



**ANNUAL REVIEW
& FINANCIAL
STATEMENTS 2023/24**



2023/24 AT A GLANCE

CONTENTS

2023/24 AT A GLANCE	01
VICE-CHANCELLOR'S FOREWORD	02
SECTOR LANDSCAPE	03
FINANCIAL REVIEW	04
RISKS AND UNCERTAINTIES	07
OUR UNIVERSITY AND HISTORY	10
OUR STRATEGY	11
REVIEW OF THE YEAR 2023/24	12
Progress against our strategic themes	
• Sport, health and wellbeing	
• Climate change and net zero	
• Vibrant and inclusive communities	
Progress against our strategic aims	
• International engagement and impact	
• Research and innovation	
• Education and student experience	
• Partnerships	
• Equity, diversity and inclusion	
• Sporting excellence and opportunity	
Organisational development update	
DELIVERY OF PUBLIC BENEFIT	32
STATEMENT OF CORPORATE GOVERNANCE	34
STATEMENT OF THE RESPONSIBILITIES OF COUNCIL	38
INDEPENDENT AUDITOR'S REPORT	40
FINANCIAL STATEMENTS 2023/24	43



BEST UNIVERSITY IN THE WORLD

for sports-related subjects
for eight years running

QS World University
Rankings by Subject 2024



UNIVERSITY OF THE YEAR FOR SPORT

The Times and Sunday Times
Good University Guide 2025

Daily Mail University
Guide 2025



RANKED 2ND FOR FACILITIES AND JOB PROSPECTS

StudentCrowd Awards 2024



MOVED UP TO 6TH IN THE COMPLETE UNIVERSITY GUIDE 2025

and remained the top university
in the Midlands



ENTERED THE TOP-100 UNIVERSITIES IN THE WORLD FOR SUSTAINABILITY

rising to 64th place out of
1,403 institutions

QS World University Rankings 2024



AWARDED GOLD OVERALL

Gold for student experience,
and gold for student outcomes

Teaching Excellence Framework 2023



TOP 3 FOR STUDENT EXPERIENCE

The Times and Sunday Times
Good University Guide 2025



RANKED FIRST IN EUROPE AND 7TH GLOBALLY FOR ADVANCING DECENT WORK AND ECONOMIC GROWTH

the United Nations' Sustainable
Development Goal (SDG) 8

Times Higher Education (THE) Impact Rankings 2024



THE GUARDIAN UNIVERSITY GUIDE 2025 THE TIMES AND SUNDAY TIMES GOOD UNIVERSITY GUIDE 2025

VICE-CHANCELLOR'S FOREWORD

As another academic year ends, I once again feel very proud to reflect on all that has been achieved by the community here at Loughborough University.

In a time of financial challenge for many within the higher education sector, I am delighted that we have finished this year with a positive financial outcome, retaining our ability to deliver an outstanding student experience and excellent research outcomes, despite the challenges of the environment we operate in. We do not take this position for granted and will continue to work hard on delivering these outcomes both effectively and efficiently.

Every commitment, action, and success celebrated at the University during 2023/24 has contributed to building a better future for all.

We have continued to push forward the frontiers of education through the development of initiatives such as DigiLabs, which uses new technologies, including virtual reality, holograms, AI and robotics to enhance the way our students learn.

We established a partnership with a Private Pathway Provider (PPP) to develop an international foundation year – OnCampus – which ran for the first time this year, welcoming 230 students from over 50 countries.

In the national league tables, we cemented our position amongst the UK's leading universities, notably moving up to 6th place in the Complete University Guide 2025.

We very much enjoyed a summer full of sport. Over 120 Loughborough-associated athletes travelled to Paris for the Olympic and Paralympic Games, bringing home 35 medals, including 11 gold, 10 silver and 14 bronze.

Alongside our long-standing partners, Rolls-Royce plc, our experts in the National Centre for Combustion and Aerothermal Technology, helped to develop hydrogen combustion engine technology, an industry first that could revolutionise air travel in the future and a huge step towards achieving net zero aviation.

Pioneering research from the School of Design and Creative Arts strengthened the legislation around the minimum direct vision requirements for heavy goods vehicles, a change that will save 550 lives per year as a result.

We also received our largest ever research funding award, £57m, from the UK Government for the University's Sustainable Transitions: Energy, Environment and Resilience Centre (STEER). The funding will be used across a five-year period to help accelerate the roll-out of improved, climate resilient infrastructure in sub-Saharan Africa and the Global South.



Earlier in 2024, two start-up businesses founded by Loughborough design graduates, secured prestigious Innovate UK Unlocking Potential awards. Moti Me – created by Katie Michaels – is a physiotherapy aid that will help children with learning and movement disabilities such as cerebral palsy. ACT Medical – founded by Joseph Bentley, is a medical device that aims to save the lives of stabbing and gunshot victims by stemming bleeding. The businesses were amongst a group of award winners who will receive a combined £6.2m in grants and tailored business support to help accelerate their growth trajectory.

We remain positive about the impact we are making, but there is no denying that we are operating in a challenging political and social context. Our new brand campaign – 'the world can't wait' – launched this year, to position Loughborough as an ambitious university that seeks to make change for a better world.

In the coming year, we will focus on continuing to make positive change, with exciting developments such as a national centre of excellence in supply chain management, in partnership with the MIT Global Scale Network; the implementation of DigiLabs; revising our energy strategy and developing a campus decarbonisation plan; and the establishment of several flagship research institutes that will sharpen the focus of our internationally-leading research and innovation activities.

During a turbulent time for all within the sector, we will continue to educate and innovate, to help generate the change needed for a better future.

Nick Jennings

Professor Nick Jennings CB FREng FRS
Vice-Chancellor and President of Loughborough University

SECTOR LANDSCAPE

The UK's universities are one of this country's greatest assets. We are educators, employers, innovators and pioneers. We shape culture and society. We are a global sector that's truly worth celebrating.

But increasingly of late, universities have been under fire.

Changes to government policies, real-terms cuts to funding and an ongoing cost-of-living crisis have seen the media and politicians questioning almost everything we do, from the value of our degrees to the significance of our research.

Contribution to society

Away from the current narrative, it's hard to ignore the fact that universities make a significant and positive difference to so many aspects of society.

We provide students with the knowledge and skills to succeed in global workplaces. A report by Universities UK (UUK) estimates that by 2035 more than 11 million extra graduates will be needed to fill jobs in the UK alone.

We offer students opportunities to enrich their lives, intellectually, socially and financially; Government data shows that, on average, graduates earn £130,000 more over their working lives than those who don't go to university, and they're more likely to play an active part in society than those without a degree. Universities stimulate economic growth. Data from UUK shows the total economic impact of the UK higher education sector on the UK economy is more than £265bn.

Through our research and innovation, we make groundbreaking discoveries that tackle major societal issues such as climate change, poverty and public health.

Sector challenges

These positive contributions are occurring despite the environment in which universities are having to operate.

Unsustainable funding

Funding per student is at its lowest level in over 25 years.

In England, fees for UK undergraduates have been largely flat for a decade, meaning they're now worth just over £6,500 in real terms – making it an unsustainable funding model.

The Government announcement in November 2024, that UK undergraduate fees will rise next year in line with inflation is welcome news. However, it does not address the real-terms drop over the last decade, and as a

one-year announcement at this stage, it broadly offsets the Employers' National Insurance increases that will be enacted in April 2025.

International recruitment

Our ability to attract international students has become increasingly challenging.

From January 2024, the families of many international postgraduate students were no longer allowed to apply to live in the UK. A further package of measures, including a rise in the skilled salary threshold and a review of the Graduate Route Visa, came into effect in the Spring of this year. Home Office data shows that the number of study visas granted for postgraduate taught courses, in the year ending June 2024, was down 17.1% on the previous year.

Student needs and expectations

There are increasingly complex issues around student expectations, transition and learning skills, student mental health and digital poverty.

The transition to university is one that needs to be managed carefully to help create a sense of belonging amongst a student population with increasingly diverse backgrounds and experiences of learning.

Changes to financial support rules combined with the increased cost of living mean that many students, especially those from disadvantaged backgrounds, face significant financial hardship during their studies. Many must work part time, and this impacts how they can engage with their studies. Creating equitable student experiences is increasingly challenging for universities.

Employee satisfaction and retention

The sector is continuing to face several issues linked to pay and the impact of high inflation. During the 2023/24 academic year, the University took interim action to support staff who are paid the real living wage and in supervisory positions, while seeking a longer-term local solution which will support UCEA's lead over pay negotiations and pay structures.

The employment market has continued to present a recruitment and retention challenge, particularly in areas which are in direct competition for staff with the private sector.

THE WORLD CAN'T WAIT.

FINANCIAL REVIEW

The headline results present a £3.7m adjusted operating surplus and a flat cash position. In a challenging financial landscape, these are robust numbers, reflecting our continued focus on cost control whilst retaining headroom for strategic investment. However, the fundamental financial sustainability challenges impacting the sector remain, highlighted by our operating cash flow dropping significantly, to 5% of income.

The strong demand for student places at Loughborough continues, underpinned by our reputation for student experience, sport, world-leading research and continued position in the top 10 of national league tables.

However, a challenging international student market resulted in a 12% reduction in international fees. Whilst this was partly mitigated by UK fees and investment returns, a net 1% decline on total income necessitated strong cost control during the year. With inflation still a challenge in our supply chains, we limited operating cost growth to 2%, but increasing staff costs resulted in a 4% increase to our operating costs overall. This resulted in an operating cashflow, as a percentage of income of 5%, below our target and historic run rate.

Our headline cash figure remains flat at £41.2m, but when combined with our short-term investments this reflects a fall of £12.0m, to £132.2m, as we continue to invest in both the maintenance of our estate and focussed capital projects.

Cash and liquidity

Net cash inflow from operating activities totalled £18.8m, 5% of income. This is lower than 2022/23 (9%) and our historical run rate; reflecting our challenged surplus position and that investment income is partly mitigating this.

In 2023/24, payments to acquire tangible fixed assets totalled £35.0m, offset by capital grant receipts of £7.3m and interest receivable of £6.8m. However, net cash outflow from investing is only £10.4m, as we had a net reduction of cash held in short-term deposits.

Cash outflows from financing activities remain consistent with previous years at £8.4m, comprised of interest and loan repayments.

These movements combined result in a cash holding of £41.2m on 31 July 2024, the same as at 31 July 2023. The cash position is a key measure of our financial sustainability and, as such, is closely managed as part of our financial performance and planning process.

Balance sheet

Net assets increased by £107.1m to £507.2m, impacted by the significant USS provision release.

Fixed assets increased by £1.5m to £476.4m. We continue to invest in our estate, both in terms of maintenance and exciting new developments.

Maintenance spend of £13.7m includes commencement of a multi-million pound project to replace existing lighting with LED lights across campus, generating significant utility cost savings and a reduction to our scope 2 emissions.

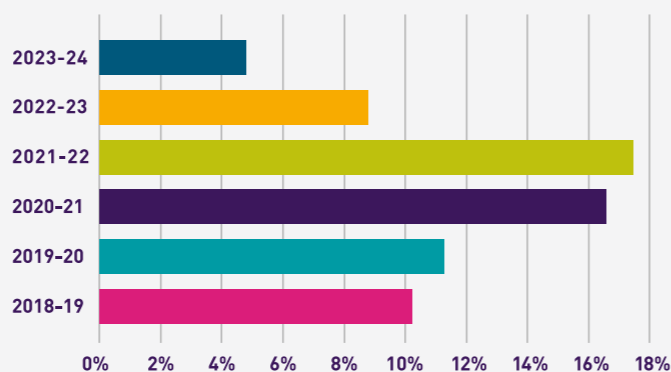
Projects on our University campus included further progress, and £3.5m spend, on our DigiLabs initiative. These facilities, with the latest digital technologies and innovative teaching techniques, will ensure our students are future fit for the world of work where digital skills, data analytics, virtual and augmented reality play a key part.

Consolidated financial results	2023-24	2022-23
Income and expenditure	£m	£m
Income	373.5	379.1
Expenditure before USS pension movement	(367.3)	(352.0)
Surplus before other losses and USS pension movement	6.2	27.1
Other losses	(2.5)	(3.4)
Surplus before USS pension movement	3.7	23.7
USS pension movement	106.1	3.3
Surplus for the year before tax	109.8	27.0

Cash flow	£m	£m
Operating cash flows	18.8	33.3
Investing cash flows	(10.4)	(42.6)
Financing cash flows	(8.4)	(8.2)
Net cash flow	0.0	(17.5)
Cash and cash equivalents	41.2	41.2

Balance sheet	£m	£m
Non-current assets	496.5	494.6
Current assets	178.8	191.5
Current liabilities	(75.6)	(81.2)
Non-current liabilities	(90.4)	(96.1)
Provisions	(2.1)	(108.7)
Total net assets	507.2	400.1

OPERATING CASH FLOW AS A % OF INCOME



Commercial revenues play an increasing role in our financial model and sustainability. During the year, we commenced a refurbishment project at Burleigh Court Hotel, including an extension completed in August 2024. The refurbishment has enabled flexible use of facilities to increase revenue opportunities, with spend totalling £4.5m for the year.

Long-term loans decreased to £82.2m (2022/23: £87.7m) as a result of capital repayments during the year. The University maintains headroom on its bank covenants and almost all long-term debt continues to be subject to fixed-rate agreements. We continue to hold a £50m revolving credit facility, which remains undrawn at year-end.

The University has two primary pension schemes: Universities Superannuation Scheme (USS) and the Local Government Pension Scheme (LGPS) which is administered by Leicestershire County Council. As of 31 July 2024, the USS provision and the LGPS provision were both £nil, with both schemes in surplus at their last valuations.

Income

Total income decreased by £5.6m (1%) to £373.5m.

Our tuition fee income was down 4%, at £186.8m. Our undergraduate recruitment remains strong, retaining balance across all our disciplines and maintaining high entrance

standards. Postgraduate recruitment was more challenging, particularly in the international market, where geo-political factors and intense competition remain.

Fees from UK/EU students of £116.0m (2022/23: £115.2m), accounted for 31% of the total income of the University and 62% of total tuition fees (2022/23: 30% and 59% respectively).

Fees from international students totalled £66.3m (2022/23 £74.9m), representing a decline of 12%.

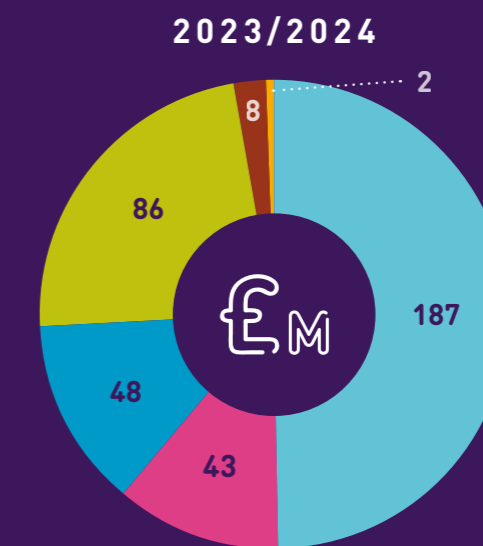
Grants from funding bodies decreased by £1.2m (3%), to £43.1m, largely due to one-off capital grants recognised in the prior year.

Research grants and contracts income decreased by £0.5m (1%) to £47.8m, but we continue to have a strong application pipeline across the University.

Other income increased by £0.3m (0%) to £86.4m. 2022/23 included a £7.8m capital grants related to specific capital projects. Excluding this, other income has increased by 10%, driven by continued high occupancy of our student accommodation and growth in our commercial activities; for example our gym and sport facilities.

Investment income grew by £3.3m, to £7.5m. Whilst base rates remained static at 5.25% throughout the year, returns on our cash deposits increased as investments rolled off and we were able to take advantage of the higher rates available.

TOTAL INCOME



	2023-24	2022-23	% Change
	£m	£m	
Tuition fees and education contracts	187	195	-4%
Funding body grants	43	44	-3%
Research grants and contracts	48	48	-1%
Other income	86	86	0%
Investment income	8	4	+81%
Donations and endowments	2	2	+24%
Total income	374	379	-1%

Expenditure

Expenditure before USS pension movement increased by 4% to £367.3m.

Excluding the USS pension movement, as in previous years, the majority of expenditure (55%) [2022/23: 54%], relates to staff costs, which increased by £12.9m (7%) to £202.3m. The increase in staff costs is as a result of the implementation of the pay award, Real Living Wage increases and growth in our staff base.

Other operating expenditure has increased £2.8m (2%) to £128.5m, which reflects our robust cost management in what remained an inflationary environment for much of the year. We also released £3m of bad debt provision following a series of projects to improve the end-to-end payments journey for our students, and reduce our non-payment rates.

Depreciation increased by £1.7m to £30.7m, reflective of increased capital maintenance spend and a longer-term shift in our capital spend profile; we anticipate an increased percentage of our capital spend to be IT and maintenance, which has a shorter depreciation period than buildings.

Future financial outlook

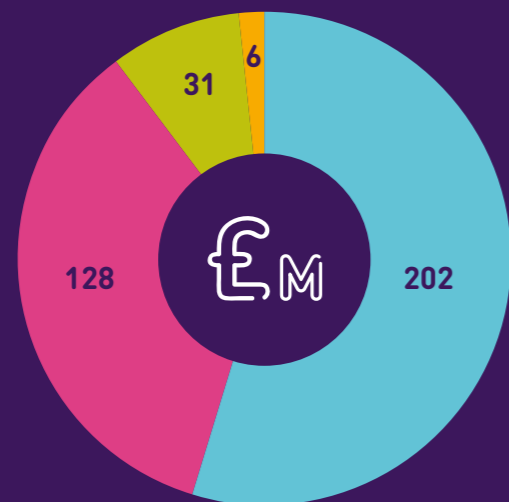
We continue to progress with our strategy, *Creating Better Futures. Together.*

Targeted international growth remains a key component in our financial plans, both to protect against the ever-eroding value of regulated UK fees and to provide headroom for continued investment in our education and student experience, and research capability. However, given the challenging International student landscape, we plan financially with caution; projecting growth in phases and staggering investment accordingly. In addition, we have embarked on a plan to reduce our existing cost base.

We continue to project headroom on our existing covenants, and our existing cash reserves provide the capacity for us to invest in areas that will support on financial sustainability moving forwards.

TOTAL EXPENDITURE

2023/2024



	2023-24	2022-23	% Change
	£m	£m	
Staff costs excluding USS provision adjustment	202	189	+7%
Other operating expenses	128	126	+2%
Depreciation	31	29	+6%
Interest and other finance costs	6	8	-25%
Total expenditure excluding USS provision	367	352	+4%
USS provision adjustment	[106]	[3]	
Total expenditure including USS provision	261	349	-25%

RISKS AND UNCERTAINTIES

The University continues to regularly review and update its strategic risk register to ensure the ongoing operational and financial success of the organisation, and the delivery of the University strategy through challenging times for the sector.

Overview

As reported across the media throughout the year, the higher education sector finds itself in financially challenging times which stem from a number of factors, most significantly regulated fee income streams and continuing rising costs caused by inflationary pressures on the University's cost base. These factors have been exacerbated by the continued political uncertainty across the financial year both in the UK and internationally.

The University continues to benefit financially from the prudent actions taken during recent years and continues to control its cost base and preserve liquidity. These actions have enhanced financial certainty over the last year in the face of significant financial challenges for the sector as a whole.

The University's strategic risk register, which allocates each of its strategic risks to individual council/senate committees, continues to be reviewed and updated throughout the financial year. These committees review the risk environment for each specific strategic risk at every meeting and provide assurance to the Audit and Risk Committee (ARC) that strategic risks are monitored throughout the year which allows ARC to ultimately report their findings and any recommendations to Council.

RISK	OVERSIGHT COMMITTEE	OVERVIEW OF RISK
1 IT & DATA SECURITY	INFRASTRUCTURE COMMITTEE	Failure of IT infrastructure resulting in operational disruption, major data loss, breach of regulations, reputational damage and/or financial loss
2 GOVERNMENT POLICY	FINANCE COMMITTEE	The University operating model could be significantly impacted by future changes to higher education sector funding model
3 INTERNATIONAL STUDENTS	STRATEGIC PORTFOLIO AND RESOURCES COMMITTEE	Reliance on a small number of geographical regions for international student recruitment leaving the University vulnerable to political or macroeconomic factors that reduce international student demand for UK higher education
4 STAFF WELLBEING	HUMAN RESOURCES COMMITTEE	Changes to the nature of work in higher education, including changes to pensions and increased regulation, resulting in staff dissatisfaction, absence, or industrial action
5 PENSIONS	FINANCE COMMITTEE	The University's commitment to one hybrid and one defined benefit pension schemes potentially requiring disproportionate allocation of resources to tackle deficits resulting from macroeconomic conditions
6 COMPLIANCE CULTURE	HUMAN RESOURCES COMMITTEE	In an increasingly regulated environment, the University needing to enhance the culture of compliance with legislation, regulation, or ethical standards
7 STUDENT EXPERIENCE	LEARNING AND TEACHING COMMITTEE*	The University needing to monitor and then adapt to or manage changing student expectations to ensure they receive the best possible student experience

* Senate Sub-Committee only



RISK 1 IT & DATA SECURITY

The ongoing digital transformation of the University means that the reliance on technology infrastructure is critical and will continue to grow. The University and the wider sector have made substantial strides in mitigating technology and cyber risks, however the threat level from infrastructure failure or malicious activity continues to be high. The University has assessed the assurance level required in this area as high and has continued to strengthen and monitor both the internal control environment and governance oversight through ARC and the Infrastructure Committee.



RISK 2 GOVERNMENT POLICY

The Government announcement in November 2024, that UK undergraduate fees will rise by 3.1% is to be welcomed. However, it still leaves the higher education sector with a significant financial challenge, especially set in the context of rising costs across the year. International student recruitment remains essential for the financial sustainability of the sector, but as we have seen recently, as a result of UK and international political uncertainty increasingly this cannot be relied upon to cross subsidise other activities. Positive Government policy around immigration and visas is central to the sector's ability to attract international students and is one of the University's strategic risks owned by the Finance Committee – this remains a key risk.



RISK 3 INTERNATIONAL STUDENTS

As referred to in the Government policy risk, the challenges associated with global mobility continue as a result of international and UK political uncertainty and currency devaluation in some of the sector's key international markets. Competition within the higher education sector for international students has also increased with competitor universities all seeking to secure the attendance of an ever diminishing group of international students.

Our ambition to increase the number of international students remains common across the sector and competition to increase overseas market share is more aggressive than ever between universities. In response to this we have reduced our short-term international student growth targets and will continue to review our longer-term aspirations in relation to the University's strategic international aims. The Office for Students (OfS) annual report on financial sustainability notes that international fee income as a proportion of total income is forecast to increase significantly in coming years, highlighting the sector's increasing reliance on international students' fee income to sustain their activities.

We are pleased to see that recent investments in international student recruitment have meant that, in these difficult market conditions, we have mitigated some of the significant reductions in undergraduate international students that we are seeing in other higher education organisations. A key element of this investment was the introduction of the partnership with a Private Pathway Provider (PPP) to provide for an international foundation year to support entry to our undergraduate courses and a pre-masters pathway to enhance postgraduate taught student recruitment. The first cohorts have now finished their first year in the programme and a significant proportion of these international students have chosen to remain with us and study on our undergraduate programmes.

The international postgraduate student market remains extremely challenging and the future balance between the number of international students on undergraduate and postgraduate taught degree programmes requires careful consideration moving forward.



RISK 4 STAFF WELLBEING

As seen across the sector, changes to the psychological contract with staff (eg workload issues, increased regulation and statutory duties etc), continues to mean the University may be unable to fully protect their wellbeing, resulting in staff dissatisfaction, increased rates of absence and/or attrition, potential further industrial action and reputational damage. Failure to be an inclusive community and reflect the diversity of the communities we serve may also have a detrimental effect on wellbeing and performance.



RISK 5 PENSIONS

The main University pension schemes are defined benefit or hybrid schemes that are subject to regular revaluation processes, which can affect both contribution levels and carrying values within the University's balance sheet. These factors and the impact they bring are outside the control of the University.

Recent economic conditions have been favourable for defined benefit pension schemes, and recent valuations in our main schemes have delivered favourable financial results both for the University and for scheme members. Whilst this is welcome news, employer contribution percentages still remain high, and any adverse movement in economic drivers affecting future valuations will apply further pressure to our financial sustainability.



RISK 6 COMPLIANCE CULTURE

The higher education sector is a highly regulated environment with multiple stakeholders including its main regulator, The Office for Students. The University needs to keep pace with changing legislation, regulation, and ethical standards. Failing to do this will result in reputational damage, financial consequences and, in the most serious of cases, deregistration.



RISK 7 STUDENT EXPERIENCE

Loughborough University's reputation and current UK and international rankings are, in part, a result of the excellent experience students have during their time studying with us, as demonstrated in surveys such as the annual National Student Survey (NSS). Failure to recognise, adapt to, or manage changing student expectations over time will result in a decline in the student experience and have a negative impact on rankings and the ability of the University to attract future students.

OUR UNIVERSITY



WE HAVE TWO INSPIRING CAMPUSES
Our East Midlands campus and our postgraduate campus, Loughborough University London



WE OFFER ONE OF THE BEST STUDENT EXPERIENCES IN THE COUNTRY
with Loughborough Students' Union (LSU)



WE HAVE OVER 19,400 STUDENTS AND 3,300 STAFF



WE ARE THE WORLD'S LEADING UNIVERSITY FOR SPORT
with opportunities for all to participate



INNOVATION IS AT THE HEART OF OUR ACTIVITIES
enhancing the student experience, creating impact from research, and driving regional prosperity



HOME TO LOUGHBOROUGH UNIVERSITY SCIENCE AND ENTERPRISE PARK
one of the largest science parks in the UK with over 90 start-ups, growing businesses, global brands and sports organisations



OUR FOCUS IS GLOBAL
We have global ambition and will continue to develop the influence we have



WE ARE A RESEARCH-INTENSIVE INSTITUTION
Over 90% of our research is regarded as 'world-leading' or 'internationally-excellent' (REF 2021)



WE ARE COMMITTED TO BEING A SUSTAINABLE AND SOCIALLY RESPONSIBLE ORGANISATION
that maximises our positive impact on society



OUR BIODIVERSE CAMPUSES ARE GREEN FLAG ACCREDITED
and home to countless species, plants and trees



WE ARE A DIVERSE, EQUITABLE, RESPECTFUL AND INCLUSIVE COMMUNITY
in which all can feel valued



WE DEVELOP AND NURTURE MEANINGFUL PARTNERSHIPS
locally, regionally, nationally and internationally



OUR STRATEGY

Creating Better Futures. Together is our bold and ambitious strategy. It sets out our purpose, values and aims; articulates our strategic priorities; recognises the importance of our external influence and our actions on the world around us; and emphasises the need to work in partnership.

Our vision

We will be an internationally engaged research-intensive university that delivers meaningful impact and keeps students at our heart. Together we will use our distinctive strengths to support, inspire and empower people to achieve extraordinary things.

Our values

We will be:

- **Creative:** Working imaginatively, innovatively and smartly to find solutions.
- **Adventurous:** Setting progressive and ambitious goals.
- **Responsible:** Being accountable for our actions, taking care of ourselves, others and our environment.
- **Authentic:** Being honest, trustworthy and open, respecting one another and building confidence across our community.
- **Collaborative:** Creating a strong sense of community by working together with colleagues, students, alumni and partners.

Strategic aims

The strategy has six aims:

- Be more ambitious in our research and innovation endeavour
- Strengthen our sector-leading position for education and student experience
- Be more diverse, equitable and inclusive
- Intensify and extend the reach of our international engagement and impact
- Excel in sport and use our pre-eminence to create new opportunities
- Develop meaningful partnerships locally, regionally, nationally and internationally

Strategic themes

The strategy also has three institutional-level themes which we will use to amplify the impact of our most significant strengths. These themes will guide what we prioritise and how we operate and behave. They will influence our curricula, research, strategic partners, operations, and culture.

At school level, we will continue to be a broad-based institution, producing high-quality research and innovation, and educating a diverse range of students across the academic spectrum.



Sport, health and wellbeing



Climate change and net zero



Vibrant and inclusive communities

Putting the strategy into action

The strategy is being delivered through six core institutional plans that will guide the University's operations.

University Council is responsible for monitoring the University's performance in delivering the *Creating Better Futures. Together* strategy. Council will consider key performance indicators (KPIs) aligned to the ambitions set out above, together with an overarching measure of financial sustainability and an overall assessment of institutional performance.

OUR HISTORY



1909
A Technical Institute is established in Loughborough

1920
Newly named Loughborough College is granted its own Armorial Bearings

1966
Loughborough College of Advanced Technology becomes Loughborough University of Technology, after being awarded a Royal Charter in recognition of its excellence and achievements to date

1994
The University wins the first of seven Queen's Anniversary Prizes for Higher and Further Education

1996
The University is renamed Loughborough University


2015
Loughborough University London opens

2017
Olympic legend Lord Sebastian Coe is named as the University's Chancellor

2021
More than 90% of Loughborough's research is rated as 'world-leading' or 'internationally excellent' in a national assessment of universities' research

2023
Awarded gold overall, gold for student experience and gold for student outcomes in the Teaching Excellence Framework

2024
Named University of the Year for Sport in both the Times and Sunday Times Good University Guide 2025 and the Daily Mail University Guide 2025





REVIEW OF THE YEAR 2023/24

Progress against our strategic themes

The University's three strategic themes encapsulate Loughborough's significant strengths. They influence its curricula, research and strategic partnerships, and drive the University's international reputation.

SPORT, HEALTH AND WELLBEING

Loughborough success in Paris

Loughborough-associated athletes enjoyed huge success in Paris this summer, bringing home a total of 35 medals from both the Olympic and Paralympic competitions.

This included 11 gold, 10 silver and 14 bronze.

Highlights across both competitions included:

- Current Loughborough University student Daniel Wiffen's winning gold in the 800m freestyle, becoming the first athlete from Northern Ireland to win Olympic gold in 36 years.
- Current Loughborough University student Sophie Capewell winning gold in the Women's Team Sprint in cycling, a ride that saw the team smash the world record and was also the first-ever medal for Britain in this event.
- Tully Kearney taking gold in both the Women's 100m and 200m Freestyle S5.
- Dave Ellis and guide Luke Pollard finishing more than a minute ahead of their closest rivals to take a stunning gold in the Men's PTVI triathlon event.



Kitting out the ParalympicsGB team at Loughborough

In the build up to the 2024 Paralympics in Paris, the University hosted 'kitting out' for ParalympicsGB athletes and support staff. Throughout July and early August, the team collected their official Adidas kit from the Loughborough campus before heading off to Paris.



Sports University of the Year for the fourth time

The University was named Sports University of the Year in The Times and The Sunday Times Good University Guide 2025.

This is the fourth time Loughborough has been awarded the prestigious title, coming after an epic summer of sport.

The University was also named Sports University of the Year in the Daily Mail University Guide for 2025.



"Sport is at the very heart of Loughborough, from our incredible facilities and world-leading research to our performance sport specialists and expert coaches.

"We are always proud of what our athletes achieve, but an Olympic and Paralympic year shines an even brighter spotlight on their successes. We also celebrate the many coaches, practitioners, and support staff from across the University who help them achieve their goals."

Professor Nick Jennings, Vice-Chancellor of Loughborough University

Working in partnership to tackle regional health inequalities

The government-funded National Institute for Health and Care Research (NIHR) awarded £5.25m to the Public Health team at Leicestershire County Council during 2024, to enable the council to work with universities in the East Midlands, including Loughborough, to look at ways to reduce health inequalities across the county.

With high levels of asthma, cancer, obesity and heart disease across the county, the research will hopefully contribute to a reduction in these conditions and ultimately change lives for the better.

"This is a fantastic opportunity for Loughborough University to further cement its collaboration with Leicestershire County Council for the benefit our local communities.

"This important work maps directly to the University's strategic aim of delivering improvements to public health and wellbeing and will enable us to continue impactful research that will undoubtedly change lives for the better."

*Professor Lauren Sherar
Institutional Lead for the HDRC*



The National Rehabilitation Centre at Stanford

Build of first NHS National Rehabilitation Centre almost complete

Construction of the first NHS National Rehabilitation Centre (NRC) – a 70-bed purpose-built facility near Loughborough – has made significant progress throughout the year. The build is due to finish by the end of 2024 and will open to patients during 2025.

The £105m NRC will combine patient care delivered by staff from Nottingham University Hospitals NHS Trust (NUH) with research, innovation and training led by Loughborough University and the University of Nottingham. This project highlights our commitment to using our world-leading research and innovation in sport and exercise to deliver benefits and improvements to public health.

CLIMATE CHANGE AND NET ZERO

Securing our place in the global top 100 in QS Sustainability rankings

The University entered the top 100 universities in the world in the 2024 QS World University Sustainability Rankings. Climbing almost 200 places from our 2023 ranking, we rose to 64th out of over 1,400 institutions worldwide.

The University's result is thanks to the work happening across both our campuses to tackle global climate challenges and improve the lives of those most in need, examples of which are highlighted throughout this document.



Sustainability Strategy launched

The University's Sustainability Strategy was launched in the spring. The strategy will guide the delivery of the objectives within our Climate change and net zero theme and covers all aspects of university life, from our research and innovation, to the way we develop and manage our facilities and estates.



OVER 75% OF WASTE HAS BEEN RECYCLED ANNUALLY

Figure maintained for the last 8 years



CO2 CAR EMISSIONS REDUCED BY OVER 20%

Reduced car commute emissions since the inception of our Sustainable Travel Plan



37% REDUCTION IN CARBON EMISSIONS

Relative to student numbers compared to the 2010 baseline year

Loughborough's Climate Compatible Growth (CCG) programme awarded University's largest ever research grant

The CCG programme, which is part of STEER (the Sustainable Transitions: Energy, Environment and Resilience Centre), received an additional £57m grant from the UK Government during 2024. The funding, which will be awarded over five years, will help, to accelerate the roll-out of improved, climate resilient infrastructure in sub-Saharan Africa and the Global South.

CCG is one of the University's flagship projects in terms of its contributions to addressing global challenges associated with climate change. The team's work is leading to transformative and innovative approaches that unlock finance that drives investment in vital activities such as electricity networks, grid decarbonisation and low carbon transport.

The latest funding award is the largest the University has ever received and will enable lower and middle-income countries in sub-Saharan Africa and the Global South to use their universities to cultivate the skilled workforce essential for accelerating sustainable economic growth.



£57M

THE UNIVERSITY'S LARGEST FUNDING AWARD EVER

Aftrak project wins huge global green energy prize

Aftrak, a University led initiative, was awarded the \$1 Milken Motsepe Prize in Green Energy at the opening of the Milken Institute Global Conference in May 2024. The prize was in support of its easily assembled solar microgrid and custom-designed tractors, which have tripled agricultural yield, increased farmer incomes, and provided electricity to remote communities.

The prestigious award is focused on the energy crisis in Africa and aims to advance technological progress toward the UN Sustainable Development Goals (SDGs). The ideas and solutions generated could be used to help the 940 million people – or 13% – who do not have access to electricity globally.

Following successful tests and demonstrations, Aftrak is now being deployed in Malawi, where close to 90% are without access to electricity.

Projects such as this are hugely strategically important as they demonstrate how working in partnership on cutting edge research and innovation can bring tangible international engagement in line with our Climate change and net zero theme.

The Aftrak team receiving their award at the opening of the Milken Institute Global Conference in May 2024



Fourth pavilion SportPark – officially opened by Dame Katherine Grainger

A major expansion to SportPark that has enabled more sports organisations and businesses to join Loughborough University Science and Enterprise Park (LUSEP), was officially opened towards the end of 2023 by Dame Katherine Grainger, Chair of UK Sport.

SportPark Pavilion 4, the University's first Passivhaus build, also received a prestigious international award for Environmental Best Practice at the Green Apple Environment Awards. The award is designed to recognise organisations across the world that show innovation and commitment to being environmentally responsible.



Major investment will support Loughborough to accelerate green hydrogen adoption for a net zero future

Loughborough University, in collaboration with the University of Nottingham, has been selected to receive a significant funding boost from East Midlands Freeport.

The investment will help accelerate the translation of zero carbon research into high-impact innovations with commercial and policy solutions to meet the climate challenge.

More than £5m from East Midlands Freeport has been pledged to the first phase of a zero-carbon innovation centre. It will consolidate the East Midlands' position as a world leader in the development and deployment of innovation in green industries, attracting international investment and providing support for global businesses.

The investment supports the work of the Hydrogen Works, a strategic consortium led by Loughborough University to drive hydrogen skills, innovation and productivity to create a hydrogen superpower in the East Midlands.



Loughborough researchers part of new £6.5m flood research centre to combat climate change

A scientific consortium including Loughborough University researchers has received millions in funding to launch a research and training centre intending to better understand and manage flooding.

The £6.5m hub will work to develop a talent pool of environmental experts invested in protecting against rising river, rainfall and sea levels. It is also aiming to make the UK more resilient to flooding.

The FLOOD centre is led by the University of Southampton, with experts from the universities of Loughborough, Bristol, Newcastle, the National Oceanography Centre, the UK Centre for Ecology and Hydrology and the British Geological Survey, and an additional 37 partner organisations.

Loughborough researchers from Geography and Environment, and Architecture, Civil and Building Engineering will input into the new centre to improve their understanding of flooding, using advanced monitoring and new forms of computer modelling, artificial intelligence and machine learning to map and forecast future flooding risks.

VIBRANT AND INCLUSIVE COMMUNITIES

Inclusive Engineering Excellence Hub receives grant to improve outcomes for students from diverse and underrepresented groups

At the beginning of 2024, Loughborough was one of three UK universities to receive funding from the Royal Academy of Engineering (RAEng) Diversity Impact Programme, for its flagship Inclusive Engineering Excellence Hub (IEEH).

The IEEH provides an inclusive environment for students to celebrate diversity, receive professional career and coaching support, engage in engineering activities, ease cost-of-living pressures, socialise, and focus on self-care.

The newly refurbished space comprises accessible study and activity zones peer-led by student ambassadors, a kitchen, and a relaxed area to create a common room-like environment that supports students affected by the cost-of-living crisis with dignity. A support zone for daily drop-in access to services like career networking and student success coaching has also been created.

A programme of activities has been established, from encouraging students to become Inclusive Engineering Hub ambassadors and EDI Champions, to organising engineering, professional skills and self-care activities.

The recognition of the IEEH by the Royal Academy of Engineering is a testament to the impactful work at the University to create a more inclusive and diverse engineering community. Through their commitment to fostering a welcoming and supportive environment for students from all backgrounds, we are helping to shape the future of engineering education and industries.

Funding like this enhances the support and opportunities we can offer so that all engineering students feel valued, enabling a more diverse pool of engineers to be nurtured from school to professional level.



The Inclusive Engineering Excellence Hub team with Loughborough University, Vice-Chancellor, Professor Nick Jennings (Pictured in 2023)

Loughborough and UCL join forces on new opportunities for local graduates

Connecting with the local talent pool and supporting communities in the region, were both key drivers for establishing our campus on Queen Elizabeth Olympic Park in London back in 2015, and almost ten years later, are themes that firmly relate to the Vibrant and inclusive communities strategic theme within our current strategy.

This year, in partnership with University College London (UCL), Loughborough University London launched the Inspiring Success initiative, which embodies both drivers by enabling more people from East London to access education.

Both institutions have campuses on Queen Elizabeth Olympic Park so have joined forces to run workshops that enable unemployed and underemployed local graduates to undertake career focused activities and gain an insight into what it's like to study for a postgraduate degree at Loughborough University London or UCL East.

Participants in the sessions will also learn about opportunities for local graduates to get involved in SHIFT – a catalyst organisation supporting innovators on and around the Park, of which Loughborough, UCL and the University of the Arts London are all founding members.



New international scholarships

The University launched a new international scholarship scheme – the Global Impact Scholarships – to enable talented students from the Least Developed Countries to study for a master's at Loughborough. The funding will cover the majority of their tuition fees, removing the financial barriers that might prevent them from applying and allowing students to fully immerse themselves in the experience we offer here.

Initiatives such as this enable us to diversify our international student population and foster an inclusive community whilst also enhancing our global reputation and profile.



Loughborough expands access to AI and data science programmes with half a million-funding boost

The University was awarded almost half a million pounds to support students looking to retrain or upskill in artificial intelligence (AI) and data science, which will address a shortage of specialists in the UK, whilst also improving diversity in the sector.

The funding was confirmed after the Office for Students (OfS) announced that a further £8.1m was being made available for scholarships to postgraduate conversion courses in these rapidly growing areas.

The initiative aims to boost the number of graduates in the UK and support individuals currently working outside of the sector, specifically groups that are under-represented – including women, Black students, students registered disabled, and those from low socio-economic backgrounds.

BUILDING OUR OWN VIBRANT AND INCLUSIVE COMMUNITY

Our international community for 2023/24

18%
OF OUR STUDENT
COMMUNITY ARE
INTERNATIONAL

HOME TO
3,500
INTERNATIONAL
STUDENTS

130
DIFFERENT
NATIONALITIES

18%
OF OUR
STAFF ARE
INTERNATIONAL

91
DIFFERENT
NATIONALITIES

Vibrant and inclusive communities ambassadors appointed

Two current politics students have been appointed as the University's ambassadors for the Vibrant and inclusive communities strategic theme, and will help to enhance the University's reputation and profile by acting as advocates for the University's activities and achievements through their networks.

Ghanim and Ahmad Muhammad Al-Muftah will work closely with the theme's Associate Pro Vice-Chancellors, Professor Rebecca Cain and Professor Emily Keightley.

Ghanim Muhammad Al-Muftah is a Qatari brand ambassador, goodwill ambassador and entrepreneur. He was appointed an ambassador for the 2022 FIFA World Cup and appeared alongside the US actor Morgan Freeman at the event's opening ceremony. More recently he attended the FIFA Beach Soccer World Cup and attended the gala dinner alongside the FIFA President, Gianni Infantino, and Sheikh Rashid Al Nuaimi, President of the United Arab Emirates Football Association. Ghanim, who was born with Caudal Regression Syndrome, a disorder that impairs the development of the lower spine, is supported by his brother Ahmad.





Ghanim and Ahmad join alumnus Steve Varley, who was named the ambassador for the Climate change and net zero strategic theme in December 2023.



Brothers, Ghanim and Ahmad Muhammad Al-Muftah

REVIEW OF THE YEAR 2023/24

Progress against our strategic aims – highlights of our achievements during 2023/24.

 <p>Intensify and extend the reach of our international engagement and impact</p>	 <p>Be more ambitious in our research and innovation endeavour</p>	 <p>Strengthen our sector-leading position for education and student experience</p>
 <p>Develop meaningful partnerships locally, regionally, nationally and internationally</p>	 <p>Be more diverse, equitable and inclusive</p>	 <p>Excel in sport and use our pre-eminence to create new opportunities</p>

INTENSIFY AND EXTEND THE REACH OF OUR INTERNATIONAL ENGAGEMENT AND IMPACT



OnCampus initiative launches to expand Loughborough's global education offering

The OnCampus Loughborough programme launched and ran for the first time during the 2023/24 academic year, providing a significant expansion to the global education offering here at Loughborough University.

OnCampus supports international students to develop the academic skills they need to study degree programmes here at Loughborough University. Since launching in September 2023, the initiative has welcomed 230 students from 51 countries. Of those students, over 150 enrolled to start their studies here at Loughborough, on both undergraduate and postgraduate courses.



Loughborough to host new £3m campaign to attract global R&D investment

A groundbreaking coalition of 17 universities from the Midlands, including Loughborough, launched a new £3m international campaign in May, to attract inward investment into research and development (R&D), innovation and science.

The Invest in UK University R&D – Midlands Campaign will see universities joining forces to create a more ambitious offer to global investors and leverage the group's global connections to drive economic growth across the region. The partners will focus on key areas that include health and life sciences, agritech, creative and digital, transport technologies and zero carbon energy.

As the campaign launched, the Minister of State for Science, Innovation and Technology, Andrew Griffith MP, announced an award of £1.5m from the UK's International Science Partnerships Fund (ISPF) to support the campaign over the next two years, which was matched by universities and regional partners.

"I am delighted that our consortium of universities and regional partners have been able to secure this highly competitive funding. We are stronger together and will attract the foreign direct investment through partnership working."

Professor Nick Jennings
Vice-Chancellor of Loughborough University



Building relationships and shaping partnerships with overseas travel

Overseas trips play an important role in furthering our international reach. They enable us to reinforce and further our partnerships and networks across the world and allow us to advance our international reputation and profile – a key aim of our university strategy. Key visits during 2023/24 have included:

China and Hong Kong, including visits to Shanghai, Nanjing and Beijing

At Hong Kong Polytechnic University we explored potential research collaborations in design and engineering; at Tongji University in Shanghai we discussed how our two institutions could work together on topics such as smart matter, AI and cognitive technologies; and at Tsinghua University in Beijing we looked at collaborative research in design and disaster planning.

Members of the group also visited Shanghai University and Beijing University of Chemical Technology to further the collaborative agreements we already have in place with them.

Several alumni receptions were also organised as part of the trip and enabled the team to connect in person with over 200 Loughborough alumni.



Professor Jo Maher, Pro Vice-Chancellor for Sport at Loughborough University, pictured at the home of the Chicago Bears

United States, including visits to Texas, New York, and Chicago

This trip focused on two of the University's strategic themes, Climate change and net zero, and Sport, health and wellbeing.

In Texas, we explored potential research collaborations in energy, the environment and engineering, with both Texas A&M University and the University of Texas in Austin.

In New York, we met with the NFL to explore how our relationship with them could be further enhanced.

In Chicago, we met with student innovators at DePaul University's Coleman Entrepreneurship Centre, and at the city's British Consulate General we were able to showcase the University's expertise in climate change and net zero and the world-leading sports ecosystem we have. We also met with the Chicago Bears franchise to discuss potential collaboration opportunities.



West Africa, including visits to Ghana and Nigeria

This trip aimed to enhance and expand the University's research, education and alumni partnerships. Meetings with government, university and industry representatives in Ghana and with the Nigerian State Government and staff from the University of Lagos, explored how together we can harness our collective knowledge and expertise to address local and global issues that will make a real difference to people's lives.



High Commissioner of Kenya visits Loughborough University

In February, the University welcomed His Excellency Ambassador Manohar Eshipisu, the High Commissioner of Kenya to campus.

The visit was an opportunity to showcase the University's strategy and international aspirations; discuss strategic opportunities in research and innovation in East Africa, including existing activity in the region, covering diverse areas such as sustainable energy solutions, child nutrition and social development; present plans for building further partnerships in Kenya and the East Africa region; and to showcase the successes of our University community, which includes more than 570 Kenyan Loughborough graduates.



BE MORE AMBITIOUS IN OUR RESEARCH AND INNOVATION ENDEAVOUR



Research and innovation core plan approved in October

The University's Research and Innovation core plan was approved by Senate and Council and outlines the steps we will take over the coming years. The plan has three overarching, and interlinked, objectives:

- to improve the focus of our activity, aligned to our research and innovation strengths
- to facilitate a culture that encourages imagination, creativity and openness and
- to have a positive influence on the world around us.

RESEARCH IN NUMBERS

£48M AWARDED TO UNIVERSITY IN RESEARCH GRANTS

OVER 2,300 STUDENTS, ACADEMICS AND SUPPORT STAFF WITHIN OUR RESEARCH COMMUNITY*

* Figure includes postgraduate research student numbers, and employees under the categories 'Research Teaching and Enterprise' and 'Specialist and Supporting Academic Research' from Dec 23.

INNOVATION IN NUMBERS

38 NEW BUSINESSES SUPPORTED THROUGH THE UNIVERSITY'S BUSINESS INCUBATOR

36 INTERNSHIP, PLACEMENT OR OTHER PART-TIME WORK OPPORTUNITIES OFFERED TO CURRENT STUDENTS THROUGH LEN SUPPORTED BUSINESSES



Loughborough research on driver vision leads to Europe-wide safety changes to HGV design

Research by Loughborough University led to the creation of a new European standard for HGV design which will help prevent hundreds of people from being killed or seriously injured each year.

The new standard requires significant changes to existing HGV designs that improve the ability of drivers to see cyclists and pedestrians directly, instead of relying on the use of mirrors.

The standard will be adopted by over 29 countries, including every EU member state and Japan, and means all new HGV designs will have to meet the Direct Vision Standard (DVS) from 2026, and all HGVs from 2029.

The outcome represents 13 years of work by the University's Design Ergonomics Research Group into HGV driver vision. Road safety charities and those directly impacted by HGV collisions with vulnerable road users have praised the research behind the new DVS and believe it will ultimately save lives.



Showcasing our expertise and innovation

In September 2023, news broke that the Department for Education (DfE) had decided to close several schools because of concerns over the building material RAAC (Reinforced Autoclaved Aerated Concrete) and began to dominate the media headlines.

Academics from the University's School of Architecture, Building and Civil Engineering were ready to respond when the media were scrabbling for expert insight.

Their expertise appeared in more than 900 newspaper, radio and TV items, including BBC Breakfast, BBC Newsnight, The Independent, The Telegraph and The Guardian. It was referenced in the media in 17 countries and quoted in the House of Commons.

The engagement also created new partnerships including the Cabinet Office, the Scottish Parliament, the Welsh Parliament, the NHS, the DfE, the Government Chief Scientific Advisor, Professor Dame Angela McLean, the MOD, the Building Safety Regulator, and several professional bodies.

One month later, members of the research team revealed a "first of its kind" AI tool that aims to cut time needed to survey and maintain RAAC within buildings.

The digital tool uses software and thousands of images to detect any ongoing deterioration within RAAC – highlighting the location and proposed lifespan of cracks within the concrete.

"This is a great example of our world-leading research being at the centre of significant societal discussions and how this positioning can raise the profile of the University's national and global reputation, as outlined in our strategy."

Professor Nick Jennings
Vice-Chancellor of Loughborough University



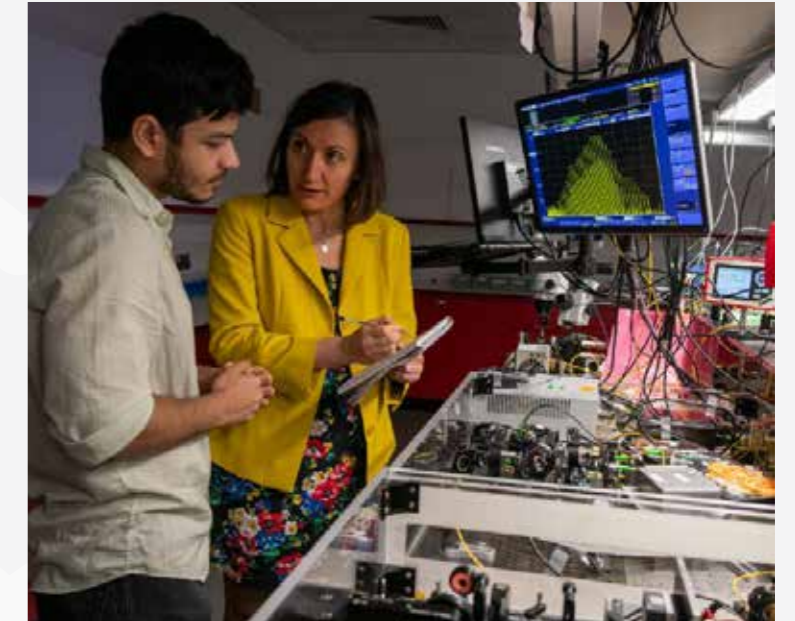
Loughborough to play a key role in a new £21.9m government-funded quantum technology hub

The UK Hub for Quantum Enabled Position, Navigation and Timing (QEPNT) is one of five hubs that launched in July, to ensure the UK fully benefits from the potential of quantum technologies.

QEPNT aims to develop quantum technologies which will be key for national security and critical infrastructure and sectors such as aerospace, connected and autonomous vehicles (CAVs), finance, maritime, and agriculture.

"This is an exciting chance to bring real change to people, capitalising on the scientific developments of the last 10 years and deliver the first prototypes in critical navigation applications."

Professor Alessia Pasquazi
Loughborough's QEPNT lead



Loughborough scores a hat-trick of awards at the annual Leicestershire Innovation Awards 2024

Two of the University's winners are Loughborough graduate start-ups – both launched from LUInc, the University's incubator on the science and enterprise park.

Moti Me, a physiotherapy-focused product to help children with disabilities, won the Innovation in Sport, Well-being and Accessibility category. Since founding the company in 2021, Industrial Design and Technology graduate, Katie Michaels, has been testing prototypes with special needs schools and physiotherapy centres across the country.

The Bug Factory, an enterprise that is creating scalable, accessible and sustainable insect protein, won the Innovation in Food and Drink category. Founded by Thomas Constant, another Industrial Design and Technology graduate, the Bug Factory's modular, circular-economy insect-rearing facilities empower feed enterprises to save money, reduce their environmental impact and achieve carbon-negative goals.

The third award, Innovation in STEM Industries, was won by the University's unique lead-acid battery-electrolyser.



Hydrogen Awards win for Loughborough's world-first lead-acid battery-electrolyser

The world's first lead-acid battery-electrolyser – invented, designed and prototype manufactured in Loughborough University's Green Hydrogen Research Group – was recognised with the International Award for Academic Excellence and International Collaboration in Hydrogen at the 2024 Hydrogen Awards.

The lead-acid battery-electrolyser is a low-cost system which makes it viable to use excess renewable energy to produce hydrogen gas and the initial market for the technology is using excess solar to generate green hydrogen for cooking in developing countries.



Dr John Barton and Dr Lizzie Ashton with their Hydrogen Award

STRENGTHEN OUR SECTOR-LEADING POSITION FOR EDUCATION AND STUDENT EXPERIENCE



DigiLabs project enters its next exciting phase

Earlier in the year, thousands of prospective students were welcomed to our open days by a 'virtual' version of our Chancellor, Lord Sebastian Coe, who had recorded a message for use on our new DigiLabs hologram technology.

The message did more than just welcome students to our campus, it gave them an insight into the innovative teaching techniques the University are introducing to our learning experience.

Once installed, there will be four DigiLabs – focusing on Extended Reality Learning; 3D Data Capture and Visualisation; Robotics; and Simulation, Modelling and Artificial Intelligence. These will be supported through three hubs: the first two, in West Park Teaching Hub and the Leonard Dixon Theatre in Martin Hall, are due to be up and running for the 2024/25 academic year; the third hub in the Central Park area of campus, is due to be ready for Autumn 2025.

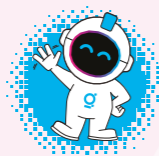
Five DigiLabs Teaching Innovation projects have also been awarded to staff who are pioneers in the use of the new technology for areas ranging from teaching human anatomy to the 3D visualisation of engineering and scientific structures.

The DigiLabs initiative aligns firmly with our strategic aim to strengthen our sector-leading student experience, by using the latest digital technologies. The facilities will enable our students to develop the skills and knowledge to become future fit for the world of work where digital skills, data analytics, virtual and augmented reality play a key part, and ensure they can benefit from artificial intelligence and machine learning to support future technologies.

The DigiLabs hologram technology in use



DigiLabs



Student enterprise continues to grow

Almost 10% of Loughborough students are now involved in entrepreneurial activity.

This is thanks to our LEN ecosystem, which enables students to engage in activity, enhance their skills, and access funding, support and mentoring to make their business ideas a reality.

DURING 2023/24



Allows students to engage in activities and enhance the skills they'll need if they run their own business

£10K GRANTED TO 40 UNDERGRADUATE STUDENTS



Provides funding and support for the initial stages of students' and graduates' ventures

90 APPLICATIONS RECEIVED

50% INCREASE IN FEMALE STUDENTS APPLYING

46% OF FUNDING APPLICATIONS HAVE BEEN FROM OUR FEMALE ENTREPRENEURS

£40K AWARDED TO 19 GRADUATES



Enables students to gain funding for proof of concept and mentoring support to make their businesses 'investment ready'

£7.5K AWARDED TO 6 GRADUATES

Providing our students with opportunities to develop their entrepreneurial spirit is one of the main aims of the Education and Student Experience core plan, and the Loughborough Enterprise Network (LEN) enables us to support our students to create the businesses, solutions and technologies of the future.



Doctoral training boost after £1 billion investment

Earlier in 2024, UK Research and Innovation announced more than £1bn of investment in new Centres for Doctoral Training (CDTs), which will train researchers to address science-related problems for the benefit of society. Loughborough was announced as the lead for a £20m CDT in Engineering Hydrogen Net Zero (EnerHy), as well as a partner in a further two: Offshore Wind Energy Sustainability and Resilience and Digital Transformation of Metals Industry.



EnerHy has been developed in partnership with Cranfield and Strathclyde universities and more than 60 industry and civic partners. The CDT will help expand the University's existing research and develop the skilled workforce needed to enable rapid growth in green hydrogen-related technology.

The CDT is also part of our ambitions for The Hydrogen Works – a strategic consortium led by Loughborough to drive skills, innovation and productivity to create a hydrogen superpower in the East Midlands.



Teacher Training courses rated 'Outstanding' in latest Ofsted report

In July, Loughborough retained its Outstanding rating from Ofsted for its Initial Teacher Training provision.

The inspection was carried out in June, where inspectors met with several staff including the Director of Teacher Education and the Pro Vice-Chancellor for Education and Student Experience. The reviews were carried out in mathematics and physical education and the inspectors visited nine partnership schools, speaking with 23 trainees and 10 early career teachers.

The Loughborough Postgraduate Certificate in Education (PGCE) was designed by university staff in partnership with teachers from schools and is intended to help student teachers on the path to becoming well informed, inclusive and reflective professionals.

"Loughborough has a strong history of successfully producing teachers who are in great demand by schools and colleges in the UK and overseas. This is testament to the dedication and passion of the team over the last few years, which has culminated in this outstanding rating by Ofsted."

Professor Rachel Thomson
Provost and Deputy Vice-Chancellor, Loughborough University



Loughborough students receive the highest number of JLR undergraduate placement and graduate scheme offers for 2024

This year, Loughborough students outshone other applicants and achieved the highest number of offers in total across placement and graduate scheme programmes at Jaguar Land Rover (JLR).

In addition, the conversion rate of applications to confirmed offers was impressively strong, demonstrating the quality of students at Loughborough and the knowledge and skills they can bring to businesses.

2

2ND FOR FACILITIES & JOB PROSPECTS
StudentCrowd Awards 2024



TOP 3 FOR STUDENT EXPERIENCE
The Times and Sunday Times
Good University Guide 2025

OVER
1,940

STUDENTS WENT ON YEAR-LONG PLACEMENTS
with more than 1,251 companies worldwide

OVER
£500k

RAISED FOR RAG BY LOUGHBOROUGH STUDENTS

OVER
120,000

HOURS OF VOLUNTEERING
were completed by student volunteers through LSU Action and the Coach and Volunteer Academy within Loughborough Sport

DEVELOP MEANINGFUL PARTNERSHIPS LOCALLY, REGIONALLY, NATIONALLY AND INTERNATIONALLY



University supports Rolls-Royce hydrogen research project with world industry first

A Rolls-Royce hydrogen research project, supported by Loughborough University, has taken a huge step towards achieving net zero aviation.

The company announced achieving a new world industry first as they, alongside easyJet, look to lead in the development of hydrogen combustion engine technology capable of powering a range of aircraft.

Working with Loughborough's National Centre for Combustion and Aerothermal Technology (NCCAT) and the German Aerospace Centre Deutsches Zentrum für Luft- und Raumfahrt (DLR), Rolls-Royce has proven a critical engine technology that marks a significant step in the journey to enabling hydrogen as an aviation fuel.

Tests on a full annular combustor of a Pearl 700 engine at DLR in Cologne running on 100% hydrogen have proven the fuel can be combusted at conditions that represent maximum take-off thrust.

Key to that achievement has been the successful design of advanced fuel spray nozzles to control the combustion process.

The individual nozzles were initially tested at intermediate pressure at Loughborough's recently upgraded NCCAT test facilities and at DLR Cologne before the final full-pressure combustor tests took place at DLR Cologne.



Loughborough Business School joins Massachusetts Institute of Technology (MIT) to launch global centre and Master's degree

Loughborough University has partnered with the Massachusetts Institute of Technology's Center for Transportation and Logistics (MIT CTL) to be the first UK member of its Global Supply Chain and Logistics Excellence (SCALE) Network.

Joining the network, Loughborough Business School will establish the UK Supply Chain Excellence Centre, which will be the UK hub of MIT's SCALE Network.

The centre itself will focus on research and working with industry and will join the established SCALE Network which is already operating around the world in countries such as Spain, Luxembourg, China and Colombia.

Centres within the network bring together industry and academia to pool their expertise and collaborate on research projects that address real-world supply chain and logistics challenges, helping companies worldwide navigate an increasingly complex business environment.

They also offer postgraduate-level programmes focused on supply chain management, and in partnership with MIT, Loughborough Business School will offer an exclusive master's degree programme for hundreds of students each year, with time divided between both Loughborough and the United States.

"The centre will be the go-to place to develop the next generation of supply chain talent. Our inclusion in the network reflects our exceptional research capabilities, our commitment to supply chain innovation and the education of the next generation of supply chain leaders. This is a major opportunity for us to become the UK centre of this prestigious network."

Professor Jan Godsell
Dean of Loughborough Business School



Representatives from Loughborough and MIT signing the official partnership agreement. (L-R) Professor Rachel Thomson, Professor Eric Grimson, Professor Yossi Sheffi, Professor Nick Jennings and Professor Jan Godsell.



Loughborough University agrees landmark partnership with ethical data science company Signify Group

Loughborough University and Signify Group – a world leader in leveraging AI to combat online abuse and threat – have announced a strategic partnership that will see them collaborate on academic research into online abuse in sport.



Led by Loughborough University London's Dr Lauren Burch from the Institute for Sport Business, the agreement includes the formation of a collective working group, dedicated to research and development in this space.

Colleagues from across the University will work collaboratively with Signify, providing safeguarding recommendations to sports organisations and its athletes.



Loughborough's role in national partnership to help UK manufacturers become more efficient and eco-friendly

The University was announced as a partner in the new EPSRC Manufacturing Research Hub in Robotics, Automation & Smart Machine Enabled Sustainable Circular Manufacturing & Materials (RESCu-M2), that will focus on creating a sustainable circular manufacturing ecosystem nationwide.

The hub aims to transform the sustainable use of critical materials, whilst improving the productivity of manufacturing processes that include reusing, repurposing, repairing, remanufacturing, and recycling.

"It's vitally important for all manufacturing businesses to embrace sustainable and circular innovative technologies being investigated by the hub."

"A widespread move to a circular economy will see the latest advancements in intelligent automation to improve productivity and reduce costs and support material resources being retained and reused – rather than being lost to landfill or converted to energy."

"The Centre for Sustainable Manufacturing and Recycling Technologies (SMART) at Loughborough, has been at the forefront of the circular manufacturing approach for the past two decades and our latest project, ReMed, which is investigating the use of medical devices has been adopted as one of the flagship themes of the new hub."

Professor Shahin Rahimifard
Professor of Sustainable Engineering
at Loughborough University



Delivering training to NHS professionals in a bid to improve patient safety

A collaboration with NHS England was announced, that will deliver learning to hundreds of healthcare professionals in a bid to improve patient safety.

Human factors and ergonomics experts in the School of Design and Creative Arts will deliver Levels 3 and 4 of the NHS Patient Safety Syllabus and Curriculum after winning a competitive tender process.

The Loughborough University team will craft and deliver educational content to 820 patient safety specialists across various NHS Trusts in England.

The NHS predict that getting patient safety right could save almost 1,000 extra lives and £100m in care costs each year from 2023/24.



"I believe that our world-leading reputation in the delivery of human factors and ergonomics education will help the NHS achieve its goals."

Dr Mike Fray, Senior Lecturer in Human Factors Design

BE MORE DIVERSE, EQUITABLE AND INCLUSIVE



EDI core plan approved at Council

The Equity, Diversity and Inclusion (EDI) core plan sets out a vision, guiding principles and our heightened EDI ambitions for the University, including a commitment to anti discriminatory practice. Its four objectives are focused on:



IMPROVED DATA TO BETTER INFORM OUR OBJECTIVES AND ACTIVITIES



TACKLING STRUCTURAL INEQUITY THAT IS EMBEDDED IN OUR PROCESSES AND PRACTICES



PUTTING IN PLACE INTERVENTIONS THAT IMPROVE DIVERSITY WITH ANTI-DISCRIMINATORY PRACTICE



CREATING A VIBRANT AND INCLUSIVE COMMUNITY



Loughborough research supports World Wheelchair Rugby's commitment to increasing female participation

Researchers from the Peter Harrison Centre for Disability Sport have been supporting the sporting body over several months and the results of the research will help ensure the International Rules of the sport support female athletes and Wheelchair Rugby as a sport open to all genders.

The sport has had a competition rule for many years allowing an increase in points for each female athlete on court, due to research showing a disparity in muscle strength between females and males that affects the ability to perform key Wheelchair Rugby performance activities. The Centre's research advised that the current competition rule for female Wheelchair Rugby players be reconsidered.

The outcomes of the research now support the International Rules, and it demonstrates the importance of research in shaping projects and strategies.



University launches group to help at-risk students and academics from around the world

The University officially launched the Loughborough University for Students and Academics at Risk Group (LUSARG). The group was created to offer students and academics support, such as financial support in the form of short-term fellowships or scholarships, assistance with seeking accommodation, support with local community integration and language skills, and access to learning and scholarly resources.

In addition to providing this support, the group is also working towards Loughborough becoming a University of Sanctuary – a national network of university staff, lecturers, academics and students who are working to make higher education institutions places of safety, solidarity and empowerment for people seeking sanctuary.



Mixed heritage staff and students celebrated by the University and Mixedracefaces

In May, staff and students from the University, who are of mixed heritage, shared their stories about how their mixed backgrounds and cultures have influenced the life they live today.

The campaign was delivered in partnership with Mixedracefaces, an organisation that captures portraits and stories of people with mixed heritage, to challenge the definition of the term mixed-race.



The project contributed to the University's commitment to the Race Equality Charter (REC), by showcasing our intersectional identities and facilitating conversations around challenging the homogenisation of minority ethnic groups.

The Mixedracefaces collaboration was one of the Equality, Diversity, and Inclusion (EDI) Services funded projects to support the ambitions of the EDI strategy at the University.

The stories are available to view on the Mixedracefaces website as well as on their social media channels.

[mixedracefaces.com](https://www.mixedracefaces.com)



Knowledge exchange event on racial diversity and inclusion in sports leadership hosted at Loughborough

In October 2023, the School of Sport, Exercise and Health Sciences hosted the first-ever Racial Diversity and Inclusion in Sports Leadership 'Knowledge Exchange' event on campus.

The event was hosted in collaboration with Sporting Equals: a national non-governmental organisation and partner of Sport England that work to establish racial equity in sport.

The showcase was attended by representatives from Sporting Equals, Sport England and EDI Leads at 11 sports bodies who hold tenancy at Loughborough University SportPark or the main campus, including Active Together, British Swimming, British Triathlon, Chartered Institute for the Management of Sport and Physical Activity (CIMSPA), England Netball, Volleyball England, Youth Sport Trust, UK Anti-Doping, England and Wales Cricket Board, and the UK Sports Institute.

The event looked at existing approaches to the recruitment and retention of ethnically diverse groups in senior leadership teams and at board level at sports bodies, and identified and shared emerging models of good 'race equity' practice to support sports bodies towards establishing an ethnically diverse and inclusive senior leadership workforce.

The event also formed one element of an ongoing research project examining racial diversity and inclusion in sports leadership being undertaken at the University. The research is supported directly by the Vice-Chancellor's office (VCO), as part of the University's ongoing commitment to establish and promote inclusive policies and practices across all aspects of its operations, including with its key sports stakeholder bodies.

EXCEL IN SPORT AND USE OUR PRE-EMINENCE TO CREATE NEW OPPORTUNITIES



Sporting Excellence and Opportunity core plan approved at Council

In June, Council approved the University's strategic core plan for Sporting Excellence and Opportunity.

The plan is centred on a vision to use our world-class research and performance to enhance the experience of athletes across sport globally, to leverage external opportunities, and to create more opportunities for our students and community to access sport and develop their talent. The strategic priorities within the plan are ecosystem, sustainability, women's sport, para sport and disability sport, and the power of AI and digital.



BUCS champions for 43 consecutive years

Towards the end of the 2023/24 academic year, the University hosted one of the largest student sport events on the calendar, BUCS (British Universities and Colleges Sport) Big Wednesday.

More than 2,000 student athletes descended onto campus to compete in 57 finals across 16 sports. And almost 2,500 spectators came along to watch the action.

By the end of the event, the University had secured victories in men's and women's badminton, men's and women's basketball, men's tennis, women's netball and women's football, all of which contributed towards Loughborough securing their 43rd consecutive BUCS champions title.

BUCS showcases the highest level of university sport and hosting events such as this truly embodies our strategic aim of Sporting excellence and opportunity.



Loughborough secured 'best university in the world for sports-related subjects' title for eighth consecutive year

Loughborough was crowned the best university in the world for sports-related subjects in the global QS higher education league table for 2024.

This is the eighth consecutive year that Loughborough has secured the title – being the recipient ever since the ranking was launched by QS in 2017.

The University's School of Sport, Exercise and Health Sciences, Sports Technology Institute and Institute for Sport Business are all renowned for the fundamental and applied research they undertake in this field.

"Teaching and research of sports disciplines is at the very heart of our world-renowned sporting ecosystem."

"It's great to see our work in this field is being recognised and valued by the international academic community, and that the talent of our world-leading academic colleagues has been acknowledged for eight consecutive years by QS."

Professor Jo Maher
Loughborough University's Pro Vice-Chancellor for Sport



Loughborough University receives UK Sport accreditation

The University was named as one of eight Elite Training Centres to have been recognised by UK Sport for their contribution to the preparation of elite Olympic and Paralympic athletes.

The group are the first to be awarded the status of "UK Sport-accredited Elite Training Centre", a title that celebrates their role in helping athletes to achieve their full performance potential.

All eight organisations, and the facilities they provide, will now work to deliver improvement plans that will outline the continued development of their training environments. They form a network that will benefit from shared learning and continuous improvement.

Welcome to the GSUN Council



Launch of Global Sport University Network

In September 2023, the Global Sport University Network (GSUN) convened for the first time at Loughborough to officially launch the new network.

The GSUN is a collective of universities from around the world – including the Massachusetts Institute of Technology, Nanyang Technological University, the University of Cape Town, the University of Oregon and the University of Queensland – that harnesses knowledge on sport to solve timely, complex problems. The network aggregates research, faculty insights and student feedback to address topics that no one university could fully address on its own.

The network aims to be the connective convenor between industry, governing bodies, sport commissions, media and other key stakeholders and the academics who are researching the relevant areas.

The network's efforts will initially focus on health and performance, inclusivity, political and societal change, and sustainability.



University pledges to go green in sport

Just before the Paris 2024 Olympics got underway, Loughborough underlined its commitment to sustainability in sport by signing Sport England's Going for Green Pledge.

The pledge is a commitment to finding new ways to become greener in their work, including, reducing energy and water usage; championing walking, cycling and lift-sharing when travelling to activities; drastically reducing reliance on single use plastics; recycling waste and increasing the reuse of sports equipment and kit; and boosting activity to nurture nature and wildlife.



Loughborough research helps protect 50 million young people in sport

Research conducted by Loughborough University has assisted global sports organisations in keeping over 50 million young people safe when playing sport.

The project, led by Dr Daniel Rhind from the School of Sport, Exercise and Health Sciences (SSEHS), has shaped the support offered by The International Safeguards for Children in Sport to its worldwide sporting partners.

Organisations from around the world have also taken the pledge to work towards the International Safeguards and these collectively work with over 50 million children.

Institutions that have benefitted from the research so far include FIFA, Manchester City FC, World Rugby, Paralympics Australia and the Centre for Sport and Human Rights (Switzerland).



ORGANISATIONAL DEVELOPMENT UPDATE

Leadership appointments

The University made several key senior appointments:

Professor Rachel Thomson FREng, formerly Pro Vice-Chancellor for Education and Student Experience, was appointed as the University's Provost and Deputy Vice-Chancellor, and officially started her new role on 1 August 2024.

Professor Sam Grogan was appointed as Pro Vice-Chancellor for Education and Student Experience, joining Loughborough from the University of Salford where he held the equivalent position. He is a Principal Fellow of the Higher Education Academy and a Board Member of Advance HE. He joined Loughborough University in November 2024.

Professor Justin Waring was appointed as the new Dean of Loughborough University's School of Social Sciences and Humanities. Professor Waring is a world-leading medical sociologist with expertise in the implementation of strategic change in health and care systems. He joined Loughborough in November 2024 from the University of Birmingham.

Professor Lauren Sherar was appointed Acting Dean for the School of Sport, Exercise and Health Sciences (SSEHS).

Professor Rebecca Cain was appointed Acting Dean for the School of Design and Creative Arts (SDCA).

Professor Valerie Pinfield was appointed Acting Dean for Aeronautical, Automotive, Chemical and Materials Engineering (AACME).

Professor Aidan McGarry was appointed Acting Dean for Loughborough University London (LUL).



INVESTMENT IN DEVELOPMENT



LAUNCHED THE LOUGHBOROUGH LEADERSHIP FORUM

Providing leadership development for over 150 staff

TEACHING QUALIFICATIONS



OVER 100 TEACHING QUALIFICATIONS AWARDED to staff supporting the student learning experience

TRAINING COMPLIANCE



INCREASED OUR COMPLIANCE LEVELS WITH MANDATORY TRAINING to meet legal and statutory requirement

Staff experience survey

At the end of 2023, the University ran its annual staff experience survey, managed by external consultancy People Insight, to gain a better understanding of staff experience at Loughborough. The survey covered nine themes including our values, wellbeing, reward and recognition, leadership, and EDI (Equity, Diversity and Inclusion).

In addition to outcomes, the survey enabled the University to benchmark its results on some of the questions against 38 other UK universities, providing an insight into how the Loughborough experience compares to other institutions.



Responses for the 9 themes compared to benchmarked universities

62% response rate

6 themes were viewed more positively

Purpose	81%	+2%
Autonomy	76%	+6%
Leadership	57%	+6%
EDI	71%	+1%
Engagement	76%	+3%
Enablement	56%	+4%

3 themes were less favourable

Our Values	63%	-1%
Reward and Recognition	51%	-1%
Wellbeing	53%	-2%

All schools and services have individual action plans and review their progress every year, following the annual survey.

Trade Union Facility Time Data

Section 13 of the Trade Union Act 2016 requires public sector employers to publish data on facility time. The University's data for 1 April 2023 to 31 March 2024 is as follows:

Trade union representatives	28
FTE trade union representatives	26
Hours spent on paid facility time (of which 6,349 were spent on paid TU activities)	6,416
Percentage of total paid facility time hours spent on paid TU activities	99%
Total cost of facility time	£174k
Percentage of pay spent on facility time	0.1%

Distribution of working hours	Number of TU reps at LU
1-50% of working hours	28
51-99% of working hours	0
100% of working hours	0



DELIVERY OF PUBLIC BENEFIT

Loughborough University is an independent corporation established by Royal Charter and has exempt charity status.

This information describes how the University has delivered activity for the benefit of the public, taking into consideration the guidance on public benefit, as set out in the Charities Act 2011.

Due regard has also been given to the University's responsibilities as a charitable body, which is regulated by the Office for Students (OfS).

OUR MISSION

By delivering public benefit at a local, national and global level, the University contributes to:

- knowledge and understanding across all sectors
- the drive to make education accessible to everyone
- industry and economic growth
- the level of talent and excellence in industry
- Loughborough's economy, community and social environment.

ACADEMIC BENEFIT

Delivery of public benefit through our core academic objectives – teaching, research and innovation.

Teaching and learning

We are committed to supporting students throughout their educational journey and helping them to reach their full potential by removing unnecessary barriers. The statistics below evidence some of the work being done in this area.

Employable graduates

The Loughborough experience is designed to create employable graduates that will go on to contribute significantly to society.

Research

Our research helps shape public policy, improves lives, and enables businesses and industries to compete more effectively.

Innovation

Innovation enhances the impact of our public benefit by connecting the work we do with the outside world across industry, public bodies and charities. The impact can be localised but significant, linking to global issues such as reducing pollution and improving human health.

CORPORATE

Our approach to social responsibility: how we run our business; the way we work with external organisations, and the impact our actions have on the local community and economy.

Sustainability

We recognise that many of our activities have environmental impacts, and we take responsibility for these whilst also responding to global challenges such as climate change; human wellbeing; and food, water and energy security.

Community

We are committed to delivering opportunities and support for those beyond our campus boundaries, including local charities and community groups, and delivering initiatives and events for the public to attend.

Fundraising and volunteering

Both the University and Loughborough Students' Union have a long history of fundraising and volunteering to support local, national and international causes.

Economic impact

External evaluations have shown that the University's impact on the economy is around £1bn and supports approximately 14,400 full-time equivalent (FTE) jobs.

Examples of the public benefit we deliver can be found in the figures below and throughout the Review of the Year.

PUBLIC BENEFIT IN NUMBERS (2023/24)

MORE THAN

220

internships offered in 2023/24 through the Loughborough Talent Match initiative

OVER

£3.5_M

awarded in bursaries and tuition fee waivers to over 2,900 undergraduate students through the Loughborough University Bursary (LUB) and other awards programmes

MORE THAN

1,940

students went on year-long placements with more than 1,250 companies worldwide

OVER

240

new postgraduate research students (with start dates in 2023/24) received funding from the Doctoral College, equating to over £5.2m

OVER

36,400

prospective students engaged with outreach and recruitment activities, delivered by the School and College Liaison team

OVER

£19_K

was donated to community groups through the Community Donations Fund during 2023/24

OVER

120,000

hours of volunteering were completed by student volunteers through LSU Action and the Coach and Volunteer Academy within Loughborough Sport

OVER

£12.8_M

was awarded to new and existing postgraduate research students during 2023/24

The team worked with more than

180

schools and colleges across the country to raise the aspirations of younger generations

OVER

£4.7_M

awarded in scholarships and bursaries to over 1,100 postgraduate taught students in both Loughborough and London

OVER

£500_K

raised for Rag by Loughborough Students' Union

OVER

£400_K

has been donated to local communities in Leicestershire since the Fund was launched

STATEMENT OF CORPORATE GOVERNANCE

The following statement is given to assist readers of the financial statements to obtain an understanding of the governance procedures applied by the University's governing body (Council).

The Royal Charter sets out the objectives which form the University's charitable purpose:

"to advance knowledge, wisdom, understanding and professional competence through teaching, research and collaboration with industrial and other bodies and to develop the character of its students by virtue of its corporate life".

The University is committed to observing good practice in all aspects of Corporate Governance. In accordance with the Committee of University Chairs (CUC) Higher Education Code of Governance, Council initiated a review of its own effectiveness during 2023/24. The review included independent external input as stipulated by CUC and the final report was approved by Council on 17 October 2024.

The 2024 Effectiveness Review focussed on the following areas: the effectiveness of Council meetings in transacting business, obtaining assurance and governing the University; compliance with the CUC Code of Governance and the AdvanceHE Framework for effectiveness reviews; the composition, effectiveness and size of Council and its sub committees (including Joint Committees with Senate); Council's ability to execute its oversight of Strategy; and Council's ability to execute its EDI responsibilities.

The Review confirmed that the University has continued to maintain its compliance with the CUC Code of Governance. However, Council has not appointed a Senior Independent Governor (SIG) as required under paragraph 5.8 of the Code as Council had not previously felt such an arrangement was necessary. However, this matter is under active reconsideration following the 2024 Review and a SIG is likely to be introduced during 2024/25.

The University's Structure of Corporate Governance

The operation of the University is governed by its Charter, Statutes, Ordinances and Regulations.

The Council, the governing body of the University, comprises independent (lay), academic staff, non-academic staff and student members appointed or elected under the Statutes and Ordinances of the University, the majority of whom are non-executive. The role of Chair of the Council is separated from the role of the University's chief executive, the Vice-Chancellor. The current Chair of Council is Christine Hodgson, who has held the office since 1 January 2021 and was reappointed in October 2023 for a further 3-year term commencing from 1 January 2024.

The Vice-Chancellor is the University's senior academic and administrative officer, who also serves as the Accountable Officer to the Office for Students. Professor Nick Jennings took up the post of Vice-Chancellor on 4 October 2021 and a new University Strategy was approved by Council in March 2022 and formally launched in April 2022.

In accordance with the CUC Code of Governance, Council has published a list of its primary responsibilities and these include the ongoing strategic direction of the University and approval of major developments. The University holds full registration as a higher education provider with the Office for Students. Along with its own governing instruments, this means that final decision-making on certain key matters is specifically reserved for Council. Council meets at least four times a year and is advised by the Senate on academic issues. A Senate effectiveness review was conducted during the 2022/23 academic year and its findings reported to Council in June 2023 to provide assurance on academic governance.

The University also has the status of an exempt charity. This means that members of Council have the responsibilities of charity trustees in relation to ensuring the institution's work is for the public benefit and that it complies with Charity Commission expectations, overseen in the HE sector by the Office for Students.

Both Council and Senate conduct their routine business through a committee structure; some of the committees are jointly composed and many include lay representation.

Committee Terms of Reference were reviewed during the last year and changes were approved by Council in March 2024. The purpose of the review was to ensure committees were focussed on governance and assurance functions and to remove duplication of duties between committees and management functions. In June 2024 Council approved the reformulation of Operations Committee as the Strategic Portfolio and Resources Committee, with additional oversight of the Strategy's Core Plans. In addition, the Strategic Portfolio and Resources Committee, comprising executive officers, has responsibility for the integration of academic, financial and physical planning and the allocation of resources to academic schools and Professional Services.

The financial management of the University rests with the Strategic Portfolio and Resources Committee and Finance Committee. Supported by the Finance Office, the Strategic Portfolio and Resources Committee monitors income and expenditure on a regular basis. Finance Committee is responsible for advising Council on both the University's financial strategy and treasury management; the Committee is chaired by the Vice-Chancellor and comprises executive officers and independent lay members of Council.

The external auditors address their report on the financial statements to Council through the Audit and Risk Committee which comprises lay members of Council, who are not otherwise involved in the management of the University, and other independent persons appointed by Council. Both internal and external auditors report to the Audit and Risk Committee on a regular basis. Audit and Risk Committee considers the detailed auditors' reports together with any recommendations on the systems and controls in operation. The Secretary of Council leads a working group of relevant staff, which reports to Council and oversees compliance with the Office for Students conditions of registration. The Audit and Risk Committee also pays due regard to the terms of the University's registration with the Office for Students. The Committee recommends the appointment of internal and external auditors, and Council appoints them. Both internal and external auditors have direct access to the Chair of Council, the Chair of Audit and Risk Committee and the Vice-Chancellor at any time.

The Governance and Nominations Committee of Council is chaired by the Chair of Council and includes lay members, academic members and the Vice-Chancellor with lay members in the majority. Its role is to make recommendations to Council on the appointment of senior lay officers (excluding the Chair of Council) and on the appointment of other lay members of Council as well as advise on other matters related to the overall governance of the University.

The Remuneration Committee of Council which is composed of lay members and is chaired by the Chair of Council determines the remuneration of professorial and senior administrative staff. The Deputy Chair of Council takes the chair for consideration of the Vice-Chancellor's remuneration. The Committee's operations were reviewed carefully in light of the additional CUC guidance on senior staff remuneration issued in June 2018.

The University ensures the transparency of its corporate governance, risk management, statutory and other regulatory responsibilities via the active involvement of experienced and independent lay members, together with the work outlined above of University committees and the internal and external auditors. Council agendas and minutes are available to the public on the University website.

Internal control and management of risk

The Council, as the governing body of Loughborough University, has responsibility for maintaining a sound system of internal control that supports the achievement of strategic objectives, whilst safeguarding the public and other funds and assets for which it is responsible, in accordance with the responsibilities assigned to the governing body in the Charter, Statute XIII and the terms of registration with the Office for Students. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and Objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing review 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. This process has been in place for the year ended 31 July 2024 and up to the date of approval of the financial statements and accords with the Office for Students guidance.

The University maintains a strategic risk register which is aligned to the University's new strategy Creating Better Futures. Together. The oversight of individual risks identified as strategic by the executive owner, is managed through an appropriate Committee and reported to Audit and Risk Committee, and ultimately Council by way of the Chair of Audit and Risk Committee's report to Council. This process has been embedded into the governance structures of the organisation since the start of 2023/24 academic year.

Risk management processes and procedures continue to evolve with input from our internal auditors with risk oversight and governance the responsibility of the Audit and Risk Committee. Council, both directly and through its committees, is responsible for ensuring the delivery of value for money, defined as economical, effective and efficient use of resources. Council is responsible for the safeguarding of assets and oversight of systems to prevent and detect fraud. The system of internal control provides for a comprehensive financial planning process, assessment of income, expenditure, capital and cash flow budgets during the year and periodic review of management information including the reporting of material variances and the projection of out-turn for the year.

On behalf of Council, the Audit and Risk Committee monitors the effectiveness of control, governance, the management of risk and gains assurance on the University's arrangements to secure value for money and data quality. It receives regular reports from the internal auditors, and where relevant, the external auditors. Periodic reports concerning internal control are received by Council from the Audit and Risk Committee. Reports on the progress on key projects and regular reports from senior management on the steps they are taking to manage risks in their area of responsibility are received by the Council and its principal committees.

Going concern

The financial statements of the Group and the parent University have been prepared on a going concern basis which the Council believes to be appropriate for the following reasons.

The Council has prepared cash flow forecasts for a period of at least 12 months from the date of approval of the financial statements. After reviewing these forecasts, including analysis of severe but plausible downsides, and stress testing key assumptions such as student intake and the level of campus operation, the Group and the parent University are expected to have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

The Group ended the year with strong liquidity and access to significant undrawn borrowing facilities. This, together with robust expenditure controls, means that we anticipate maintaining substantial strategic cash reserves throughout the going concern assessment period.

Consequently, the Council is confident that the Group and parent University will have sufficient funds to continue to meet their 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.

Officers of the University

The University's formal principal officer is its Chancellor, who has responsibility for conferring Loughborough's academic awards at congregations and plays an important role in the advancement of the University. The Lord Coe CH, KBE (Sebastian Coe) was reappointed as Chancellor in June 2022.

The Senior Pro-Chancellor, serves as the Chair of Council and also chairs the Governance and Nominations Committee and Remuneration Committees.

The day-to-day running of the University is the responsibility of the Vice-Chancellor and President, who is the academic and executive head and the accountable officer to the Office for Students.

The Chancellor	Lord Sebastian Coe
The Senior Pro Chancellor (Chair)	Christine Hodgson
The Pro Chancellors	Jennifer Maxwell-Harris John Sinnott <i>(until 31 July 2024)</i>
Honorary Treasurer	Andrea Davis
The Vice-Chancellor	Professor Nick Jennings
Deputy Vice-Chancellor and Provost	Professor Chris Linton <i>(until 31 July 2024)</i> Professor Rachel Thomson <i>(from 1 August 2024)</i>
Pro Vice-Chancellor (Education and Student Experience)	Professor Rachel Thomson <i>(until 31 July 2024)</i> Professor Sam Grogan <i>(from 1 November 2024)</i>
Pro Vice-Chancellor (Equity, Diversity and Inclusion)	Professor Charlotte Croffie <i>(until 22 April 2024)</i>
Pro Vice-Chancellor (Research and Innovation)	Professor Dan Parsons
Pro Vice-Chancellor (Sport)	Professor Jo Maher
Chief Operating Officer	Richard Taylor
Chief Financial Officer	Alexandra Owen

University Visitor is appointed by the Privy Council

University Visitor	Paul Michell
--------------------	--------------

Chairs of key committees

Council	Christine Hodgson
Senate	Professor Nick Jennings
Remuneration Committee	Christine Hodgson <i>For matters relating to the Vice-Chancellor's remuneration the committee is chaired by Deputy Chair Jennifer Maxwell-Harris</i>
Finance Committee	Professor Nick Jennings
Audit and Risk Committee	Graham Corfield

Members of the University Council

who served during 2023/24 and up to 21 November 2024

The Senior Pro Chancellor (Chair)	Christine Hodgson
The Pro Chancellors	Jennifer Maxwell-Harris <i>(Deputy Chair)</i> John Sinnott <i>(until 31 July 2024)</i>
Honorary Treasurer	Andrea Davis
The Vice-Chancellor	Professor Nick Jennings
Deputy Vice-Chancellor	Professor Chris Linton <i>(until 31 July 2024)</i> Professor Rachel Thomson <i>(from 1 August 2024)</i>
Appointed by the Alumni Association	Dr Luke Stott
Appointed by the Students' Union	Molly Page <i>(until 31 July 2024)</i> Georgia Whelan <i>(until 31 July 2024)</i> Rachael Alvey <i>(from 1 August 2024)</i> James Peat <i>(from 1 August 2024)</i>
Elected by the Senate	Dr Kerri Akiwowo Professor Tarek Hassan
Elected by the General Assembly	Professor Matthew Inglis Professor Sheryl Williams
Other elected members	Emma Nadin
Co-opted members	Penny Briscoe Graham Corfield Naomi Hudson Baroness Nicky Morgan Professor David Price Professor Surinder Sharma Paul Taylor Mark Thurston Mike Wedderburn Jon Woods <i>(from 1 August 2024)</i>
Secretary to Council	Richard Taylor

Key advisers

External auditor	KPMG LLP
Internal auditor	PwC LLP



STATEMENT OF THE RESPONSIBILITIES OF COUNCIL

The University Charter establishes Council as the Governing Body of the University, subject to other terms of the Charter and the Statutes, and its responsibility for:

- 1** general control over the University and all its affairs, purposes and functions.
- 2** the management and administration of the revenue and property of the University.
- 3** the custody and use of the Common Seal of the University.

The Council has identified a number of primary responsibilities arising from these general duties under the Charter:

Planning and monitoring

1. To approve the mission and strategic vision of the University, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
2. 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, where possible and appropriate, benchmarked against other comparable institutions.
3. To ensure appropriate arrangements are in place to monitor and evaluate the student academic experience and maintain the quality and standards of academic awards.

Financial, legal and risk

4. To approve the annual budget and financial statements, to ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest.
5. To be the principal financial and business authority of the University, to ensure that proper books of account are kept, and to have overall responsibility for the University's assets, property and estate.
6. To be the institution's legal authority and, as such, to ensure that systems are in place for meeting all the institution's legal and regulatory obligations, including those arising from contracts and other legal commitments made in the institution's name.
7. To ensure that the University has appropriate procedures for the management of risk and to oversee the operation of these procedures.

Employment

8. To be the employing authority for all staff in the University and to be responsible for establishing a human resources strategy.
9. To appoint the Vice-Chancellor as Chief Executive and Principal Academic and Administrative Officer of the University, in accordance with paragraph 7 of the Charter, and to put in place suitable arrangements for monitoring his/her performance.

Governance arrangements

10. To appoint the Secretary to Council, and to ensure that, if they have managerial responsibilities in the University, there is an appropriate separation in the lines of accountability.
11. To establish processes to monitor and evaluate the performance and effectiveness of Council itself.
12. To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
13. To ensure that the University's Charter, Statutes and Ordinances are followed at all times and that appropriate advice is available to enable this to happen.
14. In accordance with paragraph 19 of the Charter, to consider any recommendations from Senate on matters with academic implications and to refer the same to Senate for consideration where the Senate has not previously been consulted.
15. To delegate authority to the Vice-Chancellor for the appointment of University nominees to the boards of public bodies, limited companies and other institutions.

General

16. To safeguard the good name and values of the University.
17. To make such provision as it thinks fit for the general welfare of students, in consultation with Senate.
18. To promote equality, diversity and inclusivity throughout the University, including in relation to its own operation.
19. To ensure that appropriate provision is made for the preservation of health, safety and environmental standards.

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 have 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;
- funds provided by the Office for Students, UK Research and Innovation (including Research England) and the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the 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.

21 November 2024
Christine Hodgson
Chair of Council

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF LOUGHBOROUGH UNIVERSITY

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Loughborough University ("the University") for the year ended 31 July 2024 which comprise the Consolidated and University Statement of Comprehensive Income, the Consolidated and University Statement of Changes in Reserves, the Consolidated and University Statement of Financial Position, the Consolidated Cash Flow Statement, and related notes, including the Statement of Principal Accounting Policies.

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

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

As required by auditing standards, and taking into account possible pressures to meet loan covenants and performance targets, we perform procedures to address the risk of management override of controls, the risk of fraudulent revenue recognition, in particular the risk that research grant income is inappropriately recognised due to either incorrect overhead recovery or non-compliance with terms and conditions of the grant, and the risk that Group management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

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

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those containing a research revenue impact posted to unusual accounts.
- Assessing significant accounting estimates for bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Council and other management

(as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the Council and other management the policies and procedures regarding compliance with laws and regulations.

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

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

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

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: compliance with the regulatory framework 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.

We have reported separately on the University'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 these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Council is responsible for the other information, which comprises the Annual Review 2023/24, including the Review of the Year 2023/24, the Financial Review and the Statement of Corporate Governance. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

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

Council responsibilities

As explained more fully in its statement set out on page 38, 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 [frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities)

Mark Dawson
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill, Snow Hill Queensway Birmingham
B4 6GH

22 November 2024

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;
- 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 11 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 4 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 and Statutes of the institution. 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.

FINANCIAL STATEMENTS 2023/24

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

1. General information

Loughborough University is an independent corporation established by Royal Charter and has the status of an exempt charity which is regulated by the Office for Students (OfS).

2. Statement of compliance

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition). 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 Office for Students and the terms and conditions of Research England Grant.

The University is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS102.

3. Basis of preparation

The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of certain fixed assets and derivative financial instruments).

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £'000.

4. Going concern

The financial statements of the Group and the parent university have been prepared on a going concern basis which the Council believes to be appropriate for the following reasons.

The Council has prepared cash flow forecasts for a period of at least 12 months from the date of approval of the financial statements. After reviewing these forecasts, including analysis of severe but plausible downsides, and stress testing key assumptions such as student intake and the level of campus operation, the Group and the parent university are expected to have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

The Group ended the year with strong liquidity and access to significant undrawn borrowing facilities. This, together with robust expenditure controls, means that we anticipate maintaining substantial strategic cash reserves throughout

the going concern assessment period.

Consequently, the Council is confident that the Group and parent university will have sufficient funds to continue to meet their 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.

5. Exemptions under FRS102

The University meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemption has been taken in these separate company financial statements in respect of presentation of a cash flow statement.

6. Basis of consolidation

The consolidated financial statements combine the financial statements of the University and all its subsidiary undertakings for the financial year to 31 July 2024. Intra-group transactions are eliminated on consolidation. Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated.

The consolidated financial statements do not include the accounts of Loughborough Students' Union, as it is a separate body over which the University does not exert control and nor does it have a dominant influence over policy and operational decisions.

7. Recognition of income

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

Tuition fees

Tuition fee income is recognised over the period of study to which the fee relates. Where the amount of the tuition fee is reduced by a discount, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Grant funding

Grant funding including funding council/OfS block grants, research grants from government sources and grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and any 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.

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

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

Other income

Income, from trading activities, is recognised when the goods or services are supplied to the customers or the terms of the contract have been satisfied. Investment income is recognised on a receivable basis.

Donations and endowments

Resources received from non-government bodies as part of a non-exchange transaction will either be treated as a donation, or as an endowment in the event the donor either wishes an endowment fund to be established, or places sufficiently large restrictions on expenditure such that the funds will need to be retained over an extended period.

Donations are recognised as income when the University is entitled to the funds and any performance related conditions have been met. Where income is received in advance of performance related conditions being met, it is recognised as deferred income within creditors on the Balance Sheet and released to income as the conditions are met.

Where a donor imposes restriction on the use of the donated resources, income is retained within a restricted reserve until such time as expenditure is incurred in accordance with the restrictions. Donations with no restrictions are recognised in income when the University is entitled to the funds.

Endowment income is recognised on entitlement to the income. The income is retained within an endowment reserve until such time as expenditure is incurred in accordance with the restrictions of the endowment. Endowments are classified as either a permanent endowment, when the donor specifies that the capital is to be retained for the benefit of the institution, or as an expendable endowment where no such requirement exists.

Investment income received on endowments and restricted funds is recorded as income in the year in which it arises, and is held in the restricted or endowment reserve to the extent it has not been spent in line with restrictions of the donation or endowment. Investment gains and losses on endowment funds invested for the longer term are recognised in the surplus or deficit and are credited/debited to the capital portion of the endowment reserve.

8. Pension schemes

The University participates in the Universities Superannuation Scheme (USS), the Local Government Pension Scheme (LGPS) and the Teachers' Pensions Scheme (TPS).

The USS scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and

liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme and any 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.

The TPS is a multi-employer defined benefit scheme for which there are no underlying assets and it is not possible to identify the underlying liabilities attributable to University members and therefore is accounted for as a defined contribution retirement benefit scheme. Contributions made are recognised as an expense in surplus or deficit in the periods during which services are rendered by employees. TPS is valued at least every four years by the Government Actuary. It is an unfunded scheme and contributions are made at the rate set by the Government Actuary.

The LGPS is a multi-employer defined benefit pension scheme administered by Leicestershire County Council where the actuary of the scheme can identify the University's share of its assets and liabilities at the date of the University's year end.

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 income statement in the periods during which services are rendered by employees.

Multi-employer schemes

Where the 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 contributions payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

Defined benefit schemes

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under defined benefit plans the Institution'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 Institution.

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 Institution is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Annually the Institution engages independent actuaries to calculate the obligation for each scheme. The present value is determined by discounting the estimated future payments at a discount rate based on market yields on high-quality corporate bonds denominated in sterling with terms approximating to the estimated period of the future payments. The fair value of a scheme's assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Institution's policy for similarly held assets. This includes the use of appropriate valuation techniques. 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.

9. 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.

10. 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 the 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.

11. Service concession arrangements

Fixed assets held under service concession arrangements are recognised on the Balance Sheet at the present value of the minimum lease payments when the assets are brought into use with a corresponding financial liability. The assets are depreciated over the life of the arrangement.

Payments under the service concession arrangements are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

12. 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 term of the lease.

13. Land and buildings

Land held at 31 July 2014 is stated at deemed cost which is equivalent to the market value on this date. Land additions since 31 July 2014 are stated at cost.

Buildings are capitalised at cost on initial recognition or, in the case of buildings acquired as a result of the merger with Loughborough College of Art and Design, at valuation: the basis of valuation is depreciated replacement cost and the valuation on 31 July 1998 was performed by GVA Grimley, International Property Advisors. Improvements to buildings and long-term maintenance projects with a value in excess of £50,000 are capitalised, to the extent that they increase the expected future benefits to the Institution.

After initial recognition land and buildings are subsequently measured at cost/deemed cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives as follows:

- Freehold buildings between 10 and 60 years depending on the method of construction used.
- Leasehold land and buildings – lifetime of the lease up to a maximum of 60 years.

No depreciation is charged on assets in the course of construction. Depreciation is charged from the year of completion and is calculated based on the remaining life of the improved building or building-related plant. Where an item of land and buildings comprise two or more major components with substantially different useful economic lives (UELS), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement of components is capitalised as incurred.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

14. Fixtures, fittings, plant and equipment

All such items, where the cost is less than £20,000 per individual item or group of related items, are recognised as an expense in the year of acquisition. All other items are capitalised.

Items are stated at cost and depreciated over their expected useful life, as follows:

- Computer equipment – between 4 and 7 years
- Equipment acquired for specific research projects – project life (generally 3 years) unless a research grant is received for a specific facility, in which case, the item would be depreciated over the life of the facility
- Motor vehicles and other equipment – 4 years
- Plant, furniture and fixtures – between 5 and 25 years

15. Borrowing costs

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

16. 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.

Works of art and other valuable artefacts valued at over £10,000 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 since their long economic life and high residual value mean that any depreciation would not be material. The assets are subject to an annual impairment review in accordance with applicable accounting standards.

17. Investment properties

Investment property is land or a building, or part of a building, or both held for rental income and/or capital appreciation rather than for use in delivering services. Mixed-use property is separated between investment property and property, plant and equipment.

Investment properties are initially measured at cost and then subsequently at fair value at the end of each reporting date, with changes in fair value recognised immediately in the Surplus or Deficit for the year.

18. Stocks

Stocks of goods are stated at the lower of cost and net realisable value.

19. Cash and cash equivalents

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

Cash equivalents are short-term (maturity being less than three months from the placement date), highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

20. Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year-end rates.

The resulting exchange differences are recorded in surplus or deficit for the financial year.

21. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through surplus or deficit, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that:
 - the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or
 - the new rate is a market rate of interest and satisfies condition (a).
- There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year of initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through surplus or deficit.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through surplus or deficit. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

In the University Balance Sheet, investments in subsidiaries and associates are measured at cost less impairment.

(iii) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in surplus or deficit.

(iv) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

22. 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 risk specific to the liability.

A contingent liability arises from a past event that gives the Institution a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Institution. 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 Institution 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 Institution.

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

23. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

24. Taxation status

The University is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and as such is a charity within the meaning of Schedule 6 Finance Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within the categories covered by sections 478-488 of the Corporation Tax Act 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 institution receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the cost of such inputs. Any irrecoverable VAT allocated to tangible 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 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 the financial statements. Deferred tax assets are recognised to the extent that they are regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

25. Reserves

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

Restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

26. Critical accounting judgements and key sources of estimation uncertainty

In the application of the University's accounting policies, which are described in points 1 to 25 above, it is necessary to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the University's accounting policies

The following are the judgements, apart from those involving estimations (which are dealt with separately below), that have been taken in the process of applying the University's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

In the operating of a performance model for government grants and non-exchange transactions, agreements with funders are evaluated for performance conditions, and revenue is recognised when these conditions are judged to have been met.

Investment property

The University has reviewed all rental-generating properties in line with the accounting policy for investment properties. As part of this process management has evaluated whether an asset is held for the furtherance of the University's enterprise objectives (which form part of the University's core operations), or whether it is held primarily for the generation of rental income (and so represents an investment property).

Service concession arrangements

In determining which operations involving third party operators should be accounted for as service concession arrangements, the agreements with the third party operators are reviewed to identify those that meet the relevant conditions outlined in section 34 of FRS102.

Key sources of estimation uncertainty

The following are the key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Pensions – USS

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 Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the income and expenditure account in accordance with section 28 of FRS 102. As explained in note 21, the Scheme was in surplus at the date of the 2023 valuation.

Pensions – LGPS

The LGPS valuation is sensitive to the actuarial assumptions used. The assumptions are set following advice received from a qualified actuary. The following table highlights the sensitivities regarding the principal assumptions used to measure the scheme liabilities.

	Approximate increase in scheme liabilities	
Change in assumptions at 31 July 2024	%	£'000
0.1% decrease in real discount rate	2	3,781
0.1% increase in the salary increase rate	0	130
0.1% increase in the pension increase rate (CPI)	2	3,729
1 year increase in member life expectancy	4	7,792

Market value of investment properties

In determining the market value of the University's investment properties, valuations have been performed by professionally qualified valuers using assumptions determined using market standard methodology. However should any of these assumptions be incorrect this could have a significant impact on the valuation of these properties.

Useful lives of tangible fixed assets

Tangible fixed assets represent a significant proportion of the University's total assets (31 July 2024: 69%, 2023: 69%). Therefore the estimates of the useful lives over which these assets are depreciated could have a significant impact on the University's financial performance. The useful lives and residual values of the University's assets are determined at the time the asset is acquired or construction is completed, and these are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as the expiry of leases. Historically, disposal of assets at the end of their lives has not resulted in material loss on disposal charges.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

Year ended 31 July 2024

	Notes	Consolidated		University	
		Year ended	Year ended	Year ended	Year ended
		31 July 2024	31 July 2023	31 July 2024	31 July 2023
		£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	186,809	194,660	186,809	194,660
Funding body grants	2	43,094	44,333	43,094	44,333
Research grants and contracts	3	47,818	48,271	47,818	48,271
Other income	5	86,418	86,112	76,483	76,347
Investment income	6	7,468	4,121	7,105	3,971
Donations and endowments	7	1,929	1,559	1,929	1,558
Total income		373,536	379,056	363,238	369,140
Expenditure					
Staff costs	8	202,275	189,351	196,082	183,812
Changes in USS deficit recovery plan		(106,092)	(3,250)	(106,092)	(3,250)
Total staff costs		96,183	186,101	89,990	180,562
Other operating expenses		128,521	125,709	126,042	122,620
Depreciation	13	30,738	29,080	29,784	28,203
Interest and other finance costs	9	5,802	7,764	5,781	7,748
Total expenditure	10	261,244	348,654	251,597	339,133
Surplus before other gains and losses		112,292	30,402	111,641	30,007
Loss on disposal of fixed assets		(2,826)	(763)	(2,826)	(762)
Gain / (loss) on investments		326	(2,680)	326	(3,450)
Surplus before tax		109,792	26,959	109,141	25,795
Taxation	12	(143)	(303)	-	-
Surplus for the year		109,649	26,656	109,141	25,795
Actuarial (loss) / gain in respect of pension schemes	25	(2,541)	21,915	(2,541)	21,915
Total comprehensive income for the year		107,108	48,571	106,600	47,710
Represented by:					
Endowment comprehensive income for the year	23	212	(30)	212	(30)
Restricted comprehensive income for the year	24	(1,619)	(306)	(1,619)	(306)
Unrestricted comprehensive income for the year		108,515	48,907	108,007	48,046
		107,108	48,571	106,600	47,710

All items of income and expenditure relate to continuing activities.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year ended 31 July 2024

	Notes	Consolidated		University	
		31 July 2024	31 July 2023	31 July 2024	31 July 2023
		£'000	£'000	£'000	£'000
Non-current assets					
Fixed assets	13	476,423	474,937	469,510	472,076
Heritage assets	14	1,165	1,165	1,165	1,165
Investments	16	18,955	18,508	33,102	32,205
Total Non-current assets		496,543	494,610	503,777	505,446
Current assets					
Stock		725	667	678	619
Trade and other receivables	17	45,890	46,651	45,399	46,754
Investments	18	91,000	103,000	91,000	103,000
Cash and cash equivalents		41,173	41,186	38,948	38,927
Total Current assets		178,788	191,504	176,025	189,300
Less Creditors: amounts falling due within one year	19	(75,641)	(81,218)	(75,587)	(84,700)
Net current assets		103,147	110,286	100,438	104,600
Total assets less current liabilities		599,690	604,896	604,215	610,046
Creditors: amounts falling due after more than one year	20	(90,351)	(96,126)	(90,351)	(96,126)
Provisions					
Pension provisions	21	(1,518)	(108,177)	(1,518)	(108,177)
Other provisions	21	(581)	(460)	-	-
Total net assets		507,240	400,133	512,346	405,743
Restricted reserves					
Income and expenditure reserve - endowment reserve	23	2,542	2,330	2,542	2,330
Income and expenditure reserve - restricted reserve	24	62,229	63,848	62,229	63,848
Unrestricted reserves					
Income and expenditure reserve - unrestricted		442,469	333,955	447,575	339,565
Total reserves		507,240	400,133	512,346	405,743

These Financial Statements were approved by Council on 21 November 2024 and were signed on 21 November 2024 on its behalf by:

Professor Nick Jennings CB, FEng, FRS
Vice-Chancellor and Accountable Officer

Christine Hodgson CBE
Chair of Council

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

Year ended 31 July 2024

Consolidated	Income and expenditure reserve			
	Endowment £'000	Restricted £'000	Unrestricted £'000	Total £'000
Balance at 1 August 2022	2,360	64,154	285,050	351,564
(Deficit) / surplus from the income and expenditure statement	(30)	27	26,659	26,656
Other comprehensive income	-	-	21,913	21,913
Release of capital grants with expired asset use restrictions	-	(333)	333	-
Total comprehensive (expense) / income for the year	(30)	(306)	48,905	48,569
Balance at 31 July 2023	2,330	63,848	333,955	400,133
Surplus / (Deficit) from the income and expenditure statement	212	(1,129)	110,565	109,648
Other comprehensive income	-	-	(2,541)	(2,541)
Release of capital grants with expired asset use restrictions	-	(490)	490	-
Total comprehensive income / (expense) for the year	212	(1,619)	108,514	107,107
Balance at 31 July 2024	2,542	62,229	442,469	507,240

University	Income and expenditure reserve			
	Endowment £'000	Restricted £'000	Unrestricted £'000	Total £'000
Balance at 1 August 2022	2,360	64,154	291,519	358,033
(Deficit) / surplus from the income and expenditure statement	(30)	27	25,798	25,795
Other comprehensive income	-	-	21,915	21,915
Release of capital grants with expired asset use restrictions	-	(333)	333	-
Total comprehensive (expense) / income for the year	(30)	(306)	48,046	47,710
Balance at 31 July 2023	2,330	63,848	339,565	405,743
Surplus / (Deficit) from the income and expenditure statement	212	(1,129)	110,061	109,144
Other comprehensive income	-	-	(2,541)	(2,541)
Release of capital grants with expired asset use restrictions	-	(490)	490	-
Total comprehensive income / (expense) for the year	212	(1,619)	108,010	106,603
Balance at 31 July 2024	2,542	62,229	447,575	512,346

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 July 2024

	Notes	Consolidated	
		Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
Cash flow from operating activities			
Surplus for the year		109,649	26,656
Adjustment for non-cash items			
Taxation	12	143	303
Depreciation	13	30,738	29,080
Increase in stock		(58)	(41)
Decrease / (increase) in debtors		1,729	(14,705)
(Decrease) / increase in creditors		(8,427)	5,543
LGPS service costs less contributions paid	25	(2,480)	689
USS deficit provision expense less contributions paid		(108,981)	(9,619)
Increase in other provisions	21	0	21
Receipt of donated equipment		(43)	-
Assets acquired in part exchange		10	-
Service concession agreement nominal rent	15	(618)	(718)
Adjustment for investing or financing activities			
Investment income	6	(7,468)	(4,121)
Interest payable	9	5,802	7,764
Gifts to increase endowments	7	(42)	-
(Gain) / loss on investments		(326)	2,680
Loss on disposal of fixed assets		2,826	763
Capital grant income		(3,697)	(10,971)
Net cash inflow from operating activities		18,757	33,324
Cash flows from investing activities			
Capital grants receipts		7,303	9,467
Investment income received		6,829	2,904
Proceeds from sales of fixed assets		-	16
Payments made to dispose of fixed assets		(1,517)	-
Payments made to acquire fixed assets		(34,951)	(31,966)
Payments made to acquire investments		(83)	-
Proceeds from sale of investments		9	-
Placement of deposits with maturity of more than 3 months	18	12,000	(23,050)
Net cash outflow from investing activities		(10,410)	(42,629)
Cash flows from financing activities			
Interest paid		(2,970)	(2,872)
Repayments of amounts borrowed	20	(5,390)	(5,292)
Net cash outflow from financing activities		(8,360)	(8,164)
Decrease in cash and cash equivalents in the year		(13)	(17,469)
Cash and cash equivalents at the beginning of the year		41,186	58,655
Cash and cash equivalents at the end of the year		41,173	41,186

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

1 Tuition fees and education contracts	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Full-time UK and EU students	116,036	115,194	116,036	115,194
Full-time international students	66,302	74,931	66,302	74,931
Part-time students	4,471	4,535	4,471	4,535
	186,809	194,660	186,809	194,660

2 Funding body grants	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Recurrent grant				
Office for Students	9,294	9,364	9,294	9,364
Research England	24,380	24,086	24,380	24,086
Education and Skills Funding Agency	484	382	484	382
Capital grant	2,028	2,992	2,028	2,992
Specific grants				
Higher Education Innovation Fund	5,155	5,592	5,155	5,592
Other	1,753	1,917	1,753	1,917
	43,094	44,333	43,094	44,333

3 Research grants and contracts	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Research councils	22,194	21,929	22,194	21,929
Research charities	4,363	4,015	4,363	4,015
Government (UK and overseas)	15,283	14,887	15,283	14,887
Industry and commerce	5,978	7,440	5,978	7,440
	47,818	48,271	47,818	48,271

Research grants and contracts income contains £1,388,000 (2023: £4,371,000), in respect of capital grants on equipment.

4 Grant and fee income	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
The source of grant and fee income, included in notes 1 to 3 is as follows:				
Grant income from the Office for Students	9,863	9,783	9,863	9,783
Grant income from other bodies	81,049	82,821	81,049	82,821
Fee income for research awards	4,841	4,233	4,841	4,233
Fee income from non-qualifying courses	1,464	1,374	1,464	1,374
Fee income for taught awards	180,504	189,053	180,504	189,053
	277,721	287,264	277,721	287,264

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

5 Other income	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Residences, catering and conferences	56,443	53,246	45,316	42,258
Other revenue grants	3,993	4,076	3,993	4,076
Other capital grants with restrictions	-	7,800	-	7,800
Gift aid received from subsidiaries	-	-	-	71
Other income	25,982	20,990	27,174	22,142
	86,418	86,112	76,483	76,347

Included in other revenue grants is £454,000 (2023: £645,000) received in respect of the Turing Scheme to provide funding for international opportunities in education and training across the world.

6 Investment income	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Investment income on endowments	76	27	76	27
Investment income on restricted funds	283	132	1	1
Net credit on LGPS pension scheme (note 25)	61	-	61	-
Other investment income	7,048	3,962	6,967	3,943
	7,468	4,121	7,105	3,971

7 Donations and endowments	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
New endowments	42	-	42	-
Donations with restrictions	1,450	1,387	1,450	1,387
Unrestricted donations	437	172	437	171
	1,929	1,559	1,929	1,558

8 Staff costs	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Salaries	163,355	150,538	157,806	145,609
Social security costs	15,499	14,201	15,111	13,823
Change in expected contribution to USS deficit recovery plan	(106,092)	(3,250)	(106,092)	(3,250)
Other pension costs	23,421	24,612	23,165	24,380
	96,183	186,101	89,990	180,562

	Consolidated	
	2024	2023
Average staff numbers by major category :		
Academic	804	802
Teaching and scholarship	236	219
Research	281	254
Management & specialist	777	696
Technical	203	188
Other	1,318	1,185
	3,619	3,344

During 2023/24 the Group paid a total of £287,000 to 74 employees for compensation for loss of office (2022/23: £477,000 to 82 employees).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

8 Staff costs (continued)

Governance

Remuneration for senior staff at the University (i.e. those on grade 9) is governed by the Remuneration Committee, which reports to Council. The Committee comprises three lay members of Council and is chaired by the Senior Pro Chancellor and Chair of Council. An alternative lay Pro Chancellor chairs the meeting while the Vice-Chancellor's pay is being considered. The Chair may invite the Vice-Chancellor and Deputy Vice-Chancellor to attend part of the meeting to share information related to the remuneration of senior staff who report through them. The Vice-Chancellor and Deputy Vice-Chancellor will never be asked to attend for any discussion about, or decision on, their own remuneration. In considering the appropriate reward for the senior officers, Remuneration Committee will ensure that the reward arrangements set out by the University are applied consistently and fairly to this group of staff. Remuneration Committee will also consider the following:

- The institution's performance against the University Strategy and its strategic ambitions
- The size and complexity of the organisation
- The external market and the University's performance against its competitors
- The University's success (or otherwise) in attracting and retaining the most talented people at the highest level
- University and Colleges Employer Association's Senior Staff Remuneration Survey with a particular focus on Russell Group institutions

Performance assessment

The University's Performance and Development Review (PDR) system provides a robust basis for managing performance, developing staff and helping to inform remuneration decisions. A review is taking place of the existing arrangements for performance and development management and reward and recognition as part of development of a Total Reward Strategy.

In considering the performance of the Vice-Chancellor the achievements of the University are also considered and the University has had another very successful year. Achievements include:

- 6th out of 130 UK Universities in the Complete University Guide 2025
- Best University for Sports related subjects in the global QS higher education league table in 2024.
- 10th in the Guardian League Table 2024
- 10th out of 131 UK Universities in the Times and Sunday Times University Guide 2024
- 1st for University Facilities Whatuni Student Choice Awards 2024

Salary benchmarking

The Vice-Chancellor's pay was reviewed in relation to the data provided by the UCEA Senior Staff Salary Survey and the CUC Salary Survey. The Committee approved the Chair of Council's recommendation that the Vice Chancellor should receive an increase in line with the national pay award.

The Executive Team's pay was reviewed in relation to the data available through the UCEA Senior Staff Salary Survey. The Committee approved the Vice-Chancellor's recommendation that given the current financial climate, no additional performance awards would be made this year, which was not a reflection on individual performance. Those in post on 1st August 2024 would receive an increase in line with the national pay award only.

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 includes compensation paid to key management personnel.

The University considers its key management personnel to be the following seven members of staff: the Vice-Chancellor; Deputy Vice-Chancellor; Pro Vice-Chancellor (Research and Innovation); Pro Vice-Chancellor (Education and Student Experience); Pro Vice-Chancellor (Equity, Diversity and Inclusion); Chief Operating Officer; Chief Financial Officer. Key management personnel compensation excludes amounts paid to the Vice-Chancellor whose remuneration is disclosed below.

	2024	2023
	£'000	£'000
Key management personnel compensation	1,200	1,390

Emoluments of the Vice-Chancellor

	2024	2023
	£	£
Basic salary	324,450	312,090
Payment in lieu of pension contributions to USS	42,526	38,633
	366,976	350,723

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

8 Staff costs (continued)

Pay multiple: Loughborough University is a campus university, operating retail and catering outlets and maintaining significant university-owned student accommodation. The University retains many in-house support services that have been outsourced at other institutions, for example cleaning, catering, security or facilities management functions. The University has also included in its calculations a significant number of staff who will have received remuneration during the year on the basis of atypical claims contracts. These factors may adjust downwards the median salary of staff compared to other institutions and pay multiples should be considered carefully in that context.

The pay multiple is calculated using two measures: basic salary and total remuneration. In each case the figure for the Vice-Chancellor is compared to the equivalent figure paid by the University to its staff.

	2024	2023
Basic Salary	11.6	11.6
Total Remuneration	10.7	10.7

Salary bandings of higher paid staff

The full-time equivalent basic salary of higher paid staff (including the Vice-Chancellor), excluding employer's pension contributions, was within the ranges set out below. The full-time equivalent basic salary is calculated prior to any adjustment for salary sacrifice and includes market supplements but excludes bonuses, allowances, clinical excellence awards and other such payments. Where all or a proportion of salary is reimbursed by another body only any portion paid by or charged to the University is disclosed. Only staff members who were in position as at 31st July have been included in the below table:

	2024	2023
£100,000 to £104,999	10	11
£105,000 to £109,999	10	8
£110,000 to £114,999	2	5
£115,000 to £119,999	2	10
£120,000 to £124,999	6	3
£125,000 to £129,999	6	7
£130,000 to £134,999	8	4
£135,000 to £139,999	3	1
£140,000 to £144,999	2	2
£145,000 to £149,999	2	-
£150,000 to £154,999	-	2
£155,000 to £159,999	1	-
£160,000 to £164,999	1	-
£170,000 to £174,999	1	1
£175,000 to £179,999	1	-
£180,000 to £184,999	1	1
£185,000 to £189,999	2	1
£205,000 to £209,999	-	2
£215,000 to £219,999	2	-
£310,000 to £314,999	-	1
£320,000 to £324,999	1	-
	61	59

9 Interest and other finance costs

	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Loan interest	2,966	2,933	2,945	2,917
Finance lease interest (incl. service concession finance charge)	399	358	399	358
Finance charge on USS pension provision	2,437	3,744	2,437	3,744
Net charge on LGPS pension scheme (note 25)	-	729	-	729
	5,802	7,764	5,781	7,748

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

10 Analysis of total expenditure by activity	Consolidated		University	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Academic and related expenditure	120,162	114,023	120,779	114,635
Academic services	38,008	35,594	37,390	34,823
Administration and central services	38,378	39,773	38,504	39,848
Premises (including service concession costs)	59,706	59,320	59,706	59,320
Residences, catering and conferences	38,631	35,166	29,727	26,624
Research grants and contracts	34,963	33,366	34,963	33,366
Staff and student facilities	37,144	32,490	36,535	31,843
Movement in pension provision	(109,052)	(4,472)	(109,052)	(4,472)
Other operating expenses	3,304	3,394	3,046	3,146
	261,244	348,654	251,597	339,133

Other operating expenses include:

External auditor's remuneration in respect of audit services	217	200	171	155
External auditor's remuneration in respect of non-audit services	103	29	103	29
Operating lease rentals:				
Land and Buildings	1,053	1,053	1,053	1,053

11 Access and Participation	Consolidated		University	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Access Investment	2,574	2,530	2,574	2,530
Financial Support	3,829	4,156	3,829	4,156
Disability Support	1,537	1,417	1,537	1,417
Research and Evaluation	300	302	300	302
	8,240	8,405	8,240	8,405

Note 8, Staff costs, includes elements of the above values: Access Investment £990,570; Disability Support £1,089,729 and Research and Evaluation £274,739.

Investment in Access and Participation for 2023/24 is marginally different to the original APP plan, with reportable spend showing a 6.2% variance to plan (lower levels of spend compared to plan). Financial Support is significantly lower due to a lower student intake overall along with less students meeting the criteria than expected in the original plan.

The University's published access and participation plan can be accessed at: www.lboro.ac.uk/study/access-participation/

12 Taxation	Consolidated		University	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Recognised in the Statement of Comprehensive Income and Expenditure				
Current tax				
Current tax expense	-	-	-	-
Adjustment in respect of previous years	-	-	-	-
Current tax expense	-	-	-	-
Deferred tax				
Origination and reversal of timing differences	143	303	-	-
Deferred tax expense	143	303	-	-
Total tax expense	143	303	-	-

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

13 Fixed assets	Freehold Land and Buildings		Leasehold Improvements	Service concession Land and Buildings (note 15)	Fixtures, Fittings, Plant and Machinery	Assets in the Course of Construction	Total
	£'000	£'000					
Consolidated							
Cost							
At 1 August 2023	515,229	7,563	10,691	281,318	12,861		827,662
Additions	3,572	-	-	19,002	10,761		33,335
Transfers	2,793	-	-	8,171	(10,964)		-
Disposals	(2,274)	-	-	(5,538)	(125)		(7,937)
At 31 July 2024	519,320	7,563	10,691	302,953	12,533		853,060
Depreciation							
At 1 August 2023	185,055	2,315	4,662	160,693	-		352,725
Charge for the year	11,498	304	430	18,506	-		30,738
Transfers	-	-	-	-	-		-
Disposals	(1,665)	-	-	(5,161)	-		(6,826)
At 31 July 2024	194,888	2,619	5,092	174,038	-		376,637
Net book value							
At 31 July 2024	324,432	4,944	5,599	128,915	12,533		476,423
At 31 July 2023	330,174	5,248	6,029	120,625	12,861		474,937

University	Freehold Land and Buildings		Leasehold Improvements	Service concession Land and Buildings (note 15)	Fixtures, Fittings, Plant and Machinery	Assets in the Course of Construction	Total
	£'000	£'000					
Cost							
At 1 August 2023	508,820	7,563	10,691	272,564	12,714		812,352
Additions	3,119	-	-	16,503	8,675		28,297
Transfers	2,793	-	-	8,171	(10,964)		-
Disposals	(2,274)	-	-	(4,962)	(125)		(7,361)
At 31 July 2024	512,458	7,563	10,691	292,276	10,300		833,288
Depreciation							
At 1 August 2023	177,765	2,315	4,662	155,533	-		340,275
Charge for the year	11,226	304	430	17,823	-		29,783
Transfers	-	-	-	-	-		-
Disposals	(1,665)	-	-	(4,615)	-		(6,280)
At 31 July 2024	187,326	2,619	5,092	168,741	-		363,778
Net book value							
At 31 July 2024	325,132	4,944	5,599	123,535	10,300		469,510
At 31 July 2023	331,055	5,248	6,029	117,031	12,714		472,077

At 31 July 2024, freehold land and buildings included £91,292,000 (2023: £91,292,000) in respect of freehold land which is not depreciated.

In accordance with the terms and conditions of funding with OfS, OfS has the right but not the obligation to demand repayment of Exchequer interest in the event of the University ceasing to be designated to be eligible for OfS funding or becoming insolvent.

The Exchequer interest at 31 July 2024 was £19,834,000 (2023: £18,892,000).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

14 Heritage assets	Consolidated	University
	£'000	£'000
Cost and net book value		
At 1 August 2023	1,165	1,165
At 31 July 2024	1,165	1,165

The University's heritage assets consist of works of art such as paintings, vases, trophies, medals and sculptures. They were last valued in 2012 by an independent chartered valuer at agreed insurance valuations.

15 Service concession arrangements

The University has two arrangements where service delivery has commenced which have been recognised on the Balance Sheet.

Movement in service concession arrangement assets and liabilities

The total asset values included in the Balance Sheet as at 31 July 2024 were £5,599,000 (2023: £6,029,000). The reduction of £430,000 was as a result of depreciation.

The total liabilities relating to the service concessions included in the Balance Sheet as at 31 July 2024 were £7,505,000 (2023: £7,848,000). The reduction of £343,000 was the result of the £618,000 treated as repaid during the year being offset by a finance charge of £275,000.

Future commitments

The following table analyses the University's future commitments in relation to service concession arrangements.

	Payable in <1 year	Payable in 2-5 years	Payable in >5 years	Total
	£'000	£'000	£'000	£'000
Liability repayments	633	2,694	6,257	9,584
Less: future finance charges	(263)	(911)	(905)	(2,079)
Present value of service concession agreement obligations	370	1,783	5,352	7,505

The notes below give more information on the University's current service concession arrangements:

a) On Balance Sheet service concession arrangements

In March 2002, the University entered into a 35 year contract with a third party provider for the provision and maintenance of student accommodation. The assets and liabilities relating to this scheme are recognised on the University's balance sheet. Service commenced on 1 August 2002 and the contract will finish on 31 July 2037. The University has the right to renew the nominations agreement for the life of the 99 year head lease. The University has an annual occupancy guarantee amounting to committed annual payments for the year ended 31 July 2024 of £617,000 (2023: £602,000) recorded within other operating expenses.

In August 2003, the University entered into a 20 year contract with a third party provider for the provision and maintenance of student accommodation. The assets and liabilities relating to this scheme are recognised on the University's Balance Sheet. Service commenced on 1 August 2003 and the contract finished on 31 July 2023. The University has an annual occupancy guarantee amounting to annual payments for the year ended 31 July 2024 of £nil (2023: £116,000) recorded within other operating expenses.

b) Other service concession arrangements not recognised on the balance sheet

In June 2007, the University entered into an agreement with a third party for the provision and maintenance of student accommodation. The agreement expires in 2044 and includes an option to receive the reversionary interest at nil consideration at the expiry date. The University has no minimum guaranteed payment and therefore no asset and liability to recognise on the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

16 Non-current investments						
Consolidated	Investment in subsidiary companies	Subsidiary investment in spinouts	Investment properties	Long term loans receivable	Other non- current asset investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2023	-	147	15,379	546	2,436	18,508
Additions	-	-	-	-	125	125
Disposals	-	-	-	-	(9)	(9)
Transfers	-	-	-	-	-	-
Movement in fair value	-	-	189	-	142	331
At 31 July 2024	-	147	15,568	546	2,694	18,955

University	Investment in subsidiary companies	Subsidiary investment in spinouts	Investment properties	Long term loans receivable	Other non- current asset investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2023	8,142	-	21,450	177	2,436	32,205
Additions	450	-	-	-	125	575
Disposals	-	-	-	-	(9)	(9)
Transfers	-	-	-	-	-	-
Movement in fair value	-	-	189	-	142	331
At 31 July 2024	8,592	-	21,639	177	2,694	33,102

Investment properties, which are all freehold land and buildings, were revalued to fair value at 31 July 2024, based on a valuation undertaken by Avison Young, an independent valuer with recent experience in the location and class of the investment property being valued.

A market-based valuation for the assets, using available comparable information was adopted in determining the fair value. Investment valuations assume the continuing benefit of subsisting tenancies. There are no restrictions on the realisability of investment property.

If freehold land and buildings had not been revalued they would have been included with a carrying value of:

	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Carrying value of freehold land and buildings	14,454	14,970	17,832	18,971

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

17 Trade and other receivables	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Research grants receivables	11,455	8,295	11,455	8,295
Other trade receivables	22,542	26,780	20,085	24,647
Derivatives	1,200	1,439	1,200	1,439
Prepayments and accrued income	10,693	10,137	10,511	10,031
Amounts due from subsidiary companies	-	-	2,148	2,342
	45,890	46,651	45,399	46,754

Amounts due from subsidiary companies are non-interest bearing and are repayable on demand.

18 Current investments	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Short term deposits	91,000	103,000	91,000	103,000
	91,000	103,000	91,000	103,000

19 Creditors : Amounts falling due within one year	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Unsecured loans	5,501	5,390	5,501	5,390
Service concession arrangements (Note 15)	370	343	370	343
Trade payables	15,394	15,016	13,966	13,285
Social security and other taxation payable	4,525	4,569	4,509	4,569
Accruals and deferred income	49,851	55,900	48,506	55,411
Amounts due to subsidiary companies	-	-	2,735	5,702
	75,641	81,218	75,587	84,700

Amounts due to subsidiary companies are non-interest bearing and are repayable on demand.

Deferred income

Accruals and deferred income includes the following items of income which have been deferred until specific performance related conditions have been met.

Donations	116	192	116	192
Research grants received on account	20,373	24,140	20,373	24,140
Grant income	9,312	5,075	9,312	5,075
Other income	5,265	7,047	5,265	7,047
	35,066	36,454	35,066	36,454

20 Creditors : Amounts falling due after more than one year	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Service concession liabilities due after one year (Note 15)	7,135	7,505	7,135	7,505
Unsecured loans	82,221	87,722	82,221	87,722
Other creditors	995	899	995	899
	90,351	96,126	90,351	96,126

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

20 Creditors : Amounts falling due after more than one year (continued)	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Analysis of unsecured loans:				
Due between one and two years	5,613	5,501	5,613	5,501
Due between two and five years	17,567	17,199	17,567	17,199
Due in five years or more	59,041	65,022	59,041	65,022
Due after more than one year	82,221	87,722	82,221	87,722
Due within one year or on demand (Note 19)	5,501	5,390	5,501	5,390
Total unsecured loans	87,722	93,112	87,722	93,112
Unsecured loan repayable by 2035	19,878	21,112	19,878	21,112
Unsecured fixed rate (4.46%) loan repayable by 2039	6,517	6,823	6,517	6,823
Unsecured fixed rate (3.17%) loan repayable by 2041	6,926	7,219	6,926	7,219
Unsecured fixed rate (3.26%) loan repayable by 2043	14,651	15,208	14,651	15,208
Unsecured fixed rate (2.47%) loan repayable by 2037	39,750	42,750	39,750	42,750
Total unsecured loans	87,722	93,112	87,722	93,112

Note on loan repayable by 2035: £10.0m of the loan is charged at 0.20% above base rate and the remaining balance is charged at a fixed rate of 3.48% (3.28% cost of funds plus 0.20% margin). This loan is repayable by instalments over the period to 10 December 2035.

21 Provisions for liabilities

Consolidated	Obligation to fund deficit on USS pension	Pension enhancements on retirement	Defined benefit obligations (Note 25)	Total pension provisions	Other Provisions including Deferred tax	Total other provisions
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2023	106,544	1,633	-	108,177	460	460
Utilised	(2,889)	(69)	7,206	4,248	121	121
Unwinding of discount factor	2,437	-	-	2,437	-	-
Additions and remeasurements	(106,092)	(46)	(7,206)	(113,344)	-	-
At 31 July 2024	-	1,518	-	1,518	581	581

University	Obligation to fund deficit on USS pension	Pension enhancements on retirement	Defined benefit obligations (Note 25)	Total pension provisions	Other Provisions including Deferred tax	Total other provisions
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2023	106,544	1,633	-	108,177	-	-
Utilised	(2,889)	(69)	7,206	4,248	-	-
Unwinding of discount factor	2,437	-	-	2,437	-	-
Additions and remeasurements	(106,092)	(46)	(7,206)	(113,344)	-	-
At 31 July 2024	-	1,518	-	1,518	-	-

Obligation to fund deficit on USS pension: At 31 July 2023, the University's balance sheet included a liability of £106.5m 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 University was no longer required to make deficit recovery contributions. The remaining liability of £106.1m was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 25.

Pension enhancement on retirement: The University has an obligation to make payments to a small number of pensioners in relation to a legacy pension enhancement agreement. The provision is calculated based on the University's best estimate of the future cash flows required to settle the obligation. The provision is not discounted as the time value of money is not material to the valuation. The assumptions in respect of life expectancy for calculating this provision are the same as those shown in note 25, however given the shorter duration of the expected cash flows inflation has been estimated at 2.84% (2023: 2.26%).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

22 Financial instruments		Consolidated		University	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Financial assets	Notes				
Measured at fair value through income and expenditure					
Investments in common investment funds		2,510	2,295	2,510	2,295
Debt instruments measured at amortised cost					
Long-term loans receivable	16	546	546	177	177
Measured at undiscounted amount receivable					
Trade and other receivables	17	33,997	35,075	33,688	35,284
Equity instruments measured at cost less impairment					
Non-current asset investments in unlisted equity instruments		332	289	185	142
		37,385	38,205	36,560	37,898
Financial liabilities					
Measured at amortised cost					
Loans payable	20	87,722	93,112	87,722	93,112
Obligations under service concession agreements	15	7,505	7,848	7,505	7,848
Measured at undiscounted amount payable					
Trade and other creditors	19	19,919	19,585	21,210	23,556
		115,146	120,545	116,437	124,516

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

Interest income/(expense)					
Total interest income for financial assets at amortised cost	6	7,468	4,121	7,105	3,971
Total interest expense for financial liabilities at amortised cost	9	(3,365)	(3,291)	(3,344)	(3,275)
		4,103	830	3,761	696

Fair value losses

On financial assets measured at fair value through income and expenditure	16	331	(2,680)	331	(3,450)
		331	(2,680)	331	(3,450)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

23 Endowment reserves		Restricted permanent endowments		Restricted expendable endowments	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Consolidated					
At 1 August 2023					
Capital		1,281	444	1,725	1,820
Accumulated income		414	191	605	540
		1,695	635	2,330	2,360
New endowments					
Investment income		42	-	42	-
Expenditure		54	22	76	27
Expenditure		(14)	(2)	(16)	(4)
Increase/(Decrease) in market value of investments		85	25	110	(53)
Total endowment comprehensive (expense) / income for the year		167	45	212	(30)
At 31 July 2024		1,862	680	2,542	2,330
Represented by:					
Capital		1,400	468	1,868	1,725
Accumulated income		462	212	674	605
		1,862	680	2,542	2,330
University					
At 1 August 2023					
Capital		1,281	444	1,725	1,820
Accumulated income		414	191	605	540
		1,695	635	2,330	2,360
New endowments					
Investment income		42	-	42	-
Expenditure		54	22	76	27
Expenditure		(14)	(2)	(16)	(4)
Increase/(Decrease) in market value of investments		85	25	110	(53)
Total endowment comprehensive (expense) / income for the year		167	45	212	(30)
At 31 July 2024		1,862	680	2,542	2,330
Represented by:					
Capital		1,400	468	1,868	1,725
Accumulated income		462	212	674	605
		1,862	680	2,542	2,330
Analysis of consolidated funds by type of purpose:					
Prizes and scholarships		1,097	264	1,361	1,239
Hardship funds		119	137	256	235
Travel awards and other		112	-	112	98
Lectures		-	279	279	260
Post and departmental support		534	-	534	498
		1,862	680	2,542	2,330
Analysis of consolidated funds by asset:					
Current and non-current asset investments				2,450	2,231
Cash & cash equivalents				92	99
				2,542	2,330

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

24 Restricted reserves						
Consolidated	Capital grants for restricted use assets	Other capital grants with restrictions	Restricted donations	Revenue grants with restrictions	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2023	57,284	-	6,376	188	63,848	64,154
Grant income	-	3,416	-	47,886	51,302	52,941
Donation income	-	-	1,466	-	1,466	1,387
Investment income	-	-	1	-	1	1
Capital grants with expired use restrictions	(490)	-	-	-	(490)	(333)
Expenditure	-	(3,416)	(2,589)	(47,896)	(53,901)	(54,299)
Decrease in market value of investments	-	-	3	-	3	(2)
Total restricted comprehensive income for the year	(490)	-	(1,119)	(10)	(1,619)	(306)
At 31 July 2024	56,794	-	5,257	178	62,229	63,848

Analysis of consolidated donations with restrictions by type of purpose:			2024	2023
			£'000	£'000
Post and departmental support			1,084	1,032
Prize funds			23	14
Other			4,150	5,330
			5,257	6,376

University	Capital grants for restricted use assets	Other capital grants with restrictions	Restricted donations	Revenue grants with restrictions	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2023	57,284	-	6,376	188	63,848	64,154
Grant income	-	3,416	-	47,886	51,302	52,941
Donation income	-	-	1,466	-	1,466	1,387
Investment income	-	-	1	-	1	1
Capital grants with expired use restrictions	(490)	-	-	-	(490)	(333)
Expenditure	-	(3,416)	(2,589)	(47,896)	(53,901)	(54,299)
Decrease in market value of investments	-	-	3	-	3	(2)
Reserves transferred from subsidiary	-	-	-	-	-	-
Total restricted comprehensive income for the year	(490)	-	(1,119)	(10)	(1,619)	(306)
At 31 July 2024	56,794	-	5,257	178	62,229	63,848

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

25 Pension schemes		
Different categories of staff were eligible to join one of three different schemes:		
<ul style="list-style-type: none"> Universities Superannuation Scheme (USS) The Local Government Pension Scheme (LGPS) which is administered by Leicestershire County Council The Teachers' Pension Scheme (TPS) 		
The total charge to the consolidated income and expenditure account (excluding finance expense) is noted below.		
	2024	2023
	£'000	£'000
Contributions paid to USS (excluding amounts paid under the USS deficit recovery plan)	16,890	15,857
Movement on USS provision	(106,092)	(3,250)
	(89,202)	12,607
LGPS	6,209	8,492
Other pension schemes	322	263
	(82,671)	21,362

(i) The Universities Superannuation Scheme (USS)

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 income and expenditure 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 (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

CPI assumption

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030

Pension increases (subject to a floor of 0%)

Benefits with no cap: CPI assumption plus 3bps

Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps

Discount rate (forward rates)

Fixed interest gilt yield curve plus:

Pre-retirement: 2.5% p.a

Post retirement: 0.9% p.a

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

Mortality base table

Mortality base table

Future improvements to mortality

2023 valuation

101% of S2PMA "light" for males and 95% of S3PFA for females

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

The current life expectancies on retirement at age 65 are:

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

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

25 Pension schemes (continued)

(ii) Local Government Pension Scheme (LGPS)

LGPS is valued every three years by professionally qualified independent actuaries using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuaries. In the intervening years, the LGPS actuary reviews the progress of the LGPS scheme.

For LGPS, the actuary has indicated in the 2022 valuation that the resources of the scheme are likely, in the normal course of events, to meet the liabilities as they fall due at the level specified by the LGPS Regulations.

Under the definitions set out in FRS102, the LGPS is a multi-employer defined benefit pension scheme. In the case of the LGPS, the actuary of the scheme has identified the University's share of its assets and liabilities as at 31 July 2024.

The pension scheme assets are held in a separate trustee-administered fund to meet long-term pension liabilities to past and present employees. The trustees of the fund are required to act in the best interests of the fund's beneficiaries. The appointment of trustees to the fund is determined by the scheme's trust documentation. The trustees are responsible for setting the investment strategy for the scheme after consultation with professional advisers.

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 would 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.

Assumptions	2024	2023
The financial assumptions used to calculate scheme liabilities under FRS102 are:	%pa	%pa
Pension increase rate (CPI)	2.75	3.00
Salary increase rate (RPI)	3.25	3.50
Discount rate	5.00	5.05

The pension increase assumption is set in line with the Consumer Prices Index (CPI) assumption. As a market in CPI linked bonds does not exist, an estimate is used to calculate the long-term gap between RPI and CPI to derive a CPI assumption for accounting purposes. These CPI assumptions are then adjusted to reflect 9 months of observed CPI experience resulting in final standard CPI assumptions of 2.75% over all time durations. A 0.1% change in assumption results in a change of £3.7m to the Defined Benefit Obligation, sensitivity of the obligation to the principle assumptions are outlined under critical accounting judgements in the statement of principal accounting policies.

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65 as at the latest Fund valuation date.

	Males	Females
Current pensioners	20.6 years	24.1 years
Future pensioners	21.2 years	25.4 years

Scheme assets and expected rate of return for LGPS	31 July 2024	31 July 2023
The assets in the scheme, measured at fair value, were:	£'000	£'000
Equities	115,590	115,675
Bonds	77,060	68,999
Property	13,599	14,206
Cash	20,398	4,059
Total	226,647	202,939

Analysis of the amount shown in the Balance Sheet

Scheme assets	226,647	202,939
Scheme liabilities	(194,794)	(186,095)
Pension Surplus not recognised	(31,853)	(16,844)
Deficit in the scheme	-	-

Analysis of the amount charged to staff costs within operating surplus

Current service cost	5,828	8,396
Past service costs (including curtailments)	381	96
Total operating charge	6,209	8,492

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

25 Pension schemes (continued)

	2024	2023
	£'000	£'000
Analysis of the amount charged to interest payable		
Interest cost on defined benefit obligation	9,424	8,010
Interest income on plan assets	(10,336)	(7,281)
Interest on the effect of the asset ceiling	851	-
Net (credit) / charge to interest and other finance costs	(61)	729

Analysis of other comprehensive income for LGPS

Return on assets excluding amounts included in net interest	9,855	(7,089)
Changes in financial assumptions	7,613	53,582
Changes in demographic assumptions	390	3,340
Other experience	(6,241)	(11,074)
Changes in the pension surplus not recognised	(14,158)	(16,844)
Total other comprehensive income before deduction for tax	(2,541)	21,915

Analysis of movement in the present value of scheme liabilities

Present value at the start of the year	186,095	227,048
Current service cost	5,828	8,396
Past service cost including curtailment	381	96
Interest cost	9,424	8,010
Actual member contributions	2,034	1,827
Actuarial gain	(1,762)	(52,924)
Actual benefit payments	(7,206)	(6,358)
Present value at the end of the year	194,794	186,095

Analysis of movement in the fair value of scheme assets

Fair value of assets at the start of the year	202,939	206,551
Interest income on plan assets	10,336	7,281
Actuarial gain / (loss) on assets	9,855	(7,089)
Actual contributions paid by University	8,689	7,803
Actual member contributions (including notional contributions)	2,034	1,827
Other Experience	-	(7,076)
Actual benefit payments	(7,206)	(6,358)
Fair value of scheme assets at the end of the year	226,647	202,939

Actual gain on scheme assets in the year	20,191	192
--	--------	-----

LGPS assets do not include any of the University's own financial instruments or any property occupied by the University.

The estimated employer's contribution payable to LGPS in the financial year 2024/25 is £8,307,000.

In determining the valuation of the Leicestershire County Council Pension Fund, a number of key assumptions have been made. The key assumptions, (discount rate, inflation rate and life expectancy), are largely dependent on factors outside the control of the University.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. This asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received, and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

The scheme surplus at 31 July 2024 has not been recognised, as it is not recoverable through economic value available to the University from potential reduced future contributions, based on conditions at 31 July 2024.

iii) Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts. As a result of the latest scheme valuation employer contributions were increased in April 2024 from a rate of 23.6 to 28.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

A copy of the latest valuation report can be found in the following link:

<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

26 Subsidiary undertakings

The University wholly owns or effectively controls the following subsidiary companies (all of which are registered in England and Wales with their registered office at Finance Office, Loughborough University, Loughborough, LE11 3TU):

Company name	Shareholding	Principal activity
Imago @ Loughborough Limited	100%	Market, sell and operate accomodation, catering and conference space located at Loughborough University.
Loughborough University Enterprises Limited	100%	Marketing of the expertise and facilities of the University in applicable specialist areas
Loughborough University Nursery Limited	100%	Provision of childcare services
Loughborough University Development Trust (non-trading)	Limited by guarantee	Promotion of the charitable purposes of the University

27 Associated undertakings

The Group has the following interests in associated undertakings:

Company name (registered office)	Shareholding	Principal activity
Dineticq Limited (ATIC, 5 Oakwood Drive, Loughborough, Leicestershire, LE11 3QF)	37.7%	Commercialisation of biomechanical research and development of a virtual coaching system.
Hazid Technologies Limited (35 - 37 St Mary's Gate Lace Market, Nottingham, Nottinghamshire, NG1 1PU)	24.5%	Provider of 'Knowledge Engineering Software and Services to the Global Process Industries'

The Group's share of the profit or loss for the year and the net assets of the associated undertaking is not material to these Financial Statements in either the current or prior year and has therefore been excluded from the consolidation.

The University holds no investment in the East Midlands Institute of Technology, a company limited by guarantee with the University's liability limited to a maximum of £1.

28 Connected charitable institutions

One charitable institution (Loughborough University Development Trust) is administered by or on behalf of the University and has been established for its general or special purposes. As a result, under paragraph 28 of Schedule 3 to the Charities Act 2011, this connected institution is exempt from registration with the Charity Commission. This charity is included as a subsidiary undertaking in these consolidated financial statements and the movements in the year on the total funds of the connected institution, as reported in its own accounts, were as follows:

	Loughborough University Development Trust £'000
At 1 August 2023	-
Income	-
Transfers to Loughborough University	-
At 31 July 2024	-

On 31 July 2018 the assets and operations of Loughborough University Development Trust were transferred to Loughborough University and the Trust ceased to operate on the same date. Transactions shown above represent income received in relation to agreements entered into by the Trust prior to ceasing to trade and the subsequent transfer of these assets to Loughborough University.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

29 Related party transactions

The University's Council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the compositions of the Council, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. 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. All balances outstanding at the year-end are held on normal credit terms and do not carry any interest.

	2024 Income £'000	2024 Expenditure £'000	Balance due to the University at 31 July 2024 £'000	Balance due from the University at 31 July 2024 £'000
Members of Council				
British Paralympic Association	116	-	20	-
Darktrace	150	-	-	-
East Midlands Institute of Technology	-	(57)	-	-
Engineering & Physical Sciences Research Council	12,155	-	2,103	-
Leicestershire County Council	108	(29)	32	-
Loughborough College	423	(205)	23	-
Loughborough Students Union	1,787	(2,059)	90	(1)
Royal Academy of Engineering	305	-	62	-
Royal Society	292	(1)	125	-
University of Leicester	300	(368)	203	(10)
Senior members of the University				
Charnwood Borough Council	1,780	(1,284)	-	(9)
LTA Operations Limited	1,646	(44)	150	(24)
East Midlands Institute of Technology	-	(57)	-	-
Football Association	60	-	21	-
Loughborough College	423	(205)	23	-
UK Research and Innovation	97	(7)	2	-
Associated undertakings				
Dineticq Limited	-	-	100	-
The total expenses paid to or on behalf of 16 council members were £4,900 (2023: £5,300 to 17 council members). This represents travel and subsistence expenses incurred in attending Council, Committee meetings and any other events in their official capacity. The University Officers and Members of Council have also had access to the catering, sporting and other facilities of the University on terms which are available to all members of University staff.				
The University has taken advantage of the exemption allowed by FRS102 not to disclose transactions between wholly owned group companies. No information has been listed above for organisations where income or expenditure is less than £50,000 in the current year.				
	2023 Income £'000	2023 Expenditure £'000	Balance due to the University at 31 July 2023 £'000	Balance due from the University at 31 July 2023 £'000
Members of Council				
Economic and Social Research Council	4,057	-	44	-
Loughborough Students Union	1,110	(39)	154	-
Santander UK	80	-	-	-
Charnwood Borough Council	362	(1,113)	-	-
University of Leicester	144	(111)	-	-
Engineering & Physical Sciences Research Council	11,688	-	1,162	-
Senior members of the University				
Leicestershire County Council	96	(1)	15	-
LTA Operations Limited	1,537	(1,632)	318	(1,372)
Loughborough College	257	(146)	15	-
Institute of Mathematics and its Applications	-	(54)	-	-
Office for Students	-	(170)	-	-
Manufacturing Technology Centre	-	-	201	-
Associated undertakings				
Figura Analytics Limited	-	-	92	-
Dineticq Limited	-	-	100	-

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

30 Consolidated reconciliation of net debt				
	At 1 August 2023	Cash flows	Non-cash changes	At 31 July 2024
	£'000	£'000	£'000	£'000
Cash in hand	41,186	(13)	-	41,173
Current investments	103,000	(12,000)	-	91,000
Debt due within one year	(5,733)	(111)	(27)	(5,871)
Debt due after one year	(95,227)	5,501	370	(89,356)
	43,226	(6,623)	343	36,946
Fixed investments	3,010	9	258	3,277
Total	46,236	(6,614)	601	40,223

31 Financial commitments	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Commitments contracted	26,131	27,503	25,387	26,675

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

Consolidated	Land and buildings	Plant and machinery	Other leases	2024	2023
				£'000	£'000
Payable during the year	1,053	228	2,307	3,588	5,108

Future minimum lease payments due:

Not later than one year	1,053	216	1,010	2,279	3,444
Later than one year and not later than five years	5,053	53	362	5,468	6,135
Later than five years	1,441	-	-	1,441	1,386
Total lease payments due	7,547	269	1,372	9,188	10,965

University	Land and buildings	Plant and machinery	Other leases	2024	2023
				£'000	£'000
Payable during the year	1,053	155	2,307	3,515	5,072

Future minimum lease payments due:

Not later than one year	1,053	157	1,010	2,220	3,369
Later than one year and not later than five years	5,053	51	362	5,466	6,067
Later than five years	1,441	-	-	1,441	1,386
Total lease payments due	7,547	208	1,372	9,127	10,822

Significant leases include the lease of the London campus (included in land and buildings), sports equipment (plant and machinery) and software licences (other).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2024

32 Leases receivable	Consolidated		University	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At the Balance Sheet date, the following future minimum lease payments were receivable from tenants under operating leases for land and buildings:				
Future minimum lease payments receivable:				
Not later than one year	2,641	2,433	3,821	3,363
Later than one year and not later than five years	5,651	5,077	8,104	8,797
Later than five years	1,580	1,181	4,413	21,831
Total lease payments receivable	9,872	8,691	16,338	33,991

Significant leases include the lease of hotel and conferencing facilities to a subsidiary company and leases to tenants of the University's Science and Enterprise Park.


33 Events after the reporting period


There are no events after the reporting period requiring disclosure.


Loughborough University
Leicestershire LE11 3TU


T: +44 (0)1509 222 222
E: enquiries@lboro.ac.uk

lboro.ac.uk

 [@lborouniversity](https://twitter.com/lborouniversity)
[@lborolondon](https://twitter.com/lborolondon)

 [/lborouniversity](https://www.facebook.com/lborouniversity)
[/lborolondon](https://www.facebook.com/lborolondon)

 [/lborouniversity](https://www.youtube.com/lborouniversity)
[/lborolondon](https://www.youtube.com/lborolondon)

 [/lborouniversity](https://www.instagram.com/lborouniversity)
[/lborolondon](https://www.instagram.com/lborolondon)