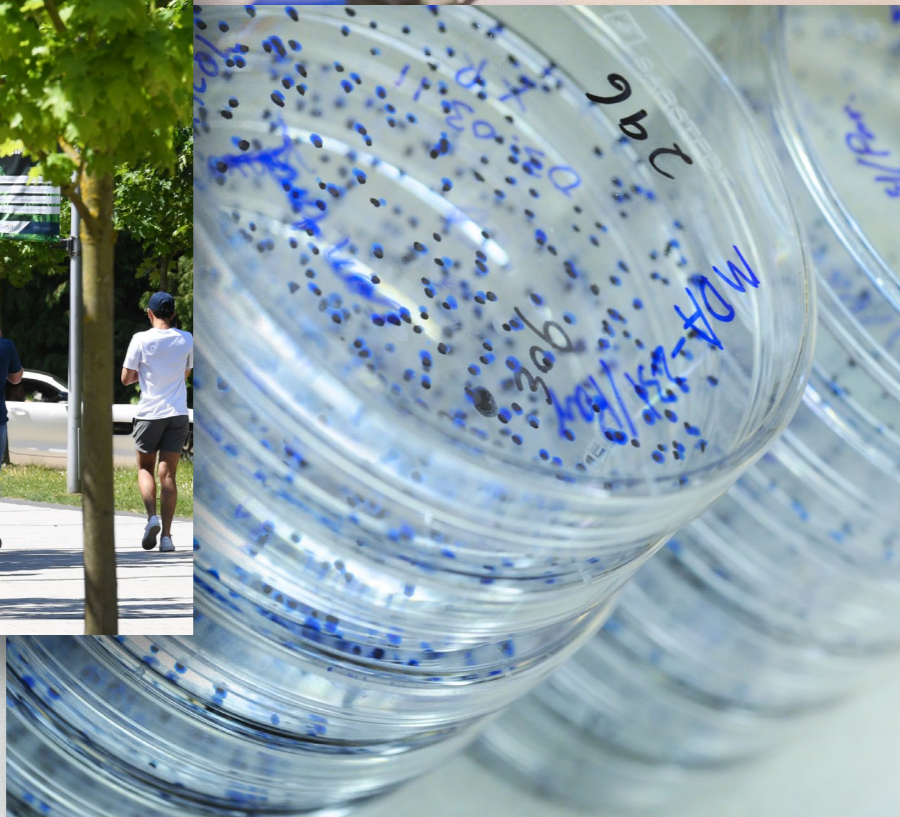




Annual Report 2023/2024



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Brunel University London
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Key achievements 2023/24

Global standing

342nd

among more than 1,503 institutions across 106 locations worldwide, in the top 23% worldwide

2025 QS World University Rankings

38th

in the UK

International reach

6th

in the world for international outlook

The World University Rankings 2024

1st

in the UK for international outlook

Employment



Median salary outcomes are 11.2% (+£2,900) higher than the rest of the sector

14th

in the UK for most employable graduates

Research



Over £23M research income awarded (up 44% from 2022/23)

Student satisfaction

(132 institutions)

79.4%

overall positivity scores, up 5 places in the rankings



Strategy

2022/23 saw the development and launch of a new long-term Strategy 'Wielding Brunel's World Class Difference', focused on the unique traits and distinctive history of Brunel that dates back to 1798 with the establishment of a school in Borough Road, the forerunner of Borough Road College. The College later combined with Maria Grey College, Shoreditch College of Education and Brunel, formerly Acton Technical College. All were set up to educate people in professional, technical and applied subjects. Many of their graduates were Londoners but also from other parts of the world, all of them contributing to transforming the UK economy. Our strategy reaffirms the key distinctive strengths that make Brunel unique and on which to build and are reinforced by our three new refocused values, which we launched in July 2024 following development with colleagues across the University. Our values are an important part of our vision and priorities at Brunel. They shape what we say and do. They clarify what we stand for, guide how we behave, and influence all our communications. Our three values, *Open, Courageous and Inventive*, build on the unique identities of our Colleges and Departments and support colleagues to deliver teaching and research that meets the needs and expectations of our students and has an impact on global society.

Our vision summarises the key elements of the Strategy by affirming that Brunel is *a world-class research university, combining a technical focus with research excellence that is closely aligned with the needs of progressive, equitable and inclusive global societies and economies*. With a strong social mission, distinctive staff talent and highly employable graduates, we have exceptional international reach from our London campus.

The Strategy and our focus on our unique strengths is articulated around 5 themes:

A World Leading Technical University: closely aligned to the world-class technical universities found across the globe whose research and education seeks to tackle the major scientific and economic challenges facing society and produce graduates who are at the forefront of addressing them.

Powered by diversity: a key longstanding strength, asset and advantage: a source of innovative thinking, adaptability, entrepreneurship and a horizon-expanding educational experience.

A London campus with unparalleled global reach: the campus sits on the western side of one of the world's leading global cities, a short distance from one of the world's most directly connected airports. Almost uniquely amongst London universities, it is one large and unified green parkland.

Driven by a social mission: an escalator for social mobility and social justice, and an engine for opportunity for those who want to transform their life chances through education. Equally our research looks to real world problems and is based on a strong desire to impact directly on societies' major challenges.

Co-creating with business and industry: few universities in the UK have as strong a relationship with business and industry as Brunel. Long associated with the early adoption of the 'sandwich degree', our engagement with business, industry and the professions runs throughout the University, and is one of our defining characteristics.

2023/24 was an exciting and positive first year as we started to embed and deliver against our

strategy, a few highlights of which are detailed in the following pages. Notably, this past year has seen the development of our academic and portfolio plans that underpin strategy delivery, as well as the development of Key Performance Indicators against which we will now be able to monitor our progress. Our (i) Education, (ii) Research, (iii) Enterprise & Employment, (iv) International & Sustainability and (v) Financial plans were approved by Council in January 2024. Our underpinning and supporting Estates and Digital Strategies were approved by Council in early July 2024. The work to develop our new Brand and visual identity that we started in the latter half of 2022/23 and further developed throughout 2023/24 was soft launched at the start of the 2024/25 academic year.

Brunel's accession to the University of London (UoL) Federation on 1 October 2024, announced in July 2024, is a significant and positive point in Brunel's history and one which will provide future scope and opportunity for both Brunel and UoL and its other federation members. The decision to admit Brunel to the federation followed a rigorous process led by a University of London panel who recognised

Brunel's key role in the west London's economy and communities and our global reputation for technical and professional education and research. Brunel's commitment to addressing the needs and challenges of society – both in London and globally – align well with the University of London and the social mission of the federation. Brunel's international outlook, diversity, research excellence and industry-facing education will strengthen the already very strong University of London's global reputation, and bring many new and exciting opportunities for collaboration between Brunel and other member institutions.

Earlier this calendar year Brunel Medical School (BMS) was placed at the forefront of the government's plans to expand training of UK medical professionals, granting BMS the opportunity to offer 50 places to UK 'home' students from September 2024.

Brunel's exciting new partnership with Caffè Nero, delivering the first ever Nero Book Awards, was launched in autumn 2023, with Brunel's Professor of Creative Writing, Bernardine Evaristo, chairing the judging panel, building on our Strategy theme of **Co-creating with business and industry**.

“Our strategy reaffirms the key distinctive strengths that make Brunel unique”

Education & Student Experience

This past academic year we have continued to build on the good work initiated across the University in 2022/2023. Despite being affected by Reinforced Autoclaved Aerated Concrete (RAAC), we continued to improve our NSS results, with student positivity scores rising in every NSS theme and for the majority of subject areas. Using the same way of calculating our position as last year we have gone up another five places to 92nd out of 132 universities. This rise has been due to improved communication with our students via several routes and a more rapid response to student feedback. In May - notably - we were spotlighted as a 'major climber' in this year's Complete University Guide, with a remarkable rise of 16 places putting us 79th of 130 UK universities.

Our student experience has been challenging for us in recent years because of our very diverse student body and our increased number of commuter students. Having made progress over the 2022/2023 academic year, we maintained our focus and have implemented a variety of changes including rolling out a new Personal Tutoring Code of Practice which sets out the expectation that each student will have regular one to one meetings with their tutor. A tutor handbook has been produced which will help tutors to refer students to the most appropriate service in the university if required. A student version of this is currently being produced.

Continuing to improve our communication with our student body, we have further increased our engagement and dialogue with our Student Union. We continue to work through our student-facing policies and communications to ensure the language we use is student friendly and clear.

To further support student engagement and success attendance monitoring software (SEAtS) has been rolled out to track student attendance. Failure to attend classes will then trigger a range of interventions to support students in improving their attendance and thus their chances of success.

We have started to review and modify our Senate regulations to support and enable our students to succeed, a key component of the **'Driven by a social mission'** theme of our strategy.

We submitted our new Access and Participation Plan from 2025 until 2029 and this was approved without amendments by the OfS. Funding for students in our plan moved away from access to higher education to focus more on progression and supporting

students to secure further employment or education opportunities.

As reflected in the **'Powered by Diversity'** theme of our Strategy, we are very proud of our diversity and we continue to work hard to understand and address our awarding gap. Multiple interventions are now underway to try to reduce the gap, but we need to be patient for the changes to take effect.

Brunel Medical School has continued its successful development and as detailed above, in September 2024, for the first time, we will admit 50 home students following the previous two years of recruiting only international students. This exciting inclusion of home students supports our social mobility mission as we have targets to recruit medical students from under-represented groups. We will enter year 3 (BMS launched in AY 2022/23) with an intake cohort of ~150, two thirds international and one third home students.

In 2023, we started a project to change our academic year with semesters of equal duration and a consistent reading week break. Our new Academic year starts later than previously which enables our international students to more easily get visas before the start of term. The timing of our new academic year is much more in line with other Universities.

We signed a new contract with FutureLearn who will support our Brunel online programmes. This has been a very successful partnership with significant numbers of students on these programmes. This coming year we plan to roll out further programmes across the University.

The opening of 'Benjamin Zephaniah Square' in the centre of campus in spring 2024 provided an excellent events space for staff and students, with the options for use of a large marquee for 6 months of the year.

In 2023/24 many lecture rooms were re-furnished and re-equipped and a brand new ~120 seater Lecture Theatre was brought online.

Finally, our recent accession to the University of London means we have opportunities to use the University of London brand to support further growth in student numbers, including in specific online areas. Our students are also able to use the UoL library and study facilities as well as participate in the many clubs and societies and student engagement events that UoL offer.

Research

As a research-intensive university, the goal is for Brunel to improve its research position to amongst the top 40 of UK universities in the next REF (Research Exercise Framework) assessment in 2029. Following a trial internal Quality Exercise with three UoAs (Unit of Assessment) in December in 2023 an all-UoA rollout is underway, to help to improve the quality of research outputs.

Research Income: We've seen a very substantial rise in research grants awarded this financial year – the total value of awards received in 2023/24 went up to £23,183,582 representing a 44% increase on the value of awards received in 2022/23. This significant uplift was underpinned by a 35% increase in the number of proposals submitted on the previous year. It marks the strengthening of our research activity, aligned with the new strategy. The average value of grants awarded in 2023/24 was £130,245 compared to £86,312 in 2022/23.

League Tables and Centre for Excellence: This year saw Brunel 38th in the UK and 342nd globally in the 2025 QS World University Rankings, which featured 1,500 institutions across 106 locations. The QS World University Rankings emphasise employability, sustainability and International Research Network.

Brunel's academic excellence is also recognised in the CTWS Leiden Ranking 2023. Brunel is 18th in the UK, and 82nd in the world, for the proportion of papers that belong in the most frequently cited top 10%.

In February 2024, United Nations Economic Commission for Europe (UNECE) member states choose the UK to establish the world's first International Centre of Excellence on Sustainable Resource Management in the Circular Economy. Brunel is one of the five participating institutions through the Brunel Centre for Advanced Solidification Technology (BCAST).

Fellowships of UK's National Academies: In 2024, we also celebrated the election of three distinguished professors to the Fellowships of UK's National Academies. Professor Rebecca Sear – an evolutionary behavioural scientist at Brunel University London, and Director of Brunel's Centre for Culture and Evolution – has been elected to the Fellowship of the British Academy. Professor Brian Cantor, a consultant at

BCAST (Brunel Centre for Advanced Solidification Technology), was named one of 90 exceptional researchers worldwide to be elected to the Fellowship of the Royal Society. Prof Hussam Jouhara is one of 71 leading figures in the field of engineering and technology appointed as one of the Royal Academy of Engineering's new Fellows for his unique and extensive expertise in designing and manufacturing various types of heat exchangers for low, medium and high-temperature applications.

Supporting postgraduate researchers: Brunel is making a significant investment in Postgraduate Researchers (PGRs) by raising the minimum stipend for 2023/24 to £20,622 (incl. of £2K London weighting) which is the full time equivalent for all PGRs who are on a studentship funded directly by the University. This is in line with the recent announcement by the UKRI that they are increasing the minimum PGR student stipend by 2.9%. UKRI's approach to doctoral stipend and fee levels will be reviewed through the new deal for postgraduate research in 2024/25.

Brunel Hydrogen Initiative has created significant internal and external impact. There are over £3m hydrogen relevant projects, including several new Innovate UK and EPSRC supported H2 engine projects on marine and power generations. The research findings on H2 engines have been used as the evidence to support JCB's submission to the Government's Call for evidence on future NRMM (Non-Road Mobile Machinery) in March 2024. Brunel Hydrogen have also hosted two separate visits from Prof Paul Monks, Chief Scientific Advisor to DESNZ, and Professor Julia Sutcliffe, Chief Scientific Advisor for the Department for Business and Trade.

Amongst the 178 research grants awarded, Brunel University London is to lead a new European research project aimed at improving how geothermal heat is harnessed for industrial applications. Professor Jouhara will be the project coordinator for the €3 million GEOFLEXheat project that will see a consortium of 12 research institutions, businesses and industry experts from across the continent tackle the challenges of geothermal systems' scalability, integration and social acceptance.

Enterprise and Employability

Civic engagement

Brunel University London joined the **National Civic Impact Accelerator (NCIA)** programme in 2024. This is an initiative which, working in collaboration with HE institutions is looking at ways to build capacity and effective civic engagement, driving innovation and developing frameworks for practical action. The programme is funded by Research England.

Our on-going programme of activities coordinated by the **Brunel Hillingdon Engagement Network**

has provided collaborative opportunities for various areas in Brunel. For example, (i) Meetings offered the opportunity for community partners to meet representatives from Brunel Professional Development Centre to engage with student workforce and volunteers. (ii) a tour and presentation were given by Brunel Medical School to develop community and Third Sector links between the Medical School, students and research and (iii) the Engagement Strategy and Support Unit (ESSU) Engagement Day was held in April 2024. This was an in-person networking event for businesses, community groups, Brunel academics, professional staff and students to network and discuss views on how Brunel can support the local community and business needs in Hillingdon.

Eight **Community Conversations** were held in 2023/24. Community Conversations are friendly, interactive discussions of the latest research taking place at Brunel University London. The events provide a forum for the public to ask researchers about their work as well as discuss the implications of their research for the Hillingdon borough, its residents and the community. Venues for the conversations were Uxbridge (the Crown & Treaty public house) and Botwell Library, Hayes Town, a new location in the south of the borough.

Brunel is now a sponsor of Wealdstone FC, and student volunteers from Brunel have been assisting on match days on a regular basis. The Wealdstone academy is based at Brunel, the first team train on campus and Wealdstone are providing Brunel's men's and women's 1st teams with coaching and training support.

Seven **Happy to Chat** <https://happytochat.uk/> community café events were held in the Pavilions Uxbridge attracting regular attendees from the Hillingdon borough. Happy to Chat promotes social engagement in community settings to make social

connections easier for all. These events were supported by community partners from Pavilions Shopping Centre, Uxbridge Bid, Hillingdon 4 All (H4ALL) and DASH Disablement Association Hillingdon.

Junior Citizens: For the fifth year, Brunel supported the delivery of **Hillingdon Junior Citizens** (London Borough of Hillingdon initiative) project :Over a three-week period in March 2024, 3207 year 6 school children attended the event at Brunel learning life lessons delivered by London Fire Brigade, Hillingdon Cycle & Road Safety, RNLI, Metropolitan Police, Transport for London (TFL), CORAM Life Education Hillingdon and Central & North West London NHS Foundation Trust.

Business engagement and Knowledge Exchange: In the third iteration of Research England's Knowledge Exchange Framework (KEF), published in September 2023, Brunel was recognised among the best in its peer group for the way our research community maintains and enhances its engagement with society and the economy. In particular, Brunel showed very high engagement in three metrics: our contribution to collaborative research; our consultancy and facilities income with small and medium-sized businesses; and how much of our research income comes from Innovate UK. Brunel remains in 'Cluster X,' described as large, high-research-intensive and broad-discipline universities undertaking a significant amount of excellent research.

Brunel is among the list of 39 research-intensive universities recently published by Research England as **one of the first adopters of new best practice for how universities commercialise their research**, helping their spin-outs generate greater investment and grow faster. Four examples of Brunel spin-out companies include, **HecoAnalytics, TestAVec, Vidiia**, and **Phyona**. Brunel is also working with the University of West London on a Research England funded project to use artificial intelligence to improve and share best practice, increase spin-outs from universities and reduce the administrative burden of the spin-out process.

Employment: Positive progression outcomes for our 2021/2022 graduates have fallen slightly compared to last year, reflecting a wider trend across the sector. Graduates in highly skilled work have decreased by 6%, whilst those in highly skilled work or PG study also decreased by 6%. The outcomes gap between white and ethnic minority students continues to

narrow. In 2020/2021 there was a 10 percentage points outcomes gap between black and white students but in 2021/2022 this gap had narrowed to 5% (highly skilled work and PG study). Unemployment remains a challenge and is currently 10%, 4 percentage points higher than the sector average. Brunel has moved up 16 places in the 2025 Complete University Guide and it now ranked 79th out of 130 HEIs.

Brunel graduates consistently perform well in relation to graduate salaries. The median Brunel graduate salary 3 years after graduation is £28,800, which is £2,900 above the sector median. This ranks Brunel 32nd out of 151 UK universities.

The Professional Development Centre (PDC), in partnership with departments from across the University, were shortlisted for 3 awards in 2023/24: Outstanding Entrepreneurial University of the Year at the **2023 THE Awards**; The **2024 London Higher Awards** recognising the Graduate Kickstart Programme, and finally the **2024 ACEEU Triple E Awards** which highlighted the outstanding entrepreneurship provision within Biosciences. The University continues to excel in building industry partnerships, examples of this include our exclusive career mentoring programme with Goldman Sachs, along with our annual industry challenge collaboration with Chelsea FC.

Apprenticeships: Brunel has been delivering higher and degree apprenticeships since 2021, predominately serving the local and regional healthcare sector, training over 80 nursing associates and 15 Advanced Clinical Practitioners. In 2023/24, 30 nursing associates graduated achieving degree qualifications and registration with the Nursing and Midwifery Council for career progression. The Master's level Data Analyst apprenticeship programme also supports key local employers such as Heathrow Airport, Vanderlande and Chelsea and Westminster NHS Foundation Trust.

The Apprenticeship Hub secured funding from the Office of Students in December 2023 to support expansion of its provision. As a result a new Registered Nurse degree apprenticeship was developed in response to local healthcare sector demand and student feedback, with the first cohorts starting in 2024/25. The apprenticeship provision supports the national NHS Long Term Workforce Plan and leaders are strategically engaging with NHS Trusts to grow current provision and to develop

new curricula in response to emerging skills and employment needs.

In January 2024 Brunel's degree apprenticeship provision was graded 'Outstanding' at its Ofsted inspection, making it the only University in London to achieve the highest quality award, and one of only five universities across the country. The apprenticeship provision was reported in Brunel's NSS data for the first time in 2023/24, achieving amongst the highest scores with an overall positivity of 79% across all questions, an excellent +12% points higher than the national average and a yearly Brunel positivity score of 94.5%.

Equality, Diversity and Inclusion

Equality, Diversity and Inclusion (ED&I) is an intrinsic part of the University's vision and we are committed to providing an inclusive culture and removing any barriers or institutional and structural social inequalities to success, as exemplified by the theme of **'Powered by Diversity'** in our University Strategy. Our latest Annual EDI Report is available [here](#). Key achievements and successes over the past year include:

Academic Promotion and career development:

Building on our positive trajectory in recent years to address the discrepancy between the promotion of men and women, women had a higher success rate than men (72% women, 57% men). Although colleagues from Black and racially minoritized have a lower application rate, 69% of those from Black and racially minoritized and 60% of those from white ethnicity were successful. In professional Services, 70% of promotions were women (30% men). In 2023 we introduced a new Career Development Framework for Professional Services colleagues, alongside The Future is Yours career development programme. This programme is open to all staff, colleagues from under-represented groups will be particularly encouraged to apply. The framework and programme provide positive development opportunities for women and Black and racially minoritized colleagues to progress their careers.

Charter renewal and recognition: We successfully renewed our Disability Confident Leader status and we continue to retain the highest level of accreditation. We are committed to improving race equity at the University through the Race Equality Charter. The work of our active and supportive LGBTQ+ staff network was recognised by a silver award as part of Stonewall's Workplace Equality Index with Brunel being placed 43rd among the UK employers who took part and is the 10th placed university.

In 2023/24 two new Network Groups were launched – a Neurodivergent Staff Network and a Black Colleagues Staff Network. Our Menopause Support Group grew considerably in membership size over the year and we have committed to becoming a Menopause Friendly Employer. Led by our Neurodivergent Network group we are taking part in the Neurodiversity index. Two new staff Networks will be launched in the Autumn; Brunel Race Equality Network and a PhD/Research Fellow network.

Equality: We continue to develop and improve our Equality impact assessment process and training. Following discussions with our LGBTQ+ staff network and the Associate Deans for EDI, our sex, gender and sexual orientation categories were updated in our systems to ensure they are inclusive and in line with best practice.

Our most recent Annual Pay Gap Report available [here](#), shows that our gender pay gap continues to narrow. Our gender pay gap continues to narrow with a reduction of 3% for the past year. Our ethnicity gap increased by 2.7% and our race equity action plans will continue to address this. In 2022/2023, working in partnership with the Universities and Colleges Union (UCU) we implemented a new Reader Pay Grade that improves the transparency of pay determination and supports equal pay. We are now developing a new professorial banding scheme and pay structure to ensure the same transparency for the professoriate.

The Report and Support portal introduced in 2023 allows colleagues to report any form of harassment, discrimination or bullying. We had 20 reports through the portal over the past academic year of which 10 were submitted anonymously. The anonymous function is important for us to understand what is happening across the University which colleagues might otherwise not disclose. This intelligence is also reviewed alongside other sources of reporting i.e. through HR Business Partnering Team to enable us to identify where support and/or action might be required.

Brunel also signed up to the non-disclosure agreement (NDA) Pledge Can't Buy My Silence; a campaign committed to ending the misuse of non-disclosure agreements to silence the victims of harassment and to hide wrongdoing.

International

The **internationalization landscape** continues to be volatile and has changed significantly over the past 12 months. As well as the impacts of global trends and UK government policies on international student recruitment, external factors have affected our student mobility and both educational and research partnerships. Trusted research continues to grow in importance, with the European Commission and the UK government both emphasizing this in research policy and funding conditions. We continue to place the climate crisis at the centre of our international strategy and seek to balance sustainability against the requirements of internationalization.

Partnerships: The last academic year has seen the continuation of our collaborative activities with selected partners including notably, Tampere University, Finland, Curtin University, Australia and the Indian Institute of Science, Bangalore. We continue to develop collaborations within YERUN, the Young European Research Universities Network which provides Brunel with an important, ongoing foothold in the EU. We have diversified partnership models and are developing split-site PhD programmes with several partners, and have signed an agreement with the China Scholarship Council to support 20 PhD students per year from 2025. The increasing use of split-site, and potentially dual, PhD awards helps to deliver capacity building in the Global South and is a more sustainable model for PhD training in many cases.

Our strategy of working in partnership has delivered notable successes in research projects, student mobility and recruitment and we have reviewed partnership activity, revealing some potential new partnerships as well as enabling us to scale down some activities.

Transnational Education: 2024 saw our first graduating cohort of over 100 students at North China University of Technology (NCUT), China. Our joint institute with NCUT now has over 1000 students studying on three programmes. The single programme at Chongqing University of Posts and Telecommunications, China continues to produce excellent graduates with positive degree outcomes, and our long-established PhD programme in Bahrain has seen an increase in recruitment this year. We are committed to the enhancement of these programmes and are pleased to be members of the QAA QE-TNE scheme. The Ministry of Education, China are undertaking their first review of the NCUT Joint institute in autumn 2024 and discussions are underway with NCUT regarding revising and expanding our

portfolio of programmes.

Student mobility remains challenging due to affordability constraints for our students and the unnecessary bureaucratic complexity of the Turing Scheme which also fails to adequately cover the costs of outbound mobility. Despite this, a record number of students had an outward mobility experience this year. We have continued to innovate, and our 'first mobility' programme, supported by OfS Student Premium Funding, of short visits to Leuven targeted at disadvantaged undergraduates has once again been a great success. This year we were also able to send a small group to Kuala Lumpur for a first mobility experience, as well as arranging for a group of students to go to Columbia for a summer school.

We are now ranked 6th globally, and equal 1st in the UK for International Outlook, reflecting the highly international nature of our staff and student bodies, and our highly international research collaborations. We are now 342nd worldwide in QS, reflecting Brunel's rising international reputation as we continue to promote Brunel to international audiences.

Risks: Government policy changes and messaging around international students and immigration have caused considerable uncertainty across the sector, and have led directly to much of the observed fall in international student recruitment. The more positive messaging from the new government is encouraging, but any significant improvement in international student recruitment will take time. We continue to work with international funding schemes, for example those run by the British Council and the Commonwealth Scholarship Commission, to support international scholars and we also work with Cara, the Council for at Risk Academics, and others to support a number of refugee academics.

We are actively managing risks across our international collaborations, have dedicated internal resource to this, and will be providing training to researchers across the University in understanding trusted research and the risks inherent in international partnerships. The increasing emphasis on risk from UK government and the European Commission is undoubtedly causing self-policing amongst researchers that may inhibit our research competitiveness. The safety and security of staff and students undertaking international activities is also of major concern and international events have necessitated careful responses and provision of support to mitigate risks.

Sustainability

Sustainability is one of the cross-cutting themes in 'Wielding Brunel's World Class Difference' and is clearly articulated in our new Vision as a 'world-class research university, combining a technical focus with research excellence that is closely aligned with the needs of equitable and inclusive, environmentally sustainable global societies and economies.' We are using the UNEP sustainable University Framework to aid our strategy and to deliver reinforcing benefits from our actions. Our Environmental Management System is ISO14001 accredited and we received a very positive audit outcome during 2023/24, supported by our campus-wide training and departmental visits to enhance environmental performance at all levels.

Brunel has consolidated its position at 48th, in the People and Planet League Table 2023/24 and we have action plans to get into the top 30 and to return to the global top 100 in the THES Impact rankings. These are volatile as more institutions join, but our ranking in the 101-200 bracket out of 1963 universities globally reflects our work to deliver the UN Sustainability Development Goals.

Working towards delivering Net Zero. Brunel is committed to working towards a net zero delivery plan with a 2040 target for scopes 1 and 2 emissions. Plans for on-site power generation are under development, and on-site biodiversity enhancement has continued at a small scale. We are working to better understand our scope 3 emissions and have undertaken significant work with our supply chain through enhanced procurement policies. Similar progress has been made with waste reduction and we are moving away from relying on diversion from landfill to a waste hierarchy approach to prioritise avoiding waste generation. Sustainability initiatives on campus and with a range of local groups have continued, with the student union undertaking parallel activities to drive sustainable behaviour.

We have hosted events on campus for local businesses and conservation groups, and offer a wide range of environmental student volunteering opportunities.



Financial Review

Brunel, like many higher education institutions, has had a challenging year financially. Whilst the University has generated an operating surplus of £57.4m, this is primarily due to the movement of the USS pension provision from deficit to surplus due to changing macroeconomic conditions beyond Brunel's control (£70.4m).

The revised operating deficit reported for management purposes is £13.0m, during the year there was a total of £10.0m one off benefit resulting in an underlying deficit of £23.0m. A comparison to previous years, excluding the movements in USS provision, is provided below. This shows a deterioration of Brunel's financial position from 2022/23 (£4.2m revised surplus) of £17.2m.

Overall, the University's income has fallen £12.1m (4%), due primarily to the ongoing challenges in recruiting students, primarily postgraduate, from overseas; caused by political and macroeconomic changes. Removing one-off income, the 'real terms' fall is £19.9m (7%).

In light of this, Brunel's management made every effort to contain costs. Staff costs of £163.1m (excluding the movement in USS deficit recovery position) grew by 8% (£11.9m); in line with the nationally negotiated pay award (3%), movement of staff along the spine points of the University's salary scales, and modest growth in headcount. Non-pay

expenditure decreased by 7% (£9.1m) year-on-year as management curtailed expenditure.

Brunel's cost reductions therefore did not meet its reduced income. The reduction in income did not crystallise at the start of the financial year, but rather as the year went on: by November initial student numbers were known following the closing of enrolment. Cost saving measures – including strict vacancy controls – were implemented in full at this time, and were expedited in January when the cohort recruited at that time was also lower than planned. Nonetheless, the timing disparity, as well as the fixed nature of contracted costs in the timeframe, made cost saving challenging.

The measures taken in 2023/24 will benefit Brunel's cost base further in 2024/25, and additional measures to ensure Brunel's financial sustainability in the long-term, including changes to the operating model, voluntary severance scheme, implementation of a Change Board to oversee and control spend have begun in 2024/25. Brunel will continue to review investment opportunities and invest in areas where Brunel has strong capabilities to ensure income growth.

Operating Results

| | 2023/24 | 2022/23 | 2021/22 | 2020/21 |
|--|---------------|------------|------------|---------------|
| | £m | £m | £m | £m |
| Income | 270.3 | 282.4 | 271.3 | 234.0 |
| Expenditure | (212.9) | (278.2) | (312.0) | (256.8) |
| USS Deficit Scheme change movement (see note 21) | (70.4) | 0.0 | 46.9 | 4.1 |
| Revised Surplus/(Deficit) | (13.0) | 4.2 | 6.2 | (18.7) |

The table above has been adjusted to separate out the impact of the recognition of the Universities Superannuation Scheme (USS) pension scheme revaluations. This better shows the underlying financial performance and allows for a better comparison across years. 2020/21 was adversely impacted by Covid-19.

For year-on-year comparison purposes, please use the line in bold: Revised Surplus / (Deficit) as this normalises for the impact of changes in the USS scheme.

The line "USS Deficit Revaluation Scheme change movement (see note 21)" will normally be £0 and only will show a value in years when revised terms have been applied to the repayment plan. For example, changes in contributions year-on-year in accordance with an existing plan would not constitute a 'revised repayment plan' and would be reflected as £0.

| | 2023/24 | 2022/23 | 2021/22 | 2020/21 |
|-------------------------------|---------|---------|---------|---------|
| | £m | £m | £m | £m |
| Net Operating Cashflow | (13.4) | 18.9 | 22.2 | 28.0 |
| Cash & Short-Term Investments | 47.6 | 80.3 | 78.7 | 78.7 |

Student Recruitment

Overall student numbers were 16,315, representing a decrease year-on-year of 2,521 (13%). Postgraduate numbers fell by 21% (26% overseas) following significant growth in recent years; 2022/23's intake of postgraduate taught students was the highest it has ever been. Undergraduate intake fell by 11%, this has a smaller impact on the overall population as undergraduate students typically study with Brunel for three or four years. Postgraduate Research student numbers remain strong, showing a modest year-on-year growth in population (19 students, 3%).

Principal Risks and Uncertainties

The university proactively manages the risks and opportunities it faces through its Executive Board, Audit & Risk Committee, and Council. The University maintains a Strategic Risk Register which is reviewed every six months and a number of risks are identified as priorities.

Each item on the risk register is assigned to a risk owner and an assessment is made of its likelihood and impact and mitigating actions.

The risks are grouped into a number of categories: Academic Quality, Compliance and Legal, Reputation, Financial Sustainability, Infrastructure, Leadership Governance and Management, and Other.

The principal risks faced by the University are currently considered to be:

- Failure to generate sufficient resources to invest in strategic priorities and maintain an operating surplus.
- Fixed UK undergraduate tuition fees against the backdrop of inflation on costs representing a real term cut in income.
- Failure to maintain or enhance teaching and learning quality and student satisfaction coupled with student retention.
- Heightened cyber security and risks to data security.
- Failure to adapt to the rapid developments in generative AI to ensure the University's academic provision and assessment remains fit for purpose.

Financial Sustainability

The University continues to plan for consolidation and growth in line with its strategy, whilst managing the associated risks. The University undertakes regular financial planning reviews and scenario planning, including the likely impact of the developing sectoral changes and possible changes to government funding.

The impact of over a decade of ongoing, flat UK undergraduate tuition fee levels per student has had an increasing pressure on finances, which compounds each year. Brunel, like many other universities, has, in the past number of years, increased its overseas intake to compensate.

The University is committed to maintaining its long-term financial sustainability and will take the required actions, which include growing income across a number of areas, looking to use its assets more effectively, and targeting its expenditure more efficiently. The University has also set a minimum cash holding level to ensure that it maintains a sufficient cash liquidity buffer. The university considers that it is able to continue to operate as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

Future Outlook

Brunel has plans to strengthen its financial position, in light of ongoing challenges to overseas recruitment (primarily postgraduate) which will impact in full in 2024/25. Whilst the sector faces a challenging short to medium-term outlook, the University continues to build upon the work undertaken in delivering its strategy in recent years, and is positioned to address the changing political, social, economic and legislative environment.

Brunel maintains medium term cash flow forecasts, stretching out over 18 months from the balance sheet date. These forecasts are prepared under a range of scenarios, starting with the approved budget and adjusting downwards for potential risks. The forecast considers key risks including the impact of further reduction in student recruitment, increased staff costs and delays in delivering the efficiency plan.

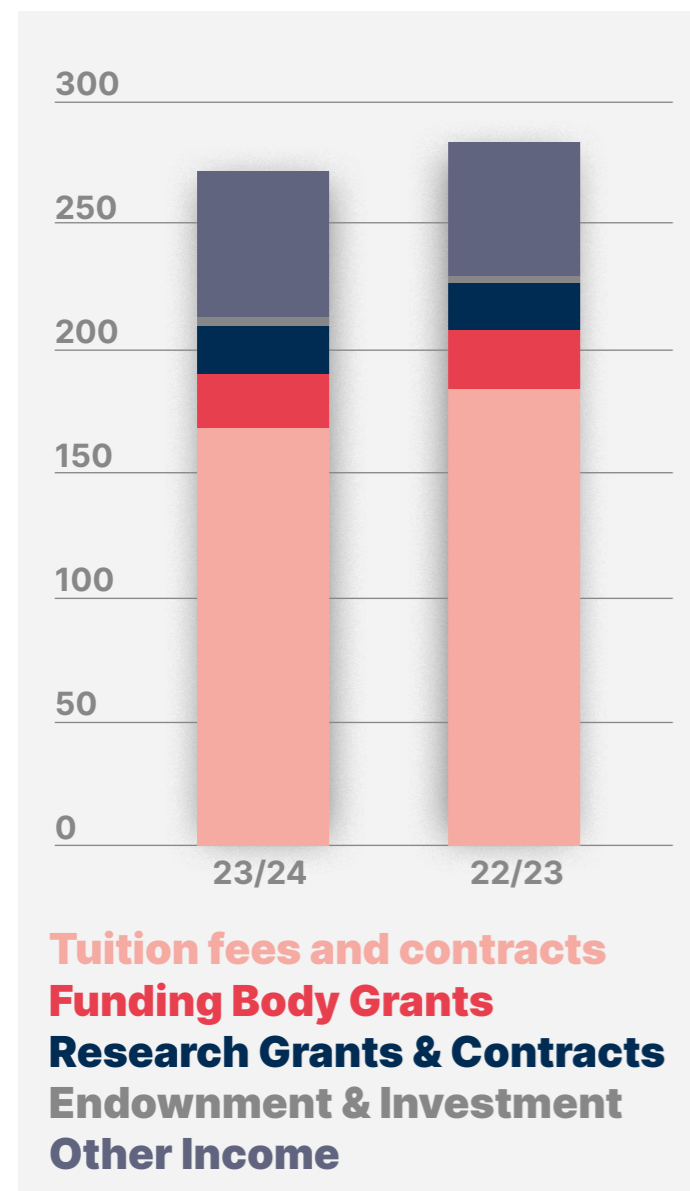
The base case scenario is projected based on the 24/25 approved budget with the 2025/26 income base case built on the assumption that minimal growth is expected and current inflationary pressures will continue. The risk of lower student recruitment and increased staff cost has been included in the down-side scenario. Brunel has also recognised the potential risk of a delay in the efficiency plans as part of the downside scenario planning. Brunel will continue its robust performance and cash monitoring strategy whilst the present uncertainty over student recruitment remains. The downside projections show a potential downside risk of £17.7 million, but Brunel remains cash positive throughout the 18-month

modelling period. Additional non-core residential and commercial properties are available for sale but have not been included in the projections and provide additional headroom if necessary. Brunel is also in the midst of agreeing a £30m revolving credit facility as part of its ongoing financial planning process. Based on the above scenarios and mitigations in place, Brunel considers that there are sufficient resources to continue operating for the foreseeable future and therefore the financial statements have been prepared on a going concern basis. Further details are provided in Note 1.2 Basis of Preparation on page 44.



Income

Income by source

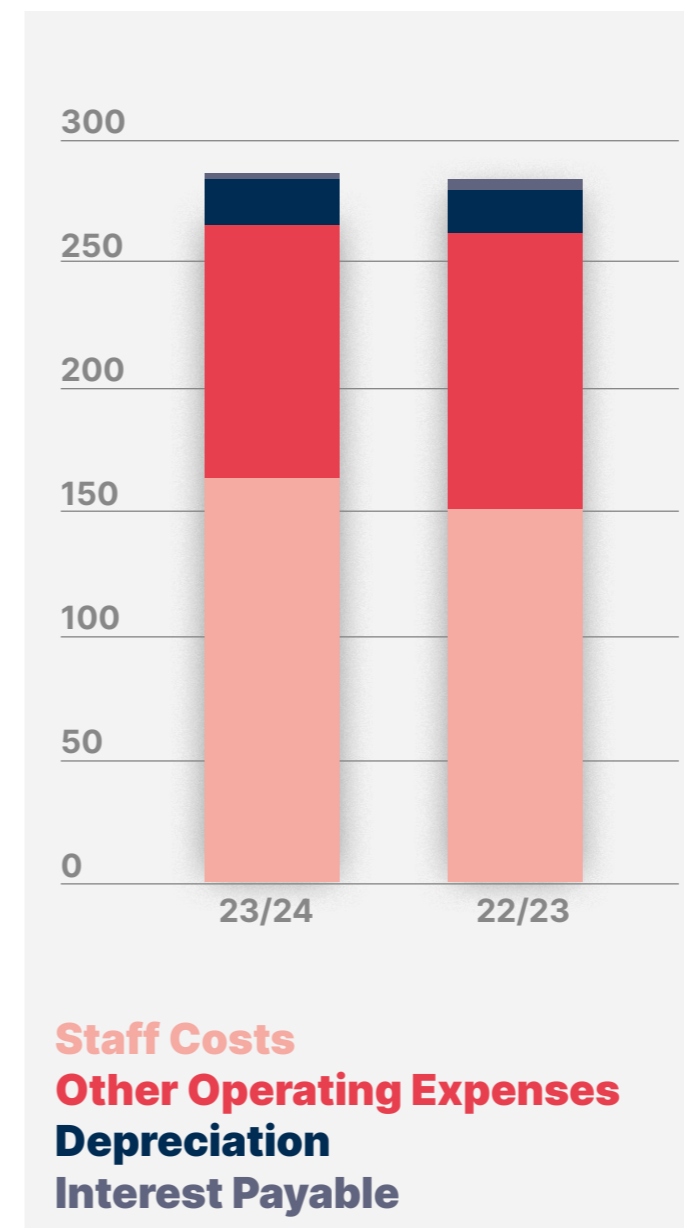


Total income for 2023/24 was £270.3m, £12.1m (4%) lower than 2022/23. This is primarily due to tuition fees and education contract income, which has fallen by £15.5m (8%), due to the lower overall student population.

All other income has grown from 2022/23 (£102.9m vs £99.5m, 3%). Funding Body Grants have fallen year-on-year (by £2.1m) due to the lower student population, whilst Research Grants and Contracts have grown (by £0.5m), and continued growth is expected in future years. Residences, Catering, and Conferences showed strong growth in 2022/23; this fell back slightly in 2023/24 (by £2.3m, 5%). This, and other reductions were more than offset by a one-off receipt of £5.4m in 2023/24.

Expenditure

Expenditure by type



Total expenditure for 2023/24, excluding the movement in the USS Pension Provision, was £283.3m, £5.1m (2%) higher than in 2022/23.

The majority of expenditure continues to relate to staff costs (57%), this percentage has increased year-on-year, both due to the increase in staff costs in absolute terms and the falling non-staff expenditure. Brunel has reduced its non-staff expenditure despite inflationary pressures.

Capital

Capital expenditure of £19.7m was 10% higher than in 2022/23 (£18.1m). Essential maintenance and improvement of the estate, including student accommodation and facilities, and IT infrastructure, continued throughout the year. Whilst the University remains committed to an ongoing programme of capital works, projects continue to be re-assessed in the light of the University's financial position.

Cash, Assets, and Endowment

The University ended the year with £47.6m in cash and short-term investments. This is a reduction of £32.7m from 31st July 2023. This is driven by both the revised operating deficit and continued capital expenditure.

The University endowment reserves total £1.5m. The university has secured loans of £75.7m (of which £2.0m is due within one year) which are repayable over 20 years with a final payment of £13.5m due in 2040. The effective net interest rate on the long-term loans is 4.58%, achieved via interest rate swaps. The debt is secured against part of the University's property portfolio.

Brunel University's Charitable Purpose and Public Benefit Statement 2023/24

Brunel University London is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 (formerly Schedule 2 of the Charities Act 1993). The Office for Students is the principal regulator of the University both as a Higher Education Institution and as a Charity. The University has no connected charities attached to it. The members of the Council of the University are the charity trustees of the University. The members of the Council of the University have had due regard to the Charity Commission guidance on public benefit, particularly in exercising the trustees' powers or duties, including the applicable details contained in the Advancement of Education for the Public Benefit.

The objects of the University are set out in its Royal Charter as being to advance learning and knowledge by teaching, scholarship and learning, and research and enterprise for the benefit of individuals and society at large. The members of Council are

particularly concerned that the University should provide education such that students upon graduation are possessed not only of a range of academic learning but know also the relevance of that learning to society. This has been distilled into our values:

Open: We are welcoming and believe in the power of diversity. We are transparent in our decisions and deliver on what we say.

Courageous: We seek and take on ambitious challenges. We are brave and committed to thinking differently. Nothing stops us from going after our goals.

Inventive: We are purposeful in an ever-changing world. Collaborating and innovating to reach our full potential and to change lives - and the world - for the better. We celebrate breakthroughs and strive for the best.



Corporate Governance Report 2023/24

The following report is provided to enable readers of these Financial Statements to obtain an understanding of the University's governance and legal structure. The report is applicable for the financial year to 31 July 2024, and for the period extending to the date of signature of these financial statements.

The University is a corporation formed by Royal Charter with charitable status. The Charter and Statutes require the University to have two separate bodies, the Council and the Senate, each with clearly defined functions and responsibilities, to oversee and manage its activities.

The Council is the governing body of the institution and in exercising its role and powers undertakes to meet the obligations placed upon the institution by the founding Charter of the University and on its members as Charity Trustees. This establishes the University as both a teaching and learning institution providing education in various branches of scholarship as determined by the University and also as an institution making provision for research and dissemination of knowledge. Council is responsible for setting the strategic direction of the University, and for the finance, property, investments and general business of the University and is required to present audited financial statements for each financial year. Council has responsibility for ensuring the appropriate processes are in place, and being followed, to maintain and improve the academic standards of the University.

The Conditions of Registration (specifically Condition E3) of the Office for Students (OfS) require that Council:

- accepts responsibility for the interactions between the University and the OfS and its designated bodies;
- ensures the University's compliance with all of its conditions of registration and with the OfS's accounts direction; and
- nominates to the OfS a senior officer as the 'accountable officer' who has the responsibilities set out by the OfS for an accountable officer from time to time. The Vice-Chancellor and President is the accountable officer of the University.

Council approves major developments and receives regular reports from the Executive Officers on the day to day operations of its business and its subsidiaries. Its objects, powers and framework of governance are set out in the Charter and the supporting Statutes. The versions applicable in 2023/24 were approved by the Privy Council in July 2014 (amended in 2017) and May 2015 respectively.

In 2023/24, the matters specifically reserved to the Council for decision were set out in the University's Supplemental Charter and the Ordinances. Like most public bodies it operates within a strong framework of regulation, and endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). Council has a majority of members from outside the University (described as independent members), from whom its chair and deputy chair must be drawn. Members also include representatives of the staff of the University and the student body. None of the independent members receives any payment, apart from the reimbursement of expenses, for the work they do for the University. Not only does the University comply with all mandatory requirements, but it also strives to operate in accordance with relevant best practice and accordingly, the Council has taken account of the UK Corporate Governance Code, and the OfS Accounts Direction requirements. The Council agreed to adopt the Committee of University Chairs (CUC) Higher Education Code of Governance 2020 (the Code).

The Senate is the academic authority of the University, as delegated by Council, and draws its membership entirely from the academic staff and the students of the University. The Senate, subject to the Statutes and Ordinances, oversees the academic standards of the University and the regulation of academic matters.

The principal academic and administrative officer of the University is the Vice-Chancellor and President, who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University. The role of Chair of Council is separated from the role of the University's Chief Executive, the Vice-Chancellor and President.

As Chief Executive of the University, the Vice-Chancellor and President exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments, and shaping of the institutional ethos. The Executive Board including the senior administrative officers all contribute in various ways to these aspects of the work, but the ultimate responsibility for what is done rests with the Council. Council is kept informed of the key decisions and discussions of the Executive Board through the Vice-Chancellor's Report which is also given to the University's Senate meetings.

The University maintains a register of interests of members of the Council and senior officers which may be consulted by arrangement with the University's Secretary to Council.

The statutes of the University specify that there shall be a Secretary to Council, who shall be appointed by the Council. The Secretary shall be responsible to the Council. Any enquiries about the constitution and governance of the University should be addressed to the Secretary to Council.

The Council met five times in the 2023/24 academic year and, in addition, held one away day. There are several committees of Council that are formally constituted with written terms of reference and specified membership, including a significant proportion of independent members, from whom the chair is selected. In the case of the Audit & Risk Committee, it is entirely composed of independent members appointed by Council from amongst its members, and co-opted independent members appointed by Council. The Chair of Council is ex-officio on all Council and joint committees, except the Audit & Risk Committee.

In respect of its strategic and development responsibilities, Council receives recommendations and advice from the Executive.

The Finance Committee supervises all matters relating to the finance, accounts and financial regulations of the University, the investment of its funds, the receipt of its income and the expenditure thereof, and the management of its borrowings. The Finance Committee reports to Council.

The Estates Committee is a sub-committee of the Finance Committee and scrutinises the Estates Strategy, proposals for capital expenditure affecting the estate and matters affecting the

University campus and estate generally. It makes recommendations to Finance Committee.

The Governance & Nominations Committee, in its recommendations to Council, seeks to ensure diversity, breadth and continuity of expertise amongst the membership of Council. It also undertakes succession planning with respect to the membership, leadership of committees and advice on governance.

The Remunerations Committee reviews and determines the salary and conditions of service of the Vice-Chancellor and his direct reports and the severance arrangements of higher paid staff as defined from time to time in the Accounts Direction made by the OfS. It also receives a report from the Vice-Chancellor on the performance of the senior management team. The Remuneration Committee Report for 2023/24 is set out in the next section of these financial statements, starting at page 27.

The Audit & Risk Committee meets at least three times a year to consider reports from the external and internal auditors containing recommendations for the improvement of the University's systems of risk management and internal control and the management's responses and implementation progress. Whilst executive officers attend meetings of the Audit & Risk Committee as necessary, they are not members of the committee. The committee meets with the external auditors and the internal auditor on their own for independent discussions at least annually. The committee and internal auditor each present an annual report to Council. It is the Audit & Risk Committee that formally recommends the annual audited accounts to Council.

The Ethics Advisory Committee exists to support Council and the University and is charged with responsibility for considering ethical matters that may from time to time be referred to it by Council, Senate, the Vice-Chancellor, the Executive or any other committee or body within the University.

Day-to-day management of the University is conducted through the Executive Board. The Executive Board normally meets monthly to consider the strategic and financial direction of the University.

The attendance record for members of Council and its committees was monitored over the course of the year and the average attendance in 2023/24 was 81%.

The University's Council is responsible for the University's system of internal control and for

reviewing its effectiveness. The system has operated effectively for the financial year to 31 July 2024, and for the period extending to the date of signature of these financial statements. It has established the processes to comply with the direction from the regulator for the identification, evaluation and management of the key risks facing the University. The Council has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding the public and other funds and assets for which it is responsible, in accordance with the responsibility assigned to the Council in the Charter and statutes. Such a system is designed to manage, rather than eliminate the risk of failure to achieve business, operational, compliance and financial objectives, and it can therefore only provide reasonable and not absolute assurance of effectiveness.

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

The University benefits from the use of both external and internal audit functions with regard to the internal control environment. They perform different, complementary roles within the assurance framework and both are essential for the effective governance of the University. They report separately to the Finance and Audit & Risk Committees as well as to the University's Council. The external audit process helps to ensure that the internal controls, processes, guidelines and policies are adequate, effective and in compliance with regulatory requirements, and also

ensures that reporting mechanisms prevent errors in financial statements. The internal audit function provides Council members and the Executive Board with assurance over the internal control environment that they can use to fulfil their own duties. Internal audit provides an objective and independent assurance, providing reasonable (not absolute) assurance of the overall effectiveness of governance, risk management and controls. Both functions assist the University to manage its resources efficiently, effectively and economically, and therefore to deliver value for money.

Despite the need to preserve their independence and objectivity, internal and external audit should maintain a close, constructive relationship. This is to ensure their work is coordinated and there is an efficient use of resources.

The Council has adopted a risk management policy and framework and has identified where the principal management responsibility rests for risk management. The day to day management of risk is led by the Director of Strategic Planning overseen by Executive Board and reporting to Audit & Risk Committee. The Council is of the view that an ongoing process for identifying, evaluating and managing the University's significant risks is in place and operating effectively.

The internal auditor also provides Council with an independent opinion each year on the adequacy and effectiveness of the University's risk management, control and governance processes. The Council has ensured that the meeting calendar enables risk management and internal control to be considered on a regular basis during the year.

Remunerations Committee Report

Introduction

This annual report of the Remunerations Committee for the academic year ending on 31 July 2024 details the Committee's role, remit and membership. It outlines the work undertaken and how the Committee discharged its responsibilities. The report also sets out the decisions taken regarding the remuneration of the Vice-Chancellor and President and other senior roles falling within its remit.

The Remuneration Committee seeks to comply with the obligations set out by the Committee of University Chairs (CUC) and the Office for Students, to follow any guidance they might issue and demonstrate good practice.

Remit and Membership

The Terms of Reference for the Committee, available [here](#), concern the remuneration of the Vice-Chancellor and President and Executive Board members, as well as severance decisions above a certain threshold. The Committee also reviews salary increases for professors and senior managers and considers institutional reward schemes. Additionally, the Committee sets salary ranges for new staff earning over £150,000 where pay is not aligned to an already agreed pay structure (i.e. clinical academics). The roles for which the Committee was directly responsible for remuneration in 2023/24 are listed in Annex A.

The Committee's membership consists solely of independent members of Council as follows:

- Mukhtar Ahmed, independent member of Council and Chair of the Committee until 31 December 2023
- Janet Dean, independent member of Council. Chair of the Committee from 1 January 2024
- Lucinda Hunt, independent member of Council
- Chris Maw, independent member of Council
- Professor Stuart Palmer, Chair of Council
- Amanda Rowlatt, Deputy Chair of Council.

The Vice-Chancellor and President, Professor Andrew Jones, was invited to be present for matters other than his pay and expenses. Meetings were also attended by Gemma Bailey, Director of Human Resources, who provided professional advice, and Sofia Avgerinou, Associate Director of Human Resources, who attended some meetings as an

observer

The Secretary to the Committee was Eliot Glover, Chief Governance Officer, from 1st August 2023 to 30 September 2023. Gemma Bailey, Director of Human Resources, assumed the role from 1st November 2023 to 31st July 2024. The University Secretary and General Council acts as Secretary to the Committee for any items where there may be a conflict of interest for the Director of Human Resources.

No attendee was present during the discussion of their own remuneration.

Approach to Remuneration

The University participates in the Universities and College's Employers Association (UCEA) national pay bargaining. It adopts the national pay spine for grades 1-10 and uses the Higher Education Role Analysis (HERA) job evaluation scheme to determine the grade for each position. Detailed information on the University's reward policies and procedures, including policies on job evaluation, salaries on appointment, market supplements and retention payments is available [here](#).

Salaries for senior staff in grade 11, who are paid above the pay spine, are determined following a review of individual performance and benchmarking data. The Remuneration Committee acknowledges that pay and reward can be a reputational issue. Therefore, in setting policy, it accepts that senior remuneration may be subject to media, government and public scrutiny and seeks to demonstrate transparency in the guiding principles around senior pay. The achievement of individual objectives, meeting role and professional expectations and modelling the required values and behaviour (as assessed during the PDR processes) is an essential part of the University's decision-making regarding the remuneration of senior staff.

The Committee approved a revised Senior Staff Remuneration Policy in November 2023. The Policy is available [here](#). The Policy recognises the need to recruit and retain high-performing, engaged and diverse staff in a competitive market, to ensure transparency and value for money and to uphold the principles of equal pay. The policy sets out the factors that are considered in setting and reviewing remuneration including:

- the strategic ambitions of the University;
- the size and complexity of the role;



- benchmarking data on remuneration of similar roles in other, comparable institutions;
- the annual pay award for the national pay spine set through the JNCHES framework;
- the performance of the individual and the institution in the year;
- the relationship between the pay of senior staff and the median for the institution; and
- affordability.

For all roles in its remit, the Committee considers information on pay for comparable positions in other universities of similar size and type. This information is drawn from the annual survey of senior staff produced by the Universities and Colleges Employers Association (UCEA) and the IDR pay survey where appropriate to the role. The Vice-Chancellor and President’s remuneration is benchmarked against the CUC’s Vice-Chancellor Pay Survey.

The Senior Staff Pay Review process scheduled for June/July 2024, which would have applied any salary increases from 1 August 2024, did not take place at the recommendation of the Executive Board. This decision was made to support employee morale as the University addresses the financial pressures facing the sector and takes measures to manage costs and sustain growth. Additionally, the Professorial Pay Review process for 2023/24 has been paused while the University develops a new Professorial Banding Scheme, to be implemented in 2024/25, with any pay increases determined and applied through this new process.

Meetings in 2023/24

The Committee held three meetings during the 2023/24 academic year on 21 November 2023, 1 February 2024 and 3 July 2024. Agenda items included:

- receiving an update on the JNCHES 2023/24 pay round consultation;
- annual review and approval of the revised Senior Staff Remuneration Policy;
- receiving the annual report on the Awards for Excellence Scheme payments;
- approval of a new Executive Education Payment Scheme;
- review of the Committee’s Terms of Reference;
- approval of the Interim Chief Digital and Information Officer’s salary;
- receiving the annual report on gender, ethnicity and disability pay gaps and equal pay analysis;
- approval of the revised Market Supplement Policy;
- approval of the Professorial Banding Project Initiation Proposal;

- receiving the annual report on Vice-Chancellor pay ratios;
- receiving the annual report on loss of office payments;
- receiving the annual report on salaries on appointment;
- receiving the annual report on market supplement payments;
- receiving the annual report on retention payments;
- receiving the annual report on consultancy payments;
- approval of pausing the senior staff pay review processes for 2024/25 and
- approval of voluntary severance payments for a member of staff from Commercial Services and the Executive Dean of CHMLS.

Committee members and the Director of Human Resources also met on 17 October 2023 to finalise the Vice-Chancellors’ salary review, with changes effective from 1 August 2023.

Remuneration of the Vice-Chancellor and President

Remuneration of the Vice-Chancellor and President

The Chair of Council presents the Committee with an annual report on the Vice-Chancellor’s performance following the annual appraisal process. The report includes a summary of the past year’s performance and outlines objectives for the upcoming year, aligning with the University’s strategic plan and key performance indicators.

The elements of the Vice Chancellor’s remuneration for the period 1 August 2023 until 31 July 2024 were:

| | |
|---|-----------------|
| Salary | £266,612 |
| Benefits (Including pension and healthcare) | £53,017 |
| Total | £319,629 |

The Vice-Chancellor’s salary was increased on 1st August 2024 following a review by the Committee, with advice from the Director of Human Resources. Previously the Vice-Chancellor received a contractual annual bonus payment of up to 10% of their salary. After reviewing the effectiveness and fairness of this bonus, and noting that annual bonuses are not a part of the remuneration for other senior leaders at the University, the Committee decided to remove the bonus arrangement. To compensate for this change, the Vice-Chancellor’s salary was increased by an additional 8%.

The Vice-Chancellor’s salary was 5.5 times the median for all staff (2022/23: 4.9); the total remuneration was 5.7 times the median for all staff

(2022/23: 5.6).

The responsibilities of the Vice-Chancellor include:

- working with Council to set and communicate Brunel’s strategy;
- shaping the organisation, its culture and performance to ensure it can deliver that strategy;
- ensuring delivery of plans and targets – in terms of educational quality, student experience, research profile, staff engagement, financial resilience, reputation etc. and
- managing relationships with critical stakeholders and partners, to advance Brunel’s mission and strategy.

In addition, Council expects and encourages the Vice-Chancellor to take a leading role in sector debates and nationally and to engage with and represent the University to stakeholders and partners in the UK and internationally.

These responsibilities must be discharged in the context of an organisation of some scale, complexity, distinctiveness, diversity and international reach.

The University was founded in 1966 to provide education and research linked to industry, equip students for the world of work, and address society’s challenges. It was to be and is a home of technological education, championing innovation and advancement, giving the UK the knowledge - base it needed to compete on the international stage.

The University has c16,000 students. Over 5,500 are postgraduates and c7000 come from outside the UK and EU. Income is £270.3m, with £19.2m from research and a further £11.5m from QR funding. There are c2,250 FTE staff. Teaching and research are enhanced and sustained by international as well as UK funding and by strong international partnerships with institutions in Brazil, the Middle East, China and South East Asia.

The Remunerations Committee sets pay for the Vice-Chancellor taking account of the nature of the role and the institution as described above, but also performance. Many performance indicators are linked to the University’s new Strategy **Wielding Brunel’s World-Class Difference**, launched this year.

In addition, the Vice-Chancellor is expected to: develop and lead the institution to be financially sustainable; enhance the capability and performance of the leadership team; and represent the University in sector networks and organisations, to partners and stakeholders. Achievements in all these areas inform the judgement of performance.

The Vice-Chancellor’s current salary of £266,613 and his total remuneration of £325,710 is below the median benchmark group. The Vice-Chancellor receives private healthcare and pension contributions. The Vice-Chancellor does not have University accommodation. The Remunerations Committee believes that the remuneration of the Vice-Chancellor is fully justified, taking account of the scale and nature of the institution, the challenges of the role, benchmarking information and performance over time.

Annex A

Executive Board:

- Vice-Chancellor & President
- Deputy Vice-Chancellor
- Chief Finance Officer
- Chief of Staff
- Chief Operating Officer
- Director of Human Resources
- Director of Marketing, Communications and Student Recruitment
- Director of Strategic Planning
- Executive Dean of the College of Engineering, Design and Physical Sciences
- Executive Dean of the College of Business, Arts and Social Sciences
- Executive Dean of the College of Health, Medicine and Life Sciences
- Pro Vice-Chancellor, Education
- Pro Vice-Chancellor, International and Sustainability
- Pro Vice-Chancellor, Enterprise and Employment
- Pro Vice-Chancellor, Research
- University Secretary and General Counsel

Other Senior Leadership Higher Earners:

- Chief Digital and Information Officer
- Dean of Brunel Medical School

Primary Responsibilities of Council 2023/24

The Primary Responsibilities of Council are:

1. To make a contribution to and approve the mission, vision and strategic direction of the University. Subject to consultation with Senate on matters with implications for academic policy, to approve the long term academic and business plans and key performance indicators and to ensure that these meet the interests of the stakeholders and are compliant with the charitable objectives of the University.
2. To delegate authority to the Vice-Chancellor and President, as chief executive, for the academic, corporate, financial, estate and personnel management of the institution.
3. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment.
4. To ensure the establishment and monitoring of procedures for handling internal grievances and for managing conflicts of interest.
5. To ensure processes are in place to monitor and evaluate the performance and effectiveness of the University against the plans and approved key performance indicators, which should be appropriately benchmarked against other comparable institutions.
6. To establish processes to monitor and evaluate the performance and effectiveness of the Council itself.
7. To safeguard and promote the good name and values of Brunel University London embracing the principles of corporate social responsibility.
8. To appoint the Vice-Chancellor and President as chief executive, to put in place suitable arrangements for monitoring his/her performance and, where deemed necessary, having responsibility to commence any disciplinary measures it considers appropriate including dismissal.
9. To appoint a secretary to the governing body and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
10. To be the employing authority for all staff in the University, to have regard for their wellbeing and for establishing a human resources strategy.
11. To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, to have overall responsibility for the University's assets, property and estate and to comply with the requirements of the sector regulators as defined periodically.
12. To be the University's legal authority and, as such, to ensure that systems are in place for meeting the University's legal obligations, including those arising from contracts and other legal commitments made in the name of Brunel University London.
13. To make such provision as it thinks fit for the general welfare of students, in consultation with the Senate.
14. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.
15. To ensure that the University's constitution (as laid down in the Supplemental Charter and Statutes) is followed at all times and that appropriate advice is available to enable this to happen.
16. To ensure the Vice-Chancellor and President has established a body within the University to assume responsibility for executive functions.



Statement of the Council's Responsibilities in Respect of the Financial Statements

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

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

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent University's ability to continue as a going concern, disclosing, as

- applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

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

The Council is also responsible for ensuring that:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income has been applied in accordance with the University's Statutes;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions attached to them;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the University's resources and expenditure.

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

Independent Auditor's Report to the Council of Brunel University London

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2024, and of the Group's and of the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended; and
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Basis for opinion

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

Going concern

The Council has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the University or to cease their operations, and as it has concluded that the Group and the University's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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

Our conclusions based on this work:

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

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Council, the Audit & Risk Committee, Internal audit, and management and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected, or alleged fraud;
- Reading meeting minutes of the Council and the Audit & Risk Committee; and
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the predictable nature of the revenue streams and the low value of the research income revenue stream.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

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

Secondly, the Group is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most

likely to have such an effect: health and safety, data protection, anti-bribery and corruption legislation, employment laws and compliance with regulatory requirements of the Office for Students. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We have reported separately on the Group's use of funds in the section of our audit report dealing with other legal and regulatory requirements

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

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

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Council is responsible for the other information, which comprises the Strategic Report, Statement and Report on the University's Charitable Purpose and Public Benefit Activities, Corporate Governance Report, and Remuneration Committee Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not

express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

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

Council's responsibilities

As explained more fully in its statement set out on page 25, the Council is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

In our opinion, in all material respects:

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

Matters on which we are required to report by exception


We are required by the Accounts Direction to report to you where the University has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the Group's and the University's expenditure on access and participation activities for the financial year disclosed in note 12 has been materially misstated.

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

We have nothing to report in these respects.

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

This report is made solely to the Council, in accordance with the Charters, Statutes, and Ordinances of the University. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Council for our audit work, for this report, or for the opinions we have formed.


Dean Gibbs

for and on behalf of KPMG LLP,
Statutory Auditor Chartered Accountants
London E14 5GL
20 December 2024

Consolidated and University Statement of Comprehensive Income and Expenditure

Year Ended 31 July 2024

| | Notes | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|--|-------|-------------------------|----------------|-------------------------|----------------|
| | | Consolidated | University | Consolidated | University |
| | | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | |
| Tuition fees and education contracts | 2 | 167,371 | 167,371 | 182,926 | 182,926 |
| Funding body grants | 3 | 21,749 | 21,749 | 23,839 | 23,839 |
| Research grants and contracts | 4 | 19,214 | 19,214 | 18,719 | 18,719 |
| Other Income | 6 | 58,287 | 58,120 | 54,029 | 53,869 |
| Investment income | 7 | 3,203 | 3,203 | 2,216 | 2,216 |
| Donations and endowments | 8 | 506 | 652 | 644 | 783 |
| Total income | | 270,330 | 270,309 | 282,373 | 282,352 |
| Expenditure | | | | | |
| Staff costs | 9 | 163,065 | 163,065 | 151,201 | 151,201 |
| Movement in USS Deficit Recovery Provision | 9&10 | (74,182) | (74,182) | (6,156) | (6,156) |
| Other operating expenses | 11 | 102,561 | 102,542 | 111,118 | 111,097 |
| Depreciation and amortisation | 13&14 | 18,744 | 18,744 | 17,382 | 17,382 |
| Interest and other finance costs | 10 | 2,766 | 2,766 | 4,650 | 4,650 |
| Total expenditure | | 212,954 | 212,935 | 278,195 | 278,174 |
| Surplus before tax | | 57,376 | 57,374 | 4,178 | 4,178 |
| Taxation | | 0 | 0 | 0 | 0 |
| Surplus for the year | | 57,376 | 57,374 | 4,178 | 4,178 |

| | Notes | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|--|-------|-------------------------|---------------|-------------------------|---------------|
| | | Consolidated | University | Consolidated | University |
| | | £'000 | £'000 | £'000 | £'000 |
| Other comprehensive income | | | | | |
| Actuarial (loss)/gain in respect of pension schemes | 31 | (15,984) | (15,984) | 46,883 | 46,883 |
| Change in fair value of hedging financial Instruments | 19 | (2,441) | (2,441) | 20,059 | 20,059 |
| Total comprehensive income for the year | | 38,951 | 38,949 | 71,120 | 71,120 |
| Represented by | | | | | |
| Endowment comprehensive (expenditure) for the year | | (47) | (47) | (30) | (30) |
| Restricted comprehensive income/(expenditure) for the year | | 16 | 16 | (7) | (7) |
| Unrestricted comprehensive income for the year | | 41,423 | 41,421 | 51,098 | 51,098 |
| Movement in cashflow hedge reserve for the year | | (2,441) | (2,441) | 20,059 | 20,059 |
| | | 38,951 | 38,949 | 71,120 | 71,120 |

All items of income and expenditure relate to continuing activities. The accompanying notes form part of these financial statements.

Consolidated and University Statement of Changes in Reserves

2024

| Consolidated | | | | | |
|--|--------------------------------|------------|----------------|------------------------------|----------------|
| | Income and Expenditure Reserve | | | Cashflow Hedge Reserve | Total |
| | Endowment | Restricted | Unrestricted | | |
| | £'000 | £'000 | £'000 | | |
| Balance at 1 August 2022 | 1,569 | 188 | 213,958 | (21,547) | 194,168 |
| Surplus / (deficit) for the year | (30) | (7) | 4,215 | 0 | 4,178 |
| Other comprehensive expenditure | 0 | 0 | 46,883 | 0 | 46,883 |
| Movement in hedge reserve | 0 | 0 | 0 | 20,059 | 20,059 |
| Total comprehensive income / (expenditure) for the year | (30) | (7) | 51,098 | 20,059 | 71,120 |
| Balance at 1 August 2023 | 1,539 | 181 | 265,056 | (1,488) | 265,288 |
| Surplus / (deficit) for the year | (47) | 16 | 57,407 | 0 | 57,376 |
| Other comprehensive income | 0 | 0 | (15,984) | 0 | (15,984) |
| Movement in hedge reserve | 0 | 0 | 0 | (2,441) | (2,441) |
| Total comprehensive income / (expenditure) for the year | (47) | 16 | 41,423 | (2,441) | 38,951 |
| Balance at 31 July 2024 | 1,492 | 197 | 306,479 | (3,929) | 304,239 |

| University | | | | | |
|--|--------------------------------|------------|----------------|------------------------------|----------------|
| | Income and Expenditure Reserve | | | Cashflow Hedge Reserve | Total |
| | Endowment | Restricted | Unrestricted | | |
| | £'000 | £'000 | £'000 | | |
| Balance at 1 August 2022 | 1,569 | 188 | 213,958 | (21,547) | 194,168 |
| Surplus / (deficit) for the year | (30) | (7) | 4,215 | 0 | 4,178 |
| Other comprehensive expenditure | 0 | 0 | 46,883 | 0 | 46,883 |
| Movement in hedge reserve | 0 | 0 | 0 | 20,059 | 20,059 |
| Total comprehensive income / (expenditure) for the year | (30) | (7) | 51,098 | 20,059 | 71,120 |
| Balance at 1 August 2023 | 1,539 | 181 | 265,056 | (1,488) | 265,288 |
| Surplus / (deficit) for the year | (47) | 16 | 57,405 | 0 | 57,374 |
| Other comprehensive income | 0 | 0 | (15,984) | 0 | (15,984) |
| Movement in hedge reserve | 0 | 0 | 0 | (2,441) | (2,441) |
| Total comprehensive income / (expenditure) for the year | (47) | 16 | 41,421 | (2,441) | 38,949 |
| Balance at 31 July 2024 | 1,492 | 197 | 306,477 | (3,929) | 304,237 |

The accompanying notes form part of these financial statements.

Consolidated and University Balance Sheet

31 July 2024

| | Notes | As at 31 July 2024 | | As at 31 July 2023 | |
|---|-------|-----------------------|---------------------|-----------------------|---------------------|
| | | Consolidated £'000 | University £'000 | Consolidated £'000 | University £'000 |
| Non-current assets | | | | | |
| Intangible Assets | 13 | 415 | 415 | 644 | 644 |
| Tangible assets | 14 | 404,657 | 404,657 | 406,147 | 406,147 |
| Pension Asset | 16&31 | 1,377 | 1,377 | 16,665 | 16,665 |
| | | 406,449 | 406,449 | 423,456 | 423,456 |
| Current assets | | | | | |
| Stock | 15 | 75 | 75 | 75 | 75 |
| Trade and other receivables | 16 | 31,866 | 31,866 | 31,878 | 31,878 |
| Investments | 17 | 44,100 | 44,100 | 58,000 | 58,000 |
| Cash and cash equivalents | 26 | 3,518 | 3,458 | 22,338 | 22,319 |
| | | 79,559 | 79,499 | 112,291 | 112,272 |
| Less: Creditors: amounts falling due within one year | 18 | (55,501) | (55,443) | (69,746) | (69,727) |
| Net current assets | | 24,058 | 24,056 | 42,545 | 42,545 |
| Total assets less current liabilities | | 430,507 | 430,505 | 466,001 | 466,001 |
| Creditors: amounts falling due after more than one year | 20 | (125,621) | (125,621) | (125,856) | (125,856) |
| Provisions | | | | | |
| Pension provisions | 21 | (647) | (647) | (74,857) | (74,857) |
| Total net assets | | 304,239 | 304,237 | 265,288 | 265,288 |

| | Notes | As at 31 July 2024 | | As at 31 July 2023 | |
|---|-------|-----------------------|---------------------|-----------------------|---------------------|
| | | Consolidated £'000 | University £'000 | Consolidated £'000 | University £'000 |
| Restricted Reserves | | | | | |
| Income and expenditure reserve – endowment reserve | 22 | 1,492 | 1,492 | 1,539 | 1,539 |
| Income and expenditure reserve – restricted reserve | 23 | 197 | 197 | 181 | 181 |
| Unrestricted Reserves | | | | | |
| Income and expenditure reserve – unrestricted | | 306,479 | 306,477 | 265,056 | 265,056 |
| Cash-flow Hedge reserve | 19 | (3,929) | (3,929) | (1,488) | (1,488) |
| Total Reserves | | 304,239 | 304,237 | 265,288 | 265,288 |

The accompanying notes form part of these financial statements.

The financial statements were approved by the Governing Body on 16 December 2024 and were signed on its behalf on that date by:



Andrew Jones
Vice-Chancellor and President
Brunel University of London



Stuart Palmer
Chair of Council
Brunel University of London

Consolidated Cash-Flow Statement

Year ended 31 July 2024

| | Notes | July 2024 | July 2023 |
|--|-------|-----------------|---------------|
| | | £'000 | £'000 |
| Cash flow from operating activities | | | |
| Surplus for the year | | 57,376 | 4,178 |
| Adjustment for non-cash items | | | |
| Depreciation and amortisation | 13&14 | 18,744 | 17,382 |
| (Increase) in stock | 15 | 0 | (8) |
| Decrease / (Increase) in debtors | 16 | 15,299 | (10,264) |
| (Decrease) in creditors | 18&20 | (14,831) | (5,781) |
| (Decrease) / Increase in pension provision | 31 | (90,193) | 14,620 |
| Impairment of Fixed Assets and Fixed Asset Investments | | 2,958 | 142 |
| Adjustment for investing or financing activities | | | |
| Investment income | 7 | (3,203) | (2,216) |
| Interest payable | 10 | 3,684 | 3,780 |
| Endowment income | 22 | (287) | (402) |
| Capital Grant Income | | (2,966) | (2,553) |
| Net cash (outflow) / inflow from operating activities | | (13,419) | 18,878 |

| | Notes | July 2024 | July 2023 |
|--|---------|-----------------|-----------------|
| | | £'000 | £'000 |
| Cash flows from investing activities | | | |
| Capital Grant Receipts | | 2,250 | 4,147 |
| New term deposits | | (152,100) | (99,200) |
| Maturing term deposits | | 166,000 | 76,200 |
| Investment income | | 3,203 | 2,216 |
| Payments made to acquire fixed assets | | (19,386) | (18,294) |
| Cash inflows from investing activities | | (33) | (34,931) |
| Cash flows from financing activities | | | |
| Interest paid | 10 | (3,684) | (3,780) |
| Endowment cash received | 22 & 23 | 287 | 402 |
| Repayments of amounts borrowed | 18 | (1,971) | (1,889) |
| Cash inflows from financing activities | | (5,368) | (5,267) |
| (Decrease) in cash and cash equivalents in the year | | (18,820) | (21,320) |
| Cash and cash equivalents at beginning of the year | 24 | 22,338 | 43,658 |
| Cash and cash equivalents at end of the year | 24 | 3,518 | 22,338 |

The accompanying notes form part of the financial statements.

Notes to the Accounts – Statement of Accounting Policies

for the year ended 31 July 2024

1.1 Accounting convention

The Consolidated and University financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019. They have also been prepared in accordance with the “carried forward” powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017, the Royal Charter, the Accounts Direction issued by the Office for Students (OfS), the terms and conditions of funding for higher education institutions issued by the OfS, and the terms and conditions of the Research England grant.

The University is a public benefit entity and therefore has applied the relevant public benefit requirement of applicable UK laws and accounting standards.

1.2 Basis of Preparation

The financial statements have been prepared in accordance with the historical cost convention and the restatement of fixed assets revalued on 31 July 2014 at deemed cost. The financial statements are prepared in sterling which is the functional currency of the group, and rounded to the nearest £'000.

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

The Members of Council have considered the cash-flow forecasts for a period of 12 months from the date of approval of these financial statements (the going concern period). The immediately available cash reserves at 31st July 2024 are £47.7m, this is forecast to drop to £17.9m in August 2025 immediately before the receipts for 25/26 academic year are received, and again rising to £21.4m by December 2025.

The University made a loss in 2023/24 and is forecast to do so in 2024/25 as the postgraduate

overseas student numbers have fallen significantly. An efficiency programme during 2024/25 will reduce the long-term cost base to enable the University to become profitable in 2025/26 and thus continue to comply with its covenant terms set out on note 20.

The University plans to deliver efficiencies through a voluntary severance scheme together with a review and rationalisation of professional services and academic structures. The University has also identified several buildings outside the main campus that are readily saleable to cover any additional impact on the early 2025/26 cashflow.

There still remains the risk that plausible further downsides could further erode the cash balances in early 2025/26 before the benefits of the efficiency program are fully realised. There also could be another fall in postgraduate taught students albeit on a much lesser scale than in 2024/25. To further mitigate this risk, the University has begun the process to secure a £30m revolving credit facility (RCF) and heads of terms are currently under review. Upon completion, this would further cover the possible one-off liquidity issues in early 2025/26 financial year.

Based on the mitigations available the financial statements have been prepared on a going concern basis which the Members of Council consider to be appropriate as outlined below.

In reaching this conclusion, the Members of Council have considered the following factors:

- A number of scenarios have been considered based on differing outcomes in terms of potential reductions in student recruitment and retention, increased utility costs and additional pay awards for University staff. This scenario-based modelling has shown that the University has sufficient capacity to continue as a going concern by employing expenditure control measures appropriate to each scenario.
- Proposed capital expenditure plans have also been reviewed in detail and this exercise has also shown that the Council could preserve the University's cash position going forward by re-phasing non-essential capital works across future years.

- The University has also confirmed with its current lenders that the relevant covenant conditions can still be met over the next 12-18-month period.

The Members of Council believe the University has sufficient funding in place and expect the University to be in compliance with its debt covenants even in severe but plausible down side scenarios.

Consequently, the Members of Council are confident that the University will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Exemptions under FRS102

The Institution has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS102) not to produce a cash-flow statement for the University or its subsidiary in its separate financial statements.

1.4 Basis of consolidation

The consolidated financial statements include Brunel University London and all its subsidiaries for the financial year to 31 July 2024.

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts or claims between undertakings included in the consolidation are also eliminated. Balances between Brunel University London and its associates are not eliminated. Normal trading transactions that are not settled by the balance sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity, the part relating to Brunel University London's share is eliminated.

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

1.5 Income recognition

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

Tuition fee income is stated gross of any expenditure which is not a discount and credited to the statement of comprehensive income and expenditure over the period in which students are studying. Where the

amount of the tuition fee is reduced by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income. Education contracts are recognised when the institution is entitled to the income, which is the period in which students are studying, or where relevant, when performance conditions have been met.

Investment income is credited to the statement of comprehensive income and expenditure on a receivable basis.

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

Grant funding

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

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

Donations and endowments

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

until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

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

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

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

Donations of tangible assets are included within income. Paragraph PBE 34.73 (b) of FRS102 requires income from donations of fixed assets to be measured at the fair value of the asset.

Capital grants

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

1.6 Accounting for retirement benefits

The three principal pension schemes for the University are the Universities Superannuation Scheme (USS), the Teachers' Pension Scheme (TPS) and the London Pension Fund Authority Pension Fund (LPFA). The schemes are defined benefit schemes which were externally funded and contracted out of the State Second Pension (S2P). USS and LPFA are valued every three years by professionally qualified independent actuaries, the details of which are described further in the notes to the accounts.

The USS and TPS are multi-employer schemes for which it is not possible to identify the assets and liabilities to the University of members due to the mutual nature of the schemes and therefore the

schemes are accounted for as defined contribution retirement benefit schemes.

A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of comprehensive income and expenditure in the periods during which services are rendered by employees.

Multi-employer schemes

Where an institution is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme. Where the institution has entered into an agreement with such a multi-employer scheme that determines how the institution will contribute to a deficit recovery plan, the institution recognises a liability for the contribution payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

The institution participates in the Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme 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 income statement. Further disclosures relating to the deficit recovery liability can be found in note 31.

Defined Benefit Schemes

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University.

The net liability is recognised in the balance sheet in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The Group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts, together with the return on plan assets less amounts included in net interest, are disclosed as actuarial gains and losses. The cost of the defined benefit plan, recognised in expenditure as staff costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments and settlements. The net interest cost is calculated by applying the discount

rate to the net liability. This cost is recognised in expenditure as a finance cost.

Further detail is provided on the specific pension schemes in note 31 to the accounts.

1.7 Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement using the salary rate applying on 31 July.

1.8 Finance leases

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

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

The University does not currently have any leases that would be classified as finance leases.

1.9 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.

1.10 Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit. In 2023/24 this was less than £100k.

1.11 Property, plant and equipment

Land and buildings

Land and buildings are capitalised at cost on initial recognition, or in the case of buildings for which the cost cannot readily be ascertained, at valuation. After initial recognition land and buildings are subsequently measured at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Land had been revalued to fair value on the date of transition to the 2015 FE HE SORP, and is measured at deemed cost, being the revalued amount at the date of the revaluation.

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

Freehold land is not depreciated as it is considered to have an indefinite useful life. Buildings are split into three component parts: structure, fit-out and plant and machinery, the economic life of which is determined by architects' certificate. Each component will be depreciated on a straight line basis over its expected useful economic life. The sum of the component parts' economic life will not exceed fifty years. Expenditure relating to subsequent replacement of components is capitalised as incurred.

Improvements to leasehold premises are amortised over the period of the lease.

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July. They are not depreciated until the accounting period in which they are brought into use. Site clearance costs are only capitalised as part of enabling works for the construction of a new asset and in this case they are included in the costs of the building and will be depreciated over the life of the new asset. Site clearance costs alone (i.e. with no subsequent construction) will be expensed in the year they are incurred.

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is expensed in the period it is incurred. This includes long term maintenance and work arising from stock condition surveys, even if there is an element of betterment in the expenditure.

A review for impairment of land and buildings is carried out annually and if events or changes in

circumstances indicate that the carrying amount of the fixed asset may not be recoverable, whether through the economic benefits of use or through disposal, the asset value will be reduced accordingly and recorded as an impairment.

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

Where capitalised assets are acquired with the aid of specific government grants, the related grant is treated as a deferred capital grant and released to the statement of comprehensive income and expenditure over the expected useful economic life.

Equipment

Equipment is capitalised at cost on initial recognition and then subsequently at cost less accumulated depreciation and accumulated impairment losses. All laboratory and other equipment with a single item value above £10,000 is capitalised at cost. Laboratory and other equipment costing less than £10,000 per individual item or group of related items is expensed in the year of purchase.

Capitalised equipment is depreciated over its expected useful economic life, as follows:

| Equipment | Years |
|--|---|
| Catering equipment | 10 |
| Telephone and security | 5 |
| File servers, networks infrastructure and other central IT | 5 |
| Office equipment, academic equipment, printers | 5 |
| Purchased motor vehicles | 4 |
| PCs & laptops purchased to kit out a classroom only | 4 |
| Groups of public domain and other personal computers | 3 |
| Laboratory equipment | 10, unless funded by a shorter research grant |
| Equipment acquired for research projects | Project life |

IT equipment, including PCs, laptops and servers, where individual items are above £10,000 will be capitalised. Groups of items that individually are below £10,000, even if in aggregate they exceed £10,000, will be expensed in the year of purchase, with the exception of Capital Projects equipping classrooms with PCs/fixed laptops, telephone networks (not mobile phones) and laboratory equipment. There may be scope to fund these via government capital receipts.

Furniture and fittings installed as part of a major building construction, rebuild or renewal and exceeding £50,000 in total may be capitalised as part of the building project and written off over 3 years.

Equipment in the course of construction is not depreciated.

A review for impairment of equipment is carried out annually and if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable, whether through the economic benefits of use or through disposal.

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

Where capitalised assets are acquired with the aid of specific government grants, the related grant is treated as a deferred capital grant and released to the statement of comprehensive income and expenditure (SOCl) over the expected useful economic life.

Borrowing costs

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

1.12 Intangible assets

Intangible assets acquired or developed are initially recognised at cost. Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Software that is purchased or developed with a cost of more than £100k is capitalised, as long as it is used in a live environment.

Intangible assets are amortised on a straight-line basis over their estimated useful lives – for example software either acquired or developed is depreciated over five years or its expected useful life if shorter.

Intangible assets are subject to an assessment whether there are any indicators of impairment at each reporting date. If such indicators exist, the institution will perform an impairment review.

1.13 Heritage assets

Heritage assets are individual objects, collections, specimens or structures of historic, scientific or artistic value that are held and maintained principally for their contribution to knowledge and culture.

Heritage assets acquired before 1 August 2007 have not been capitalised, since reliable estimates of cost or value are not available at a cost that is commensurate with the benefits to users of the financial statements.

Works of art and other valuable artefacts acquired since 1 August 2007 and valued at over £50,000 have been capitalised and recognised at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable. Heritage assets are not depreciated as their long economic life and high residual value mean any depreciation would not be material. The assets are subject to an annual impairment review in accordance with applicable accounting standards.

Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

1.14 Investments

Non-current asset investments are held on the Balance Sheet at amortised cost less impairment.

Investments in subsidiaries are carried at cost in the University's accounts.

Current asset investments are held at fair value with movements recognised in the Surplus or Deficit as a loss or gain on investments.

1.15 Stock

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

1.16 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.

1.17 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 an outflow 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 determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the University a probable obligation whose existence will only be confirmed by the

occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

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

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

1.18 Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para

1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from UK corporation taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax. 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 subsidiaries are liable to Corporation

Tax in the same way as any other commercial organisation.

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

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

1.19 Financial Instruments

The University has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition and measurement of financial instruments. Financial assets and liabilities are recognised when the University becomes party to the contractual provision of the instrument and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and to settle the liability simultaneously.

Financial Assets

Basic financial assets include trade and other receivables, cash and cash equivalents, and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of comprehensive income.

For financial assets carried at amortised cost the

impairment loss is the difference between the carrying value of the asset and the present value of the estimated future cash-flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures are initially measured at fair value, which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the statement of comprehensive income. Where the investment in equity instruments are not publicly traded and where the fair value cannot reliably be measured the assets are measured at cost less impairment.

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of the ownership of the asset are transferred to another party.

Financial liabilities

Basic financial liabilities include trade and other payables, bank loans and intra-group loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within 1 year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at transaction

price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date.

The University applies the principles of hedge accounting to derivatives which are set up as a cash-flow hedge to protect against the possibility of future interest payments on loans (deemed the hedged item) being higher than the interest rate at inception. Further details are included in the statement of accounting estimates and judgements. Accordingly changes in the fair value of the derivative are reflected as a movement in the cash-flow hedge reserve as opposed to recognition through finance costs to the extent that the hedge is deemed effective. Effectiveness of the hedge is determined by application of the dollar offset method.

In December 2021, the floating rate referred to in both the existing loans and their related derivatives was simultaneously changed from LIBOR to SONIA with the same loan basis points as previously. The substance of the combined loans and linked derivatives is to eliminate all floating rate risk and to return a fixed interest charge into the SOCI. The change of floating rate had no impact on the SOCI of Brunel.

Financial liabilities are de-recognised when the liability is discharged, cancelled or expires.

1.20 Reserves

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

Notes to the Accounts – Statement of Accounting Estimates and Judgements

The preparation of the Institution's financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Remaining Economic Lives of Buildings

The University used the services of Gerald Eve to reassess the remaining lives of the buildings which Gerald Eve had apportioned between the structure, fit-out and plant & machinery based on site inspections. Wherever University requirement and direction was that the building would be demolished (such as the computing building), this lesser life was applied by Gerald Eve. This has resulted in some buildings having an economic life that from new would have been in excess of 50 years.

Fair Value of SWAPs and their Effectiveness as a Hedged Instrument

The University took out 3 SWAPs to mirror 3 loans which charged interest at LIBOR plus 22 basis points; the floating rate referred to in the loans and their related derivatives subsequently transitioned to SONIA in December 2021. The effect for the University was to translate variable interest rates into a fixed rate by a 100% effective hedging instrument. The University measures the current "out of the market" position by comparing the current market value of the SWAP to the discounted fixed interest repayments over the life of the SWAP using Thompson Reuters software. The "out of the market" position is reflected in the Balance Sheet as the fair value of the hedged instruments.

The loan and SWAP repayment schedule for each of the three deals had repayment dates and amounts which were identical until 2040. The University was unable at the inception of the loan to obtain a 40-year loan as intended because 35 years was the maximum offered at that time. As a result, the three loans all contain a balloon payment on 7 December 2040. The SWAPs were set at 40 years in anticipation that Lloyds

would reconsider the final repayment date further into the loan repayment program. Brunel has received written confirmation from Lloyds Bank that they are willing to negotiate an extension prior to 7 December 2040 which Brunel would take to 2045 on the same repayment dates as the SWAP. Brunel considers the SWAPs to be a 100% effective hedged instrument and has applied hedge accounting treatments accordingly.

LGPS Pension Asset

The University obtained a valuation from Barnett Waddingham, who used their standard financial assumptions to calculate the net asset of the scheme. These assumptions included the RPI%, CPI% increases, salary increases, pension increases, discount rate and the estimate of the duration of employer liabilities. The University is ultimately responsible for ensuring that the appropriate rates are applied and therefore management reviewed the standard assumptions with the assistance of Mercer.

The actual return on investments has been reported in the financial statements but there is always an element of estimation applied by the actuary when splitting the overall assets into different classes, such as equities or target return portfolio.

In deciding whether a pension surplus can be recognised, management compare the pension surplus against the surplus recognition that historically applied under FRS17 where the net present value of future service costs (as measured by FRS102) is calculated and a surplus is only recognised to this maximum ceiling. Also a minimum funding requirement condition was set, meaning that the economic benefit from a reduction in contributions is therefore the present value of future service cost minus the present value of estimated future primary contributions.

USS Deficit Recovery Program Liability

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 that provided by 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 the deficit results in the recognition of a liability for the contribution payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in the SOCI in accordance with section 28 of FRS 102.

Access and Participation Disclosure

The Access and Participation disclosure note includes percentages of employee time which have been apportioned in accordance with OfS guidance. In the

absence of timesheets, for general student-facing departments the costs are apportioned based on the percentage of access and participation students contained within the Brunel student population as a whole. In other teams where the work of the team is targeted at specific student groups, salaries are apportioned based on the percentage of that team's time spent supporting those students who are included within the overall aims of the Access and Participation plan.

| Notes | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|--|-------------------------|----------------|-------------------------|----------------|
| | Consolidated | University | Consolidated | University |
| 2. Tuition fees and education contracts | £'000 | £'000 | £'000 | £'000 |
| Full-time home and EU students | 67,140 | 67,140 | 74,813 | 74,813 |
| Full-time international students | 91,241 | 91,241 | 96,959 | 96,959 |
| Part-time students | 5,275 | 5,275 | 5,039 | 5,039 |
| NHS Education Contract | (145) | (145) | 507 | 507 |
| Short Course Fees | 2,353 | 2,353 | 2,567 | 2,567 |
| Other Fees | 1,507 | 1,507 | 3,041 | 3,041 |
| Total income | 167,371 | 167,371 | 182,926 | 182,926 |
| 3. Funding body grants | | | | |
| Recurrent grant | | | | |
| Office for Students | 5,307 | 5,307 | 7,041 | 7,041 |
| Research England | 11,463 | 11,463 | 12,159 | 12,159 |
| Other Disability and Support Grants | 392 | 392 | 430 | 430 |
| Capital grant released in year | 2,906 | 2,906 | 2,454 | 2,454 |
| Specific grants | | | | |
| West Focus | 1,639 | 1,639 | 1,651 | 1,651 |
| Other funding body grants | 42 | 42 | 104 | 104 |
| | 21,749 | 21,749 | 23,839 | 23,839 |

| Notes | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|---|-------------------------|---------------|-------------------------|---------------|
| | Consolidated | University | Consolidated | University |
| 4. Research grants and contracts | £'000 | £'000 | £'000 | £'000 |
| Research councils | 7,633 | 7,633 | 8,240 | 8,240 |
| Research charities | 1,671 | 1,671 | 1,173 | 1,173 |
| Government (UK and overseas) | 7,487 | 7,487 | 7,043 | 7,043 |
| Industry and commerce | 1,822 | 1,822 | 696 | 696 |
| Other | 601 | 601 | 1,567 | 1,567 |
| | 19,214 | 19,214 | 18,719 | 18,719 |

5. Grant and fee income

The source of grant and fee income included in notes 2 to 4 is as follows:

| | | | | |
|---|----------------|----------------|----------------|----------------|
| Grant Income from the OFS | 8,213 | 8,213 | 9,495 | 9,495 |
| Grant income from other bodies | 13,536 | 13,536 | 14,344 | 14,344 |
| Fee income from research awards (exclusive of VAT) | 19,214 | 19,214 | 18,719 | 18,719 |
| Fee income from non-qualifying courses (exclusive of VAT) | 3,715 | 3,715 | 6,115 | 6,115 |
| Fee income for taught awards (exclusive of VAT) | 163,656 | 163,656 | 176,811 | 176,811 |
| | 208,334 | 208,334 | 225,484 | 225,484 |

| | Notes | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|---------------------------------------|-------|-------------------------|---------------|-------------------------|----------------|
| | | Consolidated | University | Consolidated | University |
| 6. Other income | | £'000 | £'000 | £'000 | £'000 |
| Residences, catering and conferences | | 40,463 | 40,463 | 42,768 | 42,768 |
| Other income | | 17,824 | 17,657 | 11,261 | 11,101 |
| | | 58,287 | 58,120 | 54,029 | 53,869 |
| 7. Investment Income | | £'000 | £'000 | £'000 | £'000 |
| Interest on term deposits | | 3,203 | 3,203 | 2,216 | 2,216 |
| | | 3,203 | 3,203 | 2,216 | 2,216 |
| 8. Donations and endowments | | | | | |
| Unrestricted donations | | 188 | 334 | 232 | 371 |
| Income on endowment | 22 | 287 | 287 | 402 | 402 |
| Income on restricted reserves | 23 | 31 | 31 | 10 | 10 |
| | | 506 | 652 | 644 | 783 |
| 9. Staff costs | | | | | |
| Salaries | | 129,674 | 129,674 | 114,140 | 114,140 |
| Social security costs | | 13,570 | 13,570 | 12,364 | 12,364 |
| Other pension costs | | 19,821 | 19,821 | 24,697 | 24,697 |
| Movement on USS provision on pensions | | 163,065 | 163,065 | 151,201 | 151,201 |
| | | (75,879) | (75,879) | (8,831) | (8,831) |
| | | 87,186 | 87,186 | 142,370 | 142,370 |

| | 2024 | 2023 |
|--|------------|------------|
| | £'000 | £'000 |
| Total remuneration of the head of the institution | | |
| Salary | 267 | 244 |
| Private Medical Insurance | 6 | 15 |
| Pension contributions to USS | 47 | 50 |
| | 320 | 309 |

The present Vice-Chancellor's basic salary is 5.5 times (4.9 times July 23) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid to staff. The Vice-Chancellor's total remuneration is 5.7 times (5.6 times July 23) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration of its staff. The University has included the costs of employees who are required to be included in real-time reporting to HMRC and excluding those who are not.

The University considers the remuneration of the Vice-Chancellor to be justified, taking account of the scale and nature of the institution, the challenges of the role, benchmarking information and performance over time. Further detail is in the Remunerations Committee Report section of these financial statements.

The number of staff with a basic salary of over £100,000 per annum has been included below. The table excludes employer's pension contributions and all performance related elements; there was 0 performance related benefit in 2024 £0k (2023 £11k).

| | Year ended 31 July 2024 | Year ended 31 July 2023 |
|-------------------------------|----------------------------|----------------------------|
| Basic salary per annum | No. | No. |
| £100,000 to £104,999 | 5 | 17 |
| £105,000 to £109,999 | 10 | 16 |
| £110,000 to £114,999 | 11 | 5 |
| £115,000 to £119,999 | 9 | 6 |
| £120,000 to £124,999 | 6 | 7 |
| £125,000 to £129,999 | 5 | 3 |
| £130,000 to £134,999 | 4 | 4 |
| £135,000 to £139,999 | 2 | 0 |
| £140,000 to £144,999 | 8 | 2 |
| £145,000 to £149,999 | 1 | 0 |
| £150,000 to £154,999 | 0 | 0 |
| £155,000 to £159,999 | 0 | 0 |
| £160,000 to £164,999 | 0 | 2 |
| £165,000 to £169,999 | 2 | 1 |
| £170,000 to £174,999 | 1 | 0 |
| £175,000 to £179,999 | 2 | 0 |
| £180,000 to £184,999 | 0 | 0 |
| £185,000 to £189,999 | 0 | 3 |
| £190,000 to £194,999 | 1 | 0 |
| £195,000 to £199,999 | 1 | 1 |
| £200,000 to £204,999 | 0 | 1 |
| £205,000 to £209,999 | 0 | 0 |
| £210,000 to £215,000 | 1 | 0 |
| £230,000 to £234,999 | 0 | 1 |
| £265,000 to £269,999 | 1 | 0 |
| | 70 | 69 |

| | Year ended 31 July 2024 | Year ended 31 July 2023 |
|--|----------------------------|----------------------------|
| Average full-time employee (fte) staff numbers by major category: | No. | No. |
| Academic | 1,040 | 967 |
| Administrative | 446 | 426 |
| Professional | 557 | 547 |
| Ancillary, Maintenance, Miscellaneous | 118 | 116 |
| Technical | 90 | 81 |
| Student Work Placements | 40 | 30 |
| Hourly Paid Lecturers and Others | 51 | 73 |
| | 2,342 | 2,240 |

Severance payments

There was £1,097k combined compensation for loss of office paid to 58 staff members in 2023/24 (2022/23 £690k, 32 staff members). Of this total £417k (22/23 £265k) was due to payments in lieu of notice.

All severance payments including compensation for loss of office in respect of higher paid staff are approved by the Remuneration Committee. Amounts for compensation for loss of office and redundancy for all other members of staff are approved by the University's management in accordance with delegated authority.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs include compensation paid to key management personnel. Brunel considers the 17 (2023 - 15) members of the Executive Board to constitute the key management of the University. Compensation includes salary, benefits and employer's pension contribution.

| | Year ended 31 July 2024 | Year ended 31 July 2023 |
|---------------------------------------|----------------------------|----------------------------|
| | £'000 | £'000 |
| Key management personnel compensation | 3,050 | 2,552 |

Council members

The University's Council members are the trustees for charitable law purposes. All transactions involving organisations in which a member of Council may have an interest, including those identified below, are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures.

The total expenses paid to or on behalf of 14 independent Council members was £8k (2023 - £0 to 12 Council members). This represents travel and subsistence expenses incurred in attending Council, Committee meetings and Charity events in their official capacity.

Related parties

During the year the University entered into transactions in the ordinary course of business with other related parties.

During the year Brunel University entered into transactions with the University and College Employers Association (UCEA), where one member of council is a trustee of the University and College Employers Association (UCEA). The University and College Employers Association is based in London and provides members with advice and guidance on all employment and reward matters relevant to the Higher Education sector. Brunel University paid £11k for an annual UCEA membership subscription. In addition to the membership fee paid, there was £3k paid by Brunel University for conferences and remuneration surveys. The Chair of Council of Brunel University is a trustee of the University and College Employers Association (UCEA).

Brunel University had dealings with The Campaign for Science and Engineering (CaSE) who are based in London. The Campaign for Science and Engineering is the UK's leading independent advocate for science and engineering. The nature of Brunel University's dealings with CaSE was regarding an annual membership, where Brunel University paid £2k. The President and Vice-Chancellor of Brunel University is a Trustee and Director of The Campaign for Science and Engineering (CaSE).

Brunel University had multiple dealings with London Higher totalling £37k. London Higher is based in London and is a membership organisation that advocates to address the opportunities and challenges posed to Higher Education establishments in London sharing London's infrastructure. The nature

of Brunel's dealings with London Higher is regarding membership fees for access, London medicine group, London health education group and member contribution. The President and Vice-Chancellor of Brunel University is a Trustee and Director of London Higher.

Brunel University had dealings with The Institute of Physics who are based in London. The Institute of Physics is the professional body and learned society for physics in the UK and Ireland, with an active role in promoting co-operation of physics globally. Brunel University's dealings of £14k received is regarding the Electrostatics 2023 conference held at Brunel University where Brunel University supplied accommodation to delegates as well as catering for the conference. The Chair of Council of Brunel University is a Trustee of the Institute of Physics Benevolent Fund.

During the year Brunel University had dealings with Universities UK who are a membership organisation that works with its members and the government to champion UK higher education. The nature of Brunel University's dealings with Universities UK is related to annual membership subscriptions and Brunel University paid £96k to Universities UK during the course of the year. The President and Vice-Chancellor of Brunel University is a Trustee and Director of Universities UK.

Brunel University had dealings with Ceres Power Limited who are based in Warwickshire and is a leader in climate technology helping deliver clean energy solutions at scale and at speed. Brunel University's dealings of £3k received is regarding sample testing of materials for Ceres Power Limited which would eventually be used in wider scale manufacturing. An independent member of council for Brunel University is the Chief Operating Officer of Ceres Power Limited.

During the year Brunel University had dealings with West London Business who are a non-profit organisation that supports its members in working together to raise West London's global economic competitiveness, whilst engaging in social and environmental sustainability. The nature of Brunel University's dealings with West London Business is related to annual membership subscriptions and Brunel University paid £24k to West London Business during the course of the year. The Pro Vice-Chancellor (Enterprise and Employment) of Brunel University is a board member of West London Business.

During the year Brunel University had dealings with ETN Global who are a non-profit organisation that brings together the value chain of the gas turbine technology community. This is done through facilitating information exchange and cooperation to accelerate research, development and deployment of energy solutions. Brunel University paid ETN Global £1k during the year for an annual membership subscription. The Executive Dean of the College of Engineering, Design and Physical Sciences for Brunel University is a board member of ETN Global.

| | Notes | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|--|-------|-------------------------|----------------|-------------------------|----------------|
| | | Consolidated | University | Consolidated | University |
| 10. Interest and other finance costs | | £'000 | £'000 | £'000 | £'000 |
| Loan Interest | | 3,684 | 3,684 | 3,780 | 3,780 |
| Net charge on pension scheme other | 31 | (918) | (918) | 870 | 870 |
| Interest excluding USS Interest | | 2,766 | 2,766 | 4,650 | 4,650 |
| USS Deficit Recovery program Interest | 31 | 1,697 | 1,697 | 2,675 | 2,675 |
| Total income | | 4,463 | 4,463 | 7,325 | 7,325 |
| 11. Analysis of total expenditure by activity | | | | | |
| Academic Departments | | 109,580 | 109,580 | 106,633 | 106,633 |
| Academic Services | | 32,475 | 32,475 | 31,399 | 31,399 |
| Research Grants and Contracts | | 23,464 | 23,464 | 24,054 | 24,054 |
| Residences, catering and conferences & Science Park | | 25,352 | 25,333 | 25,684 | 25,663 |
| Premises | | 36,151 | 36,151 | 35,703 | 35,703 |
| Administration | | 53,546 | 53,546 | 48,725 | 48,725 |
| USS Pension Recovery Program | | (74,182) | (74,182) | 0 | 0 |
| Other Services | | 6,568 | 6,568 | 5,997 | 5,997 |
| | | 212,954 | 212,935 | 278,195 | 278,174 |

| Notes | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|--|-------------------------|----------------|-------------------------|----------------|
| | Consolidated | University | Consolidated | University |
| | £'000 | £'000 | £'000 | £'000 |
| Other operating expenses include: | | | | |
| Fees payable to the auditor for the audit of the University's Financial Statements | 136 | 136 | 132 | 132 |
| Audit of the financial statements of subsidiaries | 8 | 0 | 8 | 0 |
| Audit related assurance services | 21 | 21 | 20 | 20 |
| Note: the above figures are stated net of VAT. | | | | |
| Analysis of total expenditure to show Total Expenses without Donor Restrictions for US GAAP purposes (see note 34) | | | | |
| Total Operational expenditure non-USS pension related | 287,105 | 287,086 | 284,314 | 284,293 |
| USS Deficit Recovery expenditure | (74,182) | (74,182) | (6,156) | (6,156) |
| Donor restriction related | 31 | 31 | 37 | 37 |
| | 212,954 | 212,935 | 278,195 | 278,174 |

12. Access and participation

| | | | | |
|---|--|--|--------------|--------------|
| Access Investment | | | 997 | 941 |
| Financial Support | | | 1,804 | 1,845 |
| Disability Support (excluding expenditure included in the two categories above) | | | 1,052 | 865 |
| Research and Evaluation | | | 119 | 77 |
| | | | 3,972 | 3,728 |

The costs disclosed above include expenditure on staff costs of £1.9m (2023 £1.5m). These costs are included within the total staff costs disclosed in note 9 above.

The University's expenditure on the four strands of the Access and Participation activity is broadly in line with the commitments made in the published Access and Participation plan.

The Access and Participation plan can be found here: <https://www.brunel.ac.uk/about/administration/access-and-participation/Access-and-Participation-Plan>

| | 2024 | | 2023 | |
|----------------------------------|-----------------------------|---------------------|--------------------------------------|----------------|
| | Consolidated | University | Consolidated | University |
| | £'000 | £'000 | £'000 | £'000 |
| 13. Intangible assets | | | | |
| Software | | | | |
| Opening Balance | 644 | 644 | 875 | 875 |
| Additions | 0 | 0 | 0 | 0 |
| Amortisation charge for the year | (229) | (229) | (231) | (231) |
| | 415 | 415 | 644 | 644 |
| 14. Fixed assets | | | | |
| Tangible assets comprise: | | | | |
| Property, plant and equipment | 404,657 | 404,657 | 406,147 | 406,147 |
| | 404,657 | 404,657 | 406,147 | 406,147 |
| | Freehold Land and Buildings | Plant and Machinery | Assets in the Course of Construction | Total |
| Consolidated | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | |
| At 1 August 2023 | 534,158 | 96,674 | 23,206 | 654,038 |
| Additions | 0 | 221 | 19,762 | 19,983 |
| Impairment | (9,108) | 0 | 0 | (9,108) |
| Transfers | 16,613 | 15,037 | (31,650) | 0 |
| At 31 July 2024 | 541,663 | 111,932 | 11,318 | 664,913 |
| Depreciation | | | | |
| At 1 August 2023 | 166,654 | 81,237 | 0 | 247,891 |
| Charge for the year | 12,504 | 6,011 | 0 | 18,515 |
| Impairment | (6,150) | 0 | 0 | (6,150) |
| At 31 July 2024 | 173,008 | 87,248 | 0 | 260,256 |

| | Freehold Land and Buildings | Plant and Machinery | Assets in Course of Construction | Total |
|------------------------|-----------------------------|---------------------|----------------------------------|----------------|
| Net book value | £'000 | £'000 | £'000 | £'000 |
| At 31 July 2024 | 368,655 | 24,684 | 11,318 | 404,657 |
| At 31 July 2023 | 367,504 | 15,437 | 23,206 | 406,147 |
| University | | | | |
| At 1 August 2023 | 534,158 | 96,674 | 23,206 | 654,038 |
| Additions | 0 | 221 | 19,762 | 19,983 |
| Impairment | (9,108) | 0 | 0 | (9,108) |
| Transfers | 16,613 | 15,037 | (31,650) | 0 |
| At 31 July 2024 | 541,663 | 111,932 | 11,318 | 664,913 |
| Depreciation | | | | |
| At 1 August 2023 | 166,654 | 81,237 | 0 | 247,891 |
| Charge for the year | 12,504 | 6,011 | 0 | 18,515 |
| Impairment | (6,150) | 0 | 0 | (6,150) |
| At 31 July 2024 | 173,008 | 87,248 | 0 | 260,256 |
| Net book value | £'000 | £'000 | £'000 | £'000 |
| At 31 July 2024 | 368,655 | 24,684 | 11,318 | 404,657 |
| At 31 July 2023 | 367,504 | 15,437 | 23,206 | 406,147 |

At 31 July 2024 freehold land and buildings included £124.4m (2023 – £124.4m) in respect of freehold land which is not depreciated.

The land comprising Brunel University Estate was valued as at 31 July 2014 by an external valuer Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of the RICS Valuation - Professional Standards, January 2014 amendment and the Financial Reporting Standard 102 and the 2014 Statement of Recommended Practice 'Accounting for Further and Higher Education'. The valuation was undertaken on a Fair Value basis. The valuation is reported under the special assumptions to exclude any value of development opportunities for which planning permission would be required and has not been granted or where development has not yet commenced and that one building currently subject to redevelopment has been completed.

Heritage assets

There have been no donations of heritage assets in the past 5 years. There was an acquisition of a statue of Brunel, purchased for £133k but no other acquisitions in the past 5 years. There are no pre 2007 heritage assets included in the Financial Statements at value.

| | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|---|-------------------------|---------------|-------------------------|---------------|
| | Consolidated | University | Consolidated | University |
| 15. Stock | £'000 | £'000 | £'000 | £'000 |
| General consumables | 75 | 75 | 75 | 75 |
| | 75 | 75 | 75 | 75 |
| 16. Trade and other receivables | | | | |
| Research grant receivables | 5,170 | 5,170 | 2,617 | 2,617 |
| Other trade receivables | 16,489 | 16,443 | 15,791 | 15,789 |
| Amounts due from Group Undertakings | 0 | 46 | 0 | 2 |
| Prepayments and accrued income | 10,207 | 10,207 | 13,470 | 13,470 |
| | 31,866 | 31,866 | 31,878 | 31,878 |
| Amounts falling due after more than one year | | | | |
| Pension Surplus | 1,377 | 1,377 | 16,665 | 16,665 |
| Total Debtor | 33,243 | 33,243 | 48,543 | 48,543 |
| 17. Current Investments | | | | |
| Short term deposits | 44,100 | 44,100 | 58,000 | 58,000 |
| | 44,100 | 44,100 | 58,000 | 58,000 |

The LPFA pension scheme described more fully in note 31 is reflecting a surplus where the university will obtain future benefits with the reduction in contribution rates payable.

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

At 31 July 2024 the weighted average interest rate of these fixed rate deposits was 5.19% (2023: 4.89%) per annum and the weighted average period for which the interest rate is fixed on these deposits was 149 (2023: 131) days. The fair value of these deposits was not materially different from the book value.

| | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|---|-------------------------|---------------|-------------------------|---------------|
| | Consolidated | University | Consolidated | University |
| 19. Creditors: amounts falling due within one year | £'000 | £'000 | £'000 | £'000 |
| Secured loans | 2,076 | 2,076 | 1,971 | 1,971 |
| Trade payables | 12,332 | 12,286 | 16,061 | 16,058 |
| Social security and other taxation payable | 3,585 | 3,582 | 3,277 | 3,269 |
| Accruals | 12,356 | 12,347 | 13,215 | 13,207 |
| Deferred income | 25,152 | 25,152 | 35,222 | 35,222 |
| | 55,501 | 55,443 | 69,746 | 69,727 |

Deferred income

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

| | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|---|-------------------------|---------------|-------------------------|---------------|
| | Consolidated | University | Consolidated | University |
| 18. Creditors: amounts falling due within one year | £'000 | £'000 | £'000 | £'000 |
| Other Income | 16,337 | 16,337 | 26,160 | 26,160 |
| Research grants received on account | 6,390 | 6,390 | 6,521 | 6,521 |
| Deferred capital grants from government sources < 1 year | 2,425 | 2,425 | 2,541 | 2,541 |
| Income in Advance < 1 year | 25,152 | 25,152 | 35,222 | 35,222 |
| Deferred capital grants from government sources > 1 year | 48,044 | 48,044 | 48,644 | 48,644 |
| Total income in Advance | 73,196 | 73,196 | 83,866 | 83,866 |

19. Cash-flow Hedge Reserve and fair value of hedged instrument liability

The University entered into three loans with Lloyds Bank at LIBOR plus 20 basis points of £50m, £25m and £25m between the dates of 31 October 2005 to 30 September 2007 (subsequently transitioned to SONIA in December 2021). The currency of all of these is sterling and the interest is paid in arrears on the last day of its interest period, which is semi-annual. The interest periods have start/end dates of 7 June and 7 December with a final end date on all 3 facilities being 7 December 2040 and with a final repayment due for the outstanding balance. Brunel has written confirmation that the loans can be renegotiated to extend to 7 December 2045 on the same payment profile as the SWAPs taken out at the same time.

The University set up three sterling SWAPs with Bank of America Merrill Lynch, being £50m at 4.588% on

31 October 2005, £25m at 4.5843% on 30 September 2006 and £25m at 4.5823% on 30 September 2007. Brunel pays interest on each SWAP in arrears on the last day of the interest period. Both the fixed and floating rate payment schedules have payment dates of 7 June and 7 December. All three SWAPs have an end date of 7 December 2045. The three SWAPs were novated to Lloyds in June 2019 on the same terms. There is no enforceable break by the floating rate party provided the University maintains positive discretionary reserves and is not deemed at higher risk by the OfS.

Fair value of the SWAP liability as at 31 July obtained from Bloomberg:

| | 2024 | 2023 |
|--|--------------|--------------|
| Brought forward 1 August | 1,488 | 21,547 |
| Change in fair value of hedging instrument recognised in Other Comprehensive Income in year (100% effective) | 2,441 | (20,059) |
| Carried forward 31 July | 3,929 | 1,488 |

The SWAPs were set up on the same dates as the loans with the same repayment profiles until 2040 and to run for the 5 additional years until 7 December 2045 that the loans will eventually be extended to, following confirmation from Lloyds Bank that they are willing to negotiate an extension prior to 7 December 2040. The SWAPs were designed as a hedging instrument that effectively eliminates the interest rate risk of the variability in cash flows on the floating rate loan attributable to changes in the 6-month GBP SONIA by creating certainty of interest payment at the same 6 monthly interval.

The University considers the 3 SWAPs to be 100% effective hedges and apply the principles of hedge accounting of 12.23 FRS 102 to disclose a cash-flow hedge reserve for the same total as the fair value of the SWAP liability in the Consolidated Statement of Changes in Reserves.

The full value of the loans and the out of market position of the SWAPs are secured against several specific halls of residence with a NBV of £54m.

| | Year ended 31 July 2024 | | Year ended 31 July 2023 | |
|--|-------------------------|----------------|-------------------------|----------------|
| | Consolidated | University | Consolidated | University |
| 20. Creditors: amounts falling due after more than one year | £'000 | £'000 | £'000 | £'000 |
| Deferred income | 48,044 | 48,044 | 48,644 | 48,644 |
| Derivatives | 3,929 | 3,929 | 1,488 | 1,488 |
| Secured loans | 73,648 | 73,648 | 75,724 | 75,724 |
| | 125,621 | 125,621 | 125,856 | 125,856 |
| Analysis of secured and unsecured loans: | | | | |
| Due within one year or on demand (Note 20) | 2,076 | 2,076 | 1,971 | 1,971 |
| Due within one and two years | 2,177 | 2,177 | 2,076 | 2,076 |
| Due between two and five years | 9,810 | 9,810 | 9,355 | 9,355 |
| Due in five years or more | 61,661 | 61,661 | 64,293 | 64,293 |
| Due after more than one year | 73,648 | 73,648 | 75,724 | 75,724 |
| Total secured and unsecured loans | 75,724 | 75,724 | 77,695 | 77,695 |
| Secured loans repayable by 2040 | 75,724 | 75,724 | 77,695 | 77,695 |
| | 75,724 | 75,724 | 77,695 | 77,695 |

The secured loans are the following:

| Lender | Amount | Term | Interest Rate | Borrower |
|--------|---------------|------|---------------|------------|
| | £'000 | | % | |
| Lloyds | 37,612 | 2040 | 4.59 | University |
| Lloyds | 18,969 | 2040 | 4.58 | University |
| Lloyds | 19,143 | 2040 | 4.58 | University |
| | 75,724 | | | |

Covenants attached to the loans require: (i) the University to make a profit a minimum of once every three years; (ii) total borrowing cost cannot exceed 7% of total consolidated income for the reported year; (iii) total external debt should not exceed the total of net assets less pension liabilities and less endowments; (iv) 50% of freely available cash (total cash less 2 months of gross staff costs) are to be held within the Lloyds group.

| | Pension enhancement on termination | Obligation fund deficit on USS Pension | LGPS Defined Benefit Obligations (Note 30) | Total Pension Provisions |
|---|------------------------------------|--|--|--------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| 21. Provisions for liabilities | | | | |
| Consolidated | | | | |
| At 1 August 2023 | 675 | 74,182 | 0 | 74,857 |
| Utilised in year | (28) | (3,797) | (0) | (3,825) |
| USS Scheme Repayment Plan contribution change | 0 | (70,385) | 0 | (70,385) |
| At 31 July 2024 | 647 | 0 | 0 | 647 |
| University | | | | |
| At 1 August 2023 | 675 | 74,182 | 0 | 74,857 |
| Utilised in year | (28) | (3,797) | (0) | (3,825) |
| USS Scheme Repayment Plan contribution change | 0 | (70,385) | 0 | (70,385) |
| At 31 July 2024 | 647 | 0 | 0 | 647 |

Pension enhancement

The assumptions for calculating the provision for pension enhancements on termination under FRS 102 are as follows:

| Lender | Consolidated |
|---------------|---------------|
| Discount rate | 5.00 % |
| Inflation | 2.94 % |

A cohort of pension members used to be employed in the West London Institute of Higher Education (WLIHE) at a time when the body was a participating member of the Hounslow Pension Fund. WLIHE, a body subsumed by Brunel University London many years ago, contracted to give these members a top up to their eventual pensions on their loss of office. The top up is funded by Brunel as the employer who promised the top up, although the payment to the members is operated through the London Borough of Hounslow Pension Fund.

USS (Surplus)

At 31 July 2023, the institution's balance sheet included a liability of £74.2m 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 £70.4m was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 31.

LPFA Pension

The LPFA Pension scheme was reflecting a surplus at July 2024 and has been reflected as an asset. A "Net Asset Ceiling" was calculated. The current surplus is below this and is thus recorded in full in note 16.

| | Restricted Permanent endowments | Expendable endowments | Total 2024 | Total 2023 |
|--|---------------------------------------|--------------------------|---------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| 22. Endowment Reserves | | | | |
| Restricted net assets relating to endowments are as follows: | | | | |
| Balances at 1 August | | | | |
| Capital | 445 | 917 | 1,362 | 1,391 |
| Accumulated income | 177 | 0 | 177 | 178 |
| | 622 | 917 | 1,539 | 1,569 |
| New endowments | | | | |
| | 0 | 287 | 287 | 402 |
| Expenditure | | | | |
| | (0) | (334) | (334) | (432) |
| | (0) | (47) | (47) | (30) |
| At 31 July | 622 | 870 | 1,492 | 1,539 |
| Represented by | | | | |
| Capital | 445 | 870 | 1,315 | 1,362 |
| Accumulated income | 177 | 0 | 177 | 177 |
| At 31 July | 622 | 870 | 1,492 | 1,539 |
| Analysis by type of purpose: | | | | |
| Lectureships | 0 | 13 | 13 | 13 |
| Scholarships and bursaries | 469 | 428 | 897 | 859 |
| Prize Funds | 153 | 113 | 266 | 269 |
| General | 0 | 316 | 316 | 398 |
| | 622 | 870 | 1,492 | 1,539 |
| Analysis by asset: | | | | |
| Cash & cash equivalents | | | 1,492 | 1,539 |
| Total Assets | | | 1,492 | 1,539 |

| | Total 2024 | Total 2023 |
|---|---------------|---------------|
| | £'000 | £'000 |
| 23. Restricted Reserves | | |
| Reserves with restrictions (all donations) are as follows- | | |
| Balances at 1 August | 181 | 188 |
| New donations | | |
| | 31 | 10 |
| Expenditure | | |
| | (15) | (17) |
| | 16 | (7) |
| At 31 July | 197 | 181 |
| Analysis of other restricted funds/donations by type of purpose: | | |
| Scholarships and bursaries | 21 | 21 |
| Prize funds | 15 | 15 |
| General | 161 | 145 |
| | 197 | 181 |

| | Total 2024 | Total 2023 |
|---|---------------|---------------|
| 24. Consolidated reconciliation of net debt | £'000 | £'000 |
| Net debt 1 August | 56,845 | 57,473 |
| Movements in cash and cash equivalents | 18,820 | 21,320 |
| Other non-cash changes | 470 | (21,948) |
| Net Debt 31 July | 76,135 | 56,845 |
| Change in net debt | 19,290 | (628) |
| Analysis of net debt: | | |
| Cash and cash equivalents | 3,518 | 22,338 |
| Borrowings: amounts falling due within one year | | |
| Secured loans | 2,076 | 1,971 |
| Borrowings: amounts falling due after more than one year | | |
| Derivatives | 3,929 | 1,488 |
| Secured loans | 73,648 | 75,724 |
| Total | 77,577 | 77,212 |
| Net Debt 31 July 2024 | 76,135 | 56,845 |

| | 31 July 2024 | | 31 July 2023 | |
|--|--------------|--------------|--------------|--------------|
| | Consolidated | University | Consolidated | University |
| 25. Financial Instruments | £'000 | £'000 | £'000 | £'000 |
| Financial assets | | | | |
| All financial assets are debt instruments measured at fair value | | | | |
| Cash and cash equivalents | 3,518 | 3,518 | 22,338 | 22,319 |
| Investments | 44,100 | 44,100 | 58,000 | 58,000 |
| Other Debtors | 21,659 | 21,613 | 18,408 | 18,406 |
| Financial Liabilities | | | | |
| Financial instruments measured at fair value through other comprehensive Income | | | | |
| Derivatives | 3,929 | 3,929 | 1,488 | 1,488 |
| Financial instruments measured at amortised cost | | | | |
| Loans | 75,724 | 75,724 | 77,695 | 77,695 |
| Trade creditors | 12,332 | 12,286 | 17,861 | 17,858 |
| Further detail around the University's loans and derivatives is included at Notes 19 & 20 above. | | | | |

| | 31 July 2024 | | 31 July 2023 | |
|--|--------------|--------------|--------------|--------------|
| | Consolidated | University | Consolidated | University |
| 26. Capital and other commitments | £'000 | £'000 | £'000 | £'000 |
| Provision has not been made for the following capital commitments at 31 July 2024: | | | | |
| Capital commitments | 2,603 | 2,603 | 4,048 | 4,048 |
| | 2,603 | 2,603 | 4,048 | 4,048 |

27. Contingent liabilities

The University is not aware of any contingent liabilities which require to be disclosed in accordance with the standard accounting policies.

| | Land and Buildings | Other leases | 31 July 2024 | 31 July 2023 |
|---|--------------------|--------------|----------------|--------------|
| | £'000 | £'000 | Total £'000 | £'000 |
| 28. Lease Obligations | | | | |
| Total rentals payable under operating leases: | | | | |
| Future minimum lease payments due: | | | | |
| Not later than 1 year | 405 | 139 | 544 | 594 |
| Later than 1 year and not later than 5 years | 0 | 315 | 315 | 13 |
| Total lease payments due | 405 | 454 | 859 | 607 |

29. Post Balance Sheet Events

There are no material post balance sheet events to report upon.

30. Subsidiary undertakings

The subsidiary companies (all of which are registered in England & Wales), wholly-owned or effectively controlled by the University, are as follows:-

| Company | Principal Activity | Status |
|---------------------------------------|---|------------|
| Brunel University Enterprises Limited | The vehicle for spin-out companies and operating the carpark. For students and pay and display (P&D). | 100% owned |

There are two spin-out companies where Brunel University Enterprises Limited holds between 25% and 50% of the share capital but has no involvement whatsoever in the operations. HecoAnalytics Limited and Performance Brunel Limited.

| 31. Pension Schemes | Year Ended 31 July 2024 | Year Ended 31 July 2023 |
|---|-------------------------|-------------------------|
| | £'000 | £'000 |
| The three principal pension schemes for the University's staff are: | | |
| <ul style="list-style-type: none"> Universities Superannuation Scheme (USS) for academic and professional staff Teachers' Pension scheme (TPS) for a few academic staff but closed to new employees London Pensions Fund Authority Scheme (LPFA) for other staff | | |
| All three schemes are defined-benefit schemes contracted out of the State Second Pension (S2P) the assets of which are held in separate trustee administered funds | | |
| Statement of comprehensive income – net pension cost for the University and its subsidiaries was: | £'000 | £'000 |
| USS | 15,516 | 17,679 |
| TPS | 239 | 224 |
| LPFA | 3,982 | 6,716 |
| Other Pension scheme staff cost | 84 | 78 |
| Total pension staff cost as per note 9 | 19,821 | 24,697 |
| Provision for the ex-WLIHE pension increase, non-staff cost | 0 | 0 |
| | 19,821 | 24,697 |
| Other Comprehensive Income – actuarial gain/ (loss) in respect of pension schemes for the University and its subsidiaries was: | | |
| LPFA | (15,962) | 46,633 |
| Ex-WLIHE | (22) | 250 |
| | (15,984) | 46,883 |
| Statement of financial position – pension (asset) / liability for the University and its subsidiaries (note 16 & 21) was: | | |
| USS | 0 | 74,182 |
| LPFA | (1,377) | (16,665) |
| | (730) | 58,192 |

| | Year Ended 31 July 2024 | Year Ended 31 July 2023 |
|--|----------------------------|----------------------------|
| | £'000 | £'000 |
| Net interest Charge on Pension Scheme (note 10): | | |
| USS Deficit Recovery program interest on opening liability | 1,697 | 2,675 |
| LPFA Interest cost on scheme liabilities | 6,027 | 5,340 |
| LPFA Interest receivable on scheme assets | (6,981) | (4,496) |
| Ex-WLIHE interest | 36 | 26 |
| | 779 | 3,545 |
| Cashflow pension movement (Cashflow statement) | | |
| Pension Provision 31 July 2024 | 647 | 74,857 |
| Pension Provision 31 July 2023 | (74,857) | (107,120) |
| Actuarial Gain | (15,984) | 46,883 |
| | 90,194 | 14,620 |

(i) Teachers Pension Scheme

TPS is an unfunded defined benefit scheme administered by the Teachers Pensions agency in accordance with the Teachers' Superannuation (Consolidation) Regulations 1988. Contributions on a 'pay as you go' basis are paid to the Exchequer under arrangements governed by the Superannuation Act 1972.

It is not possible to identify the University's share of the underlying assets and liabilities in the scheme and hence, using the exemption under FRS 102, contributions to the scheme are accounted for as if it were a defined contribution scheme with the cost recognised in the Statement of Comprehensive Income and Expenditure account being equal to the contributions payable to the scheme.

As the scheme is backed by the taxpayer there is no deficit liable to the University and no deficit recovery program and consequent liability placed upon the University.

(ii) The Universities Superannuation Scheme

Brunel University London participates in the Universities Superannuation Scheme (USS - "The Scheme") which is the main scheme covering most academic and professional level 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 cost charged to the consolidated statement of comprehensive income is £15.5m (2022-23 £17.7m).

Deficit recovery contributions due within 1 year for the University are £0m (2022/23 £5.5m).

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%. As set out in Note 21, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery

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 institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

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

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

| | |
|---|--|
| Price inflation | 3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations) |
| Consumer Price Index (CPI) | 1.0% p.a. to 2030, reducing to 0.1% p.a. from 2030 |
| RPI/CPI gap | |
| 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 assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

| | 2023 valuation |
|---|---|
| Mortality base table | 101% of S2PMA "light" for males and 95% of S3PFA for females |
| Future improvements to mortality | CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females |
| Current Life Expectancies on retirement at age 65 are: | |
| Males currently aged 65 (years) | 2024: 23.7, 2023: 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 |

(iii) Local Government Pension Scheme - London Pensions Fund Authority (LPFA)

The University participates as an Admitted Body in the LPFA which is administered in accordance with the Local Government Pensions Scheme Regulations 1997. The fund is valued every 3 years by actuaries, and the projected unit method is used in respect of the Active Sub-Fund in which the University participates. Each participating employer has their own contribution rate reflecting the long-term future service rate, adjusted for the funding level in respect of past service. For the year ended 31 March 2024, the employer's contribution rate was 16.0% (16.0% March 23). The employee's rate from 1 April 2011 is based on a banded earnings schedule. The employer contributions were £3.74m (£3.54m in 2023) and the employee's contributions were £1.48m (£1.31m 2023).

The following information regarding the LPFA is based on the full actuarial valuation of the fund as at 31 March 2022 by Barnett Waddingham, an independent firm of actuaries. The major assumptions are:

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|------------------------------|-------|-------|-------|-------|-------|
| Inflation (CPI) | 2.60% | 2.85% | 2.75% | 2.60% | 2.20% |
| Rate of increase in salaries | 3.60% | 3.75% | 3.65% | 3.60% | 3.20% |
| Rate of increase in pensions | 2.60% | 2.85% | 2.75% | 2.70% | 2.20% |
| Discount rate | 5.00% | 5.15% | 3.50% | 1.60% | 1.60% |

CMI2023 reflects the latest available industry data at the balance sheet date and was used in 2023/24, 2022/23 used CMI2022.

The proposed assumptions for future mortality improvements can therefore be considered to lead to the best estimate of the future cashflows that will arise under the plan, consistent with the requirements of FRS102 28.16.

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

| | Males | Females |
|----------------------|-------|---------|
| Retiring today | 19.8 | 23.7 |
| Retiring in 20 years | 20.9 | 25.0 |

The following assumptions have been made: Members will exchange half of their commutable pension for cash at retirement

Members will retire at one retirement age for all tranches of benefit, the pension weighted average tranche retirement age. No members will take up the option under the new LGPS to pay 50% of contributions for 50% of benefits.

The following amounts at 31 July 2024 were measured in accordance with the requirements of FRS102

| | 2024 | 2023 |
|-------------------------------------|--------------|---------------|
| | £'000 | £'000 |
| Estimated Asset Share | 144,249 | 135,657 |
| Present value of scheme liabilities | (122,561) | (118,992) |
| Surplus in scheme | 21,688 | 16,665 |
| Impact of Asset Ceiling | (20,311) | 0 |
| Net defined asset | 1,377 | 16,665 |

| | 2024 | 2024 | 2023 | 2023 |
|--------------------------------|----------------|------------|----------------|------------|
| | £'000 | % | £'000 | % |
| Scheme Assets breakdown | | | | |
| Equities | 87,358 | 61 | 79,672 | 59 |
| Target return portfolio | 23,698 | 16 | 24,171 | 18 |
| Infrastructure | 15,561 | 11 | 16,940 | 12 |
| Property | 12,964 | 9 | 12,831 | 9 |
| Cash | 4,668 | 3 | 2,043 | 2 |
| Total | 144,249 | 100 | 135,657 | 100 |

| | 2024 | 2023 |
|--|-----------------|---------------|
| | £'000 | £'000 |
| Analysis of amount charged to the Statement of comprehensive income and expenditure | | |
| Current service cost (net of employee contributions) | (3,982) | (6,716) |
| Net interest on the defined liability | 954 | (844) |
| Actuarial (loss) / gain recognised in SOCI below the surplus for the year | (15,962) | 46,633 |
| Administration expenses | (41) | (64) |
| | (19,031) | 39,009 |
| Return on fund assets in excess of interest | 1,872 | (681) |
| Change in demographic assumptions | 272 | 7,600 |
| Experience gain on defined benefit obligation | 607 | (8,663) |
| Other actuarial gains on assets | 0 | 2,984 |
| Change in financial assumptions | 1,598 | 45,393 |
| Changes in impact of asset ceiling | (20,311) | 0 |
| Actuarial gain recognised in SOCI below the Surplus for the year | (15,962) | 46,633 |

| | 2024 | 2023 |
|--|------------------|------------------|
| | £'000 | £'000 |
| Movement in surplus / (deficit) in the year | | |
| Surplus / deficit in scheme at the beginning of the year | 16,665 | (25,884) |
| Current Service costs | (3,982) | (6,716) |
| Contributions | 3,743 | 3,540 |
| Net Interest cost | 954 | (844) |
| Administration charges | (41) | (64) |
| Actuarial (loss) / gain | (15,962) | 46,633 |
| Surplus in scheme at the end of the year | 1,377 | 16,665 |
| Fair value of scheme assets at the beginning of the year | 135,657 | 127,996 |
| Interest on Assets | 6,981 | 4,496 |
| Return on Assets less interest and other actuarial gains | 1,872 | (681) |
| Administration Expenses | (41) | (64) |
| Contributions by Employer | 3,743 | 3,540 |
| Contributions by scheme participants | 1,481 | 1,347 |
| Other actuarial gains | 0 | 2,984 |
| Estimated benefits paid (net of transfers in and unfunded) | (5,444) | (3,961) |
| Fair value of scheme assets at the end of the year | 144,249 | 135,657 |
| Present value of scheme liabilities at the beginning of the year | (118,992) | (153,880) |
| Current Service Cost | (3,982) | (6,716) |
| Interest Cost | (6,027) | (5,340) |
| Change in Financial Assumptions | 1,598 | 45,393 |
| Change in demographic assumptions | 272 | 7,600 |
| Experience (loss) / gain on defined benefit obligation | 607 | (8,663) |
| Estimated benefits paid (net of transfers in and unfunded) | 5,444 | 3,961 |
| Contribution by scheme participants | (1,481) | (1,347) |
| Present value of scheme liabilities at the end of the year | (122,561) | (118,992) |
| Opening impact of asset ceiling | 0 | 0 |
| Actuarial (losses) | (20,311) | 0 |
| Closing impact of asset ceiling | (20,311) | 0 |

The pension surplus recognised is compared against the surplus recognition that historically applied under FRS17 where the net present value of future service costs (as measured by FRS102) is calculated and the surplus is only recognised to this maximum ceiling. In July 2023 there was no minimum funding requirement (MFR) condition applied whereas in July 2024 a MFR condition was used. This condition capped the economic benefit at the present value of future service cost minus the present value of estimated future primary contributions. Were this condition not applied in July 2024 then the surplus would have been recognised in full, rather than restricted by £20.3m.

The assumptions underpinning the discount rate and the variance between CPI and salary rate were decided upon by utilising a second firm of actuaries and then considering both views. The original discount rate was considered overly optimistic by the review firm of actuaries and it was reduced by 5bp, this reduced the defined benefit asset by £1.1m. The CPI rate suggested by the second firm of actuaries was also applied but retaining the 1% gap between CPI and salary rate. This increased the defined pension asset before the ceiling was applied by £4.6m.

| Sensitivity analysis | £000's | £000's | £000's | £000's | £000's |
|---|---------|---------|-----------------|---------------|-----------------|
| | +0.5% | +0.1% | 0.0% | -0.1% | -0.5% |
| Adjustment to discount rate | | | | | |
| Present value of total obligation | 113,593 | 120,673 | 122,561 | 124,500 | 132,800 |
| Projected service cost | 3,186 | 3,683 | 3,818 | 3,958 | 4,572 |
| Adjustment to long term salary increase | | | | | |
| Present value of total obligation | 123,122 | 122,672 | 22,561 | 122,451 | 122,020 |
| Projected service cost | 3,818 | 3,818 | 3,818 | 3,818 | 3,818 |
| Adjustment to pension increases and deferred revaluation | | | | | |
| Present value of total obligation | 132,441 | 124,433 | 122,561 | 120,737 | 113,896 |
| Projected service cost | 4,598 | 3,963 | 3,818 | 3,678 | 3,161 |
| | | | £000's | £000's | £000's |
| | | | + 1 year | None | - 1 year |
| Adjustment to life expectancy assumptions | | | | | |
| Present value of total obligation | | | 127,179 | 122,561 | 118,143 |
| Projected service cost | | | 3,950 | 3,818 | 3,689 |

Recognition of LPFA Scheme Surplus

The scheme is in surplus. In calculating whether all or part of the surplus is recognisable in the Financial Statements, Brunel has applied the method of surplus recognition that historically applied under FRS17. This approach compares the surplus against the net present value of future service costs (as measured under FRS102). In 2023/24 the surplus was above the maximum ceiling so the asset recognised was reduced by £20,311k, in 2022/23 the surplus is below the maximum ceiling and is recognised in full.

Impact of the McCloud/Sargeant judgement on the reported LPFA pension liability

On 27 June 2019 the Supreme Court denied the Government's request for an appeal of the Court of Appeal's judgement in McCloud/Sergeant case that transitional provisions introduced to the reformed judges and firefighters pension schemes in 2015 gave rise to unlawful age discrimination. The ruling relates to the transitional protection offered to some members – broadly those within 10 years of retirement age for the LGPS when the reformed schemes were introduced. The court had found that those too far away from retirement age to qualify for these transitional protections had been unfairly discriminated against. As transitional protection was offered to members of all the public service pension schemes, the government believes that the difference in treatment will need to be remedied across all of those schemes. This includes the LGPS scheme.

Allowance was made in the Financial Statements of 2018-19 for the estimated impact on the total liabilities as a result of this case. The adjustment was based on analysis carried out by the Government Actuary's department (GAD) and the employer's liability profile and allowances continue to be reflected thereafter in the financial statements.

Virgin media Ltd vs NTL Trustees

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

32. US Department of Education Financial Responsibility Supplemental Schedule

US Department of Education Financial Responsibility Supplemental Schedule

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

The accounts presented within the schedules have been:

- Prepared under the historical cost convention;
- Prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS102) and with the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition);
- Presented in pounds sterling rounded to the nearest £1,000.

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 and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio

| | | | Year Ended 31 July 2024 | | Year Ended 31 July 2023 | |
|------------------------|---|--|-------------------------|----------|-------------------------|----------|
| | | | £000s | | £000s | |
| | | | Positive | Negative | Positive | Negative |
| Balance Sheet | Statement of Financial Position – Net Assets without Donor Restrictions | Expendable Net Assets Net Assets without Donor Restrictions | 302,550 | | 263,568 | |
| Balance Sheet | Statement of Financial Position – Net Assets with Donor Restrictions | Net Assets with Donor Restrictions | 1,689 | | 1,720 | |
| | Statement of Financial Position – Related party receivable and Related party note disclosure | Secured and Unsecured related party receivable | | | | |
| | Statement of Financial Position – Related party receivable and Related party note disclosure | Unsecured related party receivable | | | | |
| Notes 13 and 14 | Statement of Financial Position – Property, Plant and Equipment, net | Property, plant and equipment, net (includes construction in progress) | | | | |
| | Note of the Financial Statements – Statement of Financial Position – Property, Plant and Equipment – pre-implementation | Property, plant and equipment – pre-implementation | | 364,027 | | 350,065 |
| | Note of the Financial Statements – Statement of Financial Position – Property, Plant and Equipment – post-implementation with outstanding debt for original purchase | Property, plant and equipment – post-implementation with outstanding debt for original purchase | | | | |
| | Note of the Financial Statements – Statement of Financial Position – Property, Plant and Equipment – post-implementation without outstanding debt for original purchase | Property, plant and equipment – post-implementation without outstanding debt for original purchase | | 29,727 | | 22,966 |
| | Note of the Financial Statements – Statement of Financial Position – Construction in process | Construction in process | | 11,318 | | 33,760 |
| | Statement of Financial Position – lease right-of-use assets, net | Lease right-of-use asset, net | | | | |
| | Note of Financial Statements – Statement of Financial Position – Lease-right -of-use asset pre-implementation | Lease right-of-use asset pre-implementation | | | | |

| | | Year Ended 31 July 2024 | | Year Ended 31 July 2023 | |
|---|--|-------------------------|-----------------|-------------------------|-----------------|
| | | £000s | | £000s | |
| Note of Financial Statements – Statement of Financial Position – Lease right-of-use asset post-implementation | Lease right-of-use asset post-implementation | | | | |
| Statement of Financial Position – Goodwill | Intangible assets | | | | |
| | | Positive | Negative | Positive | Negative |
| Note 21 | Statement of Financial Position – Post-employment and pension liabilities | 647 | | 74,857 | |
| | Statement of Financial Position – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process | | | | |
| | Long-term debt – for long term purposes | | | | |
| Note 20 | Statement of Financial Position – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process | 75,724 | | 77,695 | |
| | Statement of Financial Position – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process | | | | |
| | Long-term debt for long term purposes post-implementation | | | | |
| | Statement of Financial Position – Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process | | | | |
| | Long-term debt for long term purposes pre-implementation | | | | |
| | Statement of Financial Position – Lease right-of-use of asset liability | | | | |
| | Lease right-of-use asset liability | | | | |
| | Statement of Financial Position – Lease right-of-use of asset liability pre-implementation | | | | |
| | Pre-implementation right-of-use leases | | | | |
| | Statement of Financial Position – Lease right-of-use of asset liability post-implementation | | | | |
| | Post-implementation right-of-use leases | | | | |
| | Statement of Financial Position – Annuities | | | | |
| | Annuities with donor restrictions | | | | |
| | Statement of Financial Position – Term Endowments | | | | |
| | Term endowments with donor restrictions | | | | |
| | Statement of Financial Position – Life Income Funds | | | | |
| | Life income funds with donor restrictions | | | | |

| | | | Year Ended 31 July 2024 | | Year Ended 31 July 2023 | |
|----------------|--|---|-------------------------|-----------------|-------------------------|-----------------|
| | | | £000s | | £000s | |
| Note 22 | Statement of Financial Position – Perpetual funds | Net assets with donor restrictions: restricted in perpetuity | 445 | | 445 | |
| | | | Positive | Negative | Positive | Negative |
| | | Total Expenses and Losses | | | | |
| Note 11 | Statement of Activities – Total Operating expenses (Total from Statement of Activities prior to adjustments) | Total expenses without donor restrictions – taken directly from Statement of Activities | | 287,105 | | 284,314 |
| | Statement of Activities Non-Operating (Investment return appropriated for spending). Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss). (Total from Statement of Activities prior to adjustments). | Non-Operating and Net Investment (loss) | | 2,441 | | 20,059 |
| | Statement of Activities – (Investment return appropriated for spending) and Investments, net of annual spending gain (loss) | | | | | |
| | Statement of Activities – Pension – related changes other than periodic pension | Pension related changes other than net periodic costs | | | | |

Equity Ratio

| | | | Year Ended 31 July 2024 | | Year Ended 31 July 2023 | |
|----------------------|--|--|-------------------------|----------|-------------------------|----------|
| | | | £000s | | £000s | |
| | | | Positive | Negative | Positive | Negative |
| | | Modified Net Assets | | | | |
| Balance Sheet | Statement of Financial Position – Net Assets without Donor Restrictions | Net assets without donor restrictions | 302,550 | | 263,568 | |
| Balance Sheet | Statement of Financial Position – Total Net Assets with Donor Restrictions | Net assets with donor restrictions | 1,689 | | 1,720 | |
| | Statement of Financial Position – Goodwill | Intangible Assets | | | | |
| | Statement of Financial Position – Related party receivable and related party note disclosure | Secured and Unsecured related party receivable | | | | |
| | Statement of Financial Position – Related party receivable and related party note disclosure | Unsecured related party receivables | | | | |
| | | Modified Assets | | | | |
| Balance Sheet | Statement of Financial Position – Total Assets | Total assets | 486,008 | | 537,547 | |
| | Note of Financial Statements – Statement of Financial Position – Lease right-of-use asset pre-implementation | Lease right-of-use asset pre-implementation | | | | |
| | Statement of Financial Position – Lease right-of-use asset liability pre-implementation | Pre-implementation right-of-use leases | | | | |
| | Statement of Financial Position – Goodwill | Intangible assets | | | | |
| | Statement of Financial Position – Related party receivable and related party note disclosure | Secured and Unsecured related party receivable | | | | |
| | Statement of Financial Position – Related party receivable and related party note disclosure | Unsecured related party receivables | | | | |

Net Income Ratio

| | | | Year Ended 31 July 2024 | | Year Ended 31 July 2023 | |
|----------------------|--|---|-------------------------|----------|-------------------------|----------|
| | | | £000s | | £000s | |
| | | | Positive | Negative | Positive | Negative |
| Balance Sheet | Statement of Activities – Change in Net Assets Without Donor Restrictions | Change in net assets without donor restrictions | 38,982 | | 71,157 | |
| SOCI | Statement of Activities – (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses) | Total Revenues and Gains | 270,330 | | 282,373 | |

Membership of Council during the 2023/24 Year

| Names | Status of Appointment | Date Appointed | Date Resigned/Completed Term of Office |
|------------------------|------------------------------|-----------------------|---|
| Mr M Ahmed | Independent Member | 26.11.19 | |
| Ms S Blackman OBE | Independent Member | 01.09.23 | |
| Ms J Dean | Independent Member | 01.09.23 | |
| Prof D Delpy | Independent Member | 01.03.22 | |
| Dr R Gardner | Independent Member | 01.09.23 | |
| Mr M Garrett | Independent Member | 01.01.20 | |
| Prof P Hellewell | Executive Dean | 01.08.20 | |
| Ms L Hunt | Independent Member | 01.08.16 | |
| Prof A Jones | Vice-Chancellor & President | 05.01.22 | Ex-officio |
| Mr D Kennedy | Independent Member | 01.03.22 | |
| Ms Josie Mangan | Elected Staff | 01.08.20 | |
| Mr Shashank Manjunatha | Student Member | 01.08.23 | |
| Mr C Maw | Independent Member | 01.03.22 | |
| Prof S Palmer | Chair of Council | 03.10.22 | |
| Ms T Rosingholm | Independent Member | 01.02.17 | |
| Ms A Rowlatt | Deputy Chair of Council | 01.08.15 | |
| Mr S Shaw | Student Member | 15.03.23 | |
| Dr K Thomas | Independent Member | 01.02.16 | 31.01.24 |
| Dr P D Thomas | Elected Academic | 01.08.18 | |
| Prof C Turner | Pro Vice Chancellor | 30.10.23 | |
| Ms A Waltham | Independent Member | 01.08.17 | |
| Prof J Wastling | Deputy Vice Chancellor | 30.10.23 | |

Professional Advisers during the 2023/24 Year

| Banker | Legal advisers | External auditor |
|-----------------------------|--|-------------------------|
| HSBC Bank plc, Uxbridge | Mills & Reeve LLP Veale Wasbrough Vizards LLP DLA Piper UK LLP | KPMG LLP, London |
| Indirect tax adviser | Internal Auditor | |
| PwC LLP, London | RSM LLP, London | |

Registered Address

Kingston Lane, Uxbridge, Middlesex, UB8 3PH

Address to receive a copy of the Financial Statements

The Financial statements can be obtained from the Brunel University website at www.brunel.ac.uk.

Using the search function, the requester should type "Financial Statements"

Brunel
University
of London