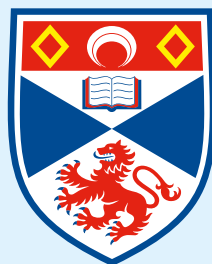


Reports and Financial Statements of the University Court

for the year to 31 July 2024



University of
St Andrews

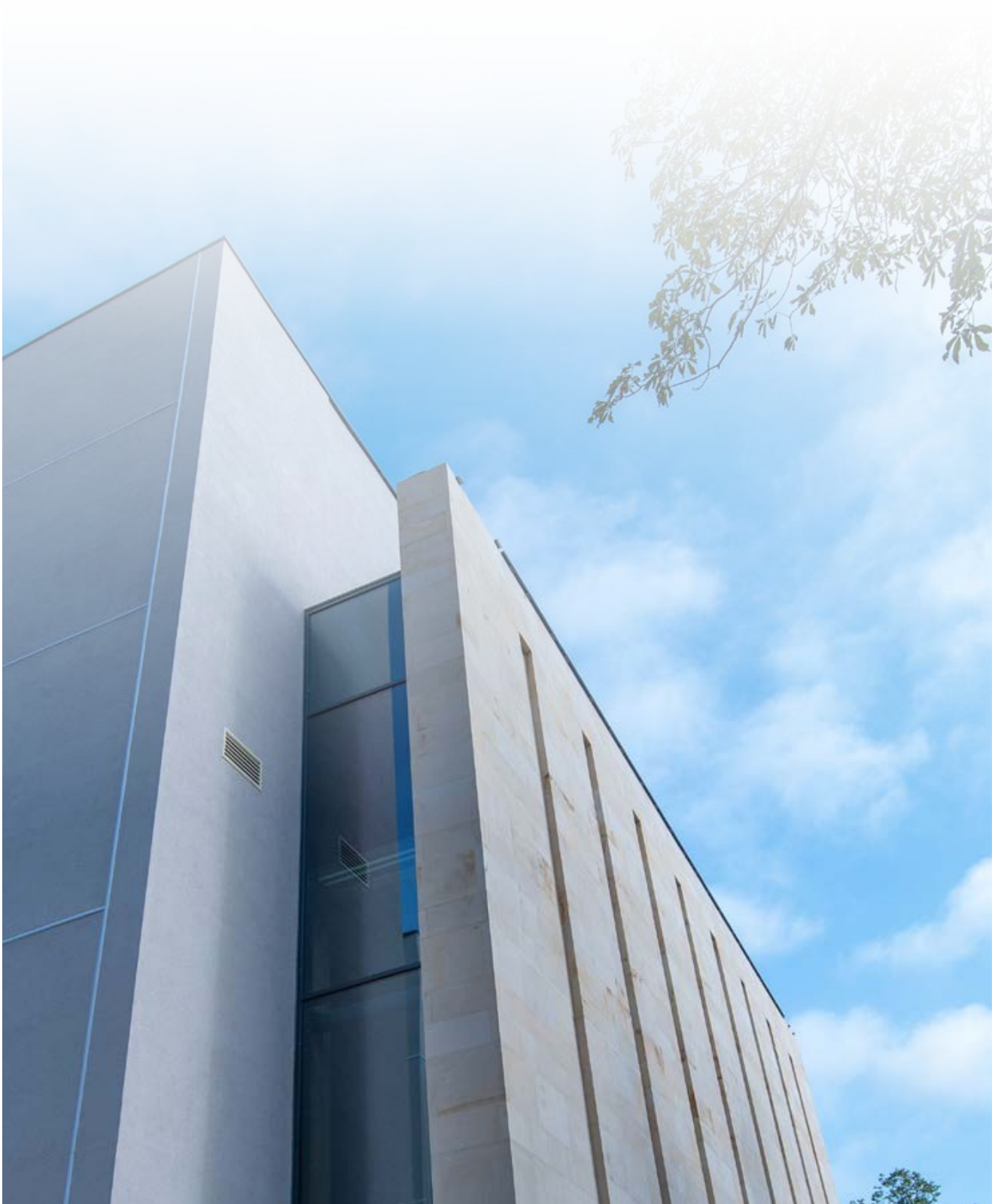
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Strategic Report



Vision

Our goal is to attract and nurture the best staff and the most promising students from around the world and provide an environment in which they can produce their best work for maximum benefit to society.

Strategy at a glance

The [University Strategy 2022-2027](#) sets out how we will change to invest in key areas of:

- Research and teaching and strategic appointments;
- Leverage our international partnerships to widen influence;
- Make smart use of digital technology to bring people together to share knowledge and ideas;
- Foster an inclusive and compassionate culture and become more diverse;
- Become a role model for how people and ideas can move seamlessly between academia, industry, and society in general;
- Model the solutions and behaviours humanity will need to tackle the climate crisis.

This Strategy develops the **World-Leading, Diverse and Entrepreneurial** themes, of our previous strategy, and brings forward two others for a fast-changing world, **Sustainable** and **Digital**. All are underpinned by our continuing commitment to Social Responsibility.

Our University Strategy faces many challenges in today's landscape. The recent high inflation environment strained our financial resources, while the lasting impact of the pandemic necessitates adaptability in our teaching and learning models. We must prioritise student mental health and well-being, foster diversity and inclusion, and invest in digital transformation to ensure equitable access to education. Competition for funding, faculty, and students is increasing, and so is the need to make ourselves more sustainable and comply with additional government regulations. The need to balance financial stability, with continued academic excellence, and relevance to society's needs presents challenges in an ever-changing higher education landscape.

We firmly believe that our Strategy, underpinned by our values and unwavering determination, will continue to provide a clear path forward. St Andrews is in a stronger position than many universities, but we are not immune to the problems of the higher education sector in the UK and we will not become complacent.

World-leading St Andrews will:

- Achieve global excellence, strengthening our academic community and impact.
- Promote interdisciplinary collaboration to tackle global challenges, forming key partnerships.
- Attract, nurture, and reward excellence in our staff and students within an inclusive scholarly environment.
- Develop our estate to advance research and interdisciplinary opportunities, including the development of the New College and science innovation.

Diverse St Andrews will:

- Lead in equality, inclusion, and diversity across teaching, research, and operations.
- Cultivate an inclusive culture, challenging prejudice and discrimination.
- Address inequalities experienced by minority groups, including race, socio-economic status, LGBTIQ+ rights, disability, and gender.
- Enhance diversity in our student and senior staff communities, ensuring inclusive leadership.
- Promote well-being, resilience, and a culture of care among staff and students.

Digital St Andrews will:

- Prioritise transformative digital opportunities to expand our influence.
- Invest in developing digital skills and innovations among our staff.
- Diversify our learners and education with an innovative digital portfolio.
- Utilise digital capabilities to push research boundaries and support researchers.

Sustainable St Andrews will:

- Integrate sustainability into our vision and operations.
- Encourage our community to make informed sustainable decisions.
- Foster interdisciplinary sustainability contributions in academia.
- Create living lab opportunities for research and education.
- Influence policies for a just societal transition.

Entrepreneurial St Andrews will:

- Foster entrepreneurship through education and programs.
- Boost opportunities for commercial pathways and social enterprises.
- Provide seamless support for entrepreneurial journeys.
- Diversify funding sources.
- Establish a supportive network of advisors and mentors.

University Social Responsibility

Social responsibility is a deeply-woven thread which already runs through what we do at St Andrews. Our sense of responsibility towards our staff and students is visible across the themes of the Strategy. Our responsibility towards the environment has been extended under the new theme of Sustainable St Andrews. We retain a keen sense of responsibility towards our local community and recognise that our day-to-day activities and plans have a profound impact.

Realising the Vision

We will always stay true to our values and the Homeric motto that expresses our determination to move forward with purpose, integrity, and success: Ever to Excel.

Preparation of the financial statements

The financial statements for the year to 31 July 2024 have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (SORP 2019) and the Scottish Funding Council's (SFC) annual Accounts Direction.

As noted in the Statement of Principal Accounting Policies on page 41, the financial statements have been prepared on a historical cost basis as modified to include investments and financial instruments at their market value.

Foreword

The academic year 2023/24 was a challenging financial environment for the Higher Education sector. Nevertheless, the University maintained its reputation for the excellence of its teaching and research and received two awards in [The Times and The Sunday Times Good University Guide 2025](#). St Andrews was named the *Scottish University of the Year 2025* and *University of the Year for Student Experience 2025*. We came second to Oxford in the Guardian University guide for 2025, one place higher than Cambridge. We look forward positively towards 2024/25 and beyond. More detail of our awards and position in ranking tables is given below.

The announcements regarding visa restrictions, by the previous UK Government, along with fee hikes for both visas and NHS surcharges, created a particularly unwelcoming environment for overseas students who are so important to the UK and this University in terms of knowledge, community and financial sustainability. This is particularly important given the unsustainable funding model for UK and Scottish students and had a significant bearing on our 2023/24 financial results.

Our Undergraduate recruitment was intentionally planned at a lower level to manage the overall student population size and shape, taking into account available teaching space and accommodation. Despite this strategic planning for a smaller cohort, we under-achieved our target numbers for overseas PGT (post-graduate taught), digital PGT, and PGR (post-graduate research) by around 265 FTE resulting in a £6.9m shortfall in tuition overall and £1.4m shortfall in student accommodation income. Overseas PGT recruitment suffered the impact of Government announcements and a very competitive global market felt across the sector. All of these resulted in vacancies in our student accommodation, which is highly unusual. Inflationary pressures continue to put pressure on university finances, with continued constrained Government funding.

During the year Reinforced Autoclaved Aerated Concrete, lightweight concrete used in the construction industry between the 1950s and the 1990s, was discovered in two significant areas of the University. Agile planning and close working with the Students Association kept disruption to teaching and student activities to a minimum. All works are complete and we look forward to a normal 2024/25.

We also delivered a new cloud-based finance system during 2023/24. This replaced an old legacy system, and whilst it was a protracted project, the successful implementation of it will provide enhanced and timely management information.

The University must manage its costs effectively and operate efficiently whilst looking for new areas of income growth. The development of our digital courses, both credit and non-credit bearing, is planned to deliver income growth, whilst providing the opportunity for the extension of our reach globally to areas where travel to St Andrews may prove particularly challenging. The launch of our new Business School will build on the research led teaching already available within the University and will allow us to deliver new and exciting globally leading Executive Education courses.

Results for the year

Overview

Our financial statements for 2023/24 academic year reflect a challenging environment faced by many businesses, marked by rising costs across a wide range of goods and services necessary to operate a complex institution, ongoing geo-political unrest and postgraduate recruitment instability. In response to these pressures, strategic decisions were made to safeguard the University's financial stability, focusing on preserving cash reserves, carefully prioritising capital investments, and adapting to maintain long-term resilience.

Historically the total comprehensive income has been used as the key financial metric when explaining our financial performance. However, as the complexity of the University's operations has continued to grow, along with the developments in accounting standards, we now believe a more appropriate measure for our financial performance is the underlying deficit/surplus, shown in the table below. We use the total comprehensive income shown in the financial statements and make adjustments thereafter to reach the underlying operational performance.

While the headline financial performance for the year appears stable, with the University's total income showing a modest growth of 0.3% to £321.6m (compared to 2.8%

in 2022/23) and total comprehensive income of £72.3m (up from £60.1m in 2022/23) the underlying results reveal a more challenging picture, driven principally by non-recurring in-year events.

The table below shows the reconciliation from total comprehensive income through to underlying deficit, and we highlight the large non-cash movement in pension provisions that is further explained in the financial statements.

Our underlying operating deficit for 2023/24 was £13.0m, (2023: £5.5m deficit). This is behind the projected breakeven position for the year of £0.1m and is primarily a result of a shortfall in tuition income of £6.9m driven by below target student numbers in postgraduate taught and research, along with not achieving staff vacancy savings targets and a non-recurring investment in our new financial system.

The University continues to have a £35m Revolving Credit Facility (RCF) as part of its approach to strategic treasury management, with £23m remaining available at the end of the year. During the year the University used £12m of the revolving credit facility to fund the development of postgraduate housing. This will be repaid in 2024/25. The existing facility is in place until July 2028. This has a strategic role in the University's treasury management approach, offering liquidity, security, and flexibility against future challenges like pandemics or geo-political unrest.

Reconciliation to underlying deficit

	Note	Consolidated Period ended 31 July 2024 £000	Consolidated Period ended 31 July 2023 £000
Total Comprehensive Income for the year	SOCI	72,289	60,131
Less material non-recurring items:			
i) Impact of pension gain	(a)	74,674	12,687
ii) Capital donations	4	2,852	9,570
iii) New endowments	23	3,289	5,198
iv) Other gains/(losses)	SOCI	5,864	(5,016)
v) Actuarial gain	SOCI	414	43,188
vi) Impairment	SOCI	(1,792)	-
Underlying operating deficit for the year		(13,012)	(5,496)
a) Impact of pension costs:			
i) USS Pension release	7	74,717	17,085
ii) USS Pension net finance costs	8	(1,680)	(2,887)
iii) S&LAS net pension charge	(b)	1,622	(60)
iv) S&LAS Pension net finance gain/(charge)	8	15	(1,451)
Pension gain/(loss)		74,674	12,687
b) S&LAS pension costs charged to statement of consolidated income:			
i) Total operating charge	31	(4,122)	(5,360)
ii) Employer contributions	31	5,744	5,300
		1,622	(60)

The Financial Plan for 2023/24, presented a challenging picture. The very significant cost increases driven by inflation put long-term pressure on the higher education sector, with no inflationary support from the UK or Scottish Governments. The year saw lower than expected student numbers, despite continuing high student retention and strong application numbers. Action was taken to improve the situation for 2024/25 without any reduction in standards.

The continuing difficult economic environment, together with additional costs resulting from the UK Government budget, mitigated in part by an increase in fees to non-Scottish UK students, necessitate a need for flexible financial planning.

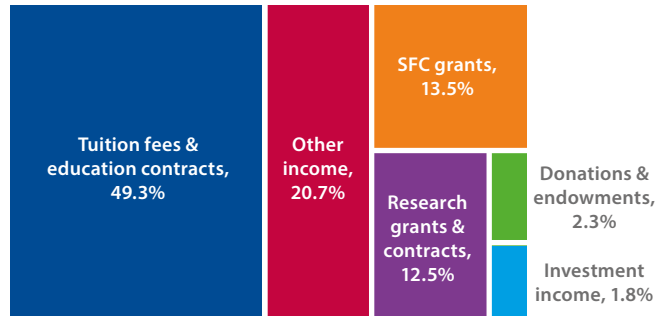
As part of this, we will look to grow income outside of the core St Andrews-based student body as we continue to consolidate the long-term financial sustainability of the University. We anticipate new net income in 2024/25, growing each year thereafter, as we continue to develop and roll-out digital education initially focused on postgraduate taught (PGT) courses. We will also look to develop non-core education looking beyond our traditional student markets. Our investment in future carbon credits at a Scottish Highland estate continues our progress towards net zero emissions, as well as providing a living research laboratory for staff and students.

On 20 December 2023, the most recent formal valuation of the USS (with an effective date of 31 March 2023) was published, with lower contributions rates agreed to be introduced from 1 January 2024. No deficit recovery payments will be required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. Following discussions, new contributions were determined by the Trustee on 19 December 2023 after consultation with Universities UK, which resulted in employee contributions reducing from 9.8% to 6.1% of salary from 1 January 2024, and employer contributions reducing from 21.6% to 14.5% of salary. Employer funding now sits at 70.4% of pension contributions.

Income

Total income remained relatively static with 0.3% increase to £321.6m

Sources of income



Refer to Consolidated statement of comprehensive income, page 48

Tuition fee income rose by 5.3% to £158.7m (2022/23: £150.6m), reflecting growth in overseas tuition fees. Application levels from high quality overseas students remain strong noting, however, the competition to attract these students remains very high. In response to this, the University's strategy is to maintain its excellent standards and reputation for world leading research-led teaching whilst looking to diversify and grow its market through digital means.

Funding body grants totalled £43.3m (2022/23: £43.3m), a flat performance year on year. A reduced teaching grant has been offset by income from the Innovation Grant, non-recurring research funding and funding for specific purposes such as Upskilling, and Counselling. The main recurring SFC teaching grant remained relatively static. This static grant settlement represents a major constraint of the existing Scottish Government funding model, with no recognition of yearly and cumulative inflationary pressures resulting in a significant reduction of real-term funding. This failure



to keep track with inflation increases reliance on income growth from other sources and is identified as one of the key risks for the University. It is noted the Scottish Government now acknowledge, via the Scottish Funding Council, they only make a contribution towards the costs of education of home-based students.

Research income for the year decreased by 12.5% to £40.1m, down from £46.5m the previous year. This reduction largely reflects the completion of significant grants in 2022/23. There was also a temporary reduction in income from EU Government and the associated UK guarantee scheme due to delays in funding calls.

Despite the dip in income, research activity shows positive momentum. Research awards reached £48m, which is a 10% increase above the three-year average, with strong gains in UKRI and UK Government funding. Additionally, research applications stood at £232m, which is 20% higher than the prior three-year average, with a significant rise in UKRI and UK government applications.

Other income has decreased by 2.4% to £66.5m compared to £68.2m in the previous year. However, when removing prior year capital grants of £9.6m and current year grants of £2.8m, the underlying other income increased by £5.1m to £63.7m. Despite the increase overall, lower student numbers reduced uptake in student accommodation resulting in lower occupancy levels and lower income of £1.4m than forecast. This was offset by increases in summer accommodation partly driven by the Ladies Open Golf Championship being hosted in St Andrews.

Investment income, generated mainly from the University's endowment fund, plays a crucial role in supporting scholarships across the University, along with initiatives aimed at enhancing access to education, and providing financial assistance for accommodation and other living expenses through student bursaries. This income stayed relatively flat at £5.8m compared to the prior year. The high-interest rate environment generated returns on cash deposits throughout the year.

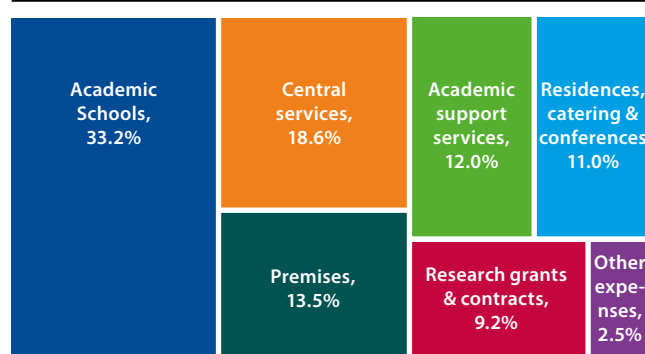
Income from donations and other grant income decreased by £1.4m to a total of £7.2m compared to the previous year's figure of £8.6m due to lower permanent endowments received in the year. Of this, £3.3m was for new permanent endowments which were given to support scholarships across our academic faculties with £3.9m being expendable. Expendable donations primarily contribute to scholarships. These scholarships have been designed to support incoming students who possess the academic ability to thrive at St Andrews but encounter financial challenges that may hinder their ability to accept their place. This year we received a generous donation of £0.4m towards academic posts to support the development of our new Business school bringing together the Schools of Economics & Finance and Management. A further £0.3m was received towards the Lord Laidlaw Programme which

is to provide support for undergraduates to participate in research, internships and leadership courses, £0.3m towards Medicine BSC support, with other donations contributing to a number of scholarships and projects across the university. We extend our deepest gratitude to our generous donors.

Expenditure

Total headline expenditure for the year of £255.3m shows a significant decrease of £45.2m (15.0%). This decrease is primarily attributed to pension accounting adjustments related to our USS and S&LAS pension schemes, as detailed in the staff costs reconciliation table below. However, when these pension movements are excluded, underlying expenditure has increased by £14.1m year on year to £331.7m (2022/23: £317.6m). This rise in expenditure is driven by a £8.6m increase in staff costs, a £5.5m increase in other operating expenses due to the continued high-cost environment associated with conducting our operations and £2.7m related to depreciation and non-recurring impairments. This is offset by an improvement in finance costs of £2.7m due to higher than expected interest on deposit balances, as the high interest rate environment persists.

Analysis of total expenditure by activity



Refer to Note 9, Analysis of expenditure by activity, page 63

Excluding the pension adjustments, underlying staff costs have increased by £8.6m to £175.7m

Reconciliation to underlying staff costs

		31 July 2024	31 July 2023
	Note	£000	£000
Total staff costs	(7)	99,323	150,051
Pension adjustments:			
– USS pension adjustment	(7)	74,717	17,085
– S&LAS net pension charge	(b)	1,622	(60)
		76,339	17,025
Underlying staff costs		175,662	167,076

Excluding the impact of a non-cash credit to staff costs of £76.3m, relating to a movement on the USS and S&LAS pension provision in the year underlying staff costs increased by 4.9% to £175.7m. Pay negotiations conducted by UCEA for the 2023/24 financial year resulted in a staggered pay award of between 8%-5% for 2023/24, with the initial portion implemented early in February 2023 prior to the beginning of the financial year, and the second portion in August 2023. This was offset by a reduction of USS pension costs in year following the most recent formal valuation as at 31 March 2023, which was welcomed by all. Lower contribution rates were agreed to be introduced from 1 January 2024 with employers' contributions reducing from 21.6% to 14.5% of salary which saw a saving of £2.4m in year.

Strategic staffing levels are reviewed by the Workforce Planning Group to ensure the quality and level of our teaching and research remains consistently high, and our professional services remain efficient and effective, within the tight financial constraints that the University operates in. In line with our strategic commitment to expanding predominately digital-focused teaching, we invested in highly skilled staff to support this, along with strategic appointments of a new Chair in Energy, and Innovation Fellowships.

Cost increases in other expenditure has slowed this year back to a more normal level of 4.4% compared to the previous year's growth of 15.8%, fuelled by inflation. Operating expenditure totalled £129.3m compared to the previous year's figure of £123.8m, an increase of £5.5m. The current year spend included a non-recurring cost of £6.4m relating to the implementation of a new finance system which was successfully implemented in March 2024. This project has replaced an antiquated finance system with a modern, data driven enterprise resource system (ERP) facilitating fast transaction services across the organisation for the forthcoming future. Some Professional Service Units experienced higher than anticipated spend, predominantly in Estates due to weather related remedial works following bad storms in Autumn 2023, as well as increased costs in Residential and Business Services, which was offset by additional income.

Depreciation has risen by £0.9m year on year to £19.2m. This increase is the result of continued investment in the University estate, which directly contributes to the enhancement of our teaching and research capabilities.

Interest and other finance costs have also decreased by £2.7m year on year to £5.6m. The decrease is solely attributable to pension-related factors, specifically the decrease in the net finance charge for both USS and S&LAS pension schemes. Interest payable on long-term debt remains unchanged from the prior year at £4.0m.

During the year the estate was affected by storm damage as well as the cessation of a handful of capital projects resulting in an impairment of £1.8m for the year.

Non-operational income and spend

Disposal of Assets

During the year the University sold assets resulting in a loss of £0.8m. The asset sales relate to two development sites which form part of the St Andrews West development agreement, that will see a major expansion of the St Andrews footprint over the next decade. Future receipts from the sale of land to developers will see the University generating funds for future investment. We also wrote off the Students Association building roof that was found to have RAAC within the structure, as well as the relatively new roof at the Gatty building, which is a leading centre for research into marine animals, that required replacing due to storm damage.

Endowment Investments

The endowment portfolio has suffered some fluctuations over the year but finished the highest it has been for some time. The performance of the fund has seen an increase in the value of endowments of 11.7% for the year with a fund value of £117.9m at 31 July 2024 (up from £105.5m in 2022/23).

As a result, the University recognised an increase in the overall value of investments of £10.5m along with a £2.5m release of appreciation to revenue in the year. Endowment investment properties were revalued at 31 July 2024 resulting in an increase of £0.2m. Over the year the fund still supported endowment spend of £4.2m (2023: £3.8m) towards scholarships, chairs, lectureships, prizes and other specific areas of expenditure.

Gain on sale of associate

During the year the University disposed of a minority holding from a spin out company specialising in genetic services for aquaculture, resulting in a gain of £0.7m.

S&LAS Local Defined Benefit Pension Scheme

Actuarial changes to the S&LAS pension scheme have reduced the assessed liabilities by £1.9m, primarily due to an increase in the discount rate since year end. However this has been limited to £0.4m due to a restriction of the asset ceiling of the scheme. The University assesses that it does not have an unconditional right to a refund of any surplus on wind-up of the Scheme, nor is there a possibility of reducing future contributions due to the surplus. Consequently the surplus in the scheme has been restricted to zero.

Balance Sheet

Total net assets experienced a noteworthy increase of £72.3m, reaching £513.0m at the year end. The primary driver of this increase is the reduction in USS and S&LAS pension provisions of £75.1m, stemming from decreased pension liabilities in year. The remaining change can

be attributed to a £12.4m growth in investments due to improved global stock market values during the year and £1.4m reduction in long-term debt offset by a £13.1m increase in short term creditors following the utilisation of the Revolving Credit Facility.

The University continued to invest in its estate and infrastructure, however it took action to reduce the planned level of capital investment by £13.0m, in year, as a result of the challenging operating environment, protecting cash. This resulted in a lower-than-normal investment of £22.4m of capital additions in the year (2022/23: £31.2m) together with the revaluation loss on investment properties of £2.0m. Construction inflation is still prevalent in some areas of capital works, such as mechanical and electrical services and cladding, however other areas have stabilised to a more normal level. The University completed its investment in new postgraduate housing at the Grange, with partners Kingdom Initiatives, featuring 61 energy-efficient homes with an A Plus energy rating. This development aims to attract talented postgraduate students and staff, providing more affordable housing accommodation in a challenging market, aligning with our strategic objectives. This ambitious project started in 2022/23 and the site was fully complete and handed over in June 2024.

Preliminary works and designs are ongoing at the New College, which will house the new St Andrews Business School, combining the Schools of Economics and Finance and Management, alongside the School of International Relations. Asbestos removal and demolitions have been completed, with the University enlisting the expertise of the award-winning architect WilkinsonEyre to design this significant investment. Historic parts of the building including the Quad have been safeguarded and will be incorporated into a new, sustainable design. Investments have been made to address buildings found to contain Reinforced Autoclaved Aerated Concrete (RAAC), following investigations conducted in late 2022/23. These actions were guided by the Department of Education's decision tree, issued as part of its comprehensive assessment of RAAC in public infrastructure. Three University buildings were identified as requiring remedial action due to the presence of RAAC. The most significant element of this work included replacing part of the Students' Association roof, which was successfully completed this year. Other smaller areas of capital investment include a High Performance Computer (HPC) replacement, school equipment, and projects across the estate to reduce our carbon footprint whilst also seeking operational efficiencies.

The Eden Campus

The Tay Cities Deal has been instrumental in advancing the redevelopment of Eden Campus, with the allocated initial capital investment reaching completion in the

2023/24 fiscal year. Over the past year, Eden Campus has seen continuing expansion plans through various capital projects.

- **Enterprise Hub:** Designed to foster growth for start-ups and spin-offs.
- **Wet Innovation Labs:** Developed for tenant use, these labs provide essential resources for innovative research & development.
- **Secondary Data Centre:** This facility enhances the resilience and recovery capabilities of business-critical services and ensures data security for the University.

Additionally, the University has secured further investments from the Wolfson Foundation, EPSRC, and Angel Trains to establish the Power-to-X facility. This phase 1 discovery-stage, industry-facing academic facility will offer:

- **R&D Space and Infrastructure:** Supporting research into green hydrogen production, carbon capture, and utilisation.
- **Power-to-X Concepts:** Focused on converting renewable energy into sustainable chemicals derived from biogenic carbon dioxide and water.

Eden Campus also hosts a diverse range of tenants who continue to grow their businesses. Plans for further expansion of premises are underway to accommodate their growth needs as well as creating space for further external partners.

Net Current Liabilities

Net current liabilities have grown by £13.0m this year, totalling £29.3m. This increase is primarily attributed to an increase in short term debt following the £12m drawdown on our existing Revolving Credit Facility (RCF) which was used to fund the Grange Housing Development. The RCF was repaid in September 2024. As of 31 July 2024, the University's liquidity headroom remains healthy at £43.2m (£20.2m in cash and investments, plus £23m from the remaining RCF), reflecting a stable financial position. However, liquidity is expected to decrease in 2025/26 as the University moves forward with strategically significant capital investments. To support these projects, new long-term debt is anticipated in Spring 2026, alongside substantial philanthropic contributions. Further details are outlined in the going concern assessment on pages 41-42.

Creditors: amounts falling due after one year

Long term creditors have increased by £1.4m during the year to £103.3m, comprised wholly of borrowing. The increase relates to a new SFC Carbon Reduction Loan of £2.7m to establish an additional solar array across the University, this is partly offset by capital repayments towards existing SFC Carbon Reduction and Solar loans in year.

Provision and Pension Schemes

Pension provisions have reduced by a net £75.1m in the year to nil, with a decrease in the S&LAS pension provision of £2.1m and the USS provision of £73.0m.

The S&LAS liability was recalculated at the end of the year following an independent valuation of the scheme by Isio.

The USS pension liability was recalculated, based on the most recent formal valuation dated 31 March 2023, using up to date assumptions at 31 July 2024 (note 31). Based on the most recent 2023 valuation, the deficit has reduced significantly to nil, from the position at the last valuation (at 31 March 2020). The release of our obligation to fund the USS pension deficit that was recognised under the 2020 valuation has now been accounted for at 31 July 2024.

Both schemes liabilities have reduced as a result of rising long-term interest rates and favourable discount rates decreasing pension liabilities. Neither of the two pension adjustments impact on the cash position of the University but do decrease liabilities on the Balance Sheet.

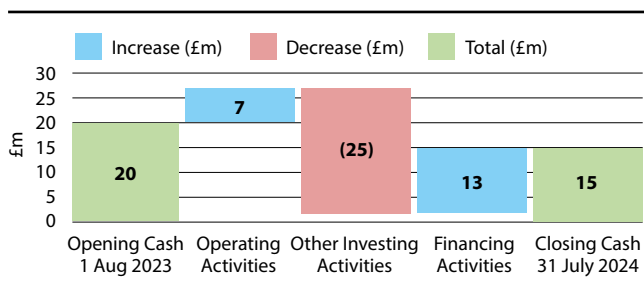
Cashflow and financing

Cash and short-term investment balances decreased by £6.3m year on year to £20.2m, reflecting the continuous investment in our estate and deficit on our operational performance for the year. Cash is £3.4m higher than originally forecast, with the operational deficit offset by slower capital spending during the year than originally planned contributing to the higher than forecast cash balances.

A small capital repayment towards existing SFC solar and carbon reduction funded loans was made during the year of £1.0m with a new SFC Carbon Reduction loan of £2.7m being established.

A £12m drawdown from our five-year RCF was made to support the Grange Housing development for postgraduate students, with external finance expected to be in place by the end of the calendar year. The RCF was fully repaid in September 2024. It is not anticipated that the RCF will be utilised during 2025/26. The establishment of the RCF continues to underpin medium term cash resilience of the University, whilst we operate through a period of high inflation and interest rates, and challenging economic conditions.

Cashflow Statement 2023/2024



Refer to Consolidated statement of cash flows, page 54

The cashflow statement above, which does not include short-term investments, shows our operating activities generated a cash inflow of £6.5m (2022/23: £2.5m) with £24.9m spent on investing activities, and income of £13m from financing activities. Investing activities includes payments of £23.4m on capital and £11.8m towards the Grange Housing development, this is offset by £5.3m capital grant receipts, £5.8m investment income along with other small capital receipts in year. Financing activities include the RCF uplifts of £12m in year, together with new endowments offset by interest payable. Having taken account of the above movements, the overall net group cash outflow for the year was £5.4m, compared with a £15m outflow in the prior year, resulting in a University held closing cash balance (excluding investments) of £14.9m for the year.

The University comfortably met all financial covenants throughout the year.

Key Performance Indicators

The University measures its performance against a number of Key Performance Indicators (KPI's) that are reported within five main headings aligning to the newly refreshed University Strategy 2022-27: World-Leading; Diverse; Digital; Sustainable and Entrepreneurial as well as a general Resources and Finance heading. Performance against target for each of the KPIs is reported via the Planning and Resources Committee (PARC) to Court on a quarterly basis using a Red, Amber, Green (RAG) system which allows Court members to focus on areas of concern. We present the risks and mitigations associated with the KPI framework within our Risk Management framework. Following the adoption of the new University Strategy 2022-2027 a new set of key performance indicators were developed. A summary of the relevant status is set out below.

World-Leading

Overall, this theme presents as amber, the same status as in the prior year. For an institution of our quality and scale, in the context of increased global competition for the best students and staff, it is important that we are visibly recognised as world leading in areas where we have the potential to be so. In this context, our strategic partnerships, global connectivity, and interdisciplinary approaches are key.

The University's strengths in student experience and outcomes as well as its global connectivity and influence through the high proportion of international staff and students, continue to be outstanding. Overall, we are performing well across associated indicators. Our consistent performance in the National Student Survey will hold us in good stead for the imminent round of UK league table publications. Global academic collaboration is strong and is developed strategically also underpinning global league table positioning.

We are taking positive action to improve our performance in the global rankings. We are now ranked just outside of the QS top 100 (for the first time) and Academic reputation and citation metrics are a specific area of concern and focus for actions although positive impacts will take time to materialise. Maintaining a rank within the top 100 in the QS is of significant importance for recruitment especially at PGT level.

Steps to embed a culture of high-quality research and environment are ongoing and will form part of the research and innovation strategy in development as well as serve us well for REF 2029 once guidance is issued later next year.

Diverse

This theme presents as amber, the same status as in the prior year. Actions under the Diverse theme as well as the People Strategy are progressing with a positive impact on closing the pay and promotion success gaps for women. Although, the rate of participation and promotion of BAME staff is low.

The University achieved a silver institutional Athena Swan award in January 2024. We now hold 1 gold, 6 silver, and 11 bronze departmental Athena Swan awards. Our application for the institutional Advance at Bronze level was submitted in July 2024.

Digital

Overall, this theme presents as amber, the same status as in the prior year. The delivery of our Digital theme and underpinning actions is key to the long-term financial sustainability of the institution.

The Digital Education Innovation Scheme has proved a success. The three programmes launched earlier this last year, are expected to yield at least 50 registrations for September 2024 for further waves expected and new programmes being launched. In addition to the innovation scheme, Schools have started to propose additional digital programmes, which will contribute to the pace of progress.

The portfolio of non-credit bearing online short courses has been developed over the course of the year and we now have eight live short courses available and have delivered these to over one hundred learners to date with further courses on track to be developed in the Autumn.

Several significant transformation projects are progressing to enhance our institutional digital capabilities. The new High Performance Computing (HPC) facility is being installed and on track to be active from September 2024. A mandate is being developed for a new Web and Portal programme which will enable a new digital experience for current and prospective students and staff; and despite significant challenges with the implementation of the required data infrastructure to support evidence-led decision making, there is now renewed progress.

Sustainable

Overall, this theme presents as red, decreasing from its amber status in the prior year. There is a significant volume of activity underway which seeks to make an impact on the climate emergency we are all facing.

We are meeting science-based targets (SBTi) associated with scope 1 and scope 2 emissions as part of our Carbon Net Zero ambitions, while scope 3 has been a challenge. This will require changes to travel, procurement and construction policies. Work is underway for the development of our pathway to net zero via the Sustainable St Andrews Leadership and Delivery groups.

The lack of agreed definitions for measuring scope 3 emissions nationally means that year on year, institutions are required to include an expanding footprint of scope 3 emissions, which makes comparable progress more difficult to track, although institutions, including our own, are improving data capabilities in response. This is the major driver behind this theme presenting as red overall.

Entrepreneurial

Overall, this theme presents as amber decreasing from green in the prior year. The building blocks of Entrepreneurial St Andrews have been put in place and as a result activity and external engagement have been increasing. These support building a pipeline and increasing the quantum and diversity of income with annually increased targets.

While there are areas of new and established growth such as the patent portfolio, licensing and the volume of activity and income associated with consultancy, research services and CPD, SME engagement and income, and activity in relation to spinouts, not all our ambitious targets have been met.

Income from consultancy is below target, although increasing by 25% relative to the previous year. Capital grant income has decreased significantly due to the Tay Cities grant for the University having been fully awarded.

Research income from industry and commerce has also declined relative to last year, though the longer term forecast is of growth, with research application and award values increasing.

We are growing the quantum (9% up compared with last year) and diversifying our other operating income streams, with increasing income from subsidiary rental at the Eden Campus and from conferencing and events.

Resources and Finance Overview

Overall, this area presents as amber, the same status as in the prior year. The University has suffered from a number of financial pressures, most of which are non-recurring. The external environment remains challenging, but the University has resilience built into its strategy.

For financial health, the further growth and diversification of sources of income are important,

as currently we are heavily reliant on income from traditional overseas tuition fees and research income from UKRI. Undergraduate Overseas and overall PGT entrant targets were not met for 2023 entry. While Overseas Undergraduate recruitment for 2024 entry looks strong, the PGT recruitment environment remains challenging.

Staff costs as a proportion of income have increased to 57.2% from 55.7% compared to last year. While some of the additional salary costs were non-recurring in 2023/24 such as those associated with the implementation of the new Finance system and vacancy factor estimates, salary inflation pressures are likely to continue.

Reputation and achievements

The University of St Andrews, as Scotland's first university, stands for research and teaching of the highest quality and the pursuit of knowledge for the common good. Our fundamental goal is to attract and nurture the best staff and the most promising students to Scotland from around the world and provide an environment in which they can produce their best work for maximum societal benefit.

We continue to attract highly skilled students and staff from over 140 countries to Scotland. We will strive to maintain our pre-eminent position in university league tables and continue to place people at the heart of our actions and choices. Our remarkable students and staff are the lifeblood of St Andrews, and our future relies on developing a University which allows them to use their talents to best effect. This section outlines some of our key achievements and areas in which we have been recognised during the academic year:

- The University celebrated double success this year after receiving two awards in [The Times and The Sunday Times Good University Guide 2025](#). St Andrews was named the *Scottish University of the Year 2025* and *University of the Year for Student Experience 2025* in the Definitive University Guide. St Andrews Schools also performed well in the subject rankings with seven subjects ranked top in the UK: Anthropology, Classics, English, French, German, Politics (International Relations), and History, which was joint top with Cambridge. All subjects at St Andrews were ranked in the top six in the UK.
- The University was second in the UK in [The Guardian University Guide 2025](#), with all of our subjects ranking in the top 10 and 7 of our subjects ranking top.
- The Daily Mail, published in September 2024, a new award for its sector-leading teaching quality and student experience, being named University of the Year for Student Experience, following last year's award for UK University of the Year for Teaching Quality.
- Scotland's oldest university is ranked 104 in the [2025 QS Rankings](#) of the world's top 1500 universities, placing St Andrews among the top seven per cent of global higher education institutions.

- Arts and Humanities subjects at the University of St Andrews are amongst the strongest in the world for teaching and research. Five schools and departments feature in the top 50 of the latest edition of the [QS World University Rankings by Subject](#), while a further eight are ranked amongst the top 100 in the world.
- Students put St Andrews first in UK for academic experience - students at the University of St Andrews are more positive about their education than students at any other mainstream university in the UK, according to the results of the [National Student Survey 2024](#).

Several of our University colleagues were recognised across a range of external merits, including the King's Honours, FRS, FBA and FRSE.

Three outstanding academics from the University of St Andrews have been recognised in the King's New Year Honours List 2023 for their services to education, mathematics, energy science and literature.

St Andrews Regius Chair of Mathematics, Professor Kenneth Falconer FRSE, has been awarded a CBE for Services to Mathematics. Andrew Pettegree FBA, Professor of Modern History, has been awarded a CBE for Services to Literature, and Professor of Pure Mathematics, Colva Roney-Dougal, has been awarded an OBE for Services to Education and Mathematics, marking a double celebration for the University's School of Mathematics.

St Andrews Honorary Professor of Chemistry Robert Tooze is now doubly honoured after being awarded an MBE in June 2024 in the King's Birthday Honours for Services to Science and Industry. Professor Tooze is a well-respected chemist, business leader, chemical industry expert and mentor to the next generation of researchers.

St Andrews Professor of Chemistry Professor John Irvine has been made a Commander of the Order of the British Empire (CBE) in the King's Birthday Honours list in June 2024 for his services to the UK's Green Economy. John leads the [JTSI Group](#) at the University which undertakes cutting-edge research in the fields of energy and materials, including battery technology, catalysis, and hydrogen technologies.

Professor Terry K Smith is Director of Biomedical Sciences Research Complex (BSRC) at the University. He has been awarded a CBE for Services to Disease Research. Professor Smith has led a team of interdisciplinary researchers to deliver world-leading science at the interface of biology, chemistry, physics and medicine.

Other staff honours and celebrations include:

- A mathematician, a sea mammal expert, a Professor of Greek, and a researcher in British culture – all from the University of St Andrews – are among 57 new Fellows from the worlds of business, science, creative arts, informatics, literature, law and social sciences elected to The Royal Society of Edinburgh (RSE), Scotland's National Academy in 2024. Professor Emeritus Ailsa

Hall, Professor of Mathematics and Statistics Jonathan Fraser, Professor of Greek and co-director of the Centre for Ancient Environmental Studies Jason König, and Professor of English and Associate of the Centre for Pacific Studies, Emma Sutton join an existing group of more than 1800 individuals who give their time and expertise for free to support the RSE in delivering its mission of ‘knowledge made useful’.

Seven exceptional academics from the University of St Andrews have been awarded research grants by the Royal Society of Edinburgh (RSE) as part of their Research Awards Programme announced in February 2024.

The RSE’s Research Awards Programme runs twice a year in spring and autumn. It aims to support Scotland’s research sector by nurturing promising talent, stimulating research in Scotland, and promoting international collaboration.

The RSE Awards for St Andrews researchers includes international collaborations with research partners in Germany, Italy, and the USA.

Graduation celebrations

More than 2500 students from across the globe celebrating their degrees success at the University of St Andrews in June 2024 were joined by an award-winning writer, director and film-maker responsible for creating the hugely popular political satires *Veep* and *The Thick of It*; a former Prime Minister of New Zealand; the first Native American Indian to be appointed a United States Poet Laureate; and an award-winning American cartoonist.

At winter graduation in December 2023, students celebrated with honorands including best-selling author Margaret Atwood who received a Doctor of Letters in recognition of her distinguished career as an award-winning novelist, poet, and scriptwriter. Atwood, who has published 17 novels and eight children’s books, countless pieces of short fiction and poetry as well as scripts for TV, radio and theatre, is perhaps best known for her novel, *The Handmaid’s Tale*, which was made into a multi-season TV series on Netflix.

Others honoured in St Andrews included Scots percussionist Dame Evelyn Glennie CH who despite a decline in her hearing from a young age has gone on to enjoy a stellar career in music, being awarded two Grammy’s and a BAFTA nomination. Director of the National Theatre, Rufus Norris, will also receive a Doctor of Letters for his contribution to theatre at the afternoon ceremony on Tuesday 28 November.

Author and former Director of Greenkeeping at St Andrews Links Trust, Gordon Moir, was awarded the University Medal.

Socially responsible St Andrews

At St Andrews, our commitment to social responsibility remains as strong as when we first placed it at the heart

of our refreshed 2022-2027 Strategy. We are committed to making a difference, whether that is globally, in the way our learning and teaching respond to global crises and the climate emergency, or locally, by forging local partnerships, widening participation or investing in the University estates to ensure it is fit for the future. This commitment was underlined by St Andrews becoming the first University in the UK to receive the EmilyTest Gender-Based Violence Charter Award, demonstrating our dedication to building a responsible and proactive community.

In 2024 we announced our new partnership with NHS Fife which follows a key decision by the Scottish Parliament in 2021 to remove a historic prohibition that had prevented St Andrews from awarding its own medical qualifications. Not only will new medical students finally be able to complete their five-year degree in St Andrews, but they will also be able to undertake their medical training with clinical teams across NHS Fife in a range of healthcare settings benefitting the wider community.

As part of our sustainable pillar as well as our socially responsible pillar the University continued its pioneering partnership with bus operator Stagecoach. This offers students and staff 75% off bus tickets across East Scotland, and provided financial support during the cost-of-living and energy crisis as well as helps the University meet ambitious net-zero targets. During the year staff and students not eligible for the Scottish Government’s free travel for under-22s have saved almost £700,000 in travel costs and saved 614 tonnes of carbon. The unique partnership has received national recognition, reaching the finals of the UK Bus Awards. The discount was extended into 2024.

As a University of Sanctuary, we continue to work closely with the Council for at Risk Academics (Cara), and since 2022, the University has welcomed two new Cara Fellows and their families from Afghanistan and Russia. In April, the Global Office organised the second annual Sanctuary Lecture, which was delivered by Councillor Roza Salih, who co-founded the Glasgow Girls with fellow pupils from Drumchapel High School to stop down raids and the detention of children by the UK Home Office.

More locally, the Students’ Association Campus Larder launched in October of 2023, and is open to all staff and students. This was introduced following the work of the University’s cost-of-living taskforce, comprising students and staff. The Larder provides basic items and food for free, from milk and cereal to biscuits, pasta, to washing detergent and toiletries. The Larder stocks many international food products to support our diverse student community.

In November, our cost-of-living taskforce, comprising students and staff, announced a series of measures to help staff and students. We also boosted our student discretionary funds by more than £1.5 million.

Lastly, the University's Community Fund continues to grow and go from strength to strength. Now in its fourth year, the Community Fund has supported 120 organisations and charities across the Kingdom with grants totalling £230,000. Designed to increase engagement between the University and the wider Fife community, funds can be used to benefit community groups and registered charities, promote knowledge, diversity and inclusion, widen participation and celebrate an area's heritage. Local groups and organisations promoting environmental sustainability are particularly encouraged to apply in this round.

World-leading St Andrews

The breadth of St Andrews' world-leading research is reflective of our academic expertise across four faculties - Arts, Divinity, Medicine, and Science. These multidisciplinary research strengths were boosted by significant external funding in more than 300 different research projects throughout 2023, including a £1.2 million UKRI grant to establish St Andrews' leadership of GLOBAL-EX: a pioneering new international climate change project, in the School of Earth and Environmental Sciences. Other notable areas of investment include research in the Schools of Chemistry, Biology, Philosophical, Anthropological, and Film Studies, and History.

St Andrews continues to develop multi-dimensional strategic partnerships with universities across the UK and internationally. Each strategic partnership enables collaboration on research initiatives in areas of mutual strength and shared interest. The partnership between the University of Bonn and the University of St Andrews reached a major milestone in 2023 through the establishment of a new Bonn-St Andrews Joint Professorship scheme, which facilitates collaborative research and high-quality funding applications. The first researchers selected for this programme began their three-year positions as joint appointments in August.

Towards the end of 2023, a £3 million grant from Wellcome established a partnership between St Andrews and two of Scotland's other leading universities – Glasgow and Edinburgh – to support the development and testing of a new model which enhances positive research cultures for people and projects.

Further achievements include researchers working in the new Scottish Brain Sciences (SBS) laboratory at the University of St Andrews Eden Campus innovation hub who are bringing the first equipment of its kind on stream to analyse blood samples, as part of a programme of work with Roche Diagnostics. SBS believes the new technology could offer a game changing approach to diagnostic testing for the proteins that indicate the build-up of amyloid in the brain, an early step in the development of Alzheimer's.

Sustainable St Andrews

The University continues to advance its leadership on sustainability through education and research, as well as in its operations. Emblematic of this was a landmark decision to invest nature-based carbon offsetting in December 2023, and a partnership agreement with a Scottish estate that will deliver c.100,000 tCO₂e of offset, primarily from peatland restoration, over 100 years has been forwarded. Vitally this partnership also includes opportunities for research and education at the estate, which are under development with our academic community.

The St Andrews Prize for the Environment marked its 25th anniversary in November 2023. Since its establishment in 1998, the Prize has awarded over \$2.5m in funding to over 70 organisations whose work is crucial in addressing the climate crisis, protecting the environment, and encouraging a more sustainable society. This year's winner was Alianza Ceibo, a non-profit alliance of four Indigenous nationalities of the Upper Amazon of Ecuador, Colombia, and Peru – Ai'Kofán, Siekopai, Siona, and Waorani – who empower their communities to conserve their rainforest territories, keep their cultures alive, and make decisions over their lands and lives.

In March it was confirmed that St Andrews had been awarded one of the three new Alliances for Research Challenges (ARCs) by the Scottish Funding Council. The Scottish Research Alliance for Energy, Homes, and Livelihoods will be run by the Centre for Energy Ethics and will include the universities of Strathclyde and Edinburgh as our partners, as well as business partners, third-sector collaborators, policy makers, and people from across Scotland.

St Andrews' growing reputation as a centre of excellence in green hydrogen took some important steps forward as well. In September, following a successful collaboration during COP26 in 2021, Angel Trains - the UK's largest rolling train stock company - donated a hydrogen electrolyser to the University, a facility which uses electricity to split water into hydrogen and oxygen. In December, the Wolfson Foundation approved a donation of £2m to advance St Andrews Green Hydrogen Accelerator project. The Eden Campus now provides a unique environment for advancing this research, with access to a renewable energy supply, green hydrogen from the electrolyser, and abundant sources of biogenic carbon dioxide from our biomass power plant.

To further academic activities in a long-term and global perspective, the University launched a Global Research Centre in Critical Sustainableities, this purposed to embrace and further diverse understandings of what sustainability is, how it is experienced, envisioned and achieved.

A major advance was made with the latest Annual Sustainability Report, the first comprehensive university-wide report on sustainable St Andrews. The report aligned

all initiatives under the Sustainability strategic theme with the United Nations' 17 goals for sustainable development (UN SDGs). The UN SDGs provide a comprehensive framework to tackle local, national, and global challenges. Additionally, an internship opportunity facilitated by the Proctor's Office allowed for an assessment of the alignment of School modules with the UN SDGs.

The University entered the global THE Impact Rankings for the first time, and for 2023 was ranked in the 101-200 category out of 1,591 institutions.

Significant plans to forward solar and extend the University's district heating system were advanced. The bus travel ticket 75% subsidy scheme was maintained, with support from local bus companies deepened. The scheme remains popular amongst staff, influencing commuting choices significantly as well as helping to keep rural bus routes viable for residents across North East Fife.

The University of St Andrews has a target to reach net zero by 2035 across all scopes. This is 10 years ahead of Scotland's own target date of 2045 and represents our desire to be a leader for change in this area. The most recent data for the University's carbon footprint, gathered in November 2023 as part of the Scottish Government's Public Bodies Climate Change Duty (PBCCD), shows that, for 2022/23, whilst our Scope 1 and 2 emissions (related primarily to energy use) continue to decrease, our Scope 3 emissions (related primarily to procurement and travel, and accounting for 85% of our emissions overall at St Andrews) have increased as the University returned to business post-Pandemic. For the baseline year of 2019/20, our carbon emissions for Scope 3 were 63k tCO₂e, for 2022/23 emissions were 73k tCO₂e, up almost 16%.

Whilst acknowledging increased demand, changes in sector methodologies have also impacted this total, with work underway to standardise reporting methods and boundaries.

A strong focus on reducing key sources of emissions such as heat and electricity, coupled with an emphasis on behaviour changes within areas such as business travel and procurement, and investment in nature-based offset solutions and ongoing research into carbon capture technology, mean that we are confident we will meet our net zero goals by the Scottish Government's target date.

Digital St Andrews

Our tailored online postgraduate courses are designed to allow students the opportunity to study wherever they are in the world as part of our international and diverse student body. The online programmes offer a range of study options from 1 to 3 years and in 2023 we launched Data Science and Data Literacy for Social and Environmental Justice with further exciting offerings to come in 2024 in the form of Digital Art History and Digital Humanities.

No matter where their location, our students are part of the St Andrews community. Our online cohort has

access to library resources and can chat to library staff online. There is a wide selection of University events that can be attended virtually, including concerts, and events, as well as sports classes and one-to-one musical tuition. Access to Student Service workshops and courses is also available online, and students can connect to the Chaplaincy through our livestreamed services.

Meanwhile, our short courses continue to be developed, and we welcomed our first cohorts in early 2024. The online, pre-recorded programmes are offered in different subjects, multiple times a year, and focus on offering relevant, industry-led courses that allow people to prepare for new challenges in the workplace and stay up to date with industry developments.

These self-paced online programmes are being delivered by our world-leading academics and are aimed at those who want to develop their professional skills. The offering includes courses on financial technology, machine learning, data analysis, and modernist art.

Reflecting its internationally diverse nature, our alumni community has a vibrant online presence, connecting through several activities and platforms. The Kaleidoscope Alumni Network, launched in 2022, promotes discussion and connections among our diverse communities to inspire and effect change in society. Our Saint Connect e-mentoring platform matches undergraduates with alumni for advice and career support, and hosts a series of online community events with attendees from across the world.

We expanded our open training programme for all staff to include access to the online learning platform LinkedIn Learning, with more than 16,000 courses to choose from. This resource helps to enable self-directed development and enhances our existing training provision, increasing accessibility and availability and supporting digital competence across the University.

Equality and diversity

The University Strategy sets out an ambitious vision to make St Andrews a beacon of inclusivity, placing diversity and equality at the centre of everything we do and creating an environment in which all can flourish and realise their potential. The [Diverse Action Plan](#) outlines how this vision will be achieved focussing on several key themes including: behaviours, visibility, addressing inequalities and enhancing the use of data.

All Schools have now achieved Athena Swan status (eleven at Bronze level, seven at Silver and one at Gold) and the University was awarded an Athena Swan Institutional Silver Award in March 2024 recognising the progress made in advancing gender equality. The institutional action plan identifies a number of priorities for future focus including increasing representation of women in the professoriate and senior roles, supporting professional services staff career pathways, and addressing intersectional inequalities.

In July 2024, the University submitted an application for the Race Equality Charter. This represents the culmination of a detailed self-assessment, with the REC action plan identifying a number of priorities for attention including strengthening race equality leadership, reforming recruitment and bolstering antiracist pedagogy. The University also holds the Carer Positive Employer award at the highest 'Exemplary' level, is a signatory to the Business in the Community Race at Work Charter and a participant in the Stonewall Workplace Equality Index. It is also a member of the Higher Education LGBTQ Benchmarking Forum whose aim is to establish an LGBTQ planning and delivery framework.

The University's [Equality, Diversity and Inclusion Policy](#) applies to all staff, students, contractors and visitors, taking into account the provisions of the Equality Act (2010) and the Scottish Specific Duties (2012). The Policy objectives are that all individuals will be treated with respect, that they will not be subject to unfair discrimination in any aspect of university life, and to achieve an environment in which everyone has the opportunity to develop to their full potential.

In May 2024 we published our British Sign Language Plan, as one component of a broader Disability Plan, development of which will be completed in 2024. An updated version of the [Staff Disability Policy](#) was published in June 2023, following consultations undertaken with the trade unions and staff feedback (including through the Staff with Disabilities Network). As of 12 August 2024, 186 (5.7%) of current salaried staff at the University declared a disability.

In compliance with equalities legislation, the University published its [Equality Mainstreaming Report](#) in April 2023. This reported on the Equality Outcomes action plan for the period 2021-25, and reports on staff and student data trends. Progress on the Gender Pay Gap (GPG) has been published by the University since 2018, using the framework provided by the UK Government with an accompanying report published on our website. In 2023 our mean and median GPG was 17.6% (no change from 2022), and 12.9% (falling from 14.9%). The mean GPG for those staff on the University grade scale is below 3% for seven of nine grades. The University has identified closing the GPG as a key priority in its Athena Swan Action Plan.

We have also undertaken analysis of the Ethnicity Pay Gap. In 2023 our mean EPG was 0.01%, whilst our median ethnicity pay gap was -6.2%. However, there remains a marked EPG for academic staff which is addressed within the Race Equality Charter action plan.

The University is committed to Fair Work practices. This includes working collaboratively and consultatively with the recognised trade unions to discuss staff related issues as part of our wider [Recognition Agreement](#), and, engagement with relevant staff networks on specific matters. The [People Strategy 2023-27](#) identifies a number

of priorities to support a high quality staff experience including a series of actions to support staff engagement – such as development of new engagement mechanisms – and staff development. The latter builds on existing learning provision including an open training programme accessible to all staff, access to the online learning platform, LinkedIn Learning, and a number of mentoring programmes designed to support different career stages and profiles.

The University is committed to supporting its employees and their ability to work. We introduced the day one right to request flexible working in August 2023 in advance of it being a legal requirement. In addition, we have enhanced family friendly policies in 2023/24 by increasing maternity and paternity leave and carers provision.

In terms of pay, the University has no zero-hour contracts but does, to meet peak work demands, employ hourly paid staff. In addition, the University has, since 2016, paid the Real Living Wage and we have made a commitment to continue to do so, ensuring it is implemented from the date it is effective.

The University has never operated fire and rehire policies and opposes their use.

Principal risks and uncertainties

In pursuing its key strategic aims and objectives to achieve excellence in World Leading, Diverse, Digital, Sustainable and Entrepreneurial, the University will inevitably undertake activities which incur a level of risk. The way in which these risks are managed, through an effective risk management function, is fundamental to our success. Effective risk management will both reduce the likelihood that risks are realised, and their impact in the event that they are. The management of risk at the University of St Andrews is undertaken by the Risk Management Group who report through the Audit and Risk Committee to the University Court who retains ultimate responsibility. The Risk Management Group is part of the wider institutional corporate governance structure and more information can be found on page 23.

Our risk profile has remained consistent over the last year with no significant changes. Risks which have been highest included:

- Cyber security risks remain at the highest threat level because these have the potential to inflict sudden and lasting catastrophic damage, and there is no evidence that this risk is reducing for the HE sector or UK industry more broadly.
- Financial sustainability remains high risk, due to consistently below inflation government funding coupled with excessive inflationary pressures in a number of areas.
- Concerns over estate space constraints are reflected in our risks relating to teaching and research capacity, and also resilience.

- Student wellbeing and the student experience more generally is critical to the University and our risks reflect our high expectations in these areas, whether directly experienced by students or indirectly reflected in league tables.
- Sector wide issues impacting some areas of student recruitment (such as for PGT) remain high risk. The associated risk relating to residential income and capacity also remains a perennial issue for the HE sector but improved stakeholder engagement together with a planned stabilisation of student numbers has somewhat mitigated concerns.

Framework

Risk scoring is undertaken on a five-by-five matrix basis, using likelihood and severity on each axis. This is on a net risk basis after controls have been applied. All 'Red' risks (i.e. those with a score of 15 or higher) are reported to the Audit and Risk Committee each quarter. Red risks are also reviewed by the Risk Management Group (RMG) and Principal's Office (PO) on a quarterly basis. Attaching to the 13 current 'Red' risks are 159 'Key Risk Indicators' (KRI) on the full risk register which discuss exposure, controls and give a measure of residual risk / control confidence for each KRI. Those exposures and controls are then used to inform to risk assessment and guide actions. All KRIs with a high residual risk are disclosed in detail to Audit and Risk Committee (ARC), and all KRIs with Moderate or Low residual risk are presented to ARC in summary format. This is highly beneficial, firstly to ensure that the implications of each risk have been considered by a range of stakeholders, and secondly to focus attention on areas of particular concern or where we could improve performance.

Risk Area: Cyber attack

Rating: 25 [Red]

Narrative:

The National Cyber Security Centre (NCSC) cite cyber-attack as an existential threat to UK organisations, with a considerable risk of operational disruption, loss of revenue and data, reputational damage, litigation, and substantial management costs to recover. These threats typically arise from criminal or espionage activity and include social engineering (e.g. phishing), distributed denial of service (DDoS), malware, spyware, and ransomware. We are more reliant than ever on IT systems for the delivery of teaching, assessment and hybrid or home working.

Risk Area: Research processes and income

Rating: 20 [Red]

Narrative:

Excellence in research provides research income (REG & funded research), builds global reputation, attracts talented staff and students, as well as being a vital component in achieving the University's strategy. The majority of our research funding comes through UKRI which is vulnerable to changing priorities and budget decisions made by government. In relation to research income from the EU, whilst we can now associate to the Horizon Europe programme, it will take time to regenerate the networks and collaborative research that remain crucial for success.

Risk Area: Insufficient UG and PGT income

Rating: 20 [Red]

Narrative:

The University sets targets to balance student numbers and diversity, estate capacity, entrant quality and the financial plan. RUK, and especially Home, UG fees do not cover the full cost of teaching but have been a reliable source of income with an important role in increasing the diversity of our student cohorts, particularly in terms of widening participation. Overseas UG and PGT students, while adding to the diversity of the student body, are a key source of income. PGT recruitment faces sector-wide challenges, including increased competition (both intra-UK and global), changes to visa regulations and the cost-of-living crisis.

Risk Area: Financial sustainability

Rating: 20 [Red]

Narrative:

Government grants for teaching, research and capital have failed to address the impact of inflation and we have experienced multiple years of below inflation increases in funding, which is driving a compound and, therefore, increasing gap between funding and costs. Moreover, the Scottish Government's budget for 2024/25 represents an overall reduction in total public funding for Universities which is placing increasing reliance on cost management and the generation of new and additional forms of income. The University is working to create headroom to deal with the impact of current and previous inflation.

Risk Area:
Residential accommodation

Rating: 16 [Red]

Narrative:

We rely largely on University-owned and maintained residential accommodation to house our entrant student population, the new guarantee to International PG students and contribute to student satisfaction by offering space to returning students where possible. Adequacy of residential capacity, whether in the University or the private sector, is important to attracting students, and thereby has the potential to affect finance in terms of student recruitment, but also student satisfaction for returning students. This is, therefore, a key risk to the University and is addressed through maintaining adequate bed spaces, with a proportion of lower cost accommodation options, and reliable data modelling.

Risk Area:
IT outage

Rating: 16 [Red]

Narrative:

Information technology (ICT) is critical to the successful functioning of University activities, hence we have a low tolerance to loss. Over the last ten years, tolerance to IT downtime has reduced significantly, exacerbated by the widespread demise of practicable manual workarounds. We see this trend not merely continuing but increasing as ICT becomes ever more pivotal to quality and productivity. An outage of a core system, or systems, has the potential to impair teaching and research. We use a measure known as 'Recovery Time Objective' (RTO) which enables us to prioritise system recovery and to use the concept of RTOs to plan resilience into system design.

Risk Area:
Estate capacity

Rating: 16 [Red]

Narrative:

Money, land and existing buildings create constraints on what can be built, refurbished or developed, yet changing expectations and activities mean that we need to continually adapt. Demand is exceptionally high for good-quality teaching space, lab space, student study places, academic offices, and professional spaces for student-facing Units. Recent refurbishments have somewhat attenuated this risk but student numbers will continue to place pressure on facilities until developments on the North Haugh and Madras College unlock a series of moves that will further mitigate this risk.

Risk Area:
Student wellbeing

Rating: 16 [Red]

Narrative:

In a trend which is consistent with other major institutions across the UK, disclosures of mental health disability and presentations of mental ill-health have increased within our student community, which is only partly attributable to increasing student numbers. Key to meeting expectation is the University's resourcing, response to incidents and liaison with the Police and NHS, whether that is through the local Health and Social Care partnership or Ambulance Service. Access to NHS and other statutory support resources are challenging, but the University continues to invest in resource for mental health, counselling and disability.

Risk Area:
Student behaviour

Rating: 16 [Red]

Narrative:

While we have seen a decrease in the number of overall reports to Student Conduct, we have seen an increase in the complexity of the cases reported. The University acknowledges the importance of a cohesive approach allied to robust documentation and rational, consistent outcomes. We always seek to reduce risk of harm to student and third parties from unacceptable student behaviour.

Risk Area:
International league tables

Rating: 16 [Red]

Narrative:

International league tables influence brand reputation, student recruitment, staff recruitment, and access to funding streams. Whereas domestic league tables are focused on student satisfaction and teaching, international league tables are dependent to a greater extent on: reputation, citations, research productivity and collaboration; the composition of the student and staff body; internationalisation; and income. Fluctuations can be expected as a result of methodological changes and genuine variation in performance.

Risk Area:
Estate asset management

Rating: 16 [Red]

Narrative:

The University is engaged in a concerted drive to modernise our approach to facilities management, and in particular to use asset data to improve effectiveness. This is in part driven by the challenging scale of our estate which encompasses a significant number of buildings, assets and asset types. We are seeing improvements through better servicing and management, event detection, and intervention, often without any disruption experienced by end users, and a significant lowering of major event frequency, with only nominal spends now on, for example, emergency boilers and other service continuity measures compared with previous requirements.

Risk Area:
Business continuity

Rating: 16 [Red]

Narrative:

Organisational tolerance for loss is low and we fully understand the severe implications of a major loss where resilience is stretched. We are reliant on online capability to mitigate loss of professional service workspace or teaching space. However, online capability is not a silver bullet with which to achieve full post-loss continuity and workspace recovery remains challenging for research labs, the residential estate and teaching labs. Although future estate development may increase resilience by addition of extra space, refurbishment programmes may serve in the short-term to temporarily increase vulnerabilities due to decants.

Risk Area:
H&S management system

Rating: 15 [Red]

Narrative:

With a diverse and complex estate, Health and Safety (H&S) will always be challenging in St Andrews, involving many different activities and control regimes. Efforts have focused on developing a more systematic approach to policies and practices and a clearer and more integrated governance structure, with the aims of providing consistent support and guidance to those responsible for the delivery of specific aspects of H&S, and clearer lines of accountability. Regular safety committees meet on key functions and have oversight of all policy and guidance. Work to develop the management tools for delivering information, guidance and communications are a priority for 2024, with plans for a new website as well as progressing the H&S Management System.

Looking forward

The demand from Undergraduate students to come to the University of St Andrews continues to remain very strong, with the University remaining one based on selection rather than recruitment. Demand continues to far exceed supply opportunity for Undergraduates. The postgraduate domain is, however, a challenging global market, with the attractiveness of the UK undermined by the previous UK Government.

Challenges present opportunities, and that is how we are looking forwards, across both our expanding digital provision, as well as with the new Business School. New courses continue to be developed, reflecting the demands of the business community. The development of the new Executive Education element of the Business School will create a vibrant and fresh approach to supporting research and teaching to answer global challenges. We may be ancient, but it does not stop us looking forwards to deliver leading research and provide the education for future global leaders and changemakers.

We have an ambitious capital investment plan to deliver facilities to take the University into the next millennia. A new fundraising campaign has been launched to attract philanthropic support from those supporters who believe in this Institute and what we aim to deliver. We will work hard to weather the financial headwinds by taking astute decisions, looking to the future rather than taking short sighted actions.

The University will continue to look after its staff and students, preserve its heritage and enhance its research and teaching capabilities, continually striving for excellence in everything that it does.

Andy Goor
Chief Financial Officer
5 December 2024

The University of St Andrews is a charity
registered in Scotland: No. SC013532

Corporate Governance



Introduction

The University is committed to best practice in all aspects of corporate governance. The University bases its approach and standards on the 2023 Scottish Code of Good HE Governance, but also takes account of good practice guidance elsewhere, including that produced by the [UK Committee of University Chairs](#).

Compliance with relevant legislation

The University reports regularly on compliance with relevant legislation and regulation to its Audit & Risk Committee and Remuneration Committee, in particular where significant changes to the legislative environment occur. The University is compliant with the requirements of the Trade Union (Facility Time Publications Requirements) Regulations 2017. Data on facility time is submitted on an annual basis to the relevant government website and is published on the [gov.uk website](#). In addition, the information is published at www.st-andrews.ac.uk/media/human-resources/tradeunions/240723_facility_time_report_2324.pdf.

Compliance with the Scottish Code of Good Governance

In the opinion of Court, the University complied with the principles and provisions of the 2023 Scottish Code of Good HE Governance (the Code) throughout the year 2023-2024 including in its engagement with the SFC over the handling of the situation with the Rector, which complies with the requirements of the code. The new revised code had previously been reviewed and discussed at the University Governance & Nominations Committee noting that there were no substantial changes.

The University is fully compliant with the requirements of the HE Governance (Scotland) Act 2016. The membership of Court represents a balance of representation from students, staff and lay membership, with the lay members providing important non-executive skills and support. A skills register supports the competitive skills-based recruitment process used for non-executive and other lay appointments to Court to identify and target the skills and experience necessary to maintain Court as a coherent and effectively functioning governing body. Particular attention is paid to encouraging diversity in applications for Court positions, both elected and appointed. A broad range of protected characteristics is represented on Court.

The University has adopted the 'comply or explain' approach in relation to the Code's recommendation that the membership of the Nominations Committee should have a lay member majority.¹ From 2018 the Governance

and Nominations Committee has had two elected staff members, representing both academic and non-academic staff rather than the minimum of one stipulated in the Code. Other members include the Senior Lay Member, Principal, a student member of Court and two lay members of Court, one of whom is Convener. Court considers that this is consistent with Main Principle 7 of the Code, which states that the nominations committee must have "a suitably inclusive membership to oversee the appointment of new members to the governing body".

Situation of the Rector

On 29 July 2024, the University Court passed resolutions removing the University's Rector, Stella Maris, from membership of Court and as a charity trustee, after she repeatedly declined the conclusion of an independent investigation by Morag Ross KC into her actions and activities on the conflict in Gaza and Israel, and subsequently on social media. This found that she had breached her responsibilities and legal obligations as a Court member and a charity trustee. After extensive efforts over a protracted period to seek a resolution with the Rector proved unsuccessful, Court concluded unanimously, with one abstention, that it had no option but to discharge her under the Charities Act and its own Code of Conduct. By removing Ms Maris from membership of Court and as a charity trustee, the University has ensured that it continues to comply with the terms of the financial memorandum and with the principles of good governance set out in the 2023 Scottish Code. Ms Maris will retain the title and office of Rector of the University until her term expires in October 2026, but will no longer sit on Court as its President or as a member.

The University has published [Ms Ross' report](#) in full, and the Senior Lay Member issued a [public statement](#). The Principal wrote to the Interim Chief Executive of the SFC on 1 August to inform him of these developments.

As is her right under the Court Handbook, Ms Maris has appealed to the Chancellor against her removal from Court. The appeal is currently pending.

The Rector has also launched a judicial review against her removal as a charity trustee.

Risk management and internal control

The University 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 can only provide reasonable and not absolute assurance against material misstatement or loss.

The internal control environment includes delegated authorities, policies, procedural and system controls, planning and budgetary processes, professional capability in specialist areas, governance structures and management reporting. A Scheme of Delegation is

¹ This Code recommendation is at the lowest category of requirement, 'should' in the Code which recognises "that there may be situations in which a departure can be justified, or it would be reasonable and acceptable to meet the principles of good governance in alternative ways".

reviewed by the Audit & Risk Committee and approved by Court each year.

The senior management team receives regular reports on the University's performance including appropriate performance indicators and considers any control issues brought to its attention by early warning mechanisms embedded within the operational units and reinforced by frequent contact, support and guidance from the risk management team based in Planning. The anticipation, consideration and management of risk is an integral part of the planning process for operational units and schools. The senior management team regularly considers significant risks to the University and the controls and actions in place to mitigate these. The senior management team and the Audit & Risk Committee receive regular reports from Internal Audit which include recommendations for improvement.

Court's confirmation of the effectiveness of the system of internal control has also been informed by the following:

- The Internal Audit Annual Report 2023/24 presented to Audit & Risk Committee on the adequacy and effectiveness of systems of internal control including governance and risk management;
- Quarterly reports on Risk Management provided to the Audit & Risk Committee and notified to Court;
- An Annual Report on Risk Management presented to the Audit & Risk Committee and notified to Court;
- Comments made by the External Auditors in their report to the Audit & Risk Committee; and
- The work of managers within the institution who have responsibility for the development and maintenance of the internal control framework.

Court considers, on the recommendation of the Audit & Risk Committee, that a risk management process, compliant with the UK Corporate Governance Code, in so far as its provisions apply to the higher education sector, has been in place throughout the year ended 31 July 2024.

Governance structures

Court is the governing body of the University and derives its authority from Acts of Parliament. These, *inter alia*, vest in Court the administration of all property and revenues of the University and give it the power to review the decisions of the Senate. Court thus has overall responsibility for the governance of the University, including all aspects of strategic planning and management of all resources, whether financial, human or physical. The Statement of Primary Responsibilities can be found in section 2.3 of the [Court Handbook](#). The [refreshed University Strategy 2022-2027](#) was approved by Court in October 2022, and will guide the decisions, policies and investments the University makes over the next five years. Progress against the five themes of the strategy is represented through action plans and monitored by the Planning and Resources Committee, with an agreed suite of Key Performance

Indicators which are also presented to each meeting of Court.

Court is responsible for the University's system of internal control and for reviewing its effectiveness. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Responsibility for the monitoring of risk lies with the Audit & Risk Committee on behalf of Court. The University's Risk Management Group is chaired by the Vice-Principal (Governance) and contains representatives of all key University activities. This Group has responsibility for embedding risk management in all decision-making processes of the University, to ensure that the exposure to risk is continually monitored, and corrective action taken where necessary. Risk management is discussed at each meeting of the Audit & Risk Committee, and a report is provided on key "escalated" risks to each meeting of Court.

Court had four regularly scheduled meetings during the year ended 31 July 2024, plus a strategic away day. A total of five Special Court meetings were held between December 2023 and July 2024 to deal specifically with the commissioning and outcomes of the independent investigation into the actions and activities of the Rector. The overall attendance rate at the scheduled meetings was 84%² and at the Special Meetings 90%. The Rector recused herself from engagement in Court activities, including meetings, whilst the Independent Investigation was ongoing. Court has a number of committees with particular areas of responsibility. Court also operates an assurance scheme whereby areas of responsibility are governed by a number of Assurance Groups, each of which includes one or more independent members of Court, with a reporting line to a Court Committee or directly to Court.

The Chair of Court, under arrangements established by the Higher Education Governance (Scotland) Act of 2016, is Mr Ray Perman, who took up office for a four year term on August 2023.

The Court Committees and related Assurance Groups are:

Committee	Assurance Group
Reporting directly to Court	People and Diversity
Audit & Risk Committee	Academic Health & Safety Ethics and Research Integrity
Governance & Nominations Committee	-
Planning & Resources Committee	Investment & Treasury
Remuneration Committee	-

² Attendance percentages do not include vacancies.

All of the Committees and Assurance Groups are constituted with formal terms of reference, outlined in the [Court Handbook](#). Membership of committees is disclosed in section 1.1. In addition, the University Court receives reports from the University's Superannuation & Life Assurance Scheme, the chair of whose trustees is an independent member of the Court.

The **Assurance Group on People and Diversity** reports directly to Court, overseeing the delivery of the People Strategy and progress on the Diverse St Andrews strategic theme. The group met three times during the 2023/24 academic year and provided an annual report to Court at its June 2023 meeting.

The **Audit & Risk Committee** consists of independent members of Court, supplemented by additional co-opted external non-executive members to assist it in its role. The Committee held five scheduled meetings in the year ending 31 July 2024. All meetings were quorate and the overall attendance rate was 90% (2022/23 – 92%).

The Committee is responsible for reviewing the adequacy and effectiveness of the University's assessment of top-down strategic risks, risk management, internal control, financial governance, the annual financial statements and value for money arrangements. As such, it scrutinises the audit of the University's annual financial statements and keeps under review the effectiveness of the University's corporate governance arrangements as they relate to financial matters, including the Financial Regulations, the Scheme of Delegation and other internal control systems. The Committee is responsible for ensuring compliance with mandatory requirements in relation to the University's audit arrangements as set out in the Financial Memorandum between the University and the Scottish Funding Council. It oversees the University's policies on the investigation of questions of financial irregularity or impropriety, and receives annual reports on complaints, counter-fraud and whistleblowing.

As noted above, the Committee has responsibility for gaining assurance on the adequacy and effectiveness of policies and procedures for risk management, including the identification and assessment of top-down strategic risks that threaten the achievement of the University's strategic plan. In this capacity it receives regular reports from the University's Risk Management Group. Committee discussions in 2023/24 focused particularly on the management of the financial and operational risks facing the University.

The Audit & Risk Committee also considers all matters relating to the internal and external audit of the affairs of the University and of those companies controlled by Court and receives regular reports from the internal and external auditors. Whilst senior executives are in regular attendance at meetings of the Audit & Risk Committee, they are not members of the Committee, and the Committee has the opportunity to meet with the

internal or external auditors in the absence of University staff.

Three Assurance Groups report to Audit & Risk Committee:

- The **Academic Assurance Group** oversees the implementation, management and monitoring of the University's quality enhancement strategy and quality assurance procedures. It also advises the Academic Council (for Senate) on changes to the University's academic monitoring procedures and liaises with University Officers and Committees on matters relating to academic quality assurance and is kept apprised of current sector-wide changes in the quality assurance process. It met twice in the 2023/24 academic year.
- The **Health & Safety Assurance Group** provides an annual report to the Audit & Risk Committee on all matters concerning health and safety, including the University's legal obligations. The Group met three times in 2023/24 including site visits and received reports from the University's Head of Environmental, Health & Safety Services concerning the management of various areas of health and safety at work, with a particular focus on construction and project management and fire safety and included a site visit at the Scottish Oceans Institute.
- The **University Ethics & Research Integrity Assurance Group** reports to the Audit & Risk Committee on the effectiveness of the University's policies, procedures, and decision-making on the ethical consequences of teaching and research,³ and the University's engagement with the Concordat to Support Research Integrity. It met twice in 2023/24 and received reports from the University Teaching & Research Ethics Committee, the Animal Welfare Ethics Committee, and the Research Integrity Working Group.

The **Governance and Nominations Committee** advises Court on any matter pertaining to the execution of its governance functions. This includes the recruitment and appointment of non-executive members of Court and General Council Assessors, the oversight of elections to Court positions, and the processes for appointments of nominated Court positions. The Committee oversees the skills register for Court members and makes recommendations to Court on (a) the overall structure of University committees and (b) the remit and Court-nominated membership of such committees. It also recommends to Court how it should be represented, as necessary, on external or internal bodies. It is

³ This also applies to University sponsored activities wherever geographically undertaken.

responsible for ensuring compliance with relevant statute, ordinances and codes of good governance, including the 2023 Scottish Code of Good HE Governance, and the HE Governance (Scotland) Act 2016. The membership of the Governance & Nominations Committee includes assessors representing both academic and non-academic staff as well as the President of the Students' Association, the Principal, Senior Lay Member, and two other non-executive members. Whilst the 2023 Code of Governance recommends that Nominations Committees should have a lay majority, the Committee believes that the current membership strikes a more appropriate and representative balance. This is reported under "comply or explain" in the statement of compliance with the Scottish Code and is considered to be consistent with the Code's main principle 7 that the Committee must have a suitably inclusive membership. The Committee held three scheduled meetings in the year ending 31 July 2024 as well as three extraordinary meetings to consider the situation regarding the Rector. All meetings were quorate, and the attendance rate for the scheduled meetings was 100% (2022/23, 95%), and for the extraordinary meetings 88%.

Following the externally facilitated quinquennial review of Court effectiveness in 2022/23, under the auspices of the Committee, a progress report was submitted to Court as part of the annual effectiveness review in the summer of 2024.

The **Planning & Resources Committee (PARC)** considers, recommends approval of, and monitors the University's major commitments and management of resources. Each meeting receives a report from the Principal, a paper on KPI performance, an in-year summary Financial Report comparing actual income and expenditure with budgeted levels, and a report on Property and Infrastructure issues. The Committee approves the Outcome Agreement for recommendation to Court and reviews the impact of the SFC Main Grant letter, including its likely impact on the University Financial Plan. PARC reviews on an annual basis financial and institutional performance, and the University's financial and strategic plans, as well as a broad range of annual reports relating to its strategic, financial and planning responsibilities. These include development activities, environmental performance, commercialisation, infrastructure, Special Collections, and Museum Collections. PARC monitors the level and cost of the University's borrowings and the extent of other liabilities and makes recommendations on individual financial decisions which, due to their size or nature, are reserved for Court. It is also empowered to take individual financial decisions in accordance with limits prescribed in the [Financial Regulations](#). Court receives recommendations and advice from PARC in respect of its strategic planning and development responsibilities. PARC is chaired by the Senior Lay Member. The Committee held four scheduled meetings in the year ending 31 July 2024. All meetings were quorate and the

attendance rate was 96% (2022/23, 97%). One Assurance Group reports to PARC.

- The **Investment & Treasury Assurance Group** – is charged with ensuring that appropriate and effective decisions are taken with regard to the investment and holding of funds under the University's management and that these activities are conducted with due regard to the University's investment policy and management of risk. It is also responsible for ensuring cash management is carried out in accordance with the University's Treasury Management Policy. A review of the investment policy and associated Strategic Asset Allocation was undertaken, with a revised Strategic Investment Policy being launched at the end of September 2023. It conducts regular reviews of and monitors the performance of (i) the University's investment and treasury advisers, (ii) the investment portfolio(s) or holdings under their management, and (iii) University investments and financial holdings not under the management of the investment advisers. It reviews and makes changes in the appointment of the University's investment and treasury advisers and takes decisions in relation to the general nature or distribution of the investment portfolio and holdings that are under management, reporting as appropriate to Court and PARC. The Group met four times in the year ended 31 July 2024.

The **Remuneration Committee** reviews and approves remuneration arrangements for staff in the University above defined thresholds and, on the recommendation of the Principal, increases in remuneration which do not represent standard progression with regard to a recognised salary scale or which relate to members of the Principal's Office. The Committee respects the requirements of the Scottish Code of HE Governance on Remuneration Committees, and also draws on the CUC Higher Education Senior Staff Remuneration Code as a source of good practice. It consists of independent members of Court. From 2018, the Principal ceased to be a member of the Committee although may be in attendance to advise the Committee on specific issues. The Principal may not be in attendance for discussion of any item relating to her pay, contract, or terms and conditions of employment. The Committee monitors the implementation of the University's policy on severance payments, receiving reports on all severance arrangements and approving specific recommendations which involve University expenditure in excess of £100,000 (there were none in the year ending 31 July 2024). The Committee determines the remuneration of the Principal (in the absence of the Principal) and provides an annual report to the University Court detailing salary changes for senior staff.

More widely, the Committee has a general overview of matters related to salaries, including pension policy,

in order to ensure the exercise of appropriate financial control and of reasonable employer behaviour in relation to remuneration and severance arrangements. The Committee held two scheduled meetings, all quorate, in the year ending 31 July 2024. The attendance rate was 80%.

In keeping with the University's policy on the registration and declaration of interests, all persons routinely attending meetings of Court and its Committees are required to take proper account of any conflict of interest which might arise from their University involvement on the one hand and their membership of, or connection with, other bodies outside the University on the other. The Executive Officer to Court and Senate maintains a formal register of interests, which, in accordance with the 2023 Scottish Code of Good HE Governance, is updated at least annually and made publicly available on the [University website](#).

Financial and environmental sustainability

The long-term sustainability of the institution is assured through the [University Strategy](#). Progress with the 2022-27 Strategy is represented through action plans, summarised through an annual report, which is shared widely, and reviewed quarterly through associated performance indicators. Three enabling strategies are key to the operationalisation of the Strategy covering People, IT and Estate. The Enabling Strategies link up with the action plans of the Strategic themes thus embedding coordinated progress and prioritisation. Strategic and operational planning meetings take place with each school and professional service, establishing operational priorities, success factors and assessing performance, risks and mitigation.

The organisational structures established in 2022/23 for setting direction and delivering on our commitment to environmental sustainability, as made in the University Strategy 2022-27, have embedded successfully. The Leadership Group, chaired by the Quaestor and Master as co-leads for this strategic theme, continues to bring key stakeholders together to define approaches to the University's carbon footprint as well as to sustainability in research and education. The Delivery Team, led by the Quaestor, continues to operationalise actions, and the Academic Network, led by the Master, engages senior representatives from all of our Schools so that information is shared, and actions are responsive to academic needs. The Environmental Sustainability Board (ESB) maintains its advisory role in a long-term perspective so that we can navigate between different strategic periods.

The most recent data for the University's carbon footprint, gathered in November 2023 as part of the Scottish Government's Public Bodies Climate Change Duty (PBCCD), shows that for 2022/23, whilst our Scope 1 and 2 emissions (related primarily to energy

use) continue to decrease, our Scope 3 emissions (related primarily to procurement and travel, and accounting for 85% of our emissions overall at St Andrews) have increased as the University returned to normal business post-Pandemic. For the baseline year of 2019/20, our carbon emissions for Scope 3 were 63k tCO₂e, for 2022/23 emissions were 73k tCO₂e, up almost 16%. Whilst acknowledging increased demand, changes in sector methodologies have also impacted this total, with work underway to standardise reporting methods and boundaries.

The University's Annual Sustainability Report has been restructured around the UN Sustainable Development Goals (UN SDGs) to share a wider narrative on our activities and impact that is aligned to the public and policy discourse.

The University's approach to risk management is overseen by the Audit & Risk Committee and managed internally by the Risk Management Group, chaired by the Vice-Principal (Governance). Risks are attributed to both KPIs and Strategic Objectives and the effectiveness of controls and mitigating actions are systematically monitored.

In response to Sustainability becoming a theme in the new University Strategy, the organisational structures for setting direction and delivering on our commitments to environmental sustainability have been refreshed. At an executive level, the Quaestor and Master have been identified as co-leads for this strategic theme. They chair a Leadership Group which also includes the Vice-Principals for Education and for Research, Collections and Innovations, alongside relevant professional services leads including the Chief Finance Officer and Director of Planning. A Delivery Team has been established under the Quaestor to operationalise actions, and the Master leads an Academic Network that engages management representatives from all of our Schools so that information is shared and actions are responsive to academic needs. The Environmental Sustainability Board (ESB) maintains its advisory role and has a responsibility to consider institutional engagement and preparedness in a long-term perspective so that we can navigate between different strategic periods.

Data for our carbon footprint for the academic year 2023/24 will not be available until late 2024. For the year 2022/23 our carbon footprint overall was a little over 85,000 tCO₂e, up on previous years. This growth is driven by Scope 3 emissions, these related primarily to procurement and travel, and accounting for 85% of our emissions overall at St Andrews. For the baseline year of 2019/20, our carbon emissions for Scope 3 were 63k tCO₂e, for 2022/23 emissions were 73k tCO₂e, up almost 16%. A post-pandemic rebound in travel has driven some of this, as have emissions from IT related spend, as the University becomes more digitized. Further to this, reporting on our carbon from procurement became more accurate when

we joined the Advanced Procurement for Universities and Colleges (APUC) sector wide reporting initiative. As well as increasing accuracy, this approach will allow us to benchmark our performance.

Scope 1 and Scope 2 emissions (energy and heat) continue to decline from 2019/20 levels and are now a little over 21% lower at 12,737 tCO₂e. Significant investments in

renewable energy, including in the University's first solar farm, have underpinned this progress.

Significant plans to reduce our carbon footprint continue to be developed and over the year scoping work was undertaken on a range of new renewable energy initiatives, as well as potential off-set investments in Scottish nature-based solutions.

Training of Court Members

The University encourages Court members to maintain and develop their skills through formal and informal training. All new Court Members are required to undertake training courses in Unconscious Bias, Diversity in the Workplace, Information Security and GDPR. Details of courses attended by Court members and co-opted members of Court Committees are set out in the table below.

Date	Training	Member
September 2023	Advance HE GDP Student Governor 1	Barry Will
September 2023	Advance HE GDP Student Governor 1	Cam Brown
September 2023	Compulsory online training	Margaret Connolly
October 2023	Advance HE: GDP New Governors of Scottish HEIs	Barry Will
October 2023	Advance HE: GDP New Governors of Scottish HEIs	Cam Brown
November 2023	Advance HE: Governance Conference	Stella Maris
December 2023	Westminster Higher Education Forum: Next steps for the financial sustainability of higher education	Barry Will
December 2023	Westminster Higher Education Forum: Next steps for the financial sustainability of higher education	Cam Brown
May 2024	Advance HE: Training GDP Governance in Scotland	Morven Shearer
September 2024	Court Inductions completed	Mark Sedwill
September 2024	Court Inductions completed	Ronnie Bowie
September 2024	Court Inductions completed	Allan Watson
September 2024	Court Inductions completed	Margaret Connolly
September 2024	Court Inductions completed	Romi Arman
September 2024	Court Inductions completed	Hitanshi Badani

Payment of creditors

It is the University's policy to obtain the best terms for all business and thus there is no single policy as to the terms used. In agreements negotiated with suppliers, the University endeavours to adhere to specific payment terms. The University has no matters to disclose under the Late Payment of Commercial Debts (Interest) Act 1998. The average creditor payment period, calculated as a proportion of the year-end creditors to aggregate amounts invoiced during the year, was 20 days (2022/23: 26 days, 2021/22: 22 days).

Conclusion

The University has assessed the going concern basis for a number of factors (see pages 41-42). Based on this analysis, the University confirms that it is a going concern and has robust systems of corporate governance in place. These meet the principles of good governance set out in the 2023 Code, maintain a sound system of internal controls, and apply the key principles of effective risk management.

Alastair Merrill
Vice-Principal (Governance)
5 December 2024

Responsibilities of Court



In accordance with the Universities (Scotland) Acts 1858 to 1966, Court is responsible for the administration and management of the affairs of the University and is required to present audited financial statements for each financial year.

Court is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and enable it to ensure that the financial statements are prepared in accordance with the Universities (Scotland) Acts, the Statement of Recommended Practice: Accounting for Further and Higher Education, and other relevant accounting standards. In addition, within the terms and conditions of the Financial Memorandum agreed with the Scottish Funding Council (SFC), through its designated office holder, Court is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In causing the financial statements to be prepared, Court has to ensure that:

- suitable accounting policies are selected and applied consistently.
- judgements and estimates are made that are reasonable and prudent.
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. Court is satisfied that it has adequate resources to continue in operation for the foreseeable future: for this reason, the going concern basis continues to be adopted in the preparation of the financial statements.

Court has responsibility to:

- ensure full compliance with charities legislation and the retention of the University's charitable status.
- ensure that funds from the SFC are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with SFC and any other conditions which SFC may from time to time prescribe.
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.

- ensure that there exists an effective platform for the control and monitoring of risk and that risk implications are considered at all areas within University management.
- safeguard the assets of the University and hence take reasonable steps to prevent and detect fraud.
- secure the economical, efficient and effective management of the University's resources and expenditure.

The key elements of the University's system of internal financial control, which is designed to discharge the responsibilities set out above, include the following:

- Clear definitions of the responsibilities of, and the authority delegated to, staff.
- A comprehensive planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets.
- Regular reviews of financial performance, including updates of forecast out turns and cashflows.
- Clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by Court and promulgated in the Standing Financial Instructions.
- An Audit & Risk Committee whose terms of reference are summarised on page 24.
- Comprehensive Financial Regulations, detailing financial controls approved by Court on the recommendation of the Audit & Risk Committee.
- An Internal Audit team whose annual programme is approved by the Audit & Risk Committee and endorsed by Court providing Court with a report on internal audit activity within the University and an opinion on the adequacy and effectiveness of the University's system of internal control, including internal financial control.

Membership of Court and Committees



Membership of the University Court

Members of Court who served during the year to 31 July 2024 and those who are serving up to the date of approval of the reports and financial statements are detailed below.

Also shown are the Committees and Assurance Groups on which the members served for the year 2023/24, and the Court meetings attended during the year. In the year 2023/24 Court met on 9 occasions (4 Scheduled Court meetings and 5 Special Court meetings).

Status	Member	Membership of Standing Committees and Assurance Groups	Court meetings attended 2023/24
The Rector	Dr Leyla Hussein OBE (until 31 October 2023)	n/a	0/1
	Stella Maris ⁴ (from 1 November 2023 - 29 July 2024)		0/8
Senior Lay Member	Ray Perman (from 1 August 2023)	Governance and Nominations Committee Planning and Resources Committee Remuneration Committee Audit and Risk Committee (in attendance)	9/9
The Principal and Vice-Chancellor	Professor Dame Sally Mapstone FRSE	Governance and Nominations Committee Planning and Resources Committee Remuneration Committee (in attendance)	9/9
Deputy Principal	Professor Brad Mackay	Planning and Resources Committee (in attendance)	9/9
Chancellor's Assessor and Deputy Chair of Court	Adrian Greer (until 31 July 2024)	Planning and Resources Committee Remuneration Committee Governance and Nominations Committee	9/9
The Rector's Assessor	Vacant (from 15 June 2023)	n/a	n/a
Fife Council Representative	Cllr Robin Lawson	n/a	8/9
Assessors of the General Council (2)	Jonathan Hewitt	Audit and Risk Committee Investment and Treasury Assurance Group Superannuation and Life Assurance Group	8/9
	Iain Anderson	People and Diversity Assurance Group	8/9
Assessors of the Senatus Academicus (4)	Professor Sharon Ashbrook (until 31 July 2024)	Planning and Resources Committee	8/9
	Professor Allan Watson (from 1 August 2024)		
	Professor Catherine O'Leary (until 31 July 2024)	Planning and Resources Committee (in attendance)	8/9
	Professor Margaret Connolly (from 1 August 2024)		
	Dr Morven Shearer	People and Diversity Assurance Group	7/9
	Dr Stephen Tyre	Governance and Nominations Committee	8/9
Non-Academic Staff Member	Dr Lorna Dargan	Governance and Nominations Committee	9/9

⁴ The Rector recused herself from all Court activities, and was dismissed as a Court member on 29 July 2024.

Membership of the University Court (cont'd)

Status	Member	Membership of Standing Committees and Assurance Groups	Court meetings attended 2023/24
Trade Union Representatives (2)	Alex Duncan	Health and Safety Assurance Group People and Diversity Assurance Group	9/9
	Dr Malcolm Petrie	Academic Assurance Group Health and Safety Assurance Group	8/9
Student Representatives (2)	Barry Will (President of the Students' Association, until 30 June 2024)	Governance and Nominations Committee Planning and Resources Committee	7/7
	Cam Brown (President of the Students' Association, from 1 July 2024)	Governance and Nominations Committee Planning and Resources Committee	2/2
	Cam Brown (Director of Education, until 30 June 2024)	Planning and Resources Committee (in attendance)	6/7
	Hitanshi Badani (Director of Education, from 1 July 2024)	Planning and Resources Committee (in attendance)	n/a
Non-Executive Members (8)	Tim Allan CBE (until 31 July 2024)	Planning and Resources Committee Remuneration Committee	8/9
	Alison Johns	Governance and Nominations Committee	9/9
	Frank MacInnis	Audit and Risk Committee Health and Safety Assurance Group	6/9
	Eve McCurrich	Planning and Resources Committee	8/9
	Jenny Stewart	Remuneration Committee Investments and Treasury Assurance Group Audit and Risk Committee	8/9
	Ros King	Audit and Risk Committee	7/9
	Professor Ewan McKendrick KC (Hon)	Audit and Risk Committee	8/9
	Lord Mark Sedwill (from 1 August 2024)	n/a	n/a
	Ronnie Bowie (from 1 August 2024)	n/a	n/a
	Romi Arman (from 1 August 2024)	n/a	n/a

Members noted with "n/a" took up appointment after the completion of the meeting cycle for 2023/24.

Membership of Standing Committees

The Committees reporting to the University Court are as follows: Audit and Risk Committee; Governance and Nominations Committee; Planning and Resources Committee and Remuneration Committee. The responsibilities of the following Committees are outlined in the Corporate Governance Statement on pages 21-27.

Audit and Risk Committee (ARC)

Status	Member	Meetings attended 2023/24
Non-Executive Members of Court	Frank MacInnis	4/5
	Ros King	5/5
	Professor Ewan McKendrick KC (Hon)	4/5
	Jenny Stewart	5/5
	Ronnie Bowie (from 1 August 2024)	n/a
Assessor of the General Council	Jonathan Hewitt (Convenor) (until 31 July 2024)	5/5
Co-opted External Members	Nicola Catterall (resigned 23 June 2024)	5/5
	Arthur Drysdale (from 16 September 2024)	n/a

Governance and Nominations Committee (G and N)

Status	Member	Meetings attended 2023/24
Convenor	Alison Johns	6/6
<i>ex officio</i> members:		
Senior Lay Member	Ray Perman	6/6
Principal	Professor Dame Sally Mapstone FRSE	6/6
President of the Students' Association	Barry Will (until 30 June 2024)	4/6
	Cam Brown (from 1 July 2024)	2/6
Non-Executive Members of Court	Alison Johns	<i>See above</i>
	Ronnie Bowie (from 1 August 2024)	n/a
Lay Member (Chancellor's Assessor and Deputy Chair of Court)	Adrian Greer (until 31 July 2024)	5/6
Non-Academic Staff Member	Dr Lorna Dargan	6/6
Assessor of the Senatus Academicus	Dr Stephen Tyre	4/6

Membership of Standing Committees (cont'd)

Planning and Resources Committee (PARC)

Status	Member	Meetings attended 2023/24
<i>ex officio</i> members:		
Senior Lay Member	Ray Perman, Convenor	4/4
Principal	Professor Dame Sally Mapstone FRSE	4/4
Quaestor & Factor	Derek Watson	4/4
President of the Students' Association	Barry Will (until 30 June 2024)	4/4
	Cam Brown (from 1 July 2024)	n/a
Assessor of the General Council	Jonathan Hewitt (from 1 August 2024)	n/a
Non-Executive Members of Court	Tim Allan CBE (until 31 July 2024)	3/4
	Eve McCurrich	4/4
	Lord Mark Sedwill (from 1 August 2024)	n/a
Lay Member (Chancellor's Assessor and Deputy Chair of Court)	Adrian Greer (until 31 July 2024)	4/4
Assessor of the Senatus Academicus	Professor Sharon Ashbrook (until 31 July 2024)	4/4
	Professor Margaret Connolly (from 1 August 2024)	n/a

Remuneration Committee (Rem Com)

Status	Member	Meetings attended 2023/24
<i>ex officio</i> members:		
Senior Lay Member	Ray Perman	2/2
Non-Executive Members of Court	Tim Allan CBE (until 31 July 2024)	1/2
	Jenny Stewart	2/2
	Alison Johns (from 1 August 2024)	n/a
	Professor Ewan McKendrick KC (Hon) (Convenor) (from 1 August 2024)	n/a
Lay Member (Chancellor's Assessor and Deputy Chair of Court)	Adrian Greer (Convenor) (until 31 July 2024)	2/2
Co-opted External Member	Moira Maguire	1/2

Members noted with "n/a" took up appointment after the completion of the meeting cycle for 2023/24.

Independent Auditor's Report to the University Court of the University of St Andrews



Independent Auditor's Report to the University Court of the University of St Andrews

Opinion

We have audited the financial statements of the University of St Andrews ('the institution') and its subsidiaries ('the group') for the year ended 31 July 2024 which comprise the Statement of Principal Accounting Policies, Consolidated and University Statement of Comprehensive Income, Consolidated and University Statement of Changes in Reserves, Consolidated and University Statement of Financial Position, Consolidated and University Statement of Cash Flows and the related notes 1 to 32, 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 group's and of the institution'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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law;
- 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.

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 group 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 group and institution's ability to continue as a going concern for the 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 group'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, except to the extent otherwise explicitly stated in this report, 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.

Independent Auditor's Report to the University Court of the University of St Andrews (cont'd)

Opinion on other matters prescribed by the Scottish Funding Council's (SFC) 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:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- the information given in the financial statements is inconsistent in any material respect with the Strategic Report; 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 Responsibilities of Court set out on page 29, the University Court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group's and the institution'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 group or the institution 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 group and parent institution and determined that the most significant are FRS 102 and the Statement of Recommended Practice for Further and Higher Education.
- We understood how group and parent institution is complying with those frameworks making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Court minutes and papers provided to the Audit and Risk Committee at a Group level, as well as consideration of the results of our audit procedures to either corroborate or provide contrary evidence which was then followed up.

Independent Auditor's Report to the University Court of the University of St Andrews (cont'd)

- We assessed the susceptibility of the group and parent institution 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 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.
- Based on this understanding we designed our audit procedures to identify non-compliance 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 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.

Ernst & Young LLP, Statutory Auditor
Edinburgh

FINANCIAL STATEMENTS

Statement of Principal Accounting Policies

(for the year ended 31 July 2024)



Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (HE SORP 2019) and in accordance with Financial Reporting Standards 102 (FRS102). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements also conform to guidance published by the Scottish Funding Council.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and derivative financial instruments.

Going concern assessment

The University acknowledges that there are a number of headwinds in the Higher Education Sector currently, however, it is worth emphasising that despite these economic challenges, our institution remains well-positioned to operate as a going concern. Several factors underline this confidence:

Firstly, the University continues to experience robust demand for student places, a testament to our reputation for world-leading research and academic excellence. This strong demand has persisted even in the face of the high inflationary conditions and global economic challenges, with a visibly stable service model. It serves as a stable source of income, bolstering our financial resilience.

Moreover, as we navigate the complexities of a high-cost environment, the University has embarked on exploring alternative income growth strategies, such as digital education programmes, non-credit bearing online courses and a new business school. While these endeavours require initial investments, they are anticipated to yield net surplus growth, commencing from the academic year 2024/25. These strategies aim to bolster our financial resilience and mitigate some of the impact of rising operational expenses. In tandem with income growth initiatives, we remain vigilant in implementing stringent cost control measures to ensure the efficient allocation of resources and prudent financial management. This balanced approach enables us to adapt proactively to the economic challenges at hand while safeguarding our commitment to delivering world-class education and research. Having considered the above no further significant risks were identified. These financial statements have been prepared on a going concern basis for the period through to 31 July 2026 which Court believe to be appropriate.

In the 12 months to 31 July 2024, the University generated total comprehensive income for the year of £72.3m (2023 £60.1m) and as at 31 July 2024 held net total assets of £513.0m (2023 £440.7m) and net current liabilities of £29.3m (2023 £16.3m), with an availability of a Revolving Credit Facility of £35m with £23m remaining available to

draw down, should it be required. Borrowings amounted to £116.6m (2023 £102.8m) of unsecured loans (note 21- long term liabilities of £103.3m, and short term of £13.3m), equivalent to 36.3% of turnover in the year (2023 31.8%). In addition, the University held cash and cash equivalents and investments of £20.2m (2023 £26.5m) with a Revolving Credit Facility of £23.0m remaining available, currently expiring in 2028. Liquidity headroom for the group as at 31 July 2024 was £43.2m (£20.2m cash and £23.0m RCF) and the current position as at 30th October 2024 is £74.8m (£39.8m cash and £35.0m RCF). In July 2024, the RCF was renegotiated, expanded to £35m, and extended for up to 5 years. This continues to solidify liquidity and cash headroom. During the year £12.0m of the RCF was drawn down to temporarily fund the Grange Housing development, with external funding expected late 2024. The RCF has a strategic role in the University's treasury management strategy, offering liquidity, security, and flexibility against future challenges.

The unsecured debt is subject to financial covenants as set out in note 21. As at 31 July 2024 all financial covenants continue to be met and are projected to be met throughout the going concern period to 31 July 2026.

Court has endorsed a comprehensive Financial Plan for 2024/25 to 2026/27, which represents one year beyond the Going Concern Assessment period assessed here. This presents a gradually improving picture looking forwards as we look to establish greater diversity in our key areas of income. This favourable outcome is predicated on strategic investments and meticulous cost management practices that underpin financial stability.

In support of the plan, cashflow projections have been prepared up to the 31 July 2026. On this basis, new debt of £30m in 2025/26 and a further £30m in 2026/27 has been assumed, accessed on a phased basis from Spring 2026, to support our Capital Investment Plan of £43.7m in 2025/26 and £56.6m in 2026/27. It is expected that all financial covenants will be met, with forecast cashflow headroom no lower than £15.9m on existing facilities or £36.3m should the new £30m debt be accessed in 2025/26 and covenant headroom no lower than £13.0m throughout the going concern period to 31 July 2026. Should the new debt not be obtained, relevant capital schemes would also be postponed as a result. The forecast cashflow headroom in that scenario is expected to be no lower than £51.1m on existing facilities and covenant headroom no lower than £13.0m throughout the going concern period to 31 July 2026. The University continues to carefully monitor the impact of inflation on its financial position and considered this when assessing the future financial performance and cashflows of the University. Nevertheless, considering both internal and external factors and its exceptional performance in attracting and retaining students, along with sustained demand for residential accommodation and the expansion of digital education, the financial model presents no plausible downside risks.

However, in the event of a severe downside scenario, the University has a range of mitigating actions at its disposal, tailored to the scale of the situation. These measures would primarily involve managing discretionary spending that does not compromise its commitment to maintaining high standards in research and teaching. Additionally, there could be restrictions on non-essential and non-committed capital expenditure, estimated at approximately £26.1m in 2024/25 and £43.2m in 2025/26. Similar mitigating actions were successfully employed during the pandemic.

It is worth noting that the University maintains strong investment-grade credit ratings, underpinned by its longstanding reputation as a respected institution among students, funders, and philanthropists. The University is confident in its ability to raise additional debt finance if necessary. The current Capital Plan includes several aspirational capital programs, which will only go ahead if adequate financing and sizeable philanthropy is secured. These programs are subject to ongoing assessment by management, with decisions made closer to the contractual commitment points of each project. As the University moves forward, it will continue to strengthen its liquidity and balance sheet, ensuring it remains in a robust position to safeguard the long-term financial sustainability of the institution.

Based on the above analysis it remains wholly appropriate to prepare the consolidated financial statements on a going concern basis to 31 July 2026.

Basis of consolidation

The consolidated financial statements include the University, all material subsidiary and associate undertakings as listed in the notes to the financial statements for the financial year to 31 July 2024. Intra-group transactions are eliminated on consolidation. The activities of the Students' Association have not been consolidated as the University does not exert control or dominant influence over policy decisions.

Recognition of income

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

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

Investment income is credited to the Consolidated Statement of Comprehensive Income on a receivable basis.

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

Grant funding

Grant funding including the funding council block grant, research grants from government sources, 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 within creditors in the Statement of Financial Position and released to income when such conditions are met.

Other funding

Other grants and donations from non-government sources, including research grants from non-government sources, are recognised within the Consolidated Statement of Comprehensive Income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors in the Statement of Financial Position and released to income when such conditions are met.

Donations and endowments

Donations and endowments are non-exchange transactions which do not normally have performance related conditions. 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 unrestricted reserves through a reserves 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 – where 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 – where 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 – where 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, subject to any performance related condition being met.

Retirement benefits

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the University of St Andrews Superannuation and Life Assurance Scheme (S&LAS). The USS is a multi-employer hybrid pension scheme and the S&LAS is a defined benefit scheme, both of which are externally funded. Each fund is valued every three years by professionally qualified independent actuaries.

A defined benefit scheme requires the University to provide the agreed benefits to current and former employees, and the actuarial risks (the risk that benefits will cost more or less than expected) and the investment risks (the 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 defined benefit plans, net of plan assets.

The USS Scheme

The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income represents the contributions payable to the scheme and the deficit recovery contributions payable under the scheme's Recovery Plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit.

The institution 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 Consolidated Statement of Comprehensive Income. Further disclosures relating to the deficit recovery liability can be found in note 31. Based on the most recent 2023 valuation no deficit recovery plan was required, because the scheme was in surplus.

The S&LAS Scheme

The 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 plan.

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 services to the University. Any unused benefits are accrued and measured as an additional amount the University expects to pay as a result of the unused entitlement.

Service concession arrangements

Fixed assets held under service concession arrangements are recognised in the Statement of Financial Position at the present value of the minimum lease payments when the assets are brought into use with a corresponding financial liability. Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

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 in foreign currencies are translated into sterling at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to sterling at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Statement of Comprehensive Income.

The assets and liabilities of foreign operations are translated into sterling at exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated at the average rate for the year where this rate approximates to the exchange rates ruling at the dates of the transactions. Exchange rate differences arising from this translation of foreign operations are reported as an item of Other Comprehensive Income.

Property, plant & equipment

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 from the existing tangible fixed asset beyond its previously assessed standard of performance; the cost of any such enhancements are added to the gross carrying amount of the tangible fixed asset concerned. The cost of buildings includes related interest.

Land

Land is stated at deemed cost, being the revalued amount at the date of transition to the 2015 SORP. It is not depreciated as it is considered to have an indefinite useful life.

Buildings

Buildings are stated at historic cost and are depreciated on a straight line basis over their expected useful economic lives which fall within the following ranges:

- Building structure 40-50 Years
- Building fit-out 20-30 Years
- Building services 25-35 Years

A depreciable asset's anticipated useful economic life, in particular the key components of buildings, is reviewed periodically by an independent expert valuer and the accumulated and future depreciation adjusted accordingly.

Assets under construction are carried at cost, less any impairment loss. Assets under construction are not depreciated until the month following the month in which they become available for operational use.

At each reporting date, the University checks whether there is any indication that any of its land and building assets have suffered an impairment loss. If there is indication of an impairment, the recoverable amount of the asset is estimated and compared to the carrying value to determine whether there has been a loss and, if so, its amount.

Equipment and furniture

Equipment costing less than £25,000 is written off in full in the year of acquisition. Capitalised equipment and furnishings are stated at cost and depreciated on a straight line basis over their expected useful lives as follows:

- Telecommunications Systems 7 Years
- General Furnishings 7 Years
- Equipment 4-7 Years
- IT Equipment 4-7 Years
- Vehicles 7 Years

Heritage assets

The University holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Works of art and other artefacts valued at over £25,000 have been capitalised and recognised at the cost or value of the acquisition, where such cost or valuation is reasonably attainable. Higher value collections are stated at deemed cost, being the revalued amount at the date of transition to the 2015 SORP. Heritage assets are not depreciated as their long economic life and high residual value means that any depreciation would not be material.

Where it is not possible to obtain a reliable cost or valuation or where the cost of obtaining a valuation is greater than the benefit to the users of the financial statements for inherited or donated assets, these assets are not capitalised and are not included in the Statement of Financial Position.

Investment properties

Investment properties are land and buildings held for rental income or capital appreciation rather than for use in delivering services. They are measured initially at cost and subsequently at fair value with movements recognised in the Consolidated Statement of Comprehensive Income. Properties are not depreciated but are valued annually by independent valuers according to market conditions as at 31 July each year.

Repairs and maintenance

Maintenance expenditure is recognised in the Statement of Comprehensive Income in the period it is incurred. The University has a planned maintenance programme, which is reviewed on an annual basis.

Investments

Listed investments are stated at market value with movements recognised in the Statement of Comprehensive Income. Unlisted investments are stated at cost less any provision for impairment of their value.

Stocks

Stocks for resale and other stocks of material value are included at the lower of their cost and estimated selling price less costs to complete and sell. Where necessary a provision is made for obsolete, slow-moving and defective stocks.

Cash and cash equivalents

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

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

Joint operations, jointly controlled assets and jointly controlled operations

The University accounts for its share of joint ventures using the equity method. The University accounts for its share of transactions from joint operations in the Consolidated Statement of Comprehensive Income.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- the University has a present obligation (legal or constructive) as a result of a past event,
- it is probable that a transfer of economic benefits will be required to settle the obligation, and
- a reliable estimate can be made of the amount of the obligation.

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.

Contingent liabilities are disclosed by way of a note where there is a probable obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the University's control. Contingent liabilities also arise when the definition of a provision is not met and includes three scenarios: a possible rather than a present obligation; a possible rather than a probable outflow of economic benefits; an inability to measure the economic outflow.

Contingent assets are disclosed by way of a note, where there is a possible, rather than present, asset arising from a past event.

Taxation

The University is an exempt charity within the meaning of the Trustee Investment and Charities (Scotland) Act 2005 and as such is a charity within the meaning of Section 506(1) of the Income and Corporations Tax Act 1988. The University is recognised as a charity by HM Revenue and Customs and is recorded on the index of charities maintained by the Office of the Scottish Charities Regulator. It is therefore a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from

taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporations Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income and gains are applied to exclusively charitable purposes.

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

The University's subsidiary companies are not exempt from taxation. The charge for corporation taxation is based on the taxable profit or loss for the year after the cost of any Gift Aid payment paid to the University. The charge for corporation tax also takes into account deferred taxation due to timing differences between the treatment of certain items for taxation and accounting purposes.

Financial instruments

Basic financial instruments are held at amortised cost using the effective interest rate method or cost and are subject to an annual impairment review. Complex financial instruments are held at fair value, with changes in fair value taken directly to the Consolidated Statement of Comprehensive Income.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which through endowment to the University are held as a permanently restricted fund which the University must hold in perpetuity. Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

Critical accounting judgements and key sources of estimation uncertainty

In the preparation of the consolidated financial statements and application of accounting policies, management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses that are not readily apparent from other sources. These judgements, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates and the estimates and underlying assumptions 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.

(a) Critical accounting judgements

- **Multi-employer pension schemes (note 31)**
FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the Statement of Comprehensive Income in accordance with section 28 of FRS 102.

(b) Key accounting estimates and assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below:

- **Pension provisions (note 31)**
The key assumptions used in the calculation of the USS deficit and S&LAS pension provisions (including discount rates, salary and pension increases, and mortality rates) are explained in detail in note 31 and represent a source of material uncertainty. Further information on the basis for the valuation of the USS and S&LAS pension schemes and sensitivities to the assumptions made are disclosed in note 31.
At 31 July 2024, the institution's balance sheet included a liability of nil (2023/24: £73m) for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions. The remaining liability of £73m was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 31.

- **Other provisions (note 22)**
Management apply judgement to arrive at the best estimate for any obligation required. The amount recognised as a provision is management's best estimate of the present value of the amount required to settle the obligation. To arrive at this amount management assess the likelihood and extent of any future settlement and make judgements based on these.
- **Fixed asset useful lives and impairment (note 11)**
Management makes judgement over the most appropriate useful life of assets, over which period the value is depreciated. Useful lives are based on historical experience of similar assets and anticipation of future events. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness.
At each reporting date, management make judgements as to whether any indicators of impairment are present for any of the University's assets and where there are, the recoverable amount of any affected asset is estimated and compared to its carrying amount. The University considers the potential for demolition or disposal, the impact major refurbishments would have on the overall carrying value of existing assets and the likelihood of capital projects proceeding beyond feasibility stage. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss recognised immediately in the period it arises.
- **Revenue recognition (notes 1-6)**
Certain grants, donations and research revenue are recognised in the Consolidated Statement of Comprehensive Income as performance conditions are satisfied. Research revenue grants are based on budgeted awards which specify performance levels. These grants therefore have performance-related conditions attached. Capital grants are funds used for acquisition or building of items that are capital in nature. Restrictions on the grants have been identified as funds are allocated for specific capital items. Income is recognised on entitlement upon award of the grant. Management apply judgement in deferring income received for conditions not yet satisfied and accruing for income not yet received.

Consolidated and University Statement of Comprehensive Income (for the year ended 31 July 2024)



Consolidated and University Statement of Comprehensive Income

	Notes	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated £000	University £000	Consolidated £000	University £000
Income					
Tuition fees & education contracts	1	158,673	158,673	150,689	150,689
Funding body grants	2	43,287	43,287	43,321	43,321
Research grants & contracts	3	40,071	40,326	45,775	45,990
Other income	4	66,552	54,158	68,161	59,690
Investment income	5	5,792	5,569	5,875	5,517
Donations and endowments	6	7,237	8,804	8,624	8,997
Total income		321,612	310,817	322,445	314,204
Expenditure					
Staff costs	7	174,040	169,100	167,136	162,633
USS deficit provision	7	(74,717)	(74,717)	(17,085)	(17,085)
Other operating expenses		131,097	127,087	123,834	121,916
Depreciation	11	19,252	18,313	18,325	17,353
Interest and other finance costs	8	5,646	5,646	8,322	8,322
Total expenditure	9	255,318	245,429	300,532	293,139
Surplus before other (losses)/gains		66,294	65,388	21,913	21,065
Loss on disposal of assets		(1,209)	(1,209)	(1,172)	(924)
(Loss)/gain on investment property	11	(1,758)	(1,625)	(426)	193
Gain/(loss) on investments		8,831	8,502	(3,418)	(3,418)
Surplus before tax		72,158	71,056	16,897	16,916
Taxation	10	(283)	-	46	-
Surplus for the year		71,875	71,056	16,943	16,916
Actuarial gain in respect of pension schemes	31	414	414	43,188	43,188
Total comprehensive income for the year		72,289	71,470	60,131	60,104
Represented by:					
Endowment comprehensive income for the year	23	10,973	10,973	1,767	1,767
Restricted comprehensive income for the year	24	(1,331)	(1,331)	(610)	(610)
Unrestricted comprehensive income for the year		62,647	61,828	58,974	58,947
		72,289	71,470	60,131	60,104

All items of income and expenditure relate to continuing activities.

Consolidated and University Statement of Changes in Reserves

(for the year ended 31 July 2024)



Consolidated and University Statement of Changes in Reserves

Income and expenditure account				
Consolidated	Endowment £000	Restricted £000	Unrestricted £000	Total £000
Balance at 1 August 2022	113,118	28,469	239,002	380,589
Surplus for the year	1,767	9,287	5,889	16,943
Other comprehensive income	-	-	43,188	43,188
Release of restricted funds spent in the year	-	(9,897)	9,897	-
Total comprehensive income for the year	1,767	(610)	58,974	60,131
Balance at 1 August 2023	114,885	27,859	297,976	440,720
Surplus for the year	10,973	3,091	57,811	71,875
Other comprehensive income	-	-	414	414
Release of restricted funds spent in the year	-	(4,422)	4,422	-
Total comprehensive income for the year	10,973	(1,331)	62,647	72,289
Balance at 31 July 2024	125,858	26,528	360,623	513,009

University	Endowment £000	Restricted £000	Unrestricted £000	Total £000
Balance at 1 August 2022	113,118	28,469	226,429	368,016
Surplus for the year	1,767	9,287	5,862	16,916
Other comprehensive income	-	-	43,188	43,188
Release of restricted funds spent in the year	-	(9,897)	9,897	-
Total comprehensive income for the year	1,767	(610)	58,947	60,104
Balance at 1 August 2023	114,885	27,859	285,376	428,120
Surplus for the year	10,973	3,091	56,992	71,056
Other comprehensive income	-	-	414	414
Release of restricted funds spent in the year	-	(4,422)	4,422	-
Total comprehensive income for the year	10,973	(1,331)	61,828	71,470
Balance at 31 July 2024	125,858	26,528	347,204	499,590

Consolidated and University Statement of Financial Position

(as at 31 July 2024)



Consolidated and University Statement of Financial Position

		As at 31 July 2024		As at 31 July 2023	
	Notes	Consolidated £000	University £000	Consolidated £000	University £000
Non-current assets					
Tangible Fixed assets	11	489,815	472,584	490,540	472,760
Heritage assets	11	38,808	38,808	38,808	38,808
Investments	14	117,854	131,764	105,474	119,985
		646,477	643,156	634,822	631,553
Current assets					
Stock	16	1,262	819	1,099	811
Trade and other receivables	17	52,057	47,793	44,486	41,006
Current Investments	18	5,376	5,376	6,237	6,237
Cash and cash equivalents	25	14,872	8,956	20,249	14,832
		73,567	62,944	72,071	62,886
Less: Creditors: amounts falling due within one year	19	(102,843)	(102,413)	(88,329)	(88,570)
Net current liabilities		(29,276)	(39,469)	(16,258)	(25,684)
Total assets less current liabilities		617,201	603,687	618,564	605,869
Creditors: amounts falling due after more than one year	20	(103,262)	(103,167)	(101,885)	(101,790)
Provisions					
Pension provisions	22	-	-	(75,089)	(75,089)
Other provisions	22	(930)	(930)	(870)	(870)
Total net assets		513,009	499,590	440,720	428,120
Restricted reserves					
Income and expenditure reserve – endowment reserve	23	125,858	125,858	114,885	114,885
Income and expenditure reserve – restricted reserve	24	26,528	26,528	27,859	27,859
Unrestricted reserves					
Income and expenditure reserve – unrestricted		360,623	347,204	297,976	285,376
Total reserves		513,009	499,590	440,720	428,120

Approved by the University Court of the University of St Andrews on 5 December 2024 and signed on its behalf by:

Professor Sally Mapstone,
Principal and Vice-Chancellor

Ray Perman,
Senior Lay Member

Andy Goor,
Chief Financial Officer

Consolidated and University Statement of Cash Flows

(Year ended 31 July 2024)



Consolidated and University Statement of Cash Flows

	Notes	Year ended 31 July 2024 £000	Year ended 31 July 2023 £000
Cash flow from operating activities			
Surplus for the year before tax		72,158	16,897
Adjustment for non-cash items			
Depreciation	11	19,252	18,325
Impairment of fixed assets	11	656	55
Loss on investment property	11	1,758	426
(Gain)/loss on investments	23	(10,523)	1,059
(Increase)/decrease in stock	16	(163)	126
Decrease/(increase) in debtors	17	4,288	(1,545)
Increase/(decrease) in creditors	19	3,112	(485)
Decrease in pension provisions	22	(74,675)	(12,686)
Increase/(decrease) in other provisions	22	60	(1,525)
Adjustment for investing or financing activities			
Investment income	5	(5,792)	(5,875)
Endowment income	6	(3,289)	(5,198)
Interest payable	8	3,981	3,983
Loss on the sale of fixed assets		1,209	1,172
Capital grant income	2/4	(5,277)	(12,264)
Cashflows from operating activities		6,755	2,465
Taxation		(283)	46
Net cash inflow from operating activities		6,472	2,511
Cash flows from investing activities			
Capital grant receipts	2/4	5,277	12,264
(Additions to)/disposal of non-current asset investments		(1,634)	1,628
Decrease in cash on deposit	18	861	2,131
Investment income	5	5,792	5,875
Loans made to other entities		(11,764)	(8,131)
Payments made to acquire fixed assets		(23,412)	(31,283)
Net cash outflow from investing activities		(24,880)	(17,516)
Cash flows from financing activities			
Interest paid	8	(3,981)	(3,983)
Endowment cash received	6	3,289	5,198
Repayments of amounts borrowed	21	(1,047)	(1,198)
New unsecured loans	21	14,770	-
Net cash inflow from financing activities		13,031	17
Decrease in cash and cash equivalents in the year		(5,377)	(14,988)
Cash and cash equivalents at beginning of the year	25	20,249	35,237
Cash and cash equivalents at end of the year	25	14,872	20,249
		(5,377)	(14,988)

Notes to the Financial Statements

(as at 31 July 2024)



1. Tuition fees and education contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Home fees	6,425	6,425	6,584	6,584
Rest of UK fees	24,515	24,515	24,497	24,497
EU fees	13,117	13,117	11,290	11,290
Non-EU fees	104,395	104,395	100,181	100,181
Research training support grant	3,371	3,371	3,128	3,128
Short course fees	5,891	5,891	4,629	4,629
Other tuition fees	959	959	380	380
	158,673	158,673	150,689	150,689

2. Funding body grants

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Recurrent grant				
Teaching	18,433	18,433	17,700	17,700
Research	20,180	20,180	19,789	19,789
Specific grants				
Other grants	2,249	2,249	3,138	3,138
Capital grants	2,425	2,425	2,694	2,694
	43,287	43,287	43,321	43,321

3. Research grants and contracts

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Research councils	18,768	18,768	19,546	19,546
UK Government bodies, local & health authorities	4,584	4,658	5,902	5,902
UK based charities	4,818	4,818	5,030	5,030
UK industry, commerce & public corporations	2,605	2,786	3,625	3,840
EU government bodies	3,452	3,452	5,531	5,531
EU other	943	943	805	805
Other overseas	4,517	4,517	5,083	5,083
Other sources	384	384	253	253
	40,071	40,326	45,775	45,990

Included in the Statement of Financial Position is £5.4m (2022/23: £5.9m) in relation to government grants with time, performance or milestone conditions where the conditions were unfulfilled as at 31 July 2024 and where income will be released over the coming financial periods as these conditions are met. Research grant and contract income disclosed above includes various contracts where income is released over a number of years as specific milestones or other performance conditions will be met and will continue to be released over a number of years.

4. Other income

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Student accommodation income	36,765	36,765	35,195	35,195
Other sales and services to students	1,560	1,560	1,419	1,419
Student charges	55	55	51	51
Income from academic services provided	8,508	2,342	6,609	1,936
Income from other non-academic services	1,786	1,041	733	955
Forex gains / losses	402	421	539	609
External student funding	1,016	1,016	786	786
Property and Facility related income	1,301	1,626	1,118	1,654
Accommodation conferences and events	4,621	1,291	3,826	1,204
Retail Sales	2,109	835	1,891	622
Income from sale and hire of goods	1,594	1,374	638	454
Non-capital grants	2,548	1,998	3,720	3,245
Capital grants	2,852	2,852	9,570	9,570
Other Income	471	471	1,103	1,103
Research Services Income	489	489	887	887
Profit share	475	22	76	-
	66,552	54,158	68,161	59,690

The profit share is in relation to our investment in associates (note 15).

5. Investment income

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Interest from short-term investments	1,877	1,642	1,808	1,437
Interest from long-term investments	-	12	-	13
Investment income on restricted endowments	3,569	3,569	3,714	3,714
Investment income on unrestricted endowments	346	346	353	353
	5,792	5,569	5,875	5,517

6. Donations and endowments

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
New endowments (note 23)	3,289	3,289	5,198	5,198
Donations with restrictions (note 24)	2,627	2,627	2,089	2,089
Restricted donations with performance conditions	511	511	541	541
Unrestricted donations	810	2,377	796	1,169
	7,237	8,804	8,624	8,997

7. Staff costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Staff Costs:				
Salaries	139,991	135,563	130,879	126,791
Social security costs	13,181	12,916	12,177	11,957
Other pension costs (note 31)	20,868	20,621	24,080	23,885
	174,040	169,100	167,136	162,633
Movement on USS deficit provision	(74,717)	(74,717)	(17,085)	(17,085)
	99,323	94,383	150,051	145,548

A further breakdown of pension costs, including the analysis of USS deficit provision has been included in note 31.

7. Staff costs (cont'd)

	Year ended 31 July 2024 £000	Year ended 31 July 2023 £000
Emoluments of the Principal:		
Salary	330	331
Payment in lieu of employers pension contributions	40	40
Taxable benefits:		
Living accommodation	33	7
Total emoluments	403	378

The Principal occupies a small third floor flat that is provided to her by the University on a representative basis, that is, as part of her role as University Principal and as outlined in her contract with the University and is reported as a taxable benefit in kind. The flat is within University House, the remainder of which is used for public receptions, meetings, and dinners, and for temporary accommodation for visiting scholars and University guests. The Principal fully covers the running costs of the accommodation noted above, with nothing being payable by the University on behalf of the Principal.

The Principal opted out of the Universities Superannuation Scheme (USS) from 1 May 2019 and was in receipt of a salary supplement in lieu of pension contributions.

The Principal's total remuneration is 10.24 times (2023: 9.94 times) the median pay of staff, where the median pay is based on the annualised full-time equivalent remuneration of all staff at the reporting date.

The increase in median this year is a result of the higher benefit in kind for living accommodation reported as a result of a change in valuation methodology. There was no change to the Principal's salary in the year to 31 July 2024.

7. Staff costs (cont'd)

	2023/24 No.	2022/23 No.
Remuneration of other higher paid staff, excluding employer's pension contributions:		
£100,001 to £105,000	6	11
£105,001 to £110,000	9	14
£110,001 to £115,000	16	5
£115,001 to £120,000	2	3
£120,001 to £125,000	2	3
£125,001 to £130,000	3	7
£130,001 to £135,000	7	2
£135,001 to £140,000	1	1
£140,001 to £145,000	2	2
£145,001 to £150,000	3	2
£160,001 to £165,000	2	3
£165,001 to £170,000	2	-
£170,001 to £175,000	1	-
£175,001 to £180,000	-	1
£190,001 to £195,000	-	1
£205,001 to £210,000	1	-
£250,001 to £300,000	1	1
	58	56

The table above includes all employees except the Principal.

	No.	No.
Average staff numbers by major category:		
Academic	1,285	1,229
Academic support services	405	388
Research	314	335
Administration	516	485
Premises	280	266
Catering and residencies	306	292
	3,106	2,995

7. Staff costs – (cont'd)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. For the University of St Andrews this is taken to mean the Principal's Office and includes the following roles:

Principal and Vice-Chancellor; Master of the United College; Quaestor and Factor; Deputy Principal and Vice-Principal (International Strategy and External Relations), Vice-Principal Education (Proctor); Vice-Principal (Governance); Vice-Principal (Research, Collections & Innovation); Vice-Principal (People & Diversity); Vice-Principal (Strategy, Policy & Planning); Vice-Principal (Communications); Vice-Principal (Digital Education, Research & Environment); Assistant Vice-Principal (Dean of Arts and Divinity); Assistant Vice-Principal (Dean of Learning and Teaching) and Provost; Assistant Vice-Principal (Dean of Science) and Assistant Vice-Principal (International Strategy and External Relations).

	Year ended 31 July 2024 £000	Year ended 31 July 2023 £000
Salaries	2,002	1,836
Employer's pension contributions	282	331
Total compensation	2,284	2,167

Total compensation in the table above includes amounts for salary supplement in lieu of pension contributions and holiday pay entitlements.

	Year ended 31 July 2024 No.	Year ended 31 July 2023 No.
Number of posts (expressed as full-time equivalents) that are as key management personnel	15.0	13.1

There were no new posts or vacant posts in the current year. In the prior year, one new post was created in the Principal's Office, Assistant Vice-Principal (International Strategy and External Relations), and the post of Assistant Vice Principal (Dean of Arts and Divinity) which was vacant at 31 July 2023 has now been filled at 31 July 2024.

8. Interest and other finance costs

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Loan interest	3,959	3,959	3,962	3,962
Interest paid to endowment funds	22	22	21	21
Net charge on USS pension scheme	1,680	1,680	2,888	2,888
Net (gain)/charge on S&LAS pension scheme (note 31)	(15)	(15)	1,451	1,451
	5,646	5,646	8,322	8,322

9. Analysis of total expenditure by activity

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Academic and related expenditure	61,947	61,947	92,382	92,382
Academic support services	32,828	32,828	37,023	37,023
Administration and central services	51,439	52,477	57,224	57,867
Premises (including service concession costs)	42,685	42,685	37,922	39,184
Research grants and contracts	22,318	22,318	34,583	34,583
Residences, catering and conferences	33,174	33,174	32,100	32,100
Other expenses	10,927	-	9,298	-
	255,318	245,429	300,532	293,139

Other operating expenses include:	2023/24	2022/23
External auditor's remuneration in respect of:		
audit services	193	191
assurance related non-audit services	18	64
Internal auditor's remuneration in respect of:		
audit services	143	143
non-audit services:		
tax services	44	70
corporate finance services	3,970	3,024
Hire of plant and equipment	330	270
Agency costs	642	1,086

The non-audit services provided by the internal auditors included fees in relation to an ongoing systems implementation project.

The assurance related non-audit services provided by the external auditors in 2022/23 include the triennial review of the US GAAP accounts. Agency costs incurred in the year are in relation to consultants employed to aid delivery of the project.

10. Taxation

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Corporation tax charge	270	-	1	-
Deferred tax charge/(credit) – timing differences	13	-	(47)	-
Tax charge/(credit) on subsidiary profits	283	-	(46)	-

11. Tangible Fixed Assets

Consolidated	Land and Buildings £000	Assets under Construction £000	Equipment & Furniture £000	Endowed Properties £000	Total £000	Heritage Assets £000	Total £000
Cost							
At 1 August 2023	575,269	33,919	118,904	3,187	731,279	38,808	770,087
Additions	66	16,249	6,153	-	22,468	-	22,468
Transfers	17,493	(19,950)	2,457	-	-	-	-
Revaluation	(1,758)	-	-	(223)	(1,981)	-	(1,981)
Impairment	-	(656)	-	-	(656)	-	(656)
Disposals	(1,839)	-	(93)	-	(1,932)	-	(1,932)
At 31 July 2024	589,231	29,562	127,421	2,964	749,178	38,808	787,986
Depreciation							
At 1 August 2023	145,511	-	95,228	-	240,739	-	240,739
Charge for Year	14,619	-	4,633	-	19,252	-	19,252
Disposals	(535)	-	(93)	-	(628)	-	(628)
At 31 July 2024	159,595	-	99,768	-	259,363	-	259,363
Net Book Value							
At 31 July 2024	429,636	29,562	27,653	2,964	489,815	38,808	528,623
At 31 July 2023	429,758	33,919	23,676	3,187	490,540	38,808	529,348

11. Tangible Fixed Assets (cont'd)

University	Land and Buildings £000	Assets under Construction £000	Equipment & Furniture £000	Endowed Properties £000	Total £000	Heritage Assets £000	Total £000
Cost							
At 1 August 2023	557,647	33,919	111,520	3,187	706,273	38,808	745,081
Additions	51	16,102	5,792	-	21,945	-	21,945
Transfers	17,493	(19,950)	2,457	-	-	-	-
Revaluation	(1,625)	-	-	(223)	(1,848)	-	(1,848)
Impairment	-	(656)	-	-	(656)	-	(656)
Disposals	(1,839)	-	(93)	-	(1,932)	-	(1,932)
At 31 July 2024	571,727	29,415	119,676	2,964	723,782	38,808	762,590
Depreciation							
At 1 August 2023	141,690	-	91,823	-	233,513	-	233,513
Charge for Year	14,082	-	4,231	-	18,313	-	18,313
Disposals	(535)	-	(93)	-	(628)	-	(628)
At 31 July 2024	155,237	-	95,961	-	251,198	-	251,198
Net Book Value							
At 31 July 2024	416,490	29,415	23,715	2,964	472,584	38,808	511,392
At 31 July 2023	415,957	33,919	19,697	3,187	472,760	38,808	511,568

Included within fixed assets is an amount of £3.5m (2022/23: £3.5m) of capitalised finance costs

Endowed Properties are Investment Properties where the land and buildings are held for rental income and capital appreciation. They are held at Fair Value and are required to be revalued on an annual basis. A revaluation was carried out as at 31 July 2024 by the District Valuer and the net movement of £223,000 is recognised in the Statement of Financial Position.

12. Heritage assets

Additions and Disposals

Acquisitions for the current and previous four years were as follows:

	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000
Acquisitions purchased with University funds	-	-	-	-	-
Total cost of acquisitions purchased	-	-	-	-	-
Value of acquisitions by donation	-	-	-	-	-
Total acquisitions purchased	-	-	-	-	-

Main Collections

The University holds Heritage Assets across several locations, which are split into two collections, the Museum Collections and the Special Collections which are held in support of the University's core purpose of teaching and research.

Information about the University's policy for the acquisition, preservation and management and disposal of heritage assets is provided in the following publication: www.st-andrews.ac.uk/policy/library-and-museum-services/collections-development-policy-university-collections.pdf

13. Service concession arrangements

The University has arrangements in place in respect of student accommodation, for which service delivery has previously commenced and is ongoing.

In September 2015 and 2016 the University entered a 40-year contract with a third-party provider for the provision and maintenance of Fife Park (Phase III and Phase II) providing accommodation to around 500 students. The assets and liabilities relating to these schemes were initially recognised in the University's Statement of Financial Position but fully written down / unwound over the course of one year in line with the agreements in place.

In September 2017 the University entered a 40-year contract with the same third-party provider for the

provision and maintenance of Powell and Whitehorn Halls providing accommodation to around 400 students. No assets or liabilities were recognised relating to these schemes because there was no nominations agreement in place.

The University has the option to provide an annual occupancy commitment and as a result of this option being exercised during the current year, £7.7m of 2023/24 rental costs has been recorded within other operating expenses, with a corresponding income of £7.7m. In the Statement of Financial Position, the University has recorded a liability of £7.7m which has been offset by a £7.7m debtor in relation to service concession arrangements.

14. Non-current investments

	Subsidiary companies £000	Other fixed asset investments £000	Total £000
Consolidated			
At 1 August 2023	-	105,474	105,474
Additions	-	21,720	21,720
Disposals	-	(19,643)	(19,643)
Appreciation	-	10,746	10,746
Debtor movement	-	299	299
Cash movement	-	(742)	(742)
At 31 July 2024	-	117,854	117,854
University			
At 1 August 2023	14,511	105,474	119,985
Additions	248	21,321	21,569
Disposals	(450)	(19,643)	(20,093)
Appreciation	-	10,746	10,746
Debtor movement	-	299	299
Cash movement	-	(742)	(742)
At 31 July 2024	14,309	117,455	131,764
Additional Analysis of other fixed asset investments			£000
Endowment Equities			95,831
Non-Endowment Equities			683
Multi-asset Investments			8,943
Property Trust			9,615
Creditors			592
Cash and cash equivalent			2,190
Total Investments			117,854

Listed investments are held at fair value based on quoted market price.

14. Non-current investments (cont'd)

Subsidiary companies

The University owns the following subsidiary companies directly:

Company	Country of incorporation	Activity
St Andrews University Services Ltd	Scotland	Vacation letting
St Andrews Innovation Ltd (previously St Andrews Applied Research Ltd)	Scotland	Applied Research
St Andrews Management Institute	Scotland	Dormant
St Andrews University Holdings Ltd	Scotland	Dormant
St Andrews Strategic Management Ltd	Scotland	Dormant

St Andrews Applied Research Ltd in turn directly or indirectly owns the subsidiaries listed below:

Company	Country of incorporation	Activity
University of St Andrews Shop Ltd	Scotland	Retail
Photosynergy Ltd	Scotland	Laser Lighting
Eden Estuary Energy Ltd	Scotland	Energy Generation
SOI Group Ltd	Scotland	Marine Science
D'Arcy Thompson Simulator Centre Ltd (50%)	Scotland	Model Simulation
Drochaid Research Services Ltd	Scotland	Contract Research
Eden Campus Properties Ltd	Scotland	Property Rental
Eden Campus Solar 1 Ltd	Scotland	Energy Generation
Eden Campus Consultancy Ltd (51% owned)	Scotland	Management Consultancy
St Andrews West Properties Ltd	Scotland	Property Development
University of St Andrews Consulting Services Ltd	Scotland	Consultancy
SMRU Ltd	Scotland	Marine Science
St Andrews Instrumentation Ltd	Scotland	Marine Science
St Andrews Medical Innovations Ltd	Scotland	Retail
StAAR Inc	USA	Applied Research
SMRU (Hong Kong) Ltd	Hong Kong	Marine Science
SMRU (Canada) Ltd	Canada	Marine Science
SMRU LLC	USA	Marine Science
SoIOLED Ltd	Scotland	Dormant
Actiframe Ltd	Scotland	Dormant
X-Genix Ltd	Scotland	Dormant
Locate Zero Emissions Vehicles Ltd	Scotland	Dormant

15. Investment in associates

The University, through a wholly owned subsidiary (St Andrews University Services Ltd) has a 49% holding in four Limited Liability Partnerships (LLPs) with Campus Living Villages (CLV). The principal business activities include the acquisition, delivery, operation and management of student accommodation and associated services. The share of profits of £0.5m (2022/23: £0.1m)

has been recognised as income and is reported in the Consolidated Statement of Comprehensive Income.

St Andrews University Services Ltd also has a 49% holding in Grange St Andrews LLP with Kingdom Initiatives Ltd (KI) – incorporated on 13 October 2021. Grange St Andrews LLP has not traded in the year.

16. Stock

	As at 31 July 2024		As at 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Stocks of:				
Consumables	811	819	811	811
Goods for resale	451	-	288	-
	1,262	819	1,099	811

17. Trade and other receivables

	As at 31 July 2024		As at 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Amounts receivable within one year				
Research grants receivables	11,047	11,047	10,480	10,480
Debts due from students	3,419	3,419	1,486	1,486
Trade receivables	3,813	2,287	2,757	1,628
Amounts due from subsidiary companies	-	265	-	206
Other receivables	15,923	12,006	12,730	8,368
Prepayments and accrued income	17,855	15,944	17,033	16,012
	52,057	44,968	44,486	38,180
Amounts due from subsidiary companies	-	2,825	-	2,826
Total trade and other receivables	52,057	47,793	44,486	41,006

Interest of £0.01m (2022/23: £0.01m) relating to the long-term receivable due from subsidiaries, has been credited to the University's Statement of Comprehensive Income (note 5). Interest accrues on two amounts at 0.25% and 3% per annum and these are repayable by November 2034 and January 2047.

18. Current investments

	As at 31 July 2024		As at 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Deposits maturing:				
In one year or less	5,376	5,376	6,237	6,237
	5,376	5,376	6,237	6,237

19. Creditors: amounts falling due within one year

	As at 31 July 2024		As at 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Trade payables	7,288	6,680	10,040	9,511
Social security and other taxation payable	3,781	3,542	3,463	3,397
Amounts owed to group undertakings	-	1,494	-	1,494
Accruals and deferred income	78,468	77,391	73,866	73,208
Unsecured loans (note 21)	13,306	13,306	960	960
	102,843	102,413	88,329	88,570

Deferred income

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

	As at 31 July 2024		As at 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Donations with performance conditions	1,762	1,762	1,852	1,852
Doctorial training grants	3,877	3,877	3,592	3,592
Student receipts in advance	16,681	16,681	15,430	15,430
Grant income (including pooling)	-	-	52	52
Other income with performance conditions	2,575	2,575	2,219	2,219
Research grants received on account	20,997	20,997	20,310	20,310
Other accruals and deferred income	24,915	23,838	23,315	22,657
Service concession arrangement	7,661	7,661	7,096	7,096
	78,468	77,391	73,866	73,208

20. Creditors: amounts falling due after more than one year

	As at 31 July 2024		As at 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Unsecured loans	103,167	103,167	101,790	101,790
Cumulative convertible preference shares	95	-	95	-
	103,262	103,167	101,885	101,790

Cumulative preference shares represent preference shares held in a subsidiary company, Photosynergy Limited.

21. Loans

Analysis of unsecured loans:

	As at 31 July 2024		As at 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Due within one year (note 19)	13,306	13,306	960	960
Due between one and two years	1,306	1,306	960	960
Due between two and five years	3,736	3,736	3,417	3,417
Due in five years or more	98,125	98,125	97,413	97,413
Due after more than one year	103,167	103,167	101,790	101,790
Total unsecured loans	116,473	116,473	102,750	102,750
Unsecured loans repayable by 2027	1,440	1,440	2,161	2,161
Unsecured loans repayable by 2029	40	40	50	50
Unsecured loans repayable by 2030	1,092	1,092	1,322	1,322
Unsecured loans repayable by 2032	2,338	2,338	-	-
Unsecured loans repayable by 2034	1,257	1,257	1,257	1,257
Unsecured loans repayable by 2037	37,000	37,000	37,000	37,000
Unsecured loans repayable by 2048	60,000	60,000	60,000	60,000
	103,167	103,167	101,790	101,790

21. Loans (cont'd)

Included in loans are the following:

Lender	Amount £000	Repayments Commence	Interest Rate
Northwestern Mutual Life Insurance	37,000	2033	2.43%
Barclays Bank Plc	60,000	2039	5.06%
SFC (Salix carbon reduction loan)	2,161	2021	-
SFC (Salix original loan)	1,257	2023	-
Lawn Tennis Association	50	2019	-
SFC (Solar farm loan)	1,322	2021	0.25%
SFC (Increasing onsite renewables loan)	2,683	2024	1.00%
RBS RCF	12,000	2024	5.75%
Total	116,473		

The Scottish Funding Council (Salix loans) are interest free loans with annual repayments of £720,179.

Lending arrangements with Northwestern Mutual Life Insurance, Barclays and RBS are subject to the following financial covenants; Debt Service to Total Income, Adjusted Cashflow to Debt Service, Total External Debt to Consolidated Total Assets, EBITDA to Debt Service and Adjusted Surplus requirements. In addition to this the University provides monthly liquidity information to lenders. All financial covenants were met in the year to 31 July 2024.

The University has access to a £35m Revolving Credit Facility (RCF) which was renegotiated, expanded and extended for up to 5 years to July 2028. During the year £12m of this was accessed to support the funding of a capital scheme temporarily, with £23m remaining available at 31 July 2024. The RCF is expected to be repaid in full in September 2024. The University is not forecast to drawdown on the facility over the going concern period to 31 July 2026.

22. Provisions for liabilities

Consolidated	Obligation to fund deficit on USS pension £000	Defined Benefit Obligations (note 31) £000	Total Pensions Provision £000	Other Provisions £000	Early Retirement Provision £000	Total Other Provisions £000
Balance at 1 August 2023	(73,038)	(2,051)	(75,089)	(860)	(10)	(870)
Utilised in year	650	23,312	23,962	-	10	10
Additions	72,388	(21,261)	51,127	(32)	(38)	(70)
Balance at 31 July 2024	-	-	-	(892)	(38)	(930)

University	Obligation to fund deficit on USS pension £000	Defined Benefit Obligations (note 31) £000	Total Pensions Provision £000	Other Provisions £000	Early Retirement Provision £000	Total Other Provisions £000
Balance at 1 August 2023	(73,038)	(2,051)	(75,089)	(860)	(10)	(870)
Utilised in year	650	23,312	23,962	-	10	10
Additions	72,388	(21,261)	51,127	(32)	(38)	(70)
Balance at 31 July 2024	-	-	-	(892)	(38)	(930)

USS deficit

The obligation to fund the past deficit on the University Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are provided in note 31(a).

Following the completion of the 2023 actuarial valuation, no deficit recovery plan was required, because the scheme was in surplus, more detail is given in note 31(a).

23. Endowment reserves

Consolidated and University	Unrestricted permanent endowments £000	Restricted permanent endowments £000	Restricted expendable endowments £000	2024 Total £000	2023 Total £000
Balances at 1 August 2023					
Capital	8,836	96,477	347	105,660	104,202
Accumulated income	2	9,204	19	9,225	8,916
	8,838	105,681	366	114,885	113,118
New endowments	78	3,154	57	3,289	5,198
Transfers	(232)	(2,293)	(24)	(2,549)	(2,680)
Investment income	346	3,540	29	3,915	4,067
Expenditure	(348)	(3,809)	(48)	(4,205)	(3,759)
Increase/(decrease) in market value of investments	918	9,569	36	10,523	(1,059)
Total endowment comprehensive income for the year	762	10,161	50	10,973	1,767
Balances as at 31 July 2024	9,600	115,842	416	125,858	114,885
Represented by:					
Capital	9,600	106,907	416	116,923	105,660
Accumulated Income	-	8,935	-	8,935	9,225
	9,600	115,842	416	125,858	114,885
Analysis by type of purpose	£000	£000	£000	£000	£000
Chairs and Lectureships	-	27,498	-	27,498	27,456
Academic Schools / Unit Support	202	11,095	416	11,713	8,741
Scholarships and Bursaries	-	71,918	-	71,918	64,682
Prize funds	-	2,367	-	2,367	2,170
General	9,398	-	-	9,398	8,649
Endowment Property	-	2,964	-	2,964	3,187
	9,600	115,842	416	125,858	114,885

23. Endowment reserves (cont'd)

Charitable funds that are over 1% of the value of total endowment funds

Name of Fund	As at 31 July 2023 £000	New/ Additions £000	Change in market value £000	Transfer of realised appreciation £000	Income £000	Expenditure £000	As at 31 July 2024 £000
United College Chairs	10,745	-	1,113	(290)	429	(435)	11,562
Lapsed Bursaries Fund	7,485	-	715	(186)	276	(386)	7,904
Robert T Jones Memorial Trust Scholarship	6,256	353	664	(157)	236	(192)	7,160
Free Endowment Fund	4,373	-	453	(118)	175	(174)	4,709
Shelby Cullom Davis Chair in Philosophy	4,163	-	388	(101)	150	(452)	4,148
100 Fund	2,742	273	293	-	36	-	3,344
600th Anniversary Endowment Fund	3,000	78	313	(81)	120	(120)	3,310
R&A Ransome Scholarship	3,020	-	308	(81)	119	(105)	3,261
600th Anniversary Scholarship Fund	2,753	8	267	(70)	103	(180)	2,881
Endowed Lectureship in American Literature	2,539	-	234	(61)	91	(90)	2,713
Prof. & Mrs Purdie's Bequests	2,555	-	(233)	(4)	34	-	2,352
Maitland Ramsay PG Scholarship	2,095	-	189	(49)	74	(76)	2,233
D & G Bonnyman PG Scholarships	2,092	-	207	(54)	80	(126)	2,199
Ewan & Christine Brown PhD Studentships	2,050	-	208	(54)	80	(100)	2,184
Gifford Bequest	1,721	-	139	(36)	54	(61)	1,817
John & Aileen Irving Fund	1,514	-	126	(33)	49	(36)	1,620
Barbara Bennett Ure Scholarship	1,394	-	129	(33)	50	(65)	1,475
Miss Moncrieff Travelling Scholarship Fund	1,418	-	130	(34)	51	(91)	1,474
	61,915	712	5,643	(1,442)	2,207	(2,689)	66,346

24. Restricted reserves

Reserves with restrictions are as follows:

Consolidated and University	Unspent capital grants £000	Restricted donations £000	2024 Total £000	2023 Total £000
Balances at 1 August 2023	19,325	8,534	27,859	28,469
New grants	2,852	-	2,852	9,570
New donations	-	2,627	2,627	2,089
Capital grants utilised	(4,422)	-	(4,422)	(9,897)
Expenditure	-	(2,388)	(2,388)	(2,372)
Total restricted comprehensive income for the year	(1,570)	239	(1,331)	(610)
Balances as at 31 July 2024	17,755	8,773	26,528	27,859

Analysis of other restricted funds / donations by type of purpose:

	2024 Total £000	2023 Total £000
Chairs and Lectureships	35	33
Academic Schools / Unit Support	4,923	4,314
Scholarships and Bursaries	3,465	3,663
Prize funds	350	524
	8,773	8,534

25. Cash and cash equivalents

Consolidated	At 1 August 2023 £000	Cash Flows £000	At 31 July 2024 £000
Cash and cash equivalents	20,249	(5,377)	14,872

26. Consolidated statement of net debt

	As at 31 July 2024 £000
Net debt at 1 August 2023	(89,692)
Decrease in cash and cash equivalents	(5,377)
New unsecured loans	(14,770)
Repayment of unsecured loans	1,047
Other non-cash changes	(565)
Net debt at 31 July 2024	(109,357)
Change in net debt	(19,665)

Analysis of net debt:

	As at 31 July 2024 £000	As at 31 July 2023 £000
Cash and cash equivalents	14,872	20,249
Borrowings: amounts falling due within one year		
Unsecured loans	(13,306)	(960)
Service concession arrangements (note 13 and 19)	(7,661)	(7,096)
	(20,967)	(8,056)
Borrowings: amounts falling due after more than one year		
Unsecured loans	(103,262)	(101,885)
Net debt	(109,357)	(89,692)

27. Capital and other commitments

Provision has not been made for the following capital commitments:

Consolidated and University	As at 31 July 2024		As at 31 July 2023	
	Consolidated £000	University £000	Consolidated £000	University £000
Commitments contracted for	6,444	6,444	10,722	10,722
Authorised but not contracted for	7,610	7,610	2,718	2,718
	14,054	14,054	13,440	13,440

28. Lease obligations

Total rentals payable under operating leases:

	Land and Buildings £000	Plant and Machinery £000	Total as at 31 July 2024 £000	Total as at 31 July 2023 £000
Payable during the year	2,071	234	2,305	1,806
Future minimum lease payments due:				
Not later than 1 year	1,405	148	1,553	631
Later than 1 year and not later than 5 years	1,112	203	1,315	715
Later than 5 years	891	36	927	920
Total lease payments due	3,408	387	3,795	2,266

29. Amounts disbursed as an agent

Consolidated and University	Year ending 31 July 2024	Year ending 31 July 2023
	£000	£000
Discretionary fund		
Income		
Excess of income over spend at 1 August 2023	2	53
Funding Council grants	229	327
	231	380
Expenditure		
Disbursed to students	(199)	(342)
Transferred to Childcare Fund	(18)	(38)
Returned to SAAS	(14)	-
Fund running cost	-	-
	(231)	(380)
Excess of income over expenditure at 31 July 2024	-	-
Childcare fund	£000	£000
Income		
Excess of income over spend at 1 August 2023	-	-
Funding Council grants	-	-
	-	-
Expenditure		
Disbursed to students	(18)	(38)
Transferred from Discretionary Fund	18	38
	-	-
Excess of income over expenditure at 31 July 2024	-	-

HE bursaries and other student support funds are available solely to assist students, the University acts only as a paying agent. The grants and related disbursements are excluded from the Statement of Comprehensive Income.

30. Disclosure of related party transactions

Due to the nature of the University's activities and the composition of Court, (members being drawn from local public and private sector organisations) and Senior Leadership Team (SLT), it is inevitable that transactions will take place with organisations (in particular with similar public bodies) which a member of Court or SLT may have an interest. From time to time, as supporters of the University, Court members may make donations of varying amounts to assist the University in achieving its goals.

All members of Court and SLT are required to complete a register of interests. The register is checked against the University's trade receivable and trade

payable ledgers. All transactions in which a member of Court or SLT may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

The University has taken advantage of the exemption allowed by FRS 102 Section 33 Related Party Disclosures not to disclose transactions between wholly owned group companies. Related party transactions with University spinout companies have not been disclosed as they are not material to either party.

The following transactions were identified for the disclosure:

Organisation	Relationship	Nature of transaction	Receipts £000	Payments £000	Debtor/ creditor £000
University of St Andrews Students' Association	Charity	Operations/grants	2,071	(1,034)	158/-
Campus Living Villages	Accommodation	Rental	-	(8,027)	-/-
BAE Systems Ltd	Grant funding	Grants	533	-	20

The majority of income from the University of St Andrews Students' Association relates to salary and other recharges.

In accordance with the agreement with Campus Living Villages, the University transfers student accommodation rental income to CLV (St Andrews) UK LLP, CLV (St Andrews) UK 2 LLP and CLV (St Andrews) UK 3 LLP.

31. Pension schemes

The University contributes to two principal pension schemes for its staff:

- the Universities Superannuation Scheme (USS)
- the St Andrews University Superannuation & Life Assurance Scheme (S&LAS)

A small number of staff contribute to other defined contribution schemes for which the University has no further payment obligation once the contributions are paid over.

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

	Year ended 31 July 2024 £000	Year ended 31 July 2023 £000
USS	15,765	18,000
S&LAS (including FRS 102 adjustments)	4,122	5,360
Other pension schemes	981	720
Total operating charge	20,868	24,080

31. Pension schemes (cont'd)

a) Universities Superannuation Scheme (USS)

The institution participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total charge to the Consolidated Statement of Comprehensive Income is £88.8m (2022/23: £4m) being £73m decrease to the deficit provision offsetting £2.3m deficit contributions and £13.5m pension contributions, £1.1m of which were outstanding at the reporting date (2022/23: £18.2m and £1.5m respectively). Deficit recovery contributions due within one year for the University are nil (2022/23: £5.6m).

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The

institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

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

Since the University cannot identify its share of Retirements 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 scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £73.1bn and the value of the scheme's technical provisions was £65.7bn indicating a surplus of £7.4bn 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 linearly by 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post-retirement: 0.9% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

2023 valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S2PMA "light" 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

31. Pension schemes (cont'd)

The current life expectancies on retirement at age 65 are:

	As at 31 July 2024 Years	As at 31 July 2023 Years
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

USS – deficit recovery position

The major assumptions used to calculate the provision over the last two financial years were:

	As at 31 July 2024	As at 31 July 2023
Discount rate	n/a	5.52%
Salary growth – year 1	n/a	4.00%
Salary growth – year 2	n/a	3.00%
Salary growth – year 3	n/a	3.00%
Salary growth – thereafter	n/a	2.70%

b) St Andrews University Superannuation & Life Assurance Scheme

This is a defined benefit scheme primarily for the benefit of non-academic University staff. It is externally funded and contracted out. The assets of the scheme are held in a separate trustee administered fund. The University is

required to account for the present value of the scheme assets and liabilities in its Statement of Financial Position. A full actuarial valuation of the scheme was carried out at 31 July 2021 and updated to 31 July 2024 by a qualified independent actuary. The major assumptions used by the actuary, on the Projected Unit method, were:

Disclosure of principal assumptions	As at 31 July 2024	As at 31 July 2023
Rate of increase in salaries:		
Year 1	2.00%	4.00%
Year 2	3.00%	3.00%
Year 3	2.70%	3.00%
Thereafter	2.70%	2.65%
Pension increases (RPI max 9.00%)	3.20%	3.30%
Pension increases (RPI max 2.50%)	1.85%	1.80%
Pension increases (CPI max 3.00%)	2.10%	2.00%
Discount Rate	5.00%	5.15%
Inflation assumption (RPI)	3.10%	3.10%

31. Pension schemes (cont'd)

The current mortality assumptions include sufficient allowance for future mortality improvements in mortality rates. The assumed life expectancies on retirement at age 65 are:

	As at 31 July 2024 Years	As at 31 July 2023 Years
Retiring today:		
Males	20.8	20.7
Females	23.1	23.1
Retiring in 20 years:		
Males	22.0	22.0
Females	24.6	24.5

The table below shows the effect that changing the most significant assumptions at 31 July 2024 would have had on the defined benefit obligation.

	(Increase)/decrease in defined benefit obligation at 31 July 2024 £000
Increase of 0.25% in the discount rate	(5,484)
Decrease of 0.25% in the discount rate	5,839
Increase of 0.1% in inflation	1,793
Decrease of 0.1% in inflation	(1,383)
Increase of one year in life expectancy*	3,125

* Life expectancies would increase from 20.8 years to 21.8 years for a male currently aged 65, and from 22.0 years to 23.0 years for a male currently aged 45.

Each sensitivity above is considered in isolation and the same methodology is adopted for calculating the defined benefit obligation.

The fair value of the assets of the scheme are:

	Value at 31 July 2024 £000	Value at 31 July 2023 £000
Equities	58,611	64,432
Multi-Asset Credit Fund	17,640	16,132
Infrastructure	21,154	19,344
Cash	2,648	688
Property	18,000	10,188
Asset-backed securities	8,305	6,050
	126,358	116,834

Multi-asset funds invest in a wide range of credit assets including secure debt, leveraged loans, high yield debt, asset backed securities and emerging market debt.

31. Pension schemes (cont'd)

The following amounts were measured in accordance with the requirements of FRS102:

	As at 31 July 2024 £000	As at 31 July 2023 £000
Total fair value of scheme assets	126,358	116,834
Present value of scheme liabilities	(124,844)	(118,885)
Change in asset ceiling excluding interest	(1,514)	-
Deficit in scheme – Net pension liability	-	(2,051)

	As at 31 July 2024 £000	As at 31 July 2023 £000
Changes in the present value of the defined benefit assets:		
Opening fair value of scheme assets	116,834	111,752
Interest income on scheme assets	5,995	3,911
Return on plan assets in excess of interest income	4,385	1,137
Contributions by employer	5,744	5,300
Contributions by members	207	180
Benefits paid	(5,824)	(4,736)
Administrative expenses paid	(983)	(710)
Closing fair value of scheme assets	126,358	116,834

	As at 31 July 2024 £000	As at 31 July 2023 £000
Changes in the present value of the defined benefit liabilities:		
Opening defined benefit liability	118,885	155,480
Current service cost	3,139	4,650
Interest cost	5,980	5,362
Employee contributions	207	180
Actuarial loss/(gain) – change in financial assumptions	3,614	(43,058)
Actuarial gain – change in demographic assumptions	(564)	(3,357)
Actuarial (gain)/loss on experience adjustment	(593)	4,364
Benefits paid	(5,824)	(4,736)
Closing defined benefit liability	124,844	118,885

31. Pension schemes (cont'd)

	Year ended 31 July 2024 £000	Year ended 31 July 2023 £000
Amounts charged to statement of consolidated income:		
Current service cost	3,139	4,650
Administrative expenses	983	710
Total operating charge	4,122	5,360
Net finance charge on pension scheme:		
Interest income on scheme assets	(5,995)	(3,911)
Interest on pension scheme liabilities	5,980	5,362
Net (gain)/charge to interest costs (note 8)	(15)	1,451

The total movement in the scheme's deficit during the year is made up as follows:

	Year ended 31 July 2024 £000	Year ended 31 July 2023 £000
Deficit on scheme at 1 August	(2,051)	(43,728)
<i>Movement in year:</i>		
Current service cost	(3,139)	(4,650)
Administrative expenses	(983)	(710)
Contributions	5,744	5,300
Net finance gain/(charge)	15	(1,451)
Actuarial gain	414	43,188
Deficit on scheme at 31 July	-	(2,051)

The University has contributed to the scheme at the following rates of pensionable salary during the year:

	Year ended 31 July 2024	Year ended 31 July 2023
	17.93%	17.93%

The estimated contribution to be paid to the scheme for the next accounting period is £5.8m (2022/23: £3.8m).

The employer's contribution to be paid next year is based on the current members of the scheme at 31 July 2024.

31. Pension schemes (cont'd)

History of gains/(losses)	2024	2023	2022	2021	2020
Difference between the expected and actual return on scheme assets					
Amount (£000)	4,385	1,137	(13,827)	13,867	(5,157)
Percentage of scheme assets	3.5%	1.0%	12.4%	11.2%	4.8%
Experience gains/(losses) on scheme liabilities					
Amount (£000)	593	(4,364)	(15,129)	-	(2,788)
Percentage of the present value of the scheme liabilities	0.5%	3.7%	9.7%	-	1.5%

With effect from 1 August 2017, the S&LAS scheme changed from a final salary pension scheme to a career-average pension scheme.

32. US Department of Education Financial Responsibility Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the University is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

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

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

32. US Department of Education Financial Responsibility Supplemental Schedule (cont'd)

Primary Reserve Ratio		2024		2023	
Page	Primary statement/Note	£000	£000	£000	£000
		Expendable Net Assets:			
52	Statement of Financial Position	Total Reserves	513,009	440,720	
	*		(47,455)	(42,260)	
74	Note 23	Total new endowments – endowment reserve	(3,289)	(5,198)	
52	Statement of Financial Position	Tangible Fixed Assets and Heritage Assets	(528,623)	(529,348)	
52	Statement of Financial Position	Pension provisions	-	75,089	
52	Statement of Financial Position	Creditors: amounts falling due after more than one year	103,262	101,885	
		Total expenses and losses:			
48	Statement of Comprehensive Income	Total expenditure	255,318	300,532	
74	Note 23	Total expenditure – endowment reserve	(4,205)	(3,759)	
76	Note 24	Total expenditure – restricted reserve	(2,388)	(2,372)	

* this is the capital (excluding appreciation) on the original endowments which are not shown separately in note 23 but split as below:

Page		Unrestricted permanent endowments £000	Restricted permanent endowments £000	2024 £000	Unrestricted permanent endowments £000	Restricted permanent endowments £000	2023 £000
74	Balances at 1 August 2023	8,838	106,047	114,885	8,823	104,295	113,118
		Split:			Split:		
*	Original capital	-	47,455	47,455	-	42,260	42,260
	Cumulative capital appreciation	8,838	49,367	58,205	8,823	53,119	61,942
	Total capital (note 23)	8,838	96,822	105,660	8,823	95,379	104,202
	Accumulated income	-	9,225	9,225	-	8,916	8,916
74	Total brought forward balance	8,838	106,047	114,885	8,823	104,295	113,118

32. US Department of Education Financial Responsibility Supplemental Schedule (cont'd)

Equity Ratio			2024		2023	
Page	Primary statement/Note		£000	£000	£000	£000
		Modified Net Assets:				
52	Statement of Financial Position	Total Reserves	513,009		440,720	
		Modified Assets:				
52	Statement of Financial Position	Non-current assets	646,477		634,822	
52	Statement of Financial Position	Current assets	73,567		72,071	

Net income ratio			2024		2023	
Page	Primary statement/Note		£000	£000	£000	£000
		Change in Net Assets Without Donor Restrictions:				
48	Statement of Comprehensive Income	Total income	321,612		322,445	
58	Note 5	Investment income on restricted and unrestricted endowments		(3,915)		(4,067)
74	Note 23	New endowments (endowment reserve)		(3,289)		(5,198)
76	Note 24	New grants (restricted reserves)		(2,852)		(9,570)
76	Note 24	New donations (restricted reserves)		(2,627)		(2,089)
48	Statement of Comprehensive Income	Total expenditure		(255,318)		(300,532)
74	Note 23	Total expenditure – endowment reserve	4,205		3,759	
76	Note 24	Total expenditure – restricted reserve	2,388		2,372	
48	Statement of Comprehensive Income	Gain/(loss) on investments	8,831			(3,418)
48	Statement of Comprehensive Income	Loss on investment property		(1,758)		(426)
74	Note 23	Increase/(decrease) in market value of investment	10,523			(1,059)
48	Statement of Comprehensive Income	Actuarial gain in respect of pension schemes	414		43,188	
48	Statement of Comprehensive Income	Loss on disposal of assets		(1,209)		(1,172)
74	Note 23	Transfers	2,549		2,680	
76	Note 24	Capital grants utilised	4,422		9,897	
48	Statement of Comprehensive Income	Taxation		(283)		46

32. US Department of Education Financial Responsibility Supplemental Schedule (cont'd)

Net income ratio (cont'd)			2024		2023	
Page	Primary statement/Note		£000	£000	£000	£000
		Total Revenue and Gains:				
48	Statement of Comprehensive Income	Total income	321,612		322,445	
58	Note 5	Investment income on restricted and unrestricted endowments		(3,915)		(4,067)
74	Note 23	New endowments (endowment reserve)		(3,289)		(5,198)
76	Note 24	New grants (restricted reserves)		(2,852)		(9,570)
76	Note 24	New donations (restricted reserves)		(2,627)		(2,089)
48	Statement of Comprehensive Income	Loss on disposal of assets		(1,209)		(1,172)



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