drawn from the central register to produce quarterly management reports on new risks, high risks, top risks and common themes. This then helps to inform the Executive Team and the **Corporate Risk Register**. The Executive Team will consider the risks in the same way a Faculty/ Directorate/ School/ Department would, but with emphasis on strategic controls and mitigating actions. The Executive Team reviews the Corporate Risk Register quarterly, and it is submitted to the Audit and Risk Committee and to Court bi-annually. The Corporate Risk Register was reviewed by Court at its October 2023 and May 2024 meetings.

The **Risk & Resilience Team** within the Safety, Wellbeing and Resilience Directorate supports the Risk & Resilience Management and Business Continuity Management activities across the University and reports into the UCO.

### Corporate Risk Register

The University's Corporate Risk Register usually contains around 15 risks at any one time. The Risks typically fall into three main categories being Strategic Risks, Operational Risks and Project Risks. The Corporate Risk Register is reviewed regularly by the Executive Team, Audit and Risk Committee and by the University Court. The table below summarises the main strategic and operational risks that are captured within the current Corporate Risk Register.

## RISK MANAGEMENT CONTINUED

Strategic theme	Risks
<p><b>Outstanding education and student experience</b></p>	<p>It is critical that we maintain and continue to develop a high quality and cost-effective learning and teaching portfolio and distinctive student experience that is attractive to future students, funders and key external stakeholders. To do so will attract applicants, enhance student satisfaction and outcomes, and increase opportunities for collaborative work with external partners.</p> <p>If we fail to deliver an outstanding education and student experience, the University will suffer reputational damage, will lose opportunities to collaborate with external partners and will experience income shortfalls due to reduced interest from prospective students.</p> <p>Mitigations include</p> <ul style="list-style-type: none"> <li>■ Regular e-FIRST meetings to plan ahead for each semester to ensure continuity of quality learning and teaching and assessment.</li> <li>■ Senate oversight of academic governance, quality assurance framework and institutional engagement with external stakeholders.</li> <li>■ Strathclyde Strategic Framework Alliance established to strengthen closer working between the University and Strath Union on strategic elements.</li> </ul>
<p><b>World-leading research</b></p>	<p>Whilst the University has had considerable success in delivering world leading research and the pipeline of income from research grants already won is strong, further growth in this area will undoubtedly require continued focus. Continuing our historically strong performance in securing EU framework programme funds in the short to medium term will continue to be a key focus following the confirmation of the UK's continued participation in Horizon Europe, whilst diversifying our income streams, particularly from other sources, and further capitalising on opportunities arising through the UK Government's place-based funding (such as the Innovation Accelerator) and UK Catapult Centres.</p> <p>Further development and expansion of our relationships with business and industry, in the UK and globally, is strategically important for the support of postgraduate research students as well as research income growth.</p> <p>In light of this, we are continuing to drive towards ambitious KPI targets focusing both on research income and PGR numbers through our Vision 2025 Strategy. REF 2014 results brought financial benefit flowing from the Scottish Funding Council (SFC) via the University's Research Excellence Grant (REG) allocations. Our excellent performance in REF 2021 resulted in further increases in REG allocations, though the extent of the uplift was impacted by changes to the funding methodology determined by SFC. As we look ahead to REF2029, we take forward a renewed focus on positive research culture.</p> <p>If we fail to deliver World-leading research then we shall suffer reputational damage, financial impact due to the award of fewer grants, fewer opportunities to collaborate with research partners and we will be less attractive to prospective students.</p> <p>Mitigations include:</p> <ul style="list-style-type: none"> <li>■ Strategic networking and committee membership at the ScotGov, UKG (DSIT) and EU levels ensures alignment of research capabilities with national priorities.</li> <li>■ Appointment of Executive Head of Research and Innovation to influence R&amp;I funding at UKG and SG.</li> </ul>

## RISK MANAGEMENT CONTINUED

Strategic theme	Risks
Transformative innovation and impact	<p>With companies facing increased global competition and an increase in credible universities with which to partner with for research and development and CPD support, this remains a highly competitive area. Continuing to deliver and develop our innovative and highly successful industry facing centre model – and apply this in new ways in other fields (e.g. public policy, charity and public sectors, etc.), such that we are in a position to secure longer-term contracts with multiple partners – will be critical to the development of relationships with a range of companies, supply chains, government and others.</p> <p>Mitigations include:</p> <ul style="list-style-type: none"> <li>■ Continued efforts to diversify the range of industry funding streams, partnerships and projects</li> <li>■ Regular and coordinated review processes for strategic relationships.</li> <li>■ Establishment of a clear set of strategic research themes and clusters incorporating and emphasising the importance of innovation.</li> </ul>
Global engagement	<p>Challenges in the external environment, notably the geopolitical instability of recent years and immigration policy, continue to impact on mobility and the economy. These, together with increased global competition and cost pressures across the world, may hinder student study demand as well as opportunities for building international partnerships.</p> <p>Related to both the pandemic and Brexit, universities have experienced long-term adverse impacts on staff recruitment and retention, student enrolments, student satisfaction, graduate employment and reputation, with related financial consequences.</p> <p>Increasing global competition for research and development funding, the significant investments growing economies are making in their higher education sectors, the rise of teaching in English across the world, the growth of digital offerings in English, the changing mobility of international students and ongoing changes with immigration and visa regimes, both here in the UK and abroad, all represent significant risks to this strategic theme. The University’s reputation and maintaining its relationships with leading universities will be critical in mitigating risk in this environment.</p> <p>Mitigations include:</p> <ul style="list-style-type: none"> <li>■ Focus on delivery of globally attractive curricula infused with useful learning, and ensuring that our graduates are equipped for work in global labour markets.</li> <li>■ Work through CESAER, the European association for Science and Technology universities, to build partnerships and maintain key links with these institutions.</li> <li>■ Establishment of the University of Strathclyde Education Hub in Bahrain, in partnership with SEleven Educational, will increase our visibility internationally and generate international student enrolments. The intention to expand the activities of the Education Hub into Innovation and Research activities will support our world leading research and transformative innovation and impact goals.</li> <li>■ Further development of our digital provision to allow more flexible and remote access to our learning.</li> </ul>

## RISK MANAGEMENT CONTINUED

Strategic theme	Risks
Operational Excellence	<p>Failure to improve effectiveness and efficiency across all our operations will mean that we are not fully able to realise our strategic growth and investment plans. Failure to operate as effectively and efficiently as our competitors will lead to a relative competitive disadvantage and compromise our ability to demonstrate value for money, to generate sufficient funds for future investment, and to secure third-party funding. Increased global focus on climate action and carbon reduction are driving greater scrutiny and urgency around institutional and individual actions and choices and we are committed to innovating in this important area, both through our operations and through our research and learning provision.</p> <p>The prevalence of cyber-attacks on organisations across the world increases the risk and the potential impact on the University and poses a threat that could potentially result in damage and distress to individuals affected. The threat landscape is regularly monitored by the Information Security Strategic Risk Group which has its own detailed risk register for information security related matters. Failure to address this risk could result in significant loss to the University.</p> <p>Failing to comply with existing legal, regulatory or contractual requirements could lead to poor performance, litigation, liability, penalties, fines and reputational damage.</p> <p>There is a risk that the University may not be able to recruit, retain, motivate and develop the required number and calibre of staff. The University will actively seek to attract staff with the appropriate skills from across the world, developing them to their full potential, supporting them to live our Values, identify and grow talented inspirational individuals to fill leadership and critical business roles as well as fulfilling our socially progressive commitments.</p> <p>Mitigations include:</p> <ul style="list-style-type: none"> <li>■ Desktop cyber exercises have taken place to rehearse the University’s Cyber Incident Response Plan.</li> <li>■ Key compliance requirements continue to be addressed through robust processes and oversight.</li> <li>■ A People Strategy for 2020-2025, which complements the University Vision 2025 and focuses on staff engagement, wellbeing, and attraction and retention is being successfully implemented. The New People Strategy to complement Strathclyde 2030 is due to be launched in the Autumn of 2024.</li> <li>■ The University has launched innovative Departmental Wellbeing Reviews to seek to ensure that all members of staff are safe, fairly treated and able to flourish</li> </ul>

## RISK MANAGEMENT CONTINUED

Strategic theme	Risks
Financial Sustainability	<p>Recent years have been challenging for universities with events such as the COVID-19 pandemic, the cost-of-living crisis and record levels of inflation, and the lack of affordable student housing. In 2023/24 our sector has been further impacted by government fiscal policy changes resulting in reduced research and core grant funding, coupled with reduced tuition fees from international students driven by changed immigration policy. We anticipate that these challenges shall continue for the foreseeable future and must now address further financial pressure from the recent budget announcement of a significant increase to Employer National Insurance Contributions from April 2025.</p> <p>Our sector must adjust at pace to the changing external environment, ensuring financial sustainability sufficient to accommodate both current and future shocks.</p> <p>The University is committed to ensure Financial Sustainability which is critical to delivery of its strategy.</p> <p>Mitigations include:</p> <ul style="list-style-type: none"><li>■ Operational: The University has robust and established financial control mechanisms embedded into its processes. Paired with internal and external governance, this control environment supports financial sustainability at the operational level.</li><li>■ Strategic: However, the scale of challenge our sector faces has required more strategic oversight, and has been met by the University with a number of key initiatives designed to support financial sustainability. These Executive Team led programmes take a systems-based approach to driving efficiency in the use of the University’s valuable assets – its people, its campus and infrastructure, and its connections with business, the public and third sectors. Examples include the Process and Systems Enhancement Programme, the Strategic ‘Authority to Appoint’ Group and The Strategic Transformation and Coordination Group. Commitments have been made to deliver, through these initiatives, targeted savings in 2024/25 and 2025/26 and substantial in-year savings were made in the current year 2023/24.</li></ul>

## SUSTAINABILITY

Taking steps to tackle the climate and nature emergencies is a moral imperative. As a Higher Education institution, the University's influence is far reaching, and so it is vital that it embeds sustainability across all its activities, from teaching and research to partnerships and operations. Becoming fully sustainable will mean tackling multiple, often intertwined social and environmental challenges to deliver fair, equitable outcomes for all stakeholders, but particularly our immediate community of students and staff. As such, Strathclyde 2030 and our developing sustainability strategy each adopt a position of leadership and take a whole-institution approach to accelerate our efforts towards Net Zero whilst delivering positive social outcomes.

### Our Strategy

The University has set a target to achieve Net-Zero carbon emissions by 2040 or sooner. This institutional target was first published in the Vision 2025 Strategy, and includes two interim targets:

30% reduction against the 2018-19 baseline of 37,500 TCO<sub>2e</sub> (Tonnes CO<sub>2e</sub> Reported Emissions) by the end of 2024-25 and, 80% reduction against the 2018-19 baseline of 37,500 TCO<sub>2e</sub> (Tonnes CO<sub>2e</sub> Reported Emissions) by the end of 2029-30.

The University's Net Zero ambitions take increased precedence in our new Strathclyde 2030 strategy, included as Strategic KPI16, which expands the Net Zero target to include all scope 3 emissions, as far as possible, and acknowledgement of any avoided emissions (scope 4). This also now sits alongside a new KPI15 focused on embedding sustainability across all research, teaching and knowledge exchange activities. Strathclyde 2030 also sets a commitment for the University to publish an updated Social and Environmental Sustainability Strategy.

This new draft Social and Environmental Sustainability Strategy was presented to University Court in June 2024. The Strategy supersedes our existing Climate Change and Social Responsibility Plan (CCSR) and was developed in collaboration between Sustainable Strathclyde and the Centre for Sustainable Development. It represents the increased ambition on sustainability and Net Zero targets set out in Strathclyde 2030 and the need for all staff, students and stakeholders to play a role in delivering on, and benefitting from, this ambition. The Strategy is based around 3 key pillars of activity:

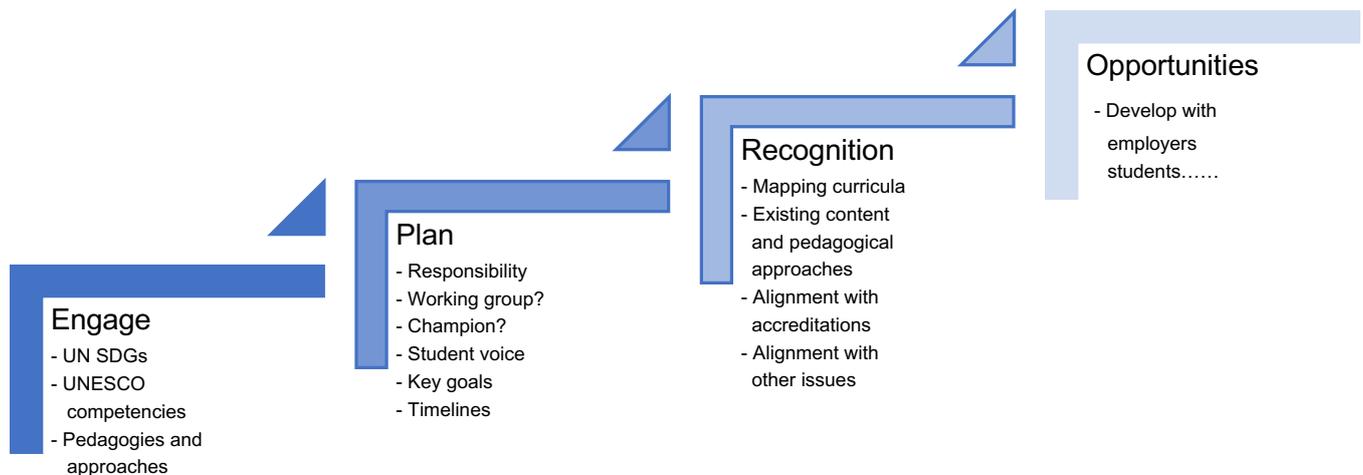


## SUSTAINABILITY CONTINUED

It is anticipated that a full strategy will be published, along with an implementation plan, in the 2024/25 academic year. The implementation plan will set out a detailed reduction roadmap and targets for individual emission streams, including greater emphasis on scope 3 emissions such as supply chain activities and student travel. It will also detail efforts to progress towards strategic KPI15 on sustainable development:

- All education programmes have programme level learning outcomes related to education for sustainable development by 2027 which encompass the integration of the UNESCO Education for Sustainable Development skills and competencies, the UN Sustainable Development Goals and appropriate pedagogical methods, and,
- Increase research related to the Sustainable Development Goals (SDGs) year-on-year.

This KPI was developed building on the recent updates to national QAA Subject Benchmark Statements, which require programmes to consider and evidence delivery of Education for Sustainable Development (ESD). Based on the UNESCO and AdvanceHE guidance for ESD, The Centre for Sustainable Development, with all four faculties has developed a structured approach to supporting attainment of the KPI 15 in this area (Figure 1). This approach recognises the need to map and evaluate the current curricula, build capacity where needed in staff, and where necessary adjust programmes to deliver effective and adequate ESD, as reflected in a programme level learning outcome.

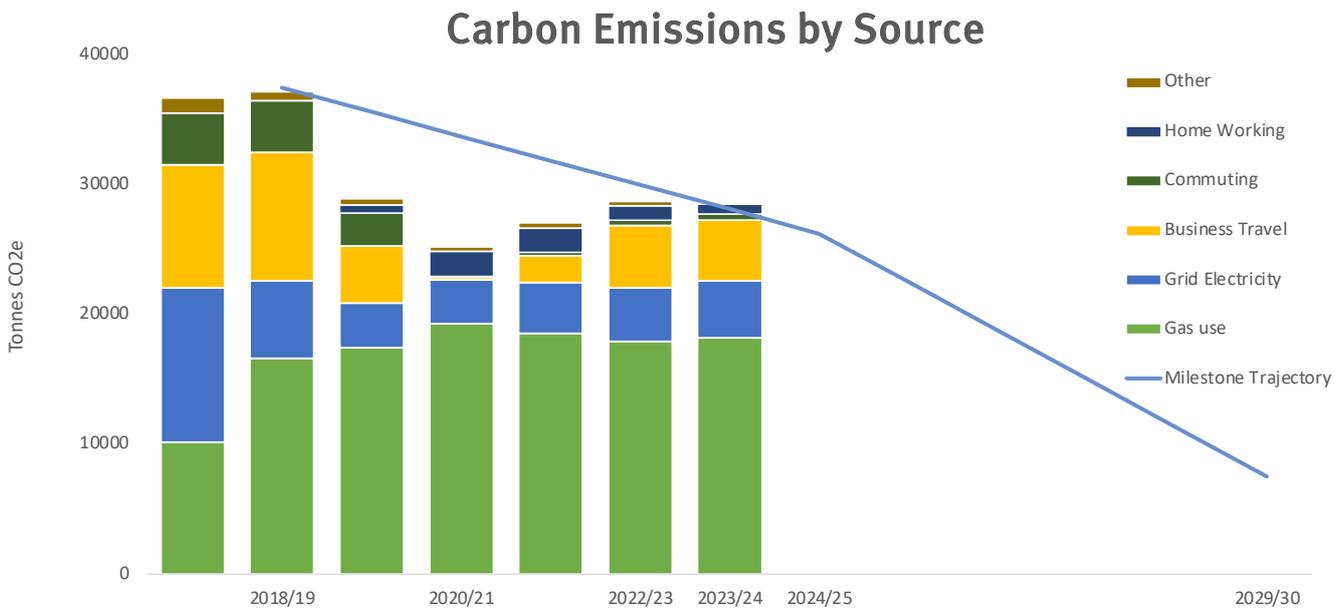


To further embed sustainability into the University’s research activities, the Centre for Sustainable Development, with support from the Research and Knowledge Exchange Directorate, has developed and piloted a reporting mechanism to measure research output from the four faculties in relation to the UN SDGs. This was done by harnessing SDG-tagging functionality in, Pure the University’s research records system. The first batch of four annual reports, one per faculty (HaSS, Engineering, Science, Strathclyde Business School) was produced and shared with faculty leaders in January 2024. The reports’ findings show that the four faculties and the University as a whole are steadily progressing, year-on-year, in terms of linking research activities to the UN SDGs.

**SUSTAINABILITY CONTINUED**

**Progress Towards Net Zero**

Our emissions<sup>1</sup> figures for the 2023/24 academic year show the impact of the challenging landscape in which we are operating.



Total University emissions, for the purposes of Strategic KPI16 reporting (all scope 1 & 2, some scope 3 emissions) are projected at 28,595TCO<sub>2</sub>e. This equates to a 5% overall increase from 2022/23. Emissions increased in key areas such as energy use and business travel but reduced/remained stable in areas such as commuting and waste. It is anticipated that policy changes and campus investments will deliver further reductions in 2024/25, meaning that the University remains hopeful of achieving its revised 2025 milestone of 30% reduction. A programme of work is also ongoing to model projected emissions reductions towards the University’s 2030 milestone and identify additional actions to address any shortfall. The University remains committed to being open and transparent about our progress, communicating both the challenges and opportunities in achieving its Net Zero ambitions. Furthermore, taking a just, equitable approach to delivering Net Zero is a core part of the University’s strategy; the University’s impact is wide reaching, so being mindful of the impact its decarbonisation pathway could have on stakeholders is vital.

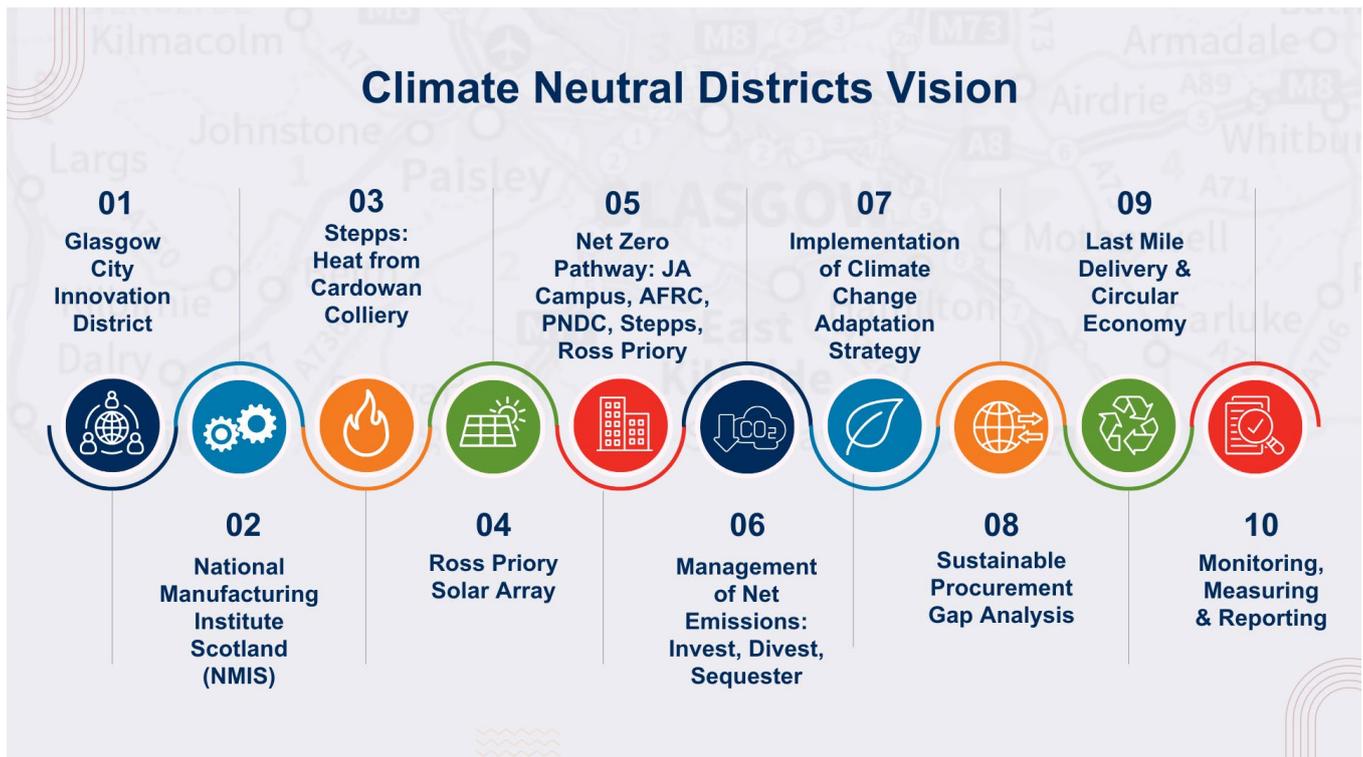
Good examples of campus investments and policy developments already in train include the extension of the heat network to Student Residences, which shall complete in Q1 2024/25, and the Campus Consolidation Project, which shall ensure best use of the University campus in the new, post-pandemic, way of working.

Significant carbon reductions were seen in 2020/21 as a result of the COVID-19 pandemic, particularly in areas such as business travel and the introduction of the new Travel Policy is expected to lock in changed behaviours. Emissions associated with grid electricity usage have also decreased as grid de-carbonisation accelerates. However, as activities have returned to “business as usual”, University emissions have returned to a steady level.

<sup>1</sup>Year end figures are currently being finalised for submission to ScotGov on 30 November 2024. Our annual statutory reports are publicly available here: <https://sustainablesotlandnetwork.org/reports>

## SUSTAINABILITY CONTINUED

The University's leadership team understands that further reducing emissions to achieve our targets requires well timed and resourced interventions, and that the cost of delivery shall be significant. Collaboration shall be critical to success and the University must continue to work closely with regional and national partners. Projects to reduce our Scope 1 and 2 emissions are already underway, and these projects are underpinned by our Climate Neutral Districts Vision:



This vision underpins the University's commitment to taking ambitious climate action across all of its operational activities. It aims to take a socially inclusive approach to achieve decarbonisation at scale and speed. Ongoing projects include:

- Development of a Net Zero Pathway for our campus, taking a fabric first approach to improving the efficiency of our city center campus.
- Progressing proposals for a ground-mounted solar array and battery storage project at Ross Priory the University's Events and Recreation property in the Loch Lomond and Trossachs National Park region. This would decarbonise energy usage at both Ross Priory and the nearby Scottish Water Pumping station and deliver associated benefits to the local community.
- Embedding circular economy principles through working with Recycle Scotland to refurbish and re-use existing furniture on campus, rather than buying new. Activity since early 2024 has already saved over £25,000 and 20,000TCO<sub>2e</sub>, with plans to roll this initiative out more widely in the coming academic year.

## SUSTAINABILITY CONTINUED

### Governance and Accountability

A robust approach to tackling the climate emergency requires a transparent and accountable governance structure. Operational sustainability and climate action related activities are led by the Sustainable Strathclyde Team, part of the Estates Services Directorate. This activity is, in turn, overseen by the Sustainability Strategic Steering Group (SSSG), with relevant reports also presented to the University Executive Team and Court at regular intervals. Environmental data and emissions reports are compiled and presented on a quarterly basis, with annual statutory reports for each academic year being submitted to the Scottish Government at the end of November. Sustainable Strathclyde also provide updates to additional governance groups such as, Estates Committee, Senate, and Risk and Audit Committee, as required.

A Climate Risk Register was developed in 2023/24, to ensure that major risks to the University that may occur as a result of climate change are properly recognised and managed through the University's central risk management structure. The risk register considers the financial, reputational and infrastructure risks to the University of, for example, increasing extreme weather events. The register was considered and agreed as a management tool by the SSSG and is currently being incorporated into the University's Corporate Risk Register.

The Centre for Sustainable Development is governed with academic oversight through the University's Business School, and an expert Operational Advisory Board. As the emerging SESS is developed, sustainability governance structures at the University will be reviewed and amended to ensure they remain fit for purpose and will ensure delivery of the University's ambitious targets.

### Behaviour Change, Training and Engagement

Transformational change cannot be delivered in isolation, and new ways of thinking are required to create a greener, more prosperous future for all. The University is committed to bringing everyone with it on the journey to Net Zero, which is why activities to engage and involve the whole University community are vital. Both Sustainable Strathclyde and the Centre for Sustainable Development play a key role in upskilling and empowering staff and students in sustainability, and in influencing wider national and international agendas. Some examples of this in 2023/24 can be seen below:

### University Travel Policy

The University launched a new Travel Policy in May 2024, the purpose of which is to champion sustainable methods of travel in line with its Net Zero ambitions, and place increased importance on use of the University's Travel Management Company to enable better safeguarding of travellers and enhanced sustainability reporting. Extensive consultation with staff and students was carried out in the development phase of the policy to ensure it met the needs of the University community.

### Hazaar Student Marketplace

In early 2024, Sustainable Strathclyde started working with Hazaar to support students and staff to save money and waste through end of term halls clear-outs, an app-based marketplace and on-campus pop-up market events. The platform allows students and staff to buy and sell everyday items within the University community and provides student employment and volunteering opportunities throughout the academic year.

### Introduction to Sustainable Development

The Centre for Sustainable Development has developed a free online learning module which provides an overview of sustainable development at local and global levels. The module is available to all staff and students to enhance their knowledge and understanding.

### Sustainability Student Placements

Many student placement and project opportunities have taken place, with students from across the University working with both Sustainable Strathclyde and The Centre for Sustainable Development to address real-life issues and gain experience of sustainability in action. In 2023/24, this included seven undergraduate business school students completing year long placements, and a range of collaborative projects from the faculties of Science and Engineering on, for example, lifecycle analysis of lab equipment and large scale district heating opportunities in Glasgow.

### External Collaboration Groups

Sustainable Strathclyde and The Centre for Sustainable Development are members of many regional, national and international networks, taking an active role in pushing forward the sustainability and Net Zero agenda in higher education and beyond. Some examples include:

- Sustainable Glasgow
- Climate Ready Clyde
- Sustainable Scotland Network
- International Sustainable Campus Network
- Environmental Association of Universities and Colleges

## PEOPLE STRATEGY

As a socially progressive, values-based organisation, the University is committed to fair working practices and this is demonstrated through our core values, our People Strategy and our policies and procedures. The University is a member of the Scottish Business Pledge, a values-led partnership between Government and business with members making a commitment to fairness, equality, opportunity and innovation. The University has been an accredited Living Wage Employer since 2015 and in that year also took the decision to cease the use of zero hours contracts.

The University's People Strategy places staff at the heart of our plans, recognising that their collective talents, efforts and commitment will deliver our vision for the future.

Strathclyde People 2025 gives a baseline commitment to our staff – 'The Strathclyde Pledge', which confirms what every staff member can expect to receive in the workplace. The commitments within the Strathclyde Pledge and measures of progress are:



## PEOPLE STRATEGY CONTINUED

### Pledge commitment

#### A stable contract

In some cases, this will necessarily be a fixed-term or flexible contract but we are committed to ensuring as much certainty as possible and early confirmation of what will happen at the end of each contract.

#### Fair & equal pay

We commit to continuing to pay the Voluntary Living Wage, to helping staff understand the rationale for their salary level and to ensuring that, within each grade, we continue to pay colleagues appropriately regardless of their gender or other protected characteristics.

#### An opinion that matters

We commit to listening to, and responding to, the views of our staff, both through our collective bargaining framework and from those who choose not to be Trade Union members.

### Measure of progress

Reducing the percentage of fixed-term contract staff with over 3 years' service is a Key Success Indicator within our People Strategy. As part of the Pledge, a review of the use of fixed-term contracts was carried out in June 2022, which showed both a reduction in the number of staff on fixed-term contracts and a reduction in the proportion of staff on fixed term contracts with service over three years. Further work is currently underway to conduct a further review into fixed-term contracts within the University.

As a socially progressive institution, we have acted over the years to reduce the gender pay gap in line with our commitment to pay equality. Alongside this we also monitor and respond to pay equality for other protected characteristic groups, for example race or disability.

Our most recent Gender Pay and Equal Pay Gap report provides an update on progress and an overview of the initiatives that we have implemented since 2021 and the University's future commitments for the period April 2023-2025 to closing the gender pay gap. The Report also includes the University's Equal Pay Statement.

A key element of listening to, and responding to, the views of our staff are the Principal's engagement sessions, with dedicated sessions for each Faculty and Professional Services staff. During the March 2023 sessions, the Principal introduced the development of our new Strategic Plan, Strathclyde 2030. All staff subsequently had the opportunity to comment on and contribute to the key goals and critical themes within the draft Strategic Plan during a consultation period. Opportunities to provide feedback included focus groups and town hall sessions in each Faculty and Professional Services area and an online feedback form. Further Principal's engagement sessions took place in October 2024.

The University is planning to conduct a further Values survey in November 2024.

### Fair Work First

The University's Fair Work First statement has been jointly developed and agreed by the University of Strathclyde and the Combined Joint Negotiation and Consultation Committee with representation from University and College Union, Unison and Unite. It highlights the actions being taken at Strathclyde and how these are aligned with the Fair Work Principles.

The University is committed to working in partnership with the Trade Unions to deliver these actions for the benefit of staff at Strathclyde. Where possible, we will seek to go beyond the minimum requirements of the Fair Work First criteria.

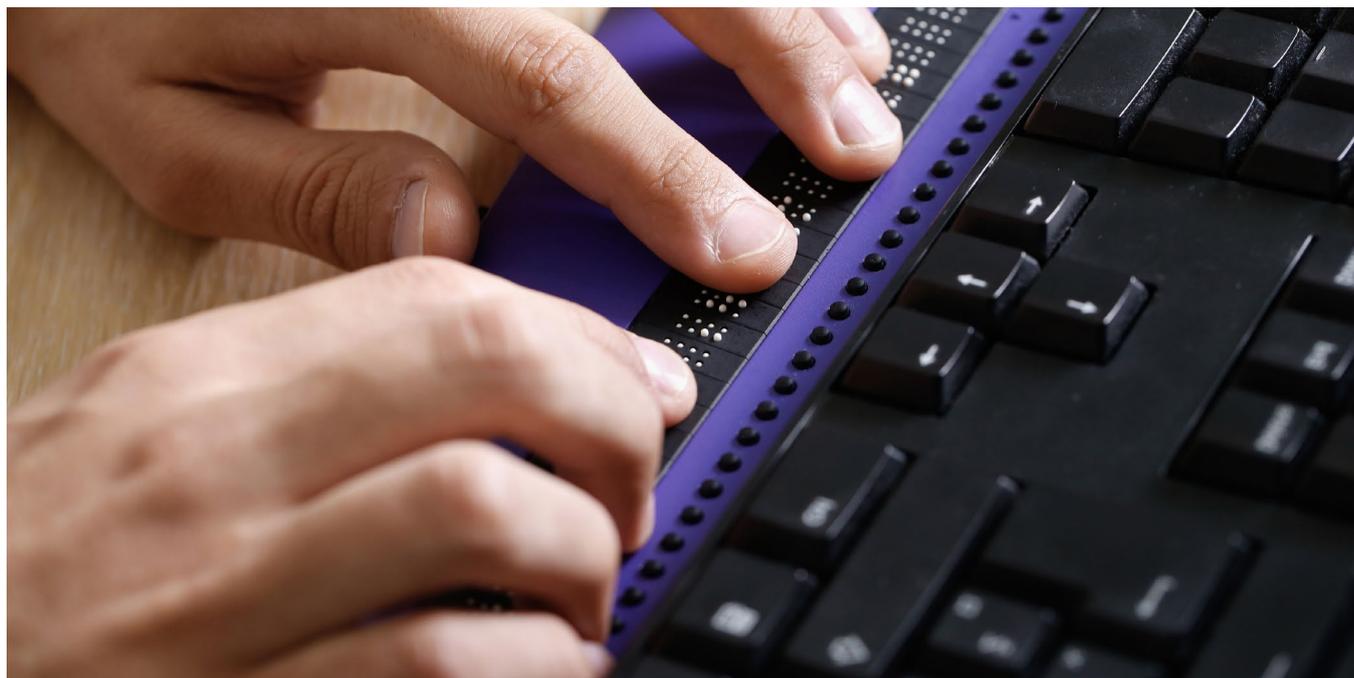
The University's current statement was published in November 2023 and is available here: [Fair Work First](#). This sets out in detail how the University is implementing FWF practices.

The University has a suite of staff policies which include flexible working and family friendly policies which apply to all employees. These can be found at: [Family-friendly policies & procedures | University of Strathclyde](#)

### Disability policy

The University is committed to promoting opportunities for staff and students with disabilities. This covers recruitment, appraisal and training opportunities, support, awareness training for staff, implementation, monitoring and a complaints procedure.

The University's Disability & Wellbeing Service has a team of advisers who work to improve access and inclusion of students and staff with disabilities.



### Equality and diversity and inclusion policy

The University of Strathclyde is committed to achieving and promoting equality of opportunity in its learning, teaching, research and working environments, and to ensuring these environments support positive relations between people, and a culture of respect. As a provider of employment and education, we value the diversity of our staff and students and are committed to encouraging everyone to realise their full potential.

The University has an ongoing programme of expenditure, activity and policy to further these aims and to ensure it meets the requirements of the Public Sector Equality Duty and the Equality Act 2010. The Access, Equality and Inclusion Service at the University leads on activities to promote equality of opportunities. The Equality, Diversity and Inclusion Committee (EDIC) is a University Committee overseeing the University's compliance with its equality and diversity obligations and advancing equality, diversity and inclusion across Strathclyde. The Committee meets formally three times a year. The Committee is chaired by Professor Douglas Brodie, Associate Principal for Social Inclusion. EDIC membership is drawn from across University Faculties and Directorates as well as Strath Union.

The Equality, Diversity and Inclusion Policy outlines the University's commitment and approach towards promoting equal opportunities for staff and students with protected characteristics, including disabled people and those with care experience, and we regularly publish reports on progress. The University's approach is also summarised in an accessible format within our Strathclyde Community Commitment and Dignity and Respect Policy.

Highlights of EDI activity in 2023/24 include:

- In June 2024, the University was successfully awarded the Emily Test GBV (gender-based violence) Charter established to support colleges and universities in relation to GBV prevention, intervention and support.
- In order to provide operational capacity and subject expertise to take forward the University's race equality work, a new Senior Race Equality Officer role was developed within the Equality & Diversity Office. The postholder commenced in June 2023, for an initial period of two years. The Race Equality Steering Group (RESG) convened its inaugural meeting in September 2023. RESG mirrors the existing Gender Equality Steering Group (GESG) and reports to EDIC. The role of RESG is to advocate for and work to ensure an inclusive, welcoming and equitable working and learning environment for Black, Asian, and minority ethnic (BAME) students and staff.
- In October 2023, the University published a report investigating its historical links to the transatlantic slave trade. EDIC, RESG and the Equality & Diversity Office has been working closely with the Historical Links to Slavery Steering Group to progress its work.

## FINANCIAL REVIEW

	2024	2024	2024	2023	2023	2023
	Operating	Other	Total	Operating	Other	Total
	activities	significant		activities	significant	
	£M	items	£M	£M	items	£M
	£M	£M	£M	£M	£M	£M
<b>Summary Income and Expenditure</b>						
Income (excluding capital grants)	410.1	-	410.1	409.8	-	409.8
Capital grant income	22.4	-	22.4	77.6	-	77.6
<b>Total Income</b>	<b>432.5</b>	<b>-</b>	<b>432.5</b>	<b>487.4</b>	<b>-</b>	<b>487.4</b>
Expenditure (including depreciation)	(430.1)	152.0	(278.1)	(423.9)	21.6	(402.3)
<b>Surplus before other gains and losses</b>	<b>2.4</b>	<b>152.0</b>	<b>154.4</b>	<b>63.5</b>	<b>21.6</b>	<b>85.1</b>
Gain on investments	-	7.4	7.4	-	0.2	0.2
Unrealised deficit on revaluation of investment properties	-	(1.0)	(1.0)	-	(1.5)	(1.5)
<b>Surplus for the year</b>	<b>2.4</b>	<b>158.4</b>	<b>160.8</b>	<b>63.5</b>	<b>20.3</b>	<b>83.8</b>
<b>Cash (absorbed by)/generated from operations</b>			<b>(8.6)</b>			<b>7.7</b>
<b>Cash and borrowings</b>						
Cash and cash equivalents			140.0			142.7
Loans			(65.1)			(55.1)
			<b>74.9</b>			<b>87.6</b>
<b>Total assets less current liabilities</b>			<b>630.8</b>			<b>615.9</b>
<b>Total reserves</b>			<b>565.9</b>			<b>402.9</b>



## Overview

In 2023/24, the University has felt the combined impact of reduced levels of tuition fee income and a higher cost base, following the record levels of inflation experienced in 2022. Tuition fee income was lower than anticipated as a result of a shortfall in student recruitment, mainly due to changes to immigration policy in the UK and overseas. These headwinds have been felt across the UK Higher Education sector and it is expected that they will remain for several years.

With this backdrop, it is a positive outcome that income excluding one off items and capital grants, rose modestly by £0.3 million to £410.1 million in 2024. Capital grant income in the prior year, 2023, was £77.6 million, largely due to the completion of the National Manufacturing Institute Scotland and consequently the full recognition of the capital grant income received, but reduced to £22.4 million in 2024. As a result of the reduction in capital grant income in 2024, total income decreased by 11.0% from £487.4 million to £432.5 million.

FRS 102 financial reporting requirements can result in greater volatility in financial outturns, most notably as a result of:

- The recognition of capital grants in income when the University is entitled to the funds as performance-related conditions are met. Previously such grants were deferred and then released over the life of the underlying asset.
- The need to make provision for the estimated cost of the deficit recovery plan for the Universities Superannuation Scheme (USS) with year-on-year changes to the University's liability arising from payment of deficit contributions together with changes in discount rates and other actuarial assumptions. Following the conclusion of the 2023 valuation, USS issued a new schedule of contributions. As there is no longer an obligation to pay deficit contributions, the balance of the provision was released. In 2024, the provision decreased by £157.1 million (2023: £32.0 million).

In addition to showing the overall financial performance for the University, the above table highlights the impact of a number of significant items included in the surplus for the year that are not influenced by day-to-day operations and the impact of capital grant income on the surplus for the year. The University generated a surplus, before significant items not influenced by day-to-day operations, of £2.4 million (2023: £63.5 million).

## FINANCIAL REVIEW CONTINUED

### Capital grant income

Capital grant income has decreased from £77.6 million to £22.4 million this year. Capital grants are recognised in full once performance conditions are met, resulting in variability in capital grant income year-on-year, as major projects are completed.

Decreases in other capital grants (£57.9 million) and SFC capital grants (£0.3 million) were partly offset by increases in research capital grants (£3.0 million) with further explanation provided below.

### Other significant items

Significant items included in the surplus for the year that are not influenced by day-to-day operations include:

#### USS pension deficit provision adjustments

The University's obligation to fund pension deficit recovery contributions is reflected in the financial statements as a liability. This liability varies from year to year due to changes in the projected pensionable payroll but can also change significantly when there is a change in the level of recovery contributions.

The USS 2023 valuation was concluded in December 2023 and from 1 January 2024 contribution rates decreased from 21.6% to 14.5%. As the schedule of contributions agreed following the 2023 valuation has no requirement for continued deficit recovery contributions the balance of the deficit recovery provision (£157.1 million) has been released in the 2024 financial statements. In 2023, higher discount rates compared to 2022, contributed to the provision decreasing by £32.0 million.

The impact on salary costs in 2024 was a credit of £160.7 million (2023: £38.3 million), of which £4.0 million (2023: £9.1 million) was the utilisation of the provision for deficit recovery payments made in the year. The finance charge in 2024 was £3.6 million (2023: £6.3 million).

Details of these movements are included in Note 17.

#### Restructuring costs

During the year, the University incurred £0.2 million (2023: £0.4 million) of one-off costs on restructuring a number of its Departments and Schools. These costs are reflected within salary costs.

#### Project costs

In 2024, the University incurred £0.9 million of costs on the feasibility stage of a key strategic project. These costs were expensed as the University progressed funding opportunities.

#### Impairment

An impairment charge of £0.9 million has been recognised in the 2024 financial statements in respect of one building where access has been restricted as a precautionary measure owing to safety concerns around the presence of Reinforced Autoclaved Aerated Concrete (RAAC).

#### Gains and losses on investments

Gains and losses on investments in 2024 totalled £7.4 million (2023: £0.2 million). Gains in 2024 included £5.1 million of unrealised gains in the value of the University's endowment and fixed asset investments (2023: unrealised losses £1.8 million) as markets responded positively to economic data, notably inflation and interest rate movements. Gains on disposals from the University's portfolio of investments in spin out and spin in companies totalled £2.3 million (2023: £2.0 million).

#### Unrealised deficit on revaluation of investment property

A deficit of £1.0 million arose on the revaluation of investment property (2023: £1.5 million).

FINANCIAL REVIEW CONTINUED

Other factors impacting Total Comprehensive Income

Actuarial gain in respect of the pension scheme

The Total Comprehensive Income and Expenditure for the year on page 54 includes an actuarial gain of £2.2 million (2023: £68.8 million) in respect of the Strathclyde Pension Fund. This is a non-cash pension movement. Further details are provided in Note 22.

Balance Sheet overview

Investment in estate

Investment in the University estate in 2024 totalled £8.5 million, with £25.0 million investment in equipment. Further details are provided in 'Investments in Infrastructure' below.

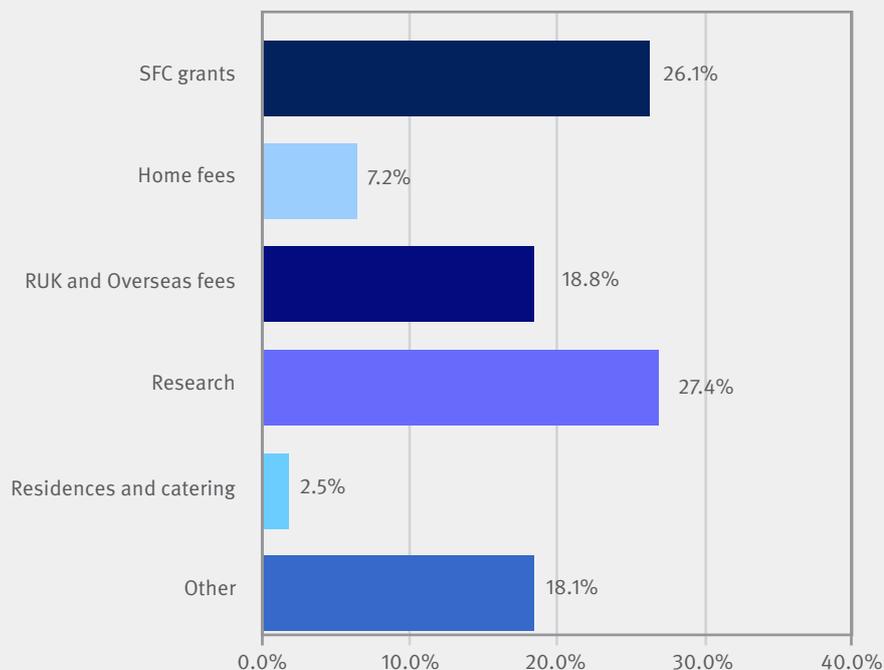
Total assets

Cash balances at 31 July 2024 were £140.0 million (2023: £142.7 million). Total assets less current liabilities increased from £615.9 million to £630.8 million.

Total reserves increased from £402.9 million to £565.9 million. Some £157.1 million of this increase is due to the release of the USS pension deficit provision.

Income

Chart showing composition of total income of £410.1 million.



## FINANCIAL REVIEW CONTINUED

### Income continued

Income, excluding one-off items and capital grants, has risen by £0.3 million to £410.1 million. Capital grant income decreased from £77.6 million to £22.4 million this year. Key movements in income include:

**SFC Grants down  
£2.4 million (2.1%)  
to £113.0 million**

Grants for teaching, research and innovation increased by £0.1M (0.1%). The modest increase of £0.4M for the teaching grant has been offset by a decrease of £0.3M for the research and innovation grant.

The £0.4M reduction in ring-fenced grant income is due to Initial Teacher Education (£0.3M) and BA Childhood Practice (£0.1M).

Capital grants were £0.3M (5%) lower, due to extra capital funding received in 2023 not recurring in 2024 offset by an increase of £0.6M of UK RPIF funding.

Grants for strategic purposes have decreased by £1.8M. Whilst there are reductions across a number of individual grants, the key movements include decreases in funding for Transition Training Fund (£1.2M) and year-on-year movements in provision for clawback (£0.7M).

**Tuition fee income  
down £11.8 million  
(8.7%) to £124.4 million**

In 2024 total tuition fee income decreased by (8.7%) to £124.4M.

Income from credit bearing courses fell by £10.8M (8.8%) mainly caused by decreases in income from overseas students £9.0M (11.6%) and £1.8M across Scottish and RUK students (4.0%).

The largest variances in credit bearing fee income relate to overseas postgraduate taught students (£9.1M) and overseas undergraduate students (£0.3M) offset by an increase in overseas postgraduate research students, generating higher than budgeted fee income (£0.4M).

Non-credit bearing course income fell by £1.0M (7.7%) due to lower Continuing Professional Development and conference as well as education contract activity.

**Research income up  
£2.8 million (2.0%) to  
£118.6 million**

The University continues to benefit from its investments in strategic staffing and research infrastructure with research income growing by £2.8M (2.0%) to £118.6M. Underlying research income slightly decreased from £105.2M to £105.0M (0.2%). This was offset by an increase in research capital grant income from £10.6M to £13.6M. Research income has grown from several sources in 2024, most notably UK Research and Innovation, UK Central Government, UK Industry. This was partially offset by a decline in research income from the European Commission due to the delay in the UK's accession to the Horizon Europe programme.

**Other income down  
£52.2 million (47.0%) to  
£58.0 million**

The recognition of capital grant income decreased by £57.9M to £2.6M, in accordance with the completion of grant funded projects, most notably the National Manufacturing Institute Scotland building in 2023. Underlying other income rose by £5.7M (11.5%) to £55.4M, largely due to increases in income from knowledge transfer specific grant income, consultancy income and other revenue grant income.

**Investment income up  
£6.7 million (93.0%) to  
£13.9 million**

The increase in investment income of £6.7M (93.0%) reflects higher interest rates. The Sterling Overnight Index Average (SONIA) averaged 5.7% in 2024 (2023: 3.4%). In addition, the expected return on the Strathclyde Pension Fund assets less interest costs on liabilities was recognised (£5.1M).

## FINANCIAL REVIEW CONTINUED

### Expenditure

Expenditure before one-off items has risen by £6.2 million to £430.1 million, an increase of 1.0%.

Key movements include:

**Salary costs before one-off items up £6.6 million (2.0%) to £241.6 million**

Underlying salary costs have increased by £6.6 million to £241.6 million, representing 56.0% (2023: 55.4%) of total underlying expenditure. Increases in salaries are primarily attributable to salary inflation together with higher expenditure on staff funded by research and knowledge exchange contracts.

The inflationary impact of pay awards was partially mitigated by changes to employer contribution rates to both USS and SPF following the latest actuarial valuations of both schemes.

**Other operating expenses up £1.6 million (1.0%) to £144.6 million**

Other operating expenses before one-off items have increased from £143.0 million to £144.6 million (1.0%). This included higher expenditure on utilities (£1.9M), consumables and laboratory expenditure (£3.0M), rates and rent (£2.8M), and knowledge exchange and other commercial activities (£0.3M), offset by lower expenditure on residences and catering expenditure (£3.4M), research grants and contracts (£0.9M), repairs and general maintenance (£0.6M), and other expenditure including scholarships (£1.5M).

Utility costs have been significantly impacted by an increase in the Electricity unit rates and higher consumption in both electricity and gas.

**Depreciation and amortisation remains flat at £43.7 million**

Depreciation and amortisation costs remain at £43.7M. Whilst buildings depreciation remains unchanged at £24.3M, equipment depreciation has decreased by £0.5M, this was offset by an increase of £0.5M in amortisation. Additions during the year including the Quantum lab refurbishment works £2.7M and Royal College fire safety improvements £1.9M were offset by several projects now fully written down. Intangible asset additions were £3.8M.

## FINANCIAL REVIEW CONTINUED

### Investments in infrastructure

Through the ongoing capital investment programme, the University has made significant investments which have transformed our estate. In the last ten years, this has included new buildings such as the Centre for Sports Health and Wellbeing, the Inovo building, the Technology and Innovation Centre, the Power Networks Demonstration Centre (PNDC), the John Anderson extension, and the National Manufacturing Institute Scotland (NMIS). These have all enhanced the size and quality of the estate and provided modern fit-for-purpose teaching and research accommodation.

We have also invested in significant refurbishment and transformation of existing buildings on campus and major refurbishment projects such as the Learning and Teaching Building, the Wolfson Building, Lord Hope, Curran and Business School redevelopments to facilitate greater collaboration and enhance the student experience.

The major projects completed and ongoing during the year are detailed below. Other projects under development during 2024 include:

- The John Anderson Building Net Zero improvements project to decrease carbon, energy and running costs will see replacement and enhancement of MEP systems and overcladding of the building.
- The Heart of the Campus project which will transform Rottenrow Gardens at the centre of our campus supporting biodiversity in the heart of the city and enhancing the experience of students and staff.
- The CHA-TIC project, which will deliver the exciting redevelopment of the former Student Union Building and is donation funded.

Progress has also been made in developing a programme of projects for the University's journey to Net Zero and the Climate Neutral Campus.

The University's ability to deliver its ambitious Capital Investment Plan is contingent on its continued academic excellence and operational delivery and the achievement of improvements in cash generated from operations.



## FINANCIAL REVIEW CONTINUED

### Investments in infrastructure continued

Capital investment in investment properties, land and buildings in 2024 totalled £15.0 million – major projects included:

#### Advanced Net Zero Innovation Centre (ANZIC)

A £9.0M investment to lease space at Rolls-Royce (RR) in Inchinnan to provide capacity for decarbonisation activity for PNDC Driving the Electric Revolution (PNDC DER) Manufacturing, a significant opportunity for the University to take a lead on decarbonisation activities. The project provides the potential for Scottish semiconductor fabrication and electronic/sensor supply chains to develop or adapt existing products for decarbonised transport applications. The CSA (Compound Semiconductor Applications) Catapult has a declared intent in utilising ANZIC as their first location outside its existing Newport facility. The development also provides the potential for joint business development activities and new research programmes.

The project will complete in December 2024. Capital additions during 2024 totalled £5.2M.

#### Quantum Laboratories Refurbishment

The project created the Quantum Technology Research Laboratories in the John Anderson Building: three dedicated high-spec laboratories with 180 m<sup>2</sup> floor area, suitable to house advanced experiments in quantum physics and photonics. The works included air-conditioning and ventilation of the laboratories, cooling water and electrics, and dedicated plant and service rooms. The new facilities will help the University to retain competitive advantage in Quantum Science and Technology and the new infrastructure is key to expansion of existing Quantum Technology research activity and has delivered operational improvements. The investment has provided further opportunities to integrate partners engaging in the translation of Quantum Technologies, primarily centred around the Photonics sector. Capital additions during 2024 totalled £2.7M.

#### Royal College Building Infrastructure Projects

The University continued with its programme of projects to improve teaching and academic accommodation and infrastructure in the Royal College Building. These included the continuation of improvements to fire safety of the building, and the planning for a new teaching cluster. These projects form part of an ongoing plan for enhancement of the building. Capital additions during 2024 totalled £1.9M.

#### Robertson Wing

This investment includes the replacement of the main Heating Ventilation and Air Conditioning (HVAC) infrastructure to ensure that key research activity is not compromised and that the University continues to operate the space compliantly in alignments with the Standard Conditions related to the Establishment Licence that it holds. Other improvements incorporated in the project were improving resilience of the HVAC system by replacing key components of the system, such as the air-handling units, fan motors and automation controls, the provision of additional chilled water capacity and the replacement and insulation of the existing roof surfaces. Capital additions during 2024 totalled £1.4M.

## FINANCIAL REVIEW CONTINUED

### Net funds and cash flow

At 31 July 2024 net funds totalled £74.9 million (2023: £87.6 million). During the year the University had a cash outflow from operations of £8.6 million (2023: cash inflow £7.7 million). Expenditure in the year on tangible and intangible assets exceeded capital grants and disposal proceeds by £14.1 million (2023: capital grants and disposal proceeds exceeded expenditure on tangible and intangible assets by £18.0 million).

Further details on cash flow movements are given in the Statement of Cash Flows.

### Treasury Management

In the last five financial years, the University has made a number of successful applications to the Scottish Funding Council's University Financial Transactions Programme and has been awarded a total of £60.3 million of unsecured loan funding for strategic estates developments. These loans have contributed to the funding of the flagship Learning and Teaching building and the Wolfson Biomedical development which were completed in 2021, together with supporting a number of other projects key to enhancing the student experience and the sustainability of the campus. New loans received during the year totalled £14.7 million (2023: £0.7 million) and the balance of SFC loans outstanding at 31 July 2024 was £65.1 million (2023 £54.1 million).

The University actively manages its cash balances in accordance with the Treasury Management Code of Practice approved by Court. Credit ratings of approved counter-parties and deposit limits are reviewed regularly. Funds are deposited in a variety of Treasury accounts, ranging from overnight to six-month deposits.

### Payment of Creditors

The University aims to pay all of its suppliers promptly and its financial systems and processes are configured to facilitate this. The University's current terms of payment are 30 days from the date of the invoice providing that all trading terms and conditions have been fulfilled. Specific terms and conditions can be agreed for certain suppliers if required.

At the year end, the University had trade creditors outstanding of £21.6 million. Given that the University paid a total of £139.7 million to trade creditors during the year, the amount outstanding at the year end represents 16 days (2023: 25 days). During the year, the University paid £162 (one hundred and sixty two pounds) (2023: £184) in relation to the Late Payment of Commercial Debts (Interest) Act, 1998.



## FINANCIAL REVIEW CONTINUED

### Looking to the Future

This has been a challenging year for Strathclyde and many others in the UK Higher Education sector. Changes to UK immigration policy have been impactful to both the University and prospective students and have created considerable uncertainty. This is a great loss to those students who would wish to benefit from a world-class Strathclyde education, and to the University which benefits greatly from the richness of cultural diversity that its international student population brings.

The high cost of living remains a concern for many Strathclyde students, and the University shall continue its efforts to support students throughout their educational journey, from application to graduation. A high cost base and less certain levels of income have impacted the University's financial performance too, and adaptation to the changed circumstances shall remain a key focus.

Whilst challenges will continue to present, the University will grasp all opportunities, and in this regard, the future looks promising. 2024/25 sees the beginning of exciting new partnerships at home and overseas and the University looks forward to building upon these bold and ambitious collaborations, with innovation and a focus on its people, staying true to Strathclyde values.

Sustainability is central to all University activities, and with increased prominence in the new strategy, Strathclyde 2030, which was launched during the year. Though the carbon reduction outcome for 2023/24 is not as we would wish, the launch of the Social and Environmental Sustainability Strategy in 2024/25 will allow focus and redoubling of efforts to deliver on target for the key milestone in 2025 in support of our Net Zero delivery target in 2040. A review of space usage across campus and the ongoing roll-out of our Sustainable Travel Policy in 2023/24 demonstrates the practical ways we are already making a difference.

However, strong financial performance shall be essential to realisation of sustainability targets, to the University's ability to continue to invest in its staff, students and world-leading research, and to the delivery of Strathclyde 2030. To this end, and recognising the challenging external environment, the University has in train a number of strategic initiatives to deliver improved operating and financial performance, with targeted results in 2024/25 and 2025/26. These initiatives take a systems-based approach to driving efficiency in the use of the University's valuable assets – its people, its campus and infrastructure, and its connections with business, the public and third sectors. After a period of significant growth for the University and with financial challenges being felt across the sector, this is an appropriate and necessary response, which, as we look to the future, shall remain a primary focus.

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**Ms F Salzen**  
Treasurer  
On behalf of Court  
28 November 2024

**Ms L Noble**  
Chief Financial Officer  
28 November 2024

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# Statement of Corporate Governance and Internal Control

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## INTRODUCTION

The University's corporate governance arrangements are informed by best practice and by the Scottish Code of Good Higher Education Governance. In 2023/24, the University complied with all provisions of the Scottish Code of Good Higher Education Governance 2023 (henceforth 'the Code').

### University governance and Court

The University of Strathclyde was established by Royal Charter in 1964. The Royal Charter sets out the powers and functions of the University and makes specific provision for two major bodies within the University's governance structure: Court and Senate.

Under the terms of the University Charter and Statutes, Court is the Supreme Governing Body of the University and is responsible for overseeing the management and administration of the whole of the revenue and property of the University as well as academic-related matters, which are primarily devolved to Senate and its attendant committees and structures. Court exercises general control over the University and all its affairs, purposes and functions, taking all final decisions on matters of fundamental concern to the University.

During 2023/24, Court was composed of twenty-five members drawn from the University's external and internal communities, the majority of whom were co-opted lay members (i.e. members appointed by the Court itself who are neither staff nor students of the University). Overall, the membership of Court includes both academic and professional services staff (including directly elected members, Senate members and members appointed by recognised trade unions), two members appointed by the Students' Association, a member of Glasgow City Council, the Principal and the Vice-Principal, in addition to co-opted lay members and the Convener of Court (who constitutes the Senior Lay Member, in terms of the Higher Education Governance (Scotland) Act 2016).

In addition to the members of Court and the University Secretary, members of the University Executive Team were invited to attend meetings during 2023/24, to facilitate accurate and efficient communication. At least one of the two Joint Acting Heads of Governance, who act as Clerk to Court, were also in attendance at all meetings.

An induction session for new members of Court was held in September 2023 and other training and development opportunities were made available to all Court members as appropriate, including a formal Cyber Security training session to ensure compliance with the University's cyber security expectations.

Court and its members are committed to upholding the Nine Principles of Public Life in Scotland. Court has adopted a Code of Conduct for its members which is set out in the Handbook for Members of Court. The University maintains a Register of Interests of Court members and relevant senior officers, which is publicly available for inspection on the University's website.

Court met on five occasions during 2023/24. A stakeholder meeting, of the kind set out in paragraph 58 of the 2023 Scottish Code of Good Higher Education Governance, was held in February 2024. Court meetings were held in person, with remote access made available to any members unable to attend in person, to help maximise attendance. Between meetings, the Convener and Vice-Convener received regular briefings from the University's senior management and all Court members were kept informed by electronic means of any significant issues affecting the University. Court members also receive the University's weekly staff bulletin and the Principal's regular messages to staff.



Court has overall responsibility for approving the University's Strategic Plan and monitoring its delivery. Court was actively engaged in the development of the University's new Strategic Plan, Strathclyde 2030, which was launched in January 2024 following final consultation with Court members in December 2023, and covers the period 2025-2030. Our current Strategic Plan, Vision 2025, which is in its final year, covers 2020-2025 and was also developed with Court's involvement and approval.

The University has a range of financial and non-financial Key Performance Indicators related to its strategic objectives. Performance information is provided regularly to Court. A detailed schedule is in place to ensure that the main strands of University strategy are reviewed annually and in a consistent manner. In particular, there is at least one annual strategic meeting which is used, among other purposes, to assess organisational performance against the strategy: in 2023/24, Court held such strategic meetings in December and May.

### Statement of compliance with the Scottish Code of Good Higher Education Governance

In the opinion of Court, the University of Strathclyde complied with all the principles and provisions of the 2023 Scottish Code of Good Higher Education Governance during 2023/24.

In the summer of 2022, an externally facilitated review of Court's effectiveness was conducted, as required by the Code, the last such review having been held in 2017. The final report from this review was received by Court in October 2022 and is available on the University's website.

### Delegation of authority

It is not practical for Court to make every decision that is required within the University and it has therefore agreed to delegate authority for certain decisions and certain areas of responsibility to appropriate individuals and committees, which are accountable to the University Court for exercising this authority. Court retains ultimate accountability and corporate responsibility for any decisions made on its behalf.

With certain exceptions defined under the Charter, Court may delegate any of its functions. The range of authority delegated by Court to its committees, the University Senate, and the University's management, is detailed within the Court's Schedule of Delegated Authority, which is published on the University website.

Academic matters are fully delegated to the Senate, with Court receiving reports from Senate following its meetings. The responsibility for oversight and regulation of the University's academic provision is therefore vested in the Senate, subject to Court's overall authority, and the Principal, as Chair of Senate, has responsibility for the delivery of education and the student experience across the University. Outside of Senate's responsibilities, much of Court's detailed work is initially handled by standing committees of Court. Senate, likewise, has a number of standing committees that carry out detailed work in relevant areas and report to Senate. In addition, the University has a range of Strategic and Compliance Committees, which oversee strategic delivery in key areas of activity and report to Court, Senate and/or the Executive Team, as required. These include an Estates Committee and a Staff Committee, both of which include Court members within their membership. See below for more details on both Court Committees and Strategic and Compliance Committees.

## Committee Structure

The University's high-level committee structure provides clarity around the decision-making process and ensures the appropriate flow of information to Court. All of these committees are formally constituted, with terms of reference approved by Court, and report formally to Senate and/or Court. The Committees of Court and those strategic committees that report to Court include members of Court in their membership.

### Standing Committees of Court

<b>Court Business Group</b>	The Court Business Group's role is to review the substantive business coming forward to Court in order to ensure that Court receives the information it needs to take clear, effective decisions. It also considers strategic and financial matters on behalf of Court and can approve certain decisions within specified financial thresholds.
<b>Court Membership Group</b>	The Court Membership Group's primary role is to consider and make recommendations to Court on the appointment of co-opted members of Court, as vacancies arise. It performs the role of a nominations committee, in terms of the Scottish Code of Good Higher Education Governance.
<b>Remuneration Committee</b>	<p>The Remuneration Committee advises Court and oversees the preparation of policies in respect of remuneration and conditions of service (including severance arrangements) for the University's senior management, including the Principal, and keeps these under review. It meets at least once annually.</p> <p>Appointments to the Remuneration Committee are made on the basis of particular skills and experience. The terms of reference do not preclude the appointment of non-lay members of Court. The Principal is not a member of the Remuneration Committee but attends meetings at the invitation of the Chair in order to inform discussions on the remuneration and conditions of service of other senior officers. The Principal does not attend when his or her own remuneration and/or conditions of service are considered or determined.</p> <p>The University Secretary is kept updated of planned discussions at Remuneration Committee and determines whether his attendance at each meeting is necessary.</p>
<b>Audit and Risk Committee</b>	The Audit and Risk Committee's role is to review the effectiveness of the University's corporate governance arrangements, financial systems, internal control environment and risk management arrangements and provide appropriate assurance to Court on these areas.
<b>Enterprise and Investment Committee</b>	The Enterprise & Investment Committee's role is to review commercial investment proposals and make recommendations on investments in companies with appropriate connections to the University (for example, created by the University's staff and students), as well as license deals and other commercial joint ventures.
<b>Statutory Advisory Committee on Safety and Occupational Health</b>	The Statutory Advisory Committee on Safety and Occupational Health's role is to monitor and report to Court on the delivery of the University's Safety, Health and Wellbeing Strategy.

**Committee Structure continued**

**Strategic and Compliance Committees**

<b>Strategic Estates Committee</b>	The Strategic Estates Committee is responsible for strategic oversight of the University estates strategy and ensuring that it is consistent with the overall University strategy. It provides appropriate assurance to Court and the Executive Team on these matters. Its membership includes members of Court.
<b>Staff Committee</b>	The Staff Committee is responsible for the strategic oversight of strategy and policy in relation to staffing matters and for monitoring compliance with all relevant legislation. It provides appropriate assurance to Court and the Executive Team on these matters. Its membership includes members of Court.
<b>Information Strategy Committee</b>	The Information Strategy Committee is responsible for all matters of corporate information strategy and for the strategic deployment of all information resources. It provides appropriate assurance to the Executive Team on these matters.
<b>Research and Knowledge Exchange Committee</b>	The Research and Knowledge Exchange Committee is responsible for oversight of strategy and policy in the area of research, knowledge exchange, and innovation. It provides appropriate assurance to Senate and the Executive Team on these matters.
<b>Education Strategy Committee</b>	The Education Strategy Committee is responsible for developing and monitoring the University’s strategy for learning, teaching and assessment and the enhancement of the Student Experience. It provides appropriate assurance to Senate and the Executive Team on these matters.
<b>Quality Assurance Committee</b>	The Quality Assurance Committee is responsible for the quality assurance of the University’s academic provision and of the academic standards of its awards. It provides appropriate assurance to Senate, through the Education Strategy Committee.

### Executive Team

The Executive Team is chaired by the Principal and acts as a forum for discussion and decision-making on major initiatives and issues for the University. Where appropriate, it makes recommendations to Senate and Court for approval. Membership includes the major budget holders within the University and key senior staff who advise the Principal on senior management decisions, particularly on the allocation of resource to Faculties and Professional Services. Its members are responsible and accountable for all components of the University's budget, both income and expenditure. As such, it plays an important part in the internal governance and academic operations of the University, and brings together the academic, financial, and human resource aspects of planning. It is responsible for managing the University's performance and for assisting the Principal in the delivery of the University's Strategy.



### Statement of internal control

As part of its primary responsibilities, Court is responsible for the University's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and provides reasonable and not absolute assurance against material misstatement or loss.

Court keeps issues of control and risk under review and receives relevant reports from both the Executive Team and the Audit and Risk Committee. This includes reviewing quarterly Business Reports, which provide information on financial performance, receiving mid-year and annual progress reports on performance against the University's Key Performance Indicators, and reviewing mitigating actions and the selection of top risks within the Corporate Risk Register.

The University also issues a Key Controls Checklist to all departments on an annual basis, on the basis of which Statements of Assurance are provided, via Senior Officers, to the Principal and University Treasurer to confirm compliance with key University policies and procedures.

The 2023/24 Internal Audit Plan has been delivered according to schedule, and a report was presented to the Audit and Risk Committee in November 2024. The Annual Internal Audit Opinion was unqualified.

Key compliance requirements continued to be addressed, through robust processes and oversight including:

- Court, Senate, Executive Team and committees of Senate and Court continuing to function and operate to reporting cycles;
- monitoring of compliance with the requirements of the Higher Education Governance (Scotland) Act 2016 and the revised Scottish Code of Good HE Governance (2023);
- compliance with the latest UK and Scottish Government Acts and guidelines and guidance from Health Protection Scotland and the University's Insurers in relation to COVID-19;
- compliance with data protection legislation (GDPR) was assured through guidelines, online training, a network of departmental Data Protection Contacts, and a requirement for departments to complete an annual data protection audit checklist;
- maintenance of appropriate, centrally co-ordinated visa procedures, in line with UKVI guidance, protecting the University's ability to recruit international students and staff;
- Executive Team and Senate oversight to ensure assessment, examinations and Boards of Examiners could progress within University Ordinances & Regulations, assuring governance and equity for all learners, aligned to external quality assurance expectations (QAA guidance);
- fit-for-purpose physical and digital infrastructure: continued support for agile working, facilitated by the Zoom online conferencing tool integrated with MyPlace virtual learning environment and rollout of Microsoft Cloud tools, including Teams, online learning resources for staff, standard monitoring process and helpdesk procedures;
- close working with industry partners, including Microsoft alerts, on cyber-crime across HE.

The Audit and Risk Committee, on behalf of Court, has reviewed the adequacy and effectiveness of the University's system of internal control and risk management and is satisfied with the University's arrangements in that regard.

### Going concern

The University's activities, financial performance and financial position, together with factors likely to affect its future development and performance, are described in the Strategic Report as are the University's Treasury Management policies. Emerging and principal risks and uncertainties facing the University are described on pages 13 to 18 and have been considered in the University's going concern assessment outlined here.

At 31 July 2024, the University held gross cash of £140.0 million (gross cash of £142.7 million at 31 July 2023).

The only external borrowings of the University at 31 July 2024 were debt with a balance of £65.1 million. These borrowings, not subject to covenant terms, comprised £64.1 million of loans from SFC through their Financial Transactions and Carbon Reduction programmes and £1.0 million funding for various energy efficiency and renewable energy projects funded by Salix Finance Ltd. Between 1 August and 30 November 2024, £1.4 million has been repaid to SFC in accordance with loan agreements. A further £9.4 million of borrowings will be repayable during the going concern period, which runs from the date of approval of these financial statements to 31 July 2026.

The University's going concern assessment included consideration of:

- the current and developing environment in which the University operates;
- the University's liquidity through the assessment period to 31 July 2026 – demonstrated through a detailed monthly cash flow forecast throughout the assessment period;
- key assumptions made by management around the future financial performance of the University, in particular assumptions around:
  - future student intake, in particular overseas students, for both 2024/25 and the following academic year;
  - future SFC grant funding;
  - increases in salary and other operating expenditure, including the recent budget announcement of an increase in Employer's National Insurance Contributions from April 2025;
  - debt recovery; and
  - other key cashflows over the review period.

The University's latest financial forecasts for 2024/25 and 2025/26, 'the Base Case Forecast', formed the basis of the going concern assessment which was subject to scrutiny and approval by the Audit and Risk Committee and Court.

The Base Case Forecast shows that the University will maintain sufficient cash reserves for the period from approval of these financial statements to 31 July 2026 with minimum liquidity of £42.9 million. The University's cash cycle completes in July and so cash levels will be at their lowest level in this month.

### **Going concern continued**

In addition, the University has also modelled a severe but plausible downside scenario based on further increases in salary and other operating costs and the possibility of an economic downturn with related impacts on tuition fees, SFC grant funding and recovery of debts, and the sale of investments. In this scenario, with a range of mitigating actions still available, the University forecasts sufficient liquidity to settle all contractual liabilities, while maintaining liquidity throughout the going concern assessment period to 31 July 2026. Minimum cash reserves under this plausible downside scenario are forecast as being £23.8 million at 31 July 2026.

The forecasts outlined above have been presented to demonstrate that even in a plausible worst case scenario there is not considered to be a material uncertainty around the University's preparation of the financial statements on a going concern basis. Whilst these downside scenarios could bring cash levels lower than the University would wish, the Financial Sustainability initiatives described on page 18, which are now well established, will drive efficiency and operating cash improvements throughout the going concern review period and these have not been factored in to the forecasts above. Furthermore, the University would have additional mitigations available to support its liquidity and ability to continue normal operations including the realisation of surplus assets and the suspension of new capital expenditure projects. These have also not been reflected in the above scenarios.

Having taken these factors into account, Court considers that the University has adequate resources to continue in operation from the approval of these financial statements until 31 July 2026 and for this reason the going concern basis continues to be adopted when preparing the financial statements.

### **Conclusion**

Based on the above noted process, Court is of the view that there were adequate and effective internal controls in place and that there was an adequate and effective process for identifying, evaluating and managing the University's significant risks during the year ended 31 July 2024 and up to the date of signing the Annual Report and Financial Statements.

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**Dame S Bruce**

**Convener of Court**

28 November 2024

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# Statement of Primary Responsibilities of the University Court

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## General

Under the terms of the University Charter, Court is the Governing Body of the University and is responsible for overseeing the management and administration of the whole of the revenue and property of the University. Court exercises general control over the University and all its affairs, purposes and functions, taking all final decisions on matters of fundamental concern to the University. Court is responsible for safeguarding the University's good name and values.

Court's Primary Responsibilities are detailed as follows:

### Staff and students

- To be the employing authority for all staff within the University and to make such provision as it thinks fit for their general welfare;
- To appoint the Principal and Vice-Chancellor of the University, including the terms and conditions of such appointment, and to put in place suitable arrangements for the monitoring of his/her performance – both the appointment and monitoring of performance of the Principal shall include consultation with all members of Court;
- To appoint the University Secretary and to ensure that he or she has separate lines of accountability for the provision of services to the Court, for the administration of the University and for the fulfilment of managerial responsibilities within the institution;
- To ensure the quality of educational provision within the University;
- To make such provision as it thinks fit following consultation with the Senate, for the general welfare of its students.

### Financial responsibilities

- To ensure the solvency of the University and to safeguard its assets;
- To act as trustee for any property, legacy endowment, bequest or gift in support of the work and welfare of the institution;
- To approve the University's annual financial statements;
- To ensure that proper books of accounts are kept in accordance with all relevant regulations and codes of conduct;
- To ensure the proper use of public funds awarded to the University and to ensure that the terms of the Financial Memorandum with the Funding Council are observed;
- To approve the main annual budgets within the University;
- To ensure appropriate arrangements for the economic, efficient and effective management of the University's resources and expenditure.

### Strategic responsibilities

- To approve the mission statement of the University and all its strategic plans including its aims for the teaching and research of the institution and identifying the financial, physical and staff requirements required to achieve these, and for ensuring that these meet the interests of stakeholders;
- To approve a financial strategy for the University, as well as long-term business plans;
- To approve an estates strategy for the management, development and maintenance of the University land and buildings in support of institutional objectives;
- To approve a human resource strategy and to ensure that appropriate development and reward arrangements are in place for the employees and that these are appropriate to the needs of the institution;
- To provide leadership in equality and diversity across all protected characteristics, assuming responsibility for the University's strategy and policy on equality and diversity.

### Controls

- To ensure that systems are in place for meeting all the University's legal obligations, including those arising from contracts and other legal commitments made in the University's name;
- To ensure compliance with the University's Charter, Statutes, Ordinances and Regulations, as well as all UK and European legislation where applicable;
- To be responsible for the form, custody and use of the University's Common Seal;
- To make clear and to review regularly the executive authority and other powers delegated to the Convener of Court, the Principal and Vice-Chancellor, to other senior officers and to all bodies of the University including the Senate and committees of Court;

- To ensure that systems are in place for the assessment and management of risk, to regularly review such matters and to conduct an annual assessment;
- To establish and monitor effective systems of internal control and accountability throughout the University;
- To ensure that appropriate arrangements are in place for external and internal audit;
- To ensure that appropriate arrangements are in place for the proper management of health and safety in respect of students, staff and other persons on University premises or affected by University operations.

### Monitoring performance and effectiveness

- To monitor the University's performance against its strategic plan and key performance indicators, and to benchmark the University's performance against other comparable institutions;
- To monitor and review the performance and effectiveness of the Court itself and other University committees;
- To ensure, through the appointment of lay members in accordance with the University Statutes, a balance of skills and expertise amongst the membership of Court, such as is required to meet its primary responsibilities;
- To ensure that the proceedings of Court are conducted in accordance with best practice in higher education corporate governance and with the Nine Principles of Public Life in Scotland (which incorporate the original seven "Nolan Principles" drawn up by the Committee on Standards in Public Life);
- To ensure that procedures are in place within the University for dealing with complaints, internal grievances, conflicts of interest and public interest disclosure.

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# Independent Auditor's Report to the Court of the University of Strathclyde

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## Opinion

We have audited the financial statements of the University of Strathclyde ('the University') for the year ended 31 July 2024 which comprise the Statement of Principal Accounting Policies, Statement of Comprehensive Income and Expenditure, Statement of Changes in Reserves, Balance Sheet and Cash Flow Statement and the related notes 1 to 27, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the University's affairs as at 31 July 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 2006; and
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, and relevant legislation.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below.

We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the University Court's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the University's ability to continue as a going concern for a period to 31 July 2026.

Our responsibilities and the responsibilities of the University Court with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the University's ability to continue as a going concern.

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The University Court is responsible for the other information contained in the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Scottish Funding Council's Financial Memorandum**

In accordance with the SFC's Financial Memorandum (effective 1 December 2014), we will also report to the University Court whether, in all material respects:

- the requirements of the SFC's accounts direction have been met;
- funds from whatever source administered by the institution for specific purposes have been applied properly to those purposes and, if relevant, managed in accordance with relevant legislation, and any other terms and conditions attached to them; and
- Funds provided by SFC have been applied in accordance with the requirements of the SFC Financial Memorandum with Higher Education Institutions.

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

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the annual report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of the University Court

As explained more fully in the Statement of Primary Responsibilities of the University Court set out on pages 48 to 49, the University Court is responsible for the preparation of the financial statements and for being satisfied that give a true and fair view, and for such internal control as the University Court determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Court is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the University and determined that the most significant are FRS 102 'The Financial Reporting standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: Accounting for Further and Higher Education and the Scottish Funding Council financial memorandum.
- We understood how University is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through our review of the Court minutes and papers provided to the Audit and Risk Committee, as well as consideration of the results of our audit procedures to either corroborate or provide contrary evidence which was then followed up.

- We assessed the susceptibility of the University's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage financial performance. Where this risk was considered higher, we performed audit procedures to address the risk of fraud and management override. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management, those charged with governance and those responsible for legal and compliance procedures; journal entry testing with a focus on journals indicating large or unusual transactions based on our understanding of the business; review of Court minutes to identify any non-compliance with laws and regulations, and inspection of any correspondence between the University and Scottish Funding Council.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the University Court, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the University Court 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 University Court as a body, for our audit work, for this report, or for the opinions we have formed.

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**Ernst & Young LLP, Statutory Auditor**  
**Glasgow**

29 November 2024

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# Statement of Comprehensive Income and Expenditure

for the year ended 31 July 2024

	Note	2024 £M	2023 £M
<b>Income</b>			
Funding Council grants	2	113.0	115.4
Tuition fees and education contracts	3	124.4	136.2
Research grants and contracts	4	118.6	115.8
Other income	5	58.0	110.2
Investment income	6	13.9	7.2
Donations and endowments	7	4.6	2.6
<b>Total income</b>		<b>432.5</b>	<b>487.4</b>
<b>Expenditure</b>			
Staff costs	8	245.8	244.5
Staff costs: movement on pension provision	8	(160.7)	(38.3)
Other operating expenses		144.6	143.9
Depreciation and amortisation	10	44.6	43.7
Interest and other finance costs	9	3.8	8.5
<b>Total expenditure</b>	<b>10</b>	<b>278.1</b>	<b>402.3</b>
<b>Surplus before other gains and losses</b>		<b>154.4</b>	<b>85.1</b>
Gain on investments		7.4	0.2
Unrealised deficit on revaluation of investment properties		(1.0)	(1.5)
<b>Surplus for the year</b>		<b>160.8</b>	<b>83.8</b>
<b>Other comprehensive income</b>			
Actuarial gain in respect of pension scheme	22	2.2	68.8
<b>Total comprehensive income and expenditure for the year</b>		<b>163.0</b>	<b>152.6</b>
<b>Represented by:</b>			
Endowment comprehensive income for the year		4.4	0.5
Unrestricted comprehensive income and expenditure for the year		158.6	152.1
		<b>163.0</b>	<b>152.6</b>

All income and expenditure of the University relates to continuing operations.  
The accompanying notes and policies on pages 60 to 102 form part of these financial statements.

# Statement of Changes in Reserves

for the year ended 31 July 2024

	Income and Expenditure Reserve		
	Endowment £M	Unrestricted £M	Total £M
<b>Balance at 1 August 2022</b>	<b>41.7</b>	<b>208.6</b>	<b>250.3</b>
Surplus from the income and expenditure statement	0.5	83.3	83.8
Other comprehensive income	-	68.8	68.8
<b>Total comprehensive income for the year</b>	<b>0.5</b>	<b>152.1</b>	<b>152.6</b>
<b>Balance at 31 July 2023</b>	<b>42.2</b>	<b>360.7</b>	<b>402.9</b>
Surplus from the income and expenditure statement	4.4	156.4	160.8
Other comprehensive income	-	2.2	2.2
<b>Total comprehensive income for the year</b>	<b>4.4</b>	<b>158.6</b>	<b>163.0</b>
<b>Balance at 31 July 2024</b>	<b>46.6</b>	<b>519.3</b>	<b>565.9</b>

# Balance Sheet

as at 31 July 2024

	Note	2024 £M	2023 £M
<b>Non-current assets</b>			
Intangible assets	11	11.3	10.1
Tangible assets	12	449.5	452.5
Investments	13	63.5	57.6
Pension asset	22	106.5	99.5
		<b>630.8</b>	<b>619.7</b>
<b>Current assets</b>			
Surplus assets for disposal		0.4	0.4
Stock		0.4	0.4
Debtors	14	41.1	38.1
Cash and cash equivalents	21	140.0	142.7
		<b>181.9</b>	<b>181.6</b>
Creditors: amounts falling due within one year	15	(181.9)	(185.4)
<b>Net current (liabilities)/assets</b>		<b>-</b>	<b>(3.8)</b>
<b>Total assets less current liabilities</b>		<b>630.8</b>	<b>615.9</b>
Creditors: amounts falling due after more than one year	16	(59.7)	(50.4)
Pension provisions	17	(4.8)	(162.2)
Other provisions	17	(0.4)	(0.4)
<b>Total net assets</b>		<b>565.9</b>	<b>402.9</b>

# Balance Sheet

as at 31 July 2024 continued

	Note	2024 £M	2023 £M
<b>Represented by:</b>			
<b>Restricted reserves</b>			
Income and Expenditure reserve – endowments	18	46.6	42.2
<b>Unrestricted reserves</b>			
Income and Expenditure reserve – unrestricted		519.3	360.7
<b>Total reserves</b>		<b>565.9</b>	<b>402.9</b>

The accompanying notes and policies on pages 60 to 102 form part of these financial statements.

The financial statements were approved by the University Court on 28 November 2024, and signed on its behalf by:

Professor Sir J McDonald  
Principal and Vice-Chancellor

Ms F Salzen  
Treasurer

Ms L Noble  
Chief Financial Officer

# Statement of Cash Flows

for the year ended 31 July 2024

	2024 £M	2023 £M
<b>Net cash inflow from operating activities</b>		
Surplus for the year	160.8	83.8
<b>Adjustment for non-cash items</b>		
Depreciation and impairment	42.0	41.6
Amortisation	2.6	2.1
Gain on investments	(7.4)	(0.2)
Unrealised deficit on revaluation of investment properties	1.0	1.5
Increase in debtors	(0.6)	(1.0)
Decrease in creditors	(13.6)	(6.7)
Decrease in pension provision	(160.9)	(37.1)
<b>Adjustment for investing or financing activities</b>		
Investment income	(13.9)	(7.2)
Interest payable	3.8	8.5
Capital grant income	(22.4)	(77.6)
<b>Net cash inflow from operating activities</b>	<b>(8.6)</b>	<b>7.7</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of tangible assets	3.9	9.0
Proceeds from sale of non-current asset investments	13.4	4.3
Capital grant receipts	15.8	52.2
Investment income	8.9	7.2
Payments to acquire tangible assets	(30.0)	(38.5)
Payments to acquire intangible assets	(3.8)	(4.7)
New non-current investments	(11.9)	(7.0)
	<b>(3.7)</b>	<b>22.5</b>

# Statement of Cash Flows

for the year ended 31 July 2024 continued

	Note	2024 £M	2023 £M
<b>Cash flows from financing activities</b>			
Interest paid		(0.4)	(2.6)
New unsecured loans		14.7	0.7
Repayments of amounts borrowed		(4.7)	(69.7)
		<b>9.6</b>	<b>(71.6)</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>21</b>	<b>(2.7)</b>	<b>(41.4)</b>
<b>Cash and cash equivalents at 1 August</b>	<b>21</b>	<b>142.7</b>	<b>184.1</b>
<b>Cash and cash equivalents at 31 July</b>	<b>21</b>	<b>140.0</b>	<b>142.7</b>

# Notes to the Financial Statements

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## 1. Principal Accounting Policies

### Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 SORP), in accordance with applicable Accounting Standards and in accordance with the Accounts Direction issued by the Scottish Funding Council.

### Basis of preparation (including going concern assessment)

These financial statements are prepared under the historical cost convention modified by the revaluation of land, investment properties and certain fixed asset investments.

The University's activities, financial performance and financial position, together with factors likely to affect its future development and performance, are described in the Strategic Report as are the University's Treasury Management policies. Emerging and principal risks and uncertainties facing the University are described on pages 13 to 18 and have been considered in the University's going concern assessment outlined here.

At 31 July 2024, the University held gross cash of £140.0 million (gross cash of £142.7 million at 31 July 2023).

The only external borrowings of the University at 31 July 2024 were debt with a balance of £65.1 million. These borrowings, not subject to covenant terms, comprised £64.1 million of loans from SFC through their Financial Transactions and Carbon Reduction programmes and £1.0 million funding for various energy efficiency and renewable energy projects funded by Salix Finance Ltd. Between 1 August and 30 November 2024, £1.4 million has been repaid to SFC in accordance with loan agreements. A further £9.4 million of borrowings will be repayable during the going concern period, which runs from the date of approval of these financial statements to 31 July 2026.

The University's going concern assessment included consideration of:

- the current and developing environment in which the University operates;
- the University's liquidity through the assessment period to 31 July 2026 – demonstrated through a detailed monthly cash flow forecast throughout the assessment period;
- key assumptions made by management around the future financial performance of the University, in particular assumptions around:
  - future student intake, in particular overseas students, for both 2024/25 and the following academic year;
  - future SFC grant funding;
  - increases in salary and other operating expenditure, including the recent budget announcement of an increase in Employer's National Insurance Contributions from April 2025;
  - debt recovery; and
  - other key cashflows over the review period.

## 1. Principal Accounting Policies continued

### Basis of preparation (including going concern assessment) continued

The University's latest financial forecasts for 2024/25 and 2025/26, 'the Base Case Forecast', formed the basis of the going concern assessment which was subject to scrutiny and approval by the Audit and Risk Committee and Court.

The Base Case Forecast shows that the University will maintain sufficient cash reserves in the period from approval of these financial statements to 31 July 2026 and will have minimum cash reserves of £42.9 million. The University's cash cycle completes in July and so cash levels will be at their lowest level in this month.

In addition, the University has also modelled a severe but plausible downside scenario based on further increases in salary and other operating costs and the possibility of an economic downturn with related impacts on tuition fees, SFC grant funding and recovery of debts, and the sale of investments. In this scenario, with a range of mitigating actions still available, the University forecasts sufficient liquidity to settle all contractual liabilities, while maintaining liquidity throughout the going concern assessment period to 31 July 2026. Minimum cash reserves are forecast as being £23.8 million at 31 July 2026.

The forecasts outlined above have been presented to demonstrate that even in a plausible worst case scenario there is not considered to be a material uncertainty around the University's preparation of the financial statements on a going concern basis. Whilst these downside scenarios could bring cash levels lower than the University would wish, the Financial Sustainability initiatives described on page 18, which are now well established, will drive efficiency and operating cash improvements throughout the going concern review period and these have not been factored into the forecasts above. Furthermore, the University would have additional mitigations available to support its liquidity and ability to continue normal operations including the realisation of surplus assets and the suspension of new capital expenditure projects. These have also not been reflected in the above scenarios.

Having taken these factors into account, Court considers that the University has adequate resources to continue in operation from the approval of these financial statements until at least 31 July 2026 and for this reason the going concern basis continues to be adopted when preparing the financial statements.

The University is a public benefit entity and has applied the relevant public benefit requirement of FRS 102.

The financial statements do not include those of the Students' Association because the University does not control its activities or hold dominant influence over policy decisions.

### Income recognition

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 customer.

### Tuition fees and education contracts

Fee income is stated gross of any expenditure and credited to the Statement of Comprehensive Income and Expenditure over the period in which students study. Where the amount of the tuition fee is reduced by a discount, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

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

## 1. Principal Accounting Policies continued

### Grant funding

Grant funding including funding council block grant, research grants from government sources and grants (including research grants) from non-government sources are recognised as 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 on the Balance Sheet and released to income when the conditions are met.

### Donations and endowments

Non-exchange transactions without performance-related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income 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.

Donations with no restrictions are recognised in income when the University is entitled to the funds.

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

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

- Restricted donations – the donor has specified that the donation must be used for a particular objective.
- Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.
- 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.
- 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

Capital grants are recognised in income when the University is entitled to the funds and all performance-related conditions have been met.

### Accounting for retirement benefits

The University participates in the Universities Superannuation Scheme (USS), the Strathclyde Pension Fund (SPF) and the Scottish Teachers' Superannuation Scheme (STSS). USS is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The SPF and STSS are defined benefit schemes.

The assets of USS and STSS are held in separate trustee administered funds. Because of the mutual nature of the schemes, the schemes' assets are not attributed to individual institutions and scheme-wide contribution rates are set. The University is, therefore, exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis. As required by Section 28 of FRS 102 'Employee benefits', the University therefore accounts for these schemes as if they were wholly defined contribution schemes. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme.

Where a scheme valuation determines that the scheme is in deficit (as was the case following the USS 2020 valuation), scheme employers, including the University, enter into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund an overall deficit. The University recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the Statement of Comprehensive Income and Expenditure. Further disclosures relating to the deficit recovery liability can be found in note 17.

## 1. Principal Accounting Policies continued

### Accounting for retirement benefits continued

SPF is accounted for as a defined benefit scheme. The University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The University recognises a liability for its obligations under the scheme, net of scheme assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. As a refund from the scheme would only be available if the University were to exit the scheme, any pension asset recognised on the basis of this theoretical right to refund is valued in accordance with the cessation policy within SPF's Funding Strategy Statement.

Scheme liabilities which are considered 'unfunded', in that future benefits to members do not have matching assets to fund payments in the future, are accounted as separate liabilities irrespective of the overall net position of the scheme.

### 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.

### Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

### Foreign currencies

Transactions denominated in foreign currencies are translated to sterling at the rate of exchange ruling at the date of the transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial year, with all the resulting exchange differences being taken to the Statement of Comprehensive Income and Expenditure in the year in which they arise.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated to sterling using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to sterling at foreign exchange rates ruling at the dates the fair value was determined.

### Intangible assets

Software which is not integral to the operation of any hardware with which it has been purchased is recorded as an intangible asset and is amortised over five to ten years representing the remaining economic useful life of the assets.

Research and development costs are written off to the Statement of Comprehensive Income and Expenditure as incurred.

### Tangible fixed assets

Tangible fixed assets, excluding investment properties, are stated at cost less accumulated depreciation and accumulated impairment losses. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Certain items of tangible fixed assets that had been revalued to fair value on or prior to the date of transition to the previous SORP in 2015 are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

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

## 1. Principal Accounting Policies continued

### Investment properties

Investment properties are 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. Investment properties are not depreciated but are revalued or reviewed annually according to market conditions at 31 July each year.

### Land and buildings

Land which is held freehold is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated over their expected useful lives of up to 50 years. Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years. Alterations and additions to buildings are depreciated over the expected useful life of the work carried out.

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July. The buildings are not depreciated until they are brought into use.

Costs incurred in relation to a tangible fixed asset, after its initial purchase or production, are capitalised to the extent that they increase the expected future benefits to the University.

### Equipment

Equipment, including personal computers and software, costing less than £10,000 per individual item or group of related items, is recognised as expenditure in the year of acquisition. All other equipment is capitalised. Capitalised equipment is stated at cost and depreciated over its expected useful economic life, as follows:

General equipment - 5 years

Equipment acquired for specific research projects - 2 years

Where equipment is part of a capital project, it may be depreciated over periods of between five and ten years.

### Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

### Heritage assets

Works of art and items of historical interest are not recognised, since reliable cost information is not available for items acquired many years ago and significant costs are involved in arriving at valuations.

### Surplus assets for disposal

Surplus assets for disposal are land and buildings which are no longer in use by the University and which the University is committed to sell and not replace. These assets are valued at the lower of carrying amount and net realisable value.

### Repairs and maintenance

Expenditure to ensure that a tangible fixed asset maintains its previously assessed standard of performance is recognised in the Statement of Comprehensive Income and Expenditure in the period it is incurred. The University has a planned maintenance programme, which is reviewed on an annual basis.

### Investments

All investments are initially recognised at cost and subsequently measured at fair value at each Balance Sheet date. Where fair value cannot be reliably measured or investments are not publicly traded (spin out and spin in companies), they are measured at cost less impairment.

## 1. Principal Accounting Policies continued

### Investments continued

All gains and losses on investment assets, both realised and unrealised, are recognised in the Statement of Comprehensive Income and Expenditure as they arise.

### Stock

Stocks for maintenance, catering and central stationery are valued at the lower of cost and selling price less costs to sell. Departmental stocks are charged to the Statement of Comprehensive Income and Expenditure in the year of purchase.

### Provisions, contingent liabilities and contingent assets

Provisions are recognised when the University has a present, legal, or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is discounted to present value where the time value of money is material. The discount rate used reflects current market assessments of the time value of money and reflects any risks specific to the liability.

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

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the Notes to the Financial Statements.

### Cash and cash equivalents

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

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

### Taxation status

The University has charitable status and is recorded on the index of charities maintained by the Office of the Scottish Charity Regulator (Charity No. SC015263). The University is an exempt charity within the meaning of Part 1, Chapter 2, Section 7 of the Charities and Trustee Investment (Scotland) Act 2005, and is considered to pass the tests set out in Paragraph 1 of Schedule 6 to the Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes.

Accordingly, the University is exempt from taxation in respect of income or capital gains received within categories covered by Section 287 of the Corporation Tax Act 2009 and Sections 471 and 478 – 488 of the Corporation Tax Act 2010 (formerly enacted in Section 505 of the Taxes Act 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 receives no similar exemption in respect of Value Added Tax.

### Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as permanently restricted funds which the University must hold in perpetuity.

## 1. Principal Accounting Policies continued

### Accounting estimates and judgements

In the application of accounting policies, management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions and estimates that management have made in the process of applying the University's accounting policies and that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

### Critical accounting estimates

- Pension assets and liabilities – Assumptions used in the calculation of the SPF pension provisions and the valuation of the SPF net asset represent a source of significant estimation. The key assumptions made in deriving these figures are explained in detail in Notes 17 and 22.
- Fixed assets lives and impairment – Management determines the most appropriate useful life of assets, over which period the value of an asset is depreciated. Management assesses whether any indicators of impairment are present for any of the University's assets and the likelihood of proposed capital projects not proceeding beyond the feasibility stage.

### Significant judgements

- Revenue recognition – As outlined in the income recognition accounting policy above, certain grants and donations are recognised as income when the University is entitled to the income and performance conditions have been met. Management applies judgement in deferring income received for conditions not yet satisfied and accruing income due but not yet received.
- Multi-employer pension schemes – The University considers the Universities Superannuation Scheme (USS) and the Scottish Teachers' Superannuation Scheme (STSS) to be multi-employer schemes, as defined by FRS 102, and accounts for these schemes as if they were wholly defined contribution schemes.
- Pension asset recognition – the extent to which any net pension asset can be recognised is subject to a number of significant assumptions which may be subject to material changes on an annual basis. Firstly, the basis for the initial valuation of the net pension asset on an FRS 102 basis is subject to both valuation assumptions on the asset side of the scheme and actuarial assumptions on the liability side of the scheme, such as discount rate and inflation assumptions going forward. Both these assumptions may change significantly and result in material net changes to the surplus or deficit on the scheme. Secondly, the extent to which the University has a right to recover the surplus through a potential refund from the scheme can change materially as a result of changes to the cessation policy within SPF's Funding Strategy Statement, which may impact the actual net asset recorded in the balance sheet.

### Legal form

The University is a body corporate established in Scotland by Royal Charter in 1962.

## 2. Funding Council grants

	2024 £M	2023 £M
<b>Recurrent grants</b>		
General Fund – Teaching	72.7	72.3
General Fund – Research and Innovation	27.7	28.0
<b>Total recurrent grants</b>	<b>100.4</b>	<b>100.3</b>
<b>Other specific grants</b>		
Capital grants	6.2	6.5
Strategic funding	3.2	5.0
Ring-fenced grants funded by Scottish Government	3.2	3.6
<b>Total specific grants</b>	<b>12.6</b>	<b>15.1</b>
	<b>113.0</b>	<b>115.4</b>

Income from capital grants includes £Nil in respect of capital grants released from deferred income in 2024 (2023: £0.4 million) following the completion of the relevant performance conditions in the year.

Included within deferred income are the following grants that have been received but which had not been recognised in income at 31 July as performance conditions had not yet been met:

	2024 £M	2023 £M
Strategic funding	2.8	2.3

### 3. Tuition fees and education contracts

	2024 £M	2023 £M
Scotland home domicile fees	31.0	32.6
EU domicile fees	3.6	3.6
RUK domicile fees	9.1	9.3
Non-EU domicile fees	68.7	77.7
Non-credit bearing course fees	5.2	5.5
Education contracts	0.5	0.6
Other contracts	6.3	6.9
	<b>124.4</b>	<b>136.2</b>

### 4. Research grants and contracts

	2024 £M	2023 £M
UK Research and Innovation	30.9	29.9
UK based charities	5.8	5.8
European Commission	3.0	6.3
Other grants and contracts	65.3	63.2
Capital grants	13.6	10.6
	<b>118.6</b>	<b>115.8</b>

Income from capital grants includes £8.3 million in respect of capital grants released from deferred income in 2024 (2023: £2.4 million) following the completion of the relevant performance conditions in the year.

Included within deferred income are the following grants that have been received but which had not been recognised in income at 31 July as performance conditions had not yet been met:

	2024 £M	2023 £M
Capital grants - government	3.9	10.8
Revenue grants - government	19.8	14.6
Other revenue grants and non-exchange transactions	10.6	4.8

## 5. Other income

	2024 £M	2023 £M
Residences and catering	11.5	11.4
Other services rendered	28.7	25.0
Capital grants	2.6	60.5
Other revenue grants	2.4	0.1
Accommodation charges and rental income	3.2	3.3
Other income	9.6	9.9
	<b>58.0</b>	<b>110.2</b>

Income from capital grants includes £1.9 million in respect of capital grants released from deferred income in 2024 (2023: £56.9 million) following the completion of the relevant performance conditions in the year.

Included within deferred income are the following grants that have not been recognised in income at 31 July as performance conditions had not yet been met:

	2024 £M	2023 £M
Capital grants - government	2.4	3.3
Capital grants - other	28.0	28.0

## 6. Investment income

	Note	2024 £M	2023 £M
Investment income on endowments		0.9	0.8
Net return on pension scheme	22	5.1	-
Other investment income		7.0	6.1
Interest receivable		0.9	0.3
		<b>13.9</b>	<b>7.2</b>

## 7. Donations and endowments

	2024 £M	2023 £M
Donations with restrictions	1.7	1.2
Unrestricted donations	2.9	1.4
	<b>4.6</b>	<b>2.6</b>

## 8. Staff costs

	Note	2024 £M	2023 £M
Wages and salaries		194.0	186.0
Social security costs		20.2	19.3
Other pension costs	22	31.6	39.2
		<b>245.8</b>	<b>244.5</b>
Movement on pension provision	17	(160.7)	(38.3)
<b>Total staff costs</b>		<b>85.1</b>	<b>206.2</b>

	2024 Number	2023 Number
<b>Average staff numbers by major category</b>		
Academic	1,443	1,436
Professional Services	1,819	1,821
Research	565	569
Operational	739	728
	<b>4,566</b>	<b>4,554</b>

	2024 £000	2023 £000
Total remuneration of the Principal and Vice-Chancellor including pension contributions was:		
Remuneration	350	330
Other payments in lieu of employer's pension contribution	67	71
	<b>417</b>	<b>401</b>

## 8. Staff costs continued

The Principal has ceased membership of the Universities Superannuation Scheme and receives a salary payment in lieu of employer pension contributions. The reduction in this payment from the previous year reflects the transitional arrangements resulting from a reduction in Universities Superannuation Scheme employer contribution rates from the 1st January 2024. Following consideration by the Remuneration Committee, the Principal's basic salary increased in line with the nationally negotiated pay award

The Principal's remuneration (excluding other payments in lieu of employer's pension contributions) is 8.31 times the median pay of University employees (2023: 8.34), where the median pay is based on the annualised full-time equivalent remuneration of all staff at the reporting date. In accordance with the CUC Remuneration Code, this pay ratio calculation follows the UCEA methodology, with total pay including the remuneration of the Principal, as noted above, but excludes payments in lieu of employer's pension contributions and other benefits.

The median pay does not include agency and temporary staff employed by the University in the period, based on management's assessment that the adjustment to the disclosure would be immaterial to the overall calculation and is too onerous to create. It should be noted that, as a People Oriented organisation, all of the University's operational support staff, including catering and cleaning staff, are employees of Strathclyde. The University's deliberate and value-led decision to maintain in-house services results in the median pay ratio being higher than would be the case in other organisations where such key services are outsourced.

The number of staff, including senior post holders other than the Principal, who received emoluments in excess of £100,000, excluding employer's pension contributions, are set out in the following table. The figures shown in the ranges below include payments in lieu of pension contributions for individuals who have opted out of the Universities Superannuation Scheme.

## 8. Staff costs continued

	2024			2023		
	Senior	Other	Total	Senior	Other	Total
£100,001 - £110,000	-	43	43	1	30	31
£110,001 - £120,000	2	17	19	1	20	21
£120,001 - £130,000	1	17	18	4	15	19
£130,001 - £140,000	3	10	13	3	4	7
£140,001 - £150,000	1	5	6	2	9	11
£150,001 - £160,000	4	3	7	1	2	3
£160,001 - £170,000	1	2	3	-	-	-
£180,001 - £190,000	-	1	1	1	1	2
£190,001 - £200,000	1	1	2	1	-	1
£200,001 - £210,000	1	-	1	-	1	1
£290,001 - £300,000	-	-	-	1	-	1
£330,001 - £340,000	1	-	1	-	-	-
	<b>15</b>	<b>99</b>	<b>114</b>	<b>15</b>	<b>82</b>	<b>97</b>

### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs include compensation paid to key management personnel.

	2024 £M	2023 £M
<b>Key management personnel compensation</b>	<b>3.6</b>	<b>3.0</b>
	2024 Number	2023 Number
<b>Number of posts included in key management personnel</b>	<b>16.3</b>	<b>15.4</b>

Key management personnel compensation includes remuneration and all employee benefits including employer pension contributions.

Key management personnel are defined as members of the Executive Team. Membership of the Executive Team comprises: the Principal and Vice-Chancellor, the Vice-Principal, the Executive Deans, the Associate Principals, the Chief Financial Officer, the Chief Commercial Officer, the University Secretary, the University Compliance Officer, the Chief People Officer, the Chief Digital and Information Officer, the Director of Strategic Planning and the Director of Marketing and Development Services (from 30 October 2023).

## 8. Staff costs continued

Payments in respect of compensation for loss of office are provided in the financial statements in the year of termination of office. The aggregate compensation for loss of office of staff whose earnings are more than £100,000 per annum or where the costs of all elements of a proposed arrangement amount to more than £100,000 was:

	2024 £000	2023 £000
<b>Compensation paid</b>	-	170

	2024 Number	2023 Number
<b>Number of payments</b>	-	2

## 9. Interest and other finance costs

	2024 £M	2023 £M
Loan interest	0.2	2.2
Finance charge of USS pension deficit	3.6	6.3
	<b>3.8</b>	<b>8.5</b>

## 10. Analysis of expenditure by activity

	Staff costs £M	Other operating expenses £M	Interest and other finance costs £M	Total 2024 £M	Total 2023 £M
Academic departments	128.8	18.9	-	147.7	145.7
Academic support services	16.3	10.5	-	26.8	25.4
Research grants and contracts	38.5	31.4	-	69.9	69.3
Administration and central services	29.5	10.1	-	39.6	39.4
General educational expenditure	0.7	23.0	-	23.7	25.2
Residences and catering	4.6	3.4	-	8.0	11.5
Premises	13.0	32.4	-	45.4	42.8
Other income generating activities	12.3	10.0	-	22.3	20.5
Movement on pension provision	(160.7)	-	-	(160.7)	(38.3)
Other expenses	2.1	4.9	3.8	10.8	17.1
	<b>85.1</b>	<b>144.6</b>	<b>3.8</b>	<b>233.5</b>	<b>358.6</b>

Depreciation	41.1	41.6
Impairment	0.9	-
Amortisation	2.6	2.1
<b>Total per income and expenditure account</b>	<b>278.1</b>	<b>402.3</b>

Other operating expenses include the following external auditor's remuneration:

	2024 £000	2023 £000
Audit services	168.6	133.4
Non-audit services:		
Audit related assurance services	14.3	13.7
Other non-audit services*	-	42.0
<b>Total non-audit services</b>	<b>14.3</b>	<b>55.7</b>

\* Other non-audit services, approved in accordance with the University's non-audit services policy, were support for a treasury review.

## 11. Intangible assets

	£M
<b>Cost</b>	
At 1 August 2023	15.8
Additions	3.8
Disposals	(0.4)
<b>At 31 July 2024</b>	<b>19.2</b>
<b>Amortisation</b>	
At 1 August 2023	5.7
Amortisation charge	2.6
Disposals	(0.4)
<b>At 31 July 2024</b>	<b>7.9</b>
<b>Net book value at 31 July 2024</b>	<b>11.3</b>
<b>Net book value at 31 July 2023</b>	<b>10.1</b>

## 12. Tangible assets

	Investment properties £M	Land and Buildings			Equipment £M	Total £M
		Freehold £M	Long leasehold £M	Assets under construction £M		
<b>Cost</b>						
At 1 August 2023	7.9	700.7	15.6	1.1	97.7	823.0
Additions	-	6.4	-	8.6	25.0	40.0
Transfers	-	2.7	-	(2.7)	-	-
Disposals	-	(2.1)	(1.8)	-	(21.3)	(25.2)
Revaluation	(1.0)	-	-	-	-	(1.0)
<b>At 31 July 2024</b>	<b>6.9</b>	<b>707.7</b>	<b>13.8</b>	<b>7.0</b>	<b>101.4</b>	<b>836.8</b>
<b>Depreciation</b>						
At 1 August 2023	-	298.3	14.7	-	57.5	370.5
Charge for year	-	24.1	0.2	-	16.8	41.1
Impairment	-	0.9	-	-	-	0.9
Disposals	-	(2.1)	(1.8)	-	(21.3)	(25.2)
<b>At 31 July 2024</b>	<b>-</b>	<b>321.2</b>	<b>13.1</b>	<b>-</b>	<b>53.0</b>	<b>387.3</b>
<b>Net book value at 31 July 2024</b>	<b>6.9</b>	<b>386.5</b>	<b>0.7</b>	<b>7.0</b>	<b>48.4</b>	<b>449.5</b>
<b>Net book value at 31 July 2023</b>	<b>7.9</b>	<b>402.4</b>	<b>0.9</b>	<b>1.1</b>	<b>40.2</b>	<b>452.5</b>

## 12. Tangible assets continued

At 31 July 2024, freehold land and buildings included £30.4 million (2023: £30.4 million) in respect of freehold land which is not depreciated.

Buildings with a net book value of £372.4 million and cost of £675.2 million have been funded in part or in whole from public funds. Should these particular buildings be sold, the University would have to surrender the relevant proceeds or use them in accordance with the Financial Memorandum with the Scottish Funding Council.

The investment properties were revalued on the basis of market value at 31 July 2024 by an external valuer, Savills (UK) Limited, in accordance with Royal Institution of Chartered Surveyors' (RICS) professional standards. The valuer has estimated the fair value of the property on the basis of a number of assumptions regarding the condition of the property and an equivalent yield of 9.96% (2023: 9.49%).

The historic cost of investment properties held at fair value is as follows:

	2024 £M	2023 £M
<b>At 1 August</b>	<b>9.6</b>	<b>9.6</b>
<b>At 31 July</b>	<b>9.6</b>	<b>9.6</b>

Heritage assets are not recognised in the financial statements. The University's heritage assets comprise over 1,000 works of art, around 400 historical scientific instruments, some 35 special collections of rare printed and manuscript materials, historical archives (including the University's own archives and some 30 other archive collections), and silverware and other ceremonial items. The ages of the items range from the 15th century to the present day.

The artwork collection is mainly displayed in University buildings across the campus, while the historical scientific instrument collection is available for viewing by appointment. The book/manuscript collections and archives are used for consultation purposes. The ceremonial assets are used for occasions such as graduations. No material acquisitions occurred in the period, and there were no disposals.

### 13. Fixed asset investments

	2024 £M	2023 £M
At 1 August	57.6	54.7
Additions	12.5	8.3
Disposals	(12.1)	(4.5)
Increase in market value of investments	6.1	0.4
Decrease in cash balances	(0.6)	(1.3)
<b>At 31 July</b>	<b>63.5</b>	<b>57.6</b>
Represented by:		
Fixed interest investments (listed)	10.0	6.6
Equities (listed)	42.6	40.4
Cash at bank	2.3	2.9
Spin out and spin in company investments	8.6	7.7
	<b>63.5</b>	<b>57.6</b>

Investments are stated at market value apart from investments in projects emanating from the University's research activities which are considered to merit commercial development (spin out company investments) and spin in company investments whose growth depends on knowledge-based collaboration with the University. Such investments are stated at the lower of cost and net realisable value.

The University's subsidiary undertakings are:

	%	Main
	Holding	activity
Strathclyde University Incubator Limited	100	Incubator for technology- based business
University of Strathclyde Singapore Hub PTE Limited	100	Administration and support services
University of Strathclyde Innovation Research and Education W.L.L.	100	Innovation, Research and Education
SGBS Limited	100	Dormant

The financial statements of these subsidiary undertakings have not been consolidated with those of the University on the basis that the amounts involved are not material.

## 14. Debtors

	2024 £M	2023 £M
Amounts falling due within one year:		
Research grants receivable	16.1	-
Other receivables	17.1	16.9
Prepayments and accrued income	7.7	21.0
	<b>40.9</b>	<b>37.9</b>
Amounts falling due after more than one year:		
Prepayments and accrued income	0.2	0.2
	<b>41.1</b>	<b>38.1</b>

Research grants receivable of £16.1 million have been disclosed in 2024. In 2023, the prior year equivalent receivables of £15.5 million was disclosed on a net basis with research creditors in note 15. The year-on-year movements in the balance is therefore £0.6 million.



## 15. Creditors: amounts falling due within one year

	2024 £M	2023 £M
Unsecured loans	5.4	4.7
Creditors	30.2	29.8
Social security and other taxation payable	5.2	5.1
Accruals	15.9	15.9
Deferred income	125.2	129.9
	<b>181.9</b>	<b>185.4</b>

### Deferred income

Included within deferred income are the following items of income which have been deferred until specific performance conditions have been met:

	2024 £M	2023 £M
Donations	24.3	25.3
Research grants received on account	30.9	22.7
Grant income	37.1	44.5
Other income	32.9	37.4
	<b>125.2</b>	<b>129.9</b>

The 2023 research grants received on account figure includes £15.5 million of research receivables, now separately shown in note 14. The year-on-year movement on a like for like basis is therefore £7.3 million.

## 16. Creditors: amounts falling due after more than one year

	2024 £M	2023 £M
<b>Analysis of unsecured loans</b>		
Due within one year or on demand	5.4	4.7
Due between one and two years	5.3	4.6
Due between two and five years	15.8	13.6
Due in five years or more	38.6	32.2
	<b>65.1</b>	<b>55.1</b>
Due within one year or on demand	(5.4)	(4.7)
<b>Due after more than one year</b>	<b>59.7</b>	<b>50.4</b>

At 31 July 2024, balances outstanding on unsecured loans repayable by instalments were:

	Interest details	Repayable	£M
<b>Scottish Funding Council</b>			
Financial Transactions	0.25% fixed	2024-2029	8.8
Financial Transactions	0.25% fixed	2020-2029	0.5
Financial Transactions	0.25% fixed	2020-2030	1.5
Financial Transactions	0.25% fixed	2020-2035	0.6
Financial Transactions	0.25% fixed	2020-2030	5.8
Financial Transactions	0.25% fixed	2022-2042	8.9
Financial Transactions	0.25% fixed	2023-2041	5.6
Financial Transactions	0.25% fixed	2023-2031	2.3
Financial Transactions	0.25% fixed	2023-2031	0.3
Financial Transactions	0.25% fixed	2023-2041	9.3
Financial Transactions	0.25% fixed	2022-2042	5.3
Financial Transactions	1.00% fixed	2023-2043	0.7
Financial Transactions	1.00% fixed	2024-2044	12.3
Financial Transactions	1.00% fixed	2024-2044	2.1
Carbon Reduction	Interest free	2018-2025	0.1
			<b>64.1</b>

The University has interest free loans totalling £1.0 million (2023: £1.0 million) from Salix Finance Ltd which are partially repayable in five years or more. The dates and quantum of repayments are wholly dependent upon the timing of expenditure and savings related to various energy efficiency and renewable energy projects funded by these loans, which require matched funding by the University.

## 17. Provisions for liabilities

	Obligation to fund deficit on USS pension £M	Other pension provisions £M	Total pension provisions £M	Other provisions £M	Total £M
At 1 August 2023	157.1	5.1	162.2	0.4	162.6
Utilised in year	(4.0)	(0.5)	(4.5)	-	(4.5)
Additions in year	3.6	0.2	3.8	-	3.8
Unused amounts reversed in year	(156.7)	-	(156.7)	-	(156.7)
<b>At 31 July 2024</b>	<b>-</b>	<b>4.8</b>	<b>4.8</b>	<b>0.4</b>	<b>5.2</b>

### Obligation to fund deficit on USS pension

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arose from the contractual obligation with the USS to make deficit payments in accordance with the deficit recovery plan, which was put in place as part of the 2020 valuation. It required deficit payments of 6.2% of salaries over the period 1 April 2022 to 31 March 2024 then 6.3% over the period 1 April 2024 to 31 March 2038. Key assumptions are set out below.

The 2023 valuation was concluded in December 2023 and revealed a surplus of assets, when measured against the Scheme's technical provisions (further information is provided in Note 22). From 1 January 2024 contribution rates decreased from 21.6% to 14.5%. As there is no requirement for the University to make deficit recovery contributions from 1 January 2024, the balance of the deficit recovery provision at December 2023 has been released to the Statement of Comprehensive Income and Expenditure.

The major assumptions used to calculate the obligation are:

	2024	2023
Discount rate	5.49%	5.49%
Salary growth (average inflationary and staff changes over the remainder of the recovery plan)	N/A	6.44%

### Other pension provisions

Other pension provisions include £1.5 million (2023: £1.5 million) in respect of unfunded pensions in the Strathclyde Pension Fund (further information is provided in Note 22) and £3.3 million (2023: £3.6 million) in respect of an obligation in respect of former employees who have retired and for whom an enhanced pension has been provided.

The pension enhancements liability continues throughout the retirement period and is assessed by independent actuarial valuation. The principal assumptions are a discount rate of 4.8% (2023: 5.3%) and pension increases of 2.9% (2023: 2.9%).

## 18. Endowments

	Unrestricted permanent £M	Restricted permanent £M	Total permanent £M	Restricted expendable £M	2024 total £M	2023 total £M
At 1 August						
Capital	7.5	29.5	37.0	-	37.0	36.8
Accumulated income	-	4.0	4.0	1.2	5.2	4.9
	<b>7.5</b>	<b>33.5</b>	<b>41.0</b>	<b>1.2</b>	<b>42.2</b>	<b>41.7</b>
Investment income	0.1	0.8	0.9	-	0.9	0.8
Expenditure	(0.1)	(0.4)	(0.5)	-	(0.5)	(0.5)
	<b>-</b>	<b>0.4</b>	<b>0.4</b>	<b>-</b>	<b>0.4</b>	<b>0.3</b>
Increase in market value of investments	0.9	3.0	3.9	0.1	4.0	0.2
<b>At 31 July</b>	<b>8.4</b>	<b>36.9</b>	<b>45.3</b>	<b>1.3</b>	<b>46.6</b>	<b>42.2</b>
Represented by:						
Capital	8.4	32.5	40.9	-	40.9	37.0
Accumulated income	-	4.4	4.4	1.3	5.7	5.2
	<b>8.4</b>	<b>36.9</b>	<b>45.3</b>	<b>1.3</b>	<b>46.6</b>	<b>42.2</b>
<b>Analysis by type of purpose</b>						
	Unrestricted permanent £M	Restricted permanent £M	Total permanent £M	Restricted expendable £M	2024 total £M	2023 total £M
Scholarship	2.9	12.4	15.3	0.2	15.5	14.2
Chair	-	2.3	2.3	-	2.3	2.0
Entrepreneurship	-	7.4	7.4	0.4	7.8	7.2
Lectureships	-	1.5	1.5	0.4	1.9	1.7
Prizes	-	2.0	2.0	-	2.0	1.8
Research support	-	9.0	9.0	0.2	9.2	8.4
General	5.5	2.3	7.8	0.1	7.9	6.9
	<b>8.4</b>	<b>36.9</b>	<b>45.3</b>	<b>1.3</b>	<b>46.6</b>	<b>42.2</b>

## 18. Endowments continued

### Major Endowments

Restricted permanent endowments include four major individual funds:

- T B Hunter Charitable Trust – Endowed to support the ongoing development of entrepreneurship education.
- Sir David S Anderson Trust – Bequest to be used in the field of Science and Engineering by inviting distinguished persons from institutions in Europe or America to visit the University to take an active part in teaching and/or research or to send University staff abroad to acquire knowledge which might not be available in this country.
- Glaxo – Endowed to provide monies to establish two ‘Jack Research Fellowships’ for advanced study in any field of science related to the discovery of new drugs.
- Robertson Trust – Endowed to provide for a Chair of Bioprocessing Technology.

The movements of these funds for the year were as follows:

	T B Hunter Charitable Trust £M	Sir David S Anderson Trust £M	Glaxo £M	Robertson Trust £M
At 1 August 2023	6.7	2.2	2.3	2.0
Investment income	0.2	-	0.1	-
Expenditure	(0.2)	-	(0.1)	-
Increase in market value of investments	0.5	0.2	0.2	0.2
<b>At 31 July 2024</b>	<b>7.2</b>	<b>2.4</b>	<b>2.5</b>	<b>2.2</b>

	2024 £M	2023 £M
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### Analysis by asset:

Current and non-current asset investments	38.8	34.3
Cash and cash equivalents	7.8	7.9
	<b>46.6</b>	<b>42.2</b>

### Cash and cash equivalents comprise:

Cash held at Investment Manager	1.7	2.2
Cash held at University	6.1	5.7
	<b>7.8</b>	<b>7.9</b>

## 19. Operating lease arrangements

	2024 £M	2023 £M
Lease payments under operating leases recognised as an expense in the year	0.9	1.1
Future minimum lease payments due:		
Within one year	1.2	0.9
Due between one and five years	3.4	1.3
Due in five years or more	0.5	0.5
<b>Total lease payments due</b>	<b>5.1</b>	<b>2.7</b>

Operating lease payments represent rentals payable by the University for research facilities and other operational properties.



## 20. Capital commitments

	2024 £M	2023 £M
Commitments contracted at 31 July	8.9	3.6

## 21. Reconciliation of net funds

	£M			
Net funds at 1 August 2023	87.6			
Movement in cash and cash equivalents	(2.7)			
New unsecured loans	(14.7)			
Repayments of amounts borrowed	4.7			
<b>Net funds at 31 July 2024</b>	<b>74.9</b>			
	At 1 August 2023 £M	Cash flow £M	Non-cash changes £M	At 31 July 2024 £M
Cash and cash equivalents	142.7	(2.7)	-	140.0
Loans due within one year	(4.7)	4.7	(5.4)	(5.4)
Loans due after more than one year	(50.4)	(14.7)	5.4	(59.7)
	<b>87.6</b>	<b>(12.7)</b>	<b>-</b>	<b>74.9</b>

## 22. Pension schemes

The University participates in three defined benefit schemes: the Universities Superannuation Scheme (USS), the Strathclyde Pension Fund (SPF) and the Scottish Teachers' Superannuation Scheme (STSS).

### Pension contributions

	Note	2024 £M	2023 £M
USS		26.7	31.6
SPF		4.8	7.5
STSS		0.1	0.1
	8	31.6	39.2

With the exception of SPF the University has, as permitted by FRS 102, accounted for these schemes as though they were defined contribution schemes and the costs recognised within the University's Statement of Comprehensive Income and Expenditure is equal to the contributions payable to the schemes in the year.

	2024 £M	2023 £M
Outstanding contributions at 31 July were:		
USS	1.9	2.7
SPF	0.1	0.5
	2.0	3.2

## 22. Pension schemes continued

### Universities Superannuation Scheme

The employer contributions charged to the Statement of Comprehensive Income and Expenditure were £26.7 million (2023: £31.6 million).

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

Since the University cannot identify its share of the USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities 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 provision (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

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

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

The main demographic 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 to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

## 22. Pension schemes continued

The current life expectancies on retirement at age 65 are:

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

### Strathclyde Pension Fund

The University participates in the Strathclyde Pension Fund (SPF), a local government pension scheme, which provides benefits based on final pensionable salary for employees of local government and some other institutions including the University. The University believes that sufficiently robust information is available to enable each institution's share of the underlying assets and liabilities of the scheme to be identified on a consistent and reasonable basis and the scheme is accounted for as if it were a defined benefit scheme.

SPF is an externally funded, multi-employer, defined benefits scheme. The last full valuation was carried out at 31 March 2023 by a qualified independent actuary. The results below are based on rolling forward the previous valuation results to 31 July 2024.

## 22. Pension schemes continued

The major assumptions used by the actuary at the beginning and end of the financial year were as follows:

	2024	2023
Rate of increase of salaries (see Note a)	3.40%*	4.55%**
Rate of increase in pensions in payment (see Note b)	2.75%	3.05%
Discount rate	4.95%	5.10%

(a) \* The salary increase assumption is 3.20% for the year to 31 July 2025, 3.20% for the year to 31 July 2026, and CPI plus 0.7% thereafter.

\*\* The salary increase assumption is 6.23% for the year to 31 July 2024, 6.00% for the year to 31 July 2025, and CPI plus 0.7% thereafter.

(b) The year end liability is calculated to include an estimated uprating of current and deferred pension benefits in relation to the estimated pension increase order for the scheme.

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescales covered, may not necessarily be borne out in practice. The assumptions noted above relate to expectations across the duration of the scheme and therefore are based on longer-term estimations.

The current mortality assumptions include a sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are as follows:

	2024	2023
Current Pensioners		
Males	19.6 years	19.1 years
Females	23.0 years	22.0 years
Future Pensioners		
Males	19.7 years	20.3 years
Females	24.1years	23.9 years

The fair values of the University's share of the assets and liabilities in the scheme were measured in accordance with the requirements of Section 28 of FRS 102 'Employee benefits'.

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes.

## 22. Pension schemes continued

	2024 £M	2023 £M	2022 £M
Equities	188.4	165.7	163.7
Bonds	76.0	77.4	73.6
Property	27.3	27.6	30.0
Cash	12.1	5.5	5.5
	<b>303.8</b>	<b>276.2</b>	<b>272.8</b>

Weighted average expected rate of return	4.91%	5.00%	3.45%
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	2024 £M	2023 £M
<b>Analysis of the amount shown in the Balance Sheet for SPF defined benefit funded obligation</b>		
Scheme assets	303.8	276.2
Scheme liabilities (on an ongoing basis)	(173.4)	(164.9)
Less share of net asset not recognised under FRS 102	(23.9)	(11.8)
<b>Pension asset</b>	<b>106.5</b>	<b>99.5</b>

Separate to the surplus position outlined for the scheme's net asset above, the University recognises a liability of £1.5 million (2023: £1.5 million) in respect of those obligations which are unfunded at 31 July 2024, and as such should not be netted off against the scheme's assets held at the balance sheet date (Note 17).

	2024 £M	2023 £M
<b>Analysis of the amount included in operating expenditure</b>		
<b>Current service cost</b>	<b>4.8</b>	<b>7.5</b>
<b>Analysis of the net return on pension scheme</b>		
Expected return on assets	13.5	7.0
Interest cost	(8.4)	(7.0)
<b>Net return on pension scheme (Note 6)</b>	<b>5.1</b>	<b>-</b>

## 22. Pension schemes continued

	2024 £M	2023 £M
<b>Analysis of Other Comprehensive Income for SPF pensions</b>		
Actual return less expected return on scheme assets	16.6	(5.3)
(Losses)/gains on scheme liabilities	(2.4)	45.1
less movement in actuarial gain not recognised under FRS 102	(12.0)	29.0
<b>Total gain recognised via Statement of Comprehensive Income and Expenditure during year</b>	<b>2.2</b>	<b>68.8</b>

The contribution rate payable by the University was 22.1% of pensionable salary until 31 March 2024 and 6.5% thereafter (2023: 22.1%).



## 22. Pension schemes continued

	2024 £M	2023 £M
<b>Movements in present value of defined benefit obligations</b>		
Present value of obligations at 1 August	166.4	203.2
Current service cost (net of member contributions)	4.8	7.5
Interest cost	8.4	7.0
Actuarial losses/(gains)	2.4	(45.1)
Contributions by members	1.5	1.4
Estimated unfunded benefits paid	(0.1)	(0.1)
Benefits paid	(8.6)	(7.5)
<b>At 31 July</b>	<b>174.8</b>	<b>166.4</b>

	2024 £M	2023 £M
<b>Movements in fair value of plan assets</b>		
At 1 August	276.2	272.8
Expected return on plan assets	13.5	7.0
Actuarial gains/(losses)	16.6	(2.9)
Contributions by the employer	4.6	5.4
Contributions in respect of unfunded benefits	0.1	0.1
Contributions by members	1.5	1.4
Unfunded benefits paid	(0.1)	(0.1)
Benefits paid	(8.6)	(7.5)
<b>At 31 July</b>	<b>303.8</b>	<b>276.2</b>

The above movements in plan assets and liabilities result in a net asset of £129.0 million at 31 July 2024 (2023: £109.8 million). In accordance with the accounting policies, where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. The extent to which the University can recover an asset through reduced contributions in the future is exhausted this year by the projected current service costs going forward being lower than currently agreed contributions. The pension asset recognised at the balance sheet date has been valued in accordance with the cessation policy in the SPF Funding Strategy Statement. This reflects the University's theoretical right to receive a refund should it ever elect to exit the scheme.

## 22. Pension schemes continued

In June 2023, the UK High Court (*Virgin Media Limited v NTL Pension Trustees II Limited*) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. The judgment has now been upheld by the Court of Appeal. The Local Government Pension Scheme is a contracted out defined benefit scheme and amendments have been made during the period 1996 to 2016 which could impact member benefits. Work is being performed by the Government Actuary's Department as the Local Government Pension Scheme actuary to assess whether section 37 certificates are in place for all amendments and some of these have been confirmed however, at the date of these financial statements, the full assessment is not complete. Until this analysis is complete, we are unable to conclude whether there is any impact to the liabilities or if it can be reliably estimated. As a result, University of Strathclyde does not consider it necessary to make any allowance for the potential impact of the Virgin Media case in its financial statements.

### **Scottish Teachers' Superannuation Scheme**

The University participates in the Scottish Teachers' Superannuation Scheme (STSS). The scheme is an unfunded statutory public service pensions scheme with benefits underwritten by the UK Government.

The scheme is financed by payments from employers and those current employees who are members of the scheme. The contributions paid into the scheme fall into general government revenues. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. The last four-yearly valuation was undertaken as at 31 March 2020. The results of the valuation were used to set employer contribution rates.

The level of contribution paid by employing institutions was 23.0% of members' salaries until 31 March 2024 and 26.0% thereafter (2023: 23.0%). This rate will remain in force until 31 March 2027.

As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.

## 23. Financial instruments

	Note	2024 £M	2023 £M
<b>Financial assets</b>			
Measured at fair value through income and expenditure:			
Investments (fixed investments listed)	13	10.0	6.6
Investments (equities listed)	13	42.6	40.4
Investments (cash)	13	2.3	2.9
Measured at cost less impairment:			
Spin out and spin in company investments	13	8.6	7.7
Measured at undiscounted amount receivable:			
Trade and other debtors	14	41.1	38.1
<b>Financial liabilities</b>			
Measured at undiscounted amount payable:			
Loans payable falling due within one year	15	5.4	4.7
Loans payable falling due after more than one year	16	59.7	50.4
Trade and other creditors	15	176.5	180.7

## 24. Related party transactions

Due to the nature of the University's operations and the composition of Court (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of Court may have an interest. All transactions involving organisations in which a member of Court may have an interest are conducted at arm's length and in accordance with the University's financial regulations and usual procurement procedures.

The University makes certain payments on behalf of and is reimbursed for certain costs by the Students' Association (USSA). The University does not exercise day to day control over the activities of USSA. In 2024, the University:

- contributed £2.9 million as a grant towards its activities (2023: £2.9 million)
- received £0.8 million (2023: £0.8 million) of rental income from USSA

The balance due from USSA to the University at 31 July was £182,000 (2023: £187,000).

## 24. Related party transactions continued

In line with the Committee of University Chairs' guidance, all members of Court are required to complete a register of interests to record any areas of potential conflict with the interests of the University. A register of interests is maintained for members of Court and reviewed by management in advance of preparing the financial statements for the year. Management identified no related party transactions that it considered necessary to disclose here through its review.

Membership of spin out and spin in companies and other associated companies was reviewed and there is no significant University representation in these companies. No material payments have been made to these companies.

## 25. HE student support funds

	2024 HE Childcare £M	2024 HE Discretionary £M	2024 Other £M	2024 Total £M	2023 Total £M
Balance brought forward	0.1	0.2	0.1	0.4	0.3
Allocation received in year	0.3	0.6	-	0.9	1.6
Expenditure	(0.4)	(0.5)	-	(0.9)	(1.2)
Virements	0.1	(0.1)	-	-	-
Repaid (recovery of funds)	(0.1)	(0.2)	(0.1)	(0.4)	(0.3)
<b>Balance carried forward</b>	-	-	-	-	<b>0.4</b>
<b>Repayable (recovery of funds)</b>	-	-	-	-	<b>0.4</b>

These grants are available solely for students. The University acts only as paying agent. The grants and related disbursements are therefore excluded from the Statement of Comprehensive Income and Expenditure.

## 26. Facility time publication

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. The regulations place a legislative requirement on relevant public sector employers, including the University, to collate and publish a range of data on the amount and cost of Trade Union facility time within their organisation on an annual basis. The University's return for the period 1 April 2023 - 31 March 2024, which contains details of numbers of employees who were relevant union officials, the percentage of their working hours spent on facility time, percentage of pay bill spent on facility time and paid trade union activities, is available on the facility time publication webpage.

## 27. US Department of Education Financial Responsibility Supplementary Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the University of Strathclyde 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 modified by the revaluation of land, investment properties and certain fixed asset investments.
- 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.

In the tables below, the primary statements are referenced using the following abbreviations:

- Statement of Comprehensive Income and Expenditure - SOCI
- Balance Sheet - BS

The intangible assets entry is considered to be the most appropriate place to include the pension asset.

## 27. US Department of Education Financial Responsibility Supplementary Schedule continued

<b>Primary Reserve Ratio</b>				<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
Page	Note	Financial Statements Description	Supplementary Schedule Description	Total £M	Total £M	Total £M	Total £M
56		BS – Income and Expenditure reserve - unrestricted	Net assets without donor restrictions		519.3		360.7
56		BS – Income and Expenditure reserve - endowments	Net assets with donor restrictions		46.6		42.2
	N/a		Secured and Unsecured related party receivable	-		-	
	N/a		Unsecured related party receivable		-		-
56		BS – Intangible assets and Tangible assets	Property, plant and equipment, net (includes Construction in progress)	460.8		462.6	
56		BS – Intangible assets and Tangible assets less Assets under construction per Note 12	Property, plant and equipment – pre-implementation				-
	N/a		Property, plant and equipment – post implementation with outstanding debt for original purchase		65.1		55.1
	N/a		Property, plant and equipment – post implementation without outstanding debt for original purchase		388.7		406.4
77	12	Assets under construction	Construction in process		7.0		1.1
			Lease right-of-use asset, net	-		-	
	N/a		Lease right-of-use pre-implementation		-		-
	N/a		Lease right-of-use post implementation		-		-
56		BS – Pension asset	Intangible assets		106.5		99.5
56		BS – Pension provisions and other provisions	Post-employment and pension liabilities		5.2		162.6

## 27. US Department of Education Financial Responsibility Supplementary Schedule continued

<b>Primary Reserve Ratio continued</b>				<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
Page	Note	Financial Statements Description	Supplementary Schedule Description	Total £M	Total £M	Total £M	Total £M
82	16	Unsecured loans	Long-term debt – for long term purposes	65.1		55.1	
82	16	Unsecured loans	Long-term debt – for long term purposes pre-implementation		-		-
		N/a	Long-term debt – for long term purposes post-implementation		65.1		55.1
		N/a	Line of Credit for Construction in process		-		-
		N/a	Lease right-of-use asset liability	-		-	
		N/a	Pre-implementation right-of-use leases		-		-
		N/a	Post-implementation right-of-use leases		-		-
		N/a	Annuities with donor restrictions		-		-
		N/a	Term endowments with donor restrictions		-		-
		N/a	Life income funds with donor restrictions		-		-
84	18	Total permanent endowments	Net assets with donor restrictions: restricted in perpetuity		45.3		41.0
<b>Total Expenses and Losses</b>							
54		SOCI – Total expenditure less expenditure funded by restricted donations (Note 7) and expenditure on permanent endowments (Note 18)	Total expenses without donor restrictions – taken directly from Statement of Activities		275.9		400.6
		N/a	Non-Operating and Net Investment (loss)		-		-
		N/a	Net Investment losses		-		-
		N/a	Pension-related changes other than net periodic costs		-		-

## 27. US Department of Education Financial Responsibility Supplementary Schedule continued

<b>Equity Ratio</b>				<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
Page	Note	Financial Statements Description	Supplementary Schedule Description	Total £M	Total £M	Total £M	Total £M
				<b>Modified Net Assets</b>			
56		BS – Income and Expenditure reserve - unrestricted	Net assets without donor restrictions		519.3		360.7
56		BS – Income and Expenditure reserve - endowments	Net assets with donor restrictions		46.6		42.2
56		BS – Pension asset	Intangible assets		106.5		99.5
	N/a		Secured and Unsecured related party receivable	-		-	
	N/a		Unsecured related party receivable		-		-
				<b>Modified Net Assets</b>			
56		BS – Total assets less current liabilities <i>plus</i> Creditors: amounts falling due within one year	Total assets		812.7		801.3
	N/a		Lease right-of-use pre-implementation		-		-
	N/a		Pre-implementation right-of-use leases		-		-
56		BS – Pension asset	Intangible assets		106.5		99.5
	N/a		Secured and Unsecured related party receivable	-		-	
	N/a		Unsecured related party receivable		-		-

## 27. US Department of Education Financial Responsibility Supplementary Schedule continued

Net Income Ratio				2024	2024	2023	2023
Page	Note	Financial Statements Description	Supplementary Schedule Description	Total £M	Total £M	Total £M	Total £M
54		SOCI – Unrestricted comprehensive income and expenditure for the year	Change in net assets without donor restrictions		158.6		152.1
54		SOCI – Total income <i>plus</i> gain on investments and actuarial gain in respect of pension scheme less <ul style="list-style-type: none"> <li>• Deficit on revaluation (SOCI)</li> <li>• Investment income on endowments (Note 6)</li> <li>• Donations with restrictions (Note 7)</li> <li>• (Increase)/decrease in market value of investments (Note 18)</li> </ul>	Total revenues and gains		434.5		552.7



## Court Membership 2023/24

### Convener of Court

Dame S Bruce

### Ex Officio

Principal and Vice-Chancellor  
Professor Sir J McDonald

Vice-Principal Professor S MacGregor

### Glasgow City Council

Councillor Richard Bell

### Senate

Prof Y Perrie  
Prof J Sefcik

### President of the Students Association plus another Member of the Student Executive

Eva Curran

Justyna Kardasz

### Co-opted by Court (Lay Members)

Ms N Bakshi (Deputy Convener, Staff)  
Ms V Beckett (Deputy Convener, Estates)

Dame S Bruce (Convener of Court)

Ms F Salzen (Treasurer)

Mr M Campbell  
Mrs P Galloway (Vice Convener of Court)

Mr C Berry  
Mr S Ingledew (Deputy Convener, Enterprise and Investment)  
Ms M Jacobi  
Mr C Marwick  
Mr P Young  
Mrs B Oldfield  
Mrs C Schmolke  
Mr M Timar

### Professional Services Staff

Ms E Blaxter

### Academic Professional Staff

Prof J Delafield-Butt

### Appointed by Trade Unions

Mr Chris Jones  
Mr David Pritchard

The following individuals were appointed as members of Court on 1 August 2024. They were not members of Court during the financial year to 31 July 2024 but were members of Court on the day the Financial Statements were approved: Professor T Morse, Mr C McKenzie, Mr C Wilson and Dr Z Rattray.

**Note:** further information on Court members, including attendance rates and a register of interests, is available on the [Court](#) webpage.

## Membership of Principal Committees of Court

Convener of Court Membership Group and Court Business Group,  
Member of Remuneration Committee

Member of Estates Committee, Staff Committee, Court Membership Group,  
Court Business Group, Enterprise and Investment Committee

Convener of Estates Committee, Member of Court Membership Group,  
Court Business Group and Staff Committee

Member of Court Business Group

Member of Court Business Group, Estates Committee and  
Court Membership Group

Member of Estates Committee, Staff Committee and Court Membership Group  
Member of Court Business Group, Court Membership Group and Estates  
Committee

Member of Court Business Group, Court Membership Group and  
Remuneration Committee

Member of Court Business Group, Court Membership Group, Enterprise and  
Investment Committee, Remuneration Committee and Estates Committee

Member of Audit and Risk Committee, Remuneration Committee  
Member of Court Membership Group, Court Business Group and Audit and  
Risk Committee

Member of Enterprise and Investment Committee

Member of Court Business Group, Court Membership Group, Enterprise and  
Investment Committee

Member of Staff Committee and Remuneration Committee

Member of Staff Committee

Member of Enterprise and Investment Committee

Member of Audit and Risk Committee

Member of SACSOH

Member of Audit and Risk Committee

Member of Court Membership Group



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Daily Mail University of the Year Awards

**EUROPEAN ENTREPRENEURIAL**

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