



Statement *of Accounts* 2024/25

For the year ended 31 July 2025

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Double Gold for our consistent teaching excellence

Teaching Excellence Framework 2017 and 2023



Award-winning Science and Innovation Park

UK Science Park Association 40th Anniversary Awards

80%

of our research was classified as world-leading or internationally excellent

Research Excellence Framework, 2021



Top 10 for student satisfaction in 15 subjects

NSS 2025, broad-based English universities

Global Sustainability Institution of the Year

Green Gown Awards, 2021



Council Members *and* Professional Partners

The following were members of Council for the period from 1 August 2024 to the date the Financial Statements were *approved* (unless noted):

Council Members

Members Ex-Officio

The Pro-Chancellor
Michael Farrar, CBE

The Deputy Pro-Chancellors

Richard Barnes (until 31 August 2024)
Sally Bucknell
Richard Callaway (until 31 August 2025)
Simon Greenhalgh (from 1 September 2024)
David Brown (from 1 September 2025)
David Hall (from 1 September 2025)

The Vice-Chancellor

Professor Trevor McMillan, OBE
(until 31 August 2025)
Professor Kevin Shakesheff
(from 1 September 2025)

The Treasurer

David Hall

The Deputy Vice-Chancellor & Provost

Professor Mark Ormerod

Members of University Staff

Emma Colley
Dr Masi Noor (until 31 August 2024)
Dr Shalini Sharma (until 31 August 2025)
Dr Abigail Roberts (until 31 August 2025)
Dr Chrystelle Egger
(from 1 September 2024)
Dr Bleddyn Davies (from 1 September 2025)
Dr Thomas Shepherd
(from 1 September 2025)

Lay Members appointed by the Council

Ruth Bagley
Tracy Bullock (until 31 August 2024)
David Brown (until 31 August 2025)
Jane Burns
Simon Constable (from 1 April 2025)
Stuart Davies (from 1 September 2025)
Tim Forman
Simon Greenhalgh (from 1 September 2023 to 31 August 2024)
Andrew Harris (from 1 September 2025)
Hifsa Haroon-Iqbal, OBE
Tariq Khan (from 1 September 2025)
Sherree Schaefer
Dr Lesley Thompson, MBE

Student Representatives

Tom Robinson (from 1 July 2024 until 16 January 2025)
Anne George (from 1 July 2024)
Sophie Borman (from 17 January 2025)

In attendance

Dr Mark Bacon
Chief Operating Officer
(until 10 July 2025)
Simon Parkes
Interim Chief Operating Officer
(from 11 July 2025)

In attendance (cont.)

Pascale Vermassen
Chief Financial Officer
(from 27 November 2023)
Frances Hewison
Chief People Officer
Clare Stevenson
Secretary to Council
(until 3 October 2025)
Simon Pakes
Interim Secretary to Council
(from 4 October 2025)

Professional Partners

External Auditors

PKF Littlejohn LLP
15 Westferry Circus
Canary Wharf
London
E14 4HD

Bankers

National Westminster Bank
High Street
Newcastle-under-Lyme
Staffordshire ST5 1PP

Internal Auditors

UNIAC
Oxford Road
Manchester
M1 7ED

University Status

The University of Keele (trading as Keele University) was established by Act of Parliament and the granting of a Royal Charter in 1962. Prior to this, the University was founded as the University College of North Staffordshire in 1949. The University is a charity, but it is not a "Registered Charity". Instead, it holds charity status as one of the exempt charities listed in Schedule 2 of the Charities Act 1993 (an exempt charity is exempt from certain requirements, notably the need to register with the Charity Commission). The University preserves its exempt status under the Charities Act 2011 and the Office for Students (OfS) is the University's principal regulator. Although the University is not a company, it has a Companies House registration number of RC000655 as a Company Incorporated by Royal Charter in England and Wales. Royal Charter companies are not obliged to register any documents with Companies House.

Introduction from the Vice-Chancellor

As I embark upon my first academic year as Vice-Chancellor of Keele University, I have taken time to reflect on the profound commitment to the University's mission demonstrated by all those I have met, and on the exceptional achievements that this dedication has made possible.

Prior to joining Keele, I was struck by the breadth and depth of the University's endeavours – applying its research, expertise, and knowledge to create meaningful impact locally, nationally, and internationally. Now, having become part of this community, it is evident that this strong commitment to advancing knowledge for the public good, and to inspiring future generations of leaders to do likewise through our teaching, lies at the heart of Keele's most notable accomplishments.

Our excellence in teaching is a particular source of pride, and it was therefore pleasing to see such strong results in this year's National Student Survey. A total of fifteen Keele subjects were ranked among the top ten in England (among broad-based universities) in the 2025 NSS, including an outstanding result for the Harper Keele Veterinary School, which was ranked number one in the UK for Veterinary Medicine – in the very year its pioneering cohort graduated. We are deeply grateful to our students not only for taking the time to share their experiences, but for their thoughtful and constructive feedback. Their insights not only affirm what we do well but also guide us in identifying areas where we can continue to enhance the student experience.

Keele's contribution to our local area and the wider West Midlands region remains a defining part of who we are. This year saw significant progress on several major projects that have been many years in development. We began 2025 with the opening of **Keele in Town** – our new base in Newcastle-under-Lyme town centre – marking the first time in the University's history that Keele has established a dedicated presence in the heart of the town. This multi-functional facility serves as a vibrant hub for connection, engagement, and collaboration, hosting a diverse range of activities. From our School of Law's legal advice clinics to business support workshops delivered by Keele Business School, Keele in Town is already demonstrating its immense value and potential for future growth.

Our campus community also expanded this year with the arrival of renowned tyre manufacturer **Michelin** who relocated its UK head office to our Science and Innovation Park, citing Keele's innovative approach to sustainability and the dynamic working environment we offer as key factors in their decision. We are delighted to welcome them to our community and look forward to the new opportunities this collaboration will bring.

This year also marked the centenary of the city of **Stoke-on-Trent** – a milestone in which Keele was proud to play an active role. Among many contributions, Dr Lisa Blower's project to establish a literary canon for the city – curating 100 Books for 100 Years – has been particularly inspiring. The initiative engaged hundreds of people across the region, celebrating the rich literary and cultural heritage of Stoke-on-Trent, and stands as a powerful example of how Keele's scholarship contributes to the region's identity and legacy.

Our research community has continued to deliver work of outstanding quality and impact, addressing some of the most pressing challenges of our time. From collaborations with industry to enhance crop resilience against disease, to innovative forensic studies uncovering the secrets of hidden wartime bunkers in Staffordshire, and even capturing the first close-up images of a dying star beyond our galaxy – Keele researchers have been at the forefront of advancing knowledge that shapes lives, policy, and perspectives around the world.

None of this would be possible without the extensive network of partners with whom we collaborate. This academic year, we have signed and renewed several important agreements that will strengthen our shared ambitions. These include partnerships to support transnational education and research, as well as new commitments with further education colleges in Cheshire and Shropshire to expand opportunities for learners. At Keele, we recognise that progress is best achieved together, and I look forward to deepening these relationships in the years ahead.

Collaboration has also been the driving force behind the establishment of **ResearchPlus** – a new consortium of which Keele is a proud founding member. The initiative brings together universities that play a critical role within the UK's research and innovation ecosystem, combining research excellence with a strong commitment to research-informed teaching and advanced skills development. Partners are now working to develop a collective programme of engagement and collaboration, and I am eager to see the impact this partnership will have as it evolves.

Keele's beautiful campus is one of its most distinctive and inspiring features, and I have greatly enjoyed learning about the rich history and stories that make it such a special place. Of particular note is the University's internationally significant collection of flowering cherry trees, which this year drew the attention of His Excellency **Hiroshi Suzuki**, Japan's Ambassador to the United Kingdom. During his visit, the Ambassador presented Keele with a prestigious Certificate of Commendation – a moment of immense pride for the University, and a symbol of the enduring friendship between Japan and the UK.

Over recent months, I have also greatly enjoyed meeting members of the Keele community – students, staff, alumni, and partners alike. Even before I arrived, I was deeply inspired by the stories of our students and graduates, whose achievements reflect the spirit of resilience, compassion, and ambition that defines this institution. From Scott Bailey, whose determination saw him graduate with a Master's in Counselling and Psychotherapy despite significant sight loss, to Spencer Wadsworth, who ran the London Marathon in support of the charity that aided him after losing the use of his arm, to alumnus Oliver Christian, now His Majesty's Trade Commissioner for North America and Consul General to New York – these stories exemplify the strength and character of the Keele community.

We are, of course, operating within a challenging environment for higher education in 2025. Keele, like many universities, faces uncertainty and external pressures. Yet, in reflecting on the achievements of the past year, I am inspired by the resilience, adaptability, and shared purpose that have always defined this University. These qualities give me great confidence that Keele will continue not only to withstand these challenges, but to thrive – achieving new successes and making ever greater contributions to society in the years ahead.

I would also like to take this opportunity to acknowledge and thank my predecessor, **Professor Trevor McMillan**, whose leadership and commitment over many years have left a lasting legacy and positioned Keele strongly for the future. Building on that foundation, I am confident that together we will continue to advance Keele's mission – fostering innovation, opportunity, and impact locally and globally.

Professor Kevin Shakesheff
Vice-Chancellor

2024/25

Notable Achievements

In 2024/25, Keele University continued to be recognised as a sector leader in sustainability and planetary health across multiple national and international benchmarks:

Keele University once again demonstrated global leadership in sustainability within health education:

- Ranked 1st globally in the 2025 Planetary Health Report Card (PHRC) for Medicine – for the sixth consecutive year.
- For the first time, Keele also achieved 1st place globally in Pharmacy and Physiotherapy, marking a significant expansion of its excellence in planetary health education.

These outstanding results were driven by student-led submissions, supported by staff, showcasing Keele’s commitment to empowering learners as sustainability leaders. This recognition reflects Keele’s strategic integration of sustainability across health curricula and its broader institutional commitment to planetary health.

Keele Business School (KBS), a Principles for Responsible Management Education (PRME) signatory, was again recognised for its commitment to sustainability, interdisciplinary learning, and responsible leadership.

Key initiatives include:

- A published School Sustainability Strategy and Societal Impact Plan, outlining ambitious goals for carbon literacy, curriculum development, and responsible management.
- The SDG Passport, a flexible tool enabling students to track and showcase their engagement with the UN Sustainable Development Goals (SDGs) across curricular and extracurricular activities.
- Active Staff-Student Sustainability Group and participation in Global Goals Week, fostering student-led sustainability projects.

Notable student impact, including:

- Nadeesha Polwaththage, PhD student, representing KBS at the UN Business & Human Rights Forum in Geneva.
- Elliott Lancaster, KBS alumnus, awarded an MBE for services to youth empowerment and sustainability.

KBS continues to grow its global influence through the PRME Champion Project, international partnerships, and recognition in the Top 40 Corporate Knights Ranking, reinforcing its role as a leader in responsible management education



Elliott Lancaster, MBE



3 Star Gold Food Made Good Standard – Awarded by the Sustainable Restaurants Association



Nadeesha Polwaththage, PhD student

Keele University’s Events and Conferencing team achieved two prestigious sustainability accreditations, reinforcing the University’s leadership in environmentally responsible hospitality:

- 3 Star Gold Food Made Good Standard – Awarded by the Sustainable Restaurants Association, this accreditation recognises excellence in sustainable food sourcing, service, and practices across Keele’s conferencing offer and campus food venues.
- ECOSmart Platinum Certification – The highest level of accreditation from Greengage, acknowledging Keele’s commitment to delivering events that prioritise environmental responsibility and sustainable operations.

These achievements reflect the University’s holistic approach to sustainability and ensure that delegates experience high-quality, low-impact events.

Keele University achieved a notable rise in the People & Planet University League, the UK’s leading independent ranking for environmental and social sustainability in higher education. Climbing 14 places to 45th, Keele is now firmly positioned within the Top 50 institutions nationally and is the highest-ranked university within the Midlands Innovation group, and top-performing institution in the local area.

The University was again recognised as a world-leader in advancing social equity with a Top 30 world ranking in Reduced Inequalities category of the Times Higher Education Impact Rankings, which assess universities’ contributions to the United Nations Sustainable Development Goals (SDGs) and saw over 2300 institutions entering in 2024/25.

STRATEGIC REPORT

Highlights of the year



1 Keele in Town, our new base in Newcastle-under-Lyme, was opened in January 2025. The space brings Keele University into our local town centre for the first time in its history, where Staffordshire businesses and non-profit organisations can shine, along with areas for Keele students and staff to get together, to study, and to connect with the community.



2 We were privileged to welcome Ambassador Hiroshi Suzuki, the Japanese ambassador to the UK, to campus this year to visit our internationally-renowned collection of cherry trees, including bestowing a Certificate of Commendation on the University.



3 The National Student Survey results published in the summer saw Keele University ranked among the Top 10 in England for a total of 15 different subject areas, including the Harper Keele Vet School ranking No.1 in the UK for Veterinary Medicine.



4 The first ever cohort of the Harper Keele Vet School graduated and joined the veterinary workforce at this year's summer graduation ceremonies, with many having secured jobs prior to finishing their studies.

5 Michelin became one of the latest companies to join the Keele community, as a new tenant on our Science and Innovation Park. The renowned company relocated their UK head office to Innovation Centre 2 in the Spring, with members of its UK commerce and group services teams operating from the new office, highlighting the Park's ongoing success and ability to attract global businesses.

6 We hosted Byline Festival on campus for the first time ever this year, with a weekend of inspiring talks, comedy, workshops and live music hosted over the course of the weekend. Speakers included Carol Vorderman, Nazir Afzal, Carole Cadwalladr, Kate Raworth, Lord Victor Adebowale, and many more providing an eclectic and stimulating mix of discussions.

7 Keele was a founding partner of the Research Plus consortium, which was launched this year to give a collective voice to universities that constitute a critical element of the UK's research and innovation system, and to enhance the strength of the UK's research and innovation base.



8 We hosted a "Marvellous" reunion on campus during this year's summer graduation ceremony when we awarded an honorary degree to beloved actor Toby Jones. Not only did we welcome Toby to campus to celebrate his remarkable achievements in acting, but we were also delighted to reunite him with our very own Neil "Nello" Baldwin, who was played by Toby in the film "Marvellous" released in 2014.



9 Our work with partners both locally and internationally took significant steps forward, with new partnership agreements signed, existing agreements formalised, and the first projects starting to take place. These have included agreements signed internationally with Morocco, Pakistan, Malaysia to further our research and transnational education, to local partnerships with further education colleagues at Telford and South Cheshire Colleges to advance opportunities for local learners.

10 We presented at UKREiF to announce our plans for Keele Innovation District, which builds on the success of our existing Science and Innovation Park. The Keele Innovation District will feature almost 1,000,000ft² of specialist workspace, lab space, and research and development facilities, alongside an open innovation hub, indoor and outdoor social and meeting spaces, and enhanced sustainable and active travel options.



2024/25

Financial Highlights

Overview

The University's total adjusted operating surplus for the year, excluding the impact of the actuarial movements in staff costs, showed a marked improvement, moving from a £2.0m deficit in 2023/24 to a £2.8m surplus in 2024/25, representing 1.3% of total income.

This positive turnaround was achieved through a combination of strategic income growth and disciplined expenditure management (both pay and non-pay). The University continued to expand its income base while maintaining tight control over operating costs, ensuring expenditure remained aligned with available resources. Importantly, this prudent financial management enabled the University to maintain a balanced cash position, with no net cash outflow during the year, thereby safeguarding financial stability and supporting ongoing operational activities.

The improvement in the adjusted operating surplus demonstrates the University's commitment to sustainable financial management, providing a strong foundation for future investment in academic, research, and infrastructure priorities.



Surplus/ (Deficit) Before Other Gains and Losses

The University's adjusted operating surplus, excluding actuarial adjustments in staff costs, improved by £4.8m, moving from a £2.0m deficit in 2023/24 to a £2.8m surplus in 2024/25. This reflects improved operational efficiency, controlled cost growth, and strong performance across key income streams.



Income Review

Total income

£213.3m

Total income increased by £6.2m (2.9%) to £213.3m (2023/24: £207.1m). Growth was primarily driven by higher tuition fee and research income, supplemented by improved other income and endowment contributions.



Tuition fees and education contracts rose by **£3.0m**

Tuition fees and education contracts rose by £3.0m (2.8%) to £105.7m, reflecting improved continuation rates and sustained growth in home undergraduate recruitment over the past three years, contributing approximately £2.3m. Further growth was achieved in Postgraduate Taught (PGT) Home recruitment (£1.4m) and apprenticeship income (£0.3m). These gains were partially offset by a £1.2m reduction in income from international postgraduate students, reflecting a lower intake during the year.



Funding body grants decreased by

£2.3m



Funding body grants decreased by £2.3m (7.4%) to £31.3m, primarily due to a £1.2m reduction in QR funding and a £2.6m fall in OFS Capital Grant income following the completion of the competitive capital funding grant (2022-23 - 2024-25). These reductions were partly offset by an increase of £1.5m in teaching grants with increased funding for high cost subjects.

Research income increased by **£4.2m**

Research income increased by £4.2m (17.9%) to £23.7m, with notable growth of £2.1m (16.7%) from UK Central Government sources. Research capital income also rose by £1.1m, reflecting continued success in securing external research funding and infrastructure support.



Other income increased by **£1.7m**

Other income increased by £1.7m (3.4%) to £50.0m, mainly attributable to Town Deal income and annual uplifts in Keele Residential Funding.



Investment income decreased by **£0.7m**

Investment income decreased by £0.7m to £1.4m (2023/24: £2.2m), reflecting lower average cash and investment balances and market movements.



Donations and endowments rose by

£0.4m

Donations and endowments rose by £0.4m to £1.2m, highlighting increased philanthropic support for strategic University initiatives.



Expenditure Review

Total expenditure for 2024/25 was £210.9m (2023/24: £141.7m). After excluding the actuarial adjustments in staff costs for both years (£0.4m in 2024/25 and £67.4m in 2024/25), underlying expenditure increased by £1.4m (0.7%), a testament to continued cost discipline and inflation management, including staffing reductions.

Staff costs, excluding severance and actuarial adjustments, totalled £109.8m (52% of total income) compared with £111.5m (54%) in 2024/25. The movement reflects the full-year impact of the USS employer contribution change and an overall reduction in staff FTE, offset by higher employer national insurance contributions.

Other operating expenses increased by £5.6m to £111.5m (2023/24: £105.9m), driven primarily by higher research-related costs associated with increased project activity (£4.3m) and investment of £1.0m in the Windows 11 upgrade programme, supporting ongoing digital infrastructure improvements. Other expenditure areas were maintained within controlled limits, consistent with the University's continued focus on efficiency.



Cash Generation and Liquidity

The University's overall cash position remained stable year on year. Cash generated from operating activities rose to £8.2m (2023/24: £3.0m), reflecting improved operational performance and stronger working capital management.

During the year, £2.4m was invested in non-current assets, funded partly by capital grant receipts and investment income. Financing outflows totalled £6.0m, relating to the repayment of borrowing and finance lease obligations, together with interest payments.

At 31 July 2025, the Group held cash and cash equivalents of £17.5m (2023/24: £17.6m) and fixed asset investments of £27.9m (2023/24: £29.1m). The University also maintained access to £25.0m in undrawn revolving credit facilities, providing flexibility and resilience to support strategic priorities.

The net operating cash inflow represented 3.9% of income, an increase from 1.5% in 2024/25, reflecting stronger cash generation and underlying operational health.

Capital expenditure **£10.5m**

Capital expenditure for the year totalled £10.5m (2023/24: £20.8m), excluding finance leases. Of this, £5.3m was externally funded, supporting key strategic projects including the Newcastle Town Deal, Hydrogen Development Knowledge Exchange Programme, Office for Students Competitive Capital Grant and the Huxley Insectary Project.

Additional capital investment included fire safety enhancements within student accommodation, a range of planned minor works delivered by the Estates team, and the repurchase of two properties, ensuring continued investment in the quality and safety of the campus environment.



STRATEGIC PLAN – OUR FUTURE

Strategic performance

The University Strategic Vision “Our Future”, sets out five key tenets of a successful university, Purpose, People, Place, Partnerships and Performance. Over recent years, these five themes have provided a framework through which the University has made sound decisions to pursue its ambitions, in the midst of some challenging environments.

Purpose

Keele’s founding missions was to be “making a difference in society by providing innovative, high-quality education for students from all backgrounds and by undertaking world-leading research that transforms understanding and brings benefit to society, communities and individuals.” Our purpose remains true to that founding principle and the University has significantly expanded our educational provision through bringing a suite of new programmes at undergraduate and postgraduate level into development for future recruitment and also engaging on an ambitious programme of curriculum re-design for established programmes in the market. We continue to use our education portfolio to enhance and drive performance across our education, research and international mission, with research and education at the heart of our purpose at Keele.

People

Keele’s community is founded on its people: staff, students and partners. Our principles of collegiality, ambition, accountability, respect, fairness and consistency inform all that we do. Our academic colleagues continue to be at the forefront of our education and research ambitions. Our staff have remained committed to our student community this year, ensuring that they are in receipt of a quality educational experience, in an intellectually stimulating and challenging environment.

Place

‘Our Future’ is clear that Keele University is much more than our beautiful 600-acre campus. Whilst we remain committed to our place in North Staffordshire, and this resides as a key focus for our efforts to help the economy of the region, as well as our broader place within society, we equally have been able to celebrate the flexibility and adaptability agile working can bring to our workforce and student body.

Partnerships

Our mutual commitment with our partners continues to be vital to the success of the institution. Our partnership with the NHS remains a key priority for us, as do our academic collaborations, such as with Harper Adams University, with whom we share the Joint Veterinary Sciences School and the Newcastle and Stafford Colleges Group, who amongst other things, we partner with on a new Institute of Technology in Stafford.

We continue to build international partnerships, through a combination of research partners and collaborative educational provision. Our ambitions internationally will feature partnerships at their heart and opportunities continue to develop in countries such as China, Nepal, Sri Lanka, India, Greece and many others as well as on campus with our Navitas partnership of the Keele University International College (KUIC).



Performance

Our performance is evident through a broad range of measures; we continue to recruit good levels of students; hold a second successive ‘Gold’ TEF ranking; our research impact and performance continues to demonstrate improvement; our regional and local links and impact are increasingly evident. Our Academic Delivery Plan combined systematic new programme development, with strategic advances in areas of research, inclusivity and leadership development which will ensure that Keele is well positioned to respond to emerging opportunities and challenges, whilst continuing to deliver against our strategic objectives.

 ‘Gold’ TEF ranking; our research impact and performance continues to demonstrate improvement



Going Concern

Net cash generated from operating activities for 2024/25 was £8.2m, or 3.9% of turnover (2023/24: £3.0m, 1.5%). This reflects the University’s continued focus on generating an operating surplus, which provides the foundation for strengthening cash flow and funding strategic investment in campus buildings and infrastructure.

Cash and cash equivalents decreased only marginally, from £17.6m at 31 July 2024 to £17.5m at 31 July 2025. The reduction reflects that the cash generated from operating surplus, together with the scheduled drawdown of the KRF investment, was broadly sufficient to cover the University’s capital expenditure, debt repayments, and contributions to the Keele Superannuation Scheme deficit. This demonstrates prudent management of cash while continuing to support key priorities.

The University also holds approximately £8.0m in fixed asset investments in liquid funds, which could be accessed on short notice if required. Most external loan funding – £54.6m (2023/24: £56.6m) is long-term, and a £25m revolving credit facility is available to support liquidity when needed. Cash flow forecasts indicate that the University can maintain sufficient liquidity across the short, medium, and long term.

The University’s primary source of income, UK undergraduate tuition fees, increased to £9,535 per year from £9,250, effective 2025-26, following many years of no price increases. Further increases aligned with inflation from 2026-27 have been announced by the Government in the Post-16 White Paper, subject to quality thresholds, which are yet to be published by the OfS.

The University has also introduced a financial savings plan for 2025/26 and continues to maintain detailed cash flow monitoring. Together, these measures provide the University Council with confidence that the University has sufficient resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of signing these financial statements.

The Group and University’s activities, together with the factors likely to affect their future development, performance, and position, are set out in the Strategic Report, which forms part of the Council’s Report. The Council’s Report also describes the financial position of the University, including cash flows, liquidity position, and borrowing facilities.

The financial statements have been prepared on a going concern basis, which the Council considers appropriate for the following reasons. Cash flow forecasts for a period of 13 months from the date of approval of these financial statements (the going concern period) indicate that, even under severe but plausible downside scenarios, the Group and University will have sufficient funds to meet their liabilities as they fall due.

In reaching this conclusion, the Council has considered:

- **Cash flow forecasts:** including a base forecast and severe but plausible downside scenarios, tested against bank covenants and the OfS liquidity requirements. Mitigating actions, such as short-term cost reductions, have been identified if needed.
- **Operating performance:** the Group and University are budgeting to achieve an operating surplus and a net cash inflow from operating activities over the going concern period and in subsequent years.
- **Student numbers:** the September 2025 intake is higher than budgeted for 2025/26, supporting increased revenue generation.
- **Liquidity facilities:** the University has access to a £25m revolving credit facility with Barclays Bank until December 2030. No additional borrowing facilities are required, and no banking covenants have been breached or are expected to be breached during the going concern period.

Taking these factors into account, the Council is confident that the Group and University will have sufficient resources to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

These financial statements are presented in sterling (rounded to £’000), which is the functional currency of the Group.

Gender Pay Gap

Building on the University's founding principles, our commitment to promoting equity and valuing diversity is at the centre of our efforts to ensure that all staff and students have the opportunity to flourish and fulfil their potential. Therefore, addressing Keele's Gender Pay Gap (GPG), is a priority within Keele's equity, diversity and inclusion action plans.

For 31st March 2024, we reported a mean GPG of 16.9% and a median GPG of 24.4%. These figures were a small improvement in both the mean (by 0.7 %pts) and median (by 0.5 %pts), relative to 31st March 2023. A full pay gap report can be found on the University website, together with other equity, diversity and inclusion reports. Data, as yet unpublished, for 31st March 2025 indicate a notable fall in the median figure (5 %pts), bringing Keele more in line with some other broad-based universities.

The GPG includes every worker and employee. Keele has a high proportion, and number, of women occupying lower paid administrative, operational and casual roles (e.g. student ambassadors). In 2024, women made up 72% of employees in the lowest paid quarter, and 51% of employees in the highest paid quarter, with female representation falling further at the highest grade (41% female at grade 10).

Keele's approach to the GPG includes addressing over-representation of women in lower paid roles and helping to promote women's career progression at all levels. In recent years we have:

- committed to paying the Real Living Wage;
- reduced the total number of low paid casual workers;

- encouraged male participation in lower-paid roles (administrators, domestic assistants and casual roles – student ambassadors, simulated patients and social work user group roles);
- developed our recruitment processes to encourage a wide applicant pool and reduce risk of bias;
- offered women's development programmes (Springboard, Aurora and a Women in Leadership apprenticeship) in addition to wider Organisational Development opportunities for all staff; and
- offered promotion workshops for academic staff.

Much of our work on gender equality, to date, has been through the framework of Athena Swan, of which Keele has been a member since September 2005. Keele currently holds an Athena Swan Bronze award and departmental awards in all eligible2 academic Schools (4 Silver and 6 Bronze). Faculty Deans have been provided with GPG data in their areas, by Faculty and School, and together with their Faculty EDI Groups, have prioritised their GPG actions.

We recognise that professional service staff (PSS) have been less supported by the Athena Swan charter, due to its history and development, and we have stepped up action within these areas, providing PSS GPG data, by directorate and faculty, and developing a specific GPG action plan for Directors and Heads of Faculty Operations, to enhance our institutional Athena Swan action plan.

Ethical Investment Code of Practice

Keele University's Ethical Investment Code of Practice aims to ensure that its investments are managed in a productive but socially responsible manner which reflects the mission and values of the University. It is based on the premise that the University's choice of where to invest should be in line with its strategic aims and its environmental, social and ethical values. The Business Review Committee, on behalf of Council, actively monitor and take a view on the ethical position of the University's investments. In particular, the Committee may advise against investment in areas which it considers to be ethically unacceptable.

Sustainability and Carbon Reduction

Governance Framework for Sustainability and Impact

In 2024/25, Keele University launched a new Sustainability Governance Model to advance its institutional commitment to the United Nations Sustainable Development Goals (UN SDGs). Central to this is the establishment of the SDG Impact Committee, chaired by Professor Mark Ormerod OBE, Deputy Vice-Chancellor and Provost. This committee provides strategic oversight of Keele's sustainability agenda across six thematic areas:

1. Sustainable Operational Strategy & Planning
2. Responsible Consumption & Waste Management
3. Natural Environment Maintenance, Restoration & Development
4. Education and Research for Sustainable Development
5. Staff & Student Equity, Diversity & Inclusion, Health & Wellbeing
6. SDG Communications, Engagement & Partnerships

This University-wide approach ensures sustainability is integrated across all areas – from operations and curriculum to research and community engagement – with active involvement from academic staff, professional services, and students. It provides a coordinated structure for monitoring progress, fulfilling reporting requirements, and enhancing performance in national and international sustainability rankings, and enables the University to meet its obligations as a signatory to key sector frameworks, including the SDG Accord and the Concordat for Environmental Sustainability in Research.

Sustainable Energy and Carbon Reduction

Keele University continues to demonstrate continued commitment to climate action and energy efficiency. A 3.5% reduction in carbon emissions was achieved compared with 2023-24 reporting year, including a 7% reduction in gas consumption. Keele ranked 4th nationally in the UK higher education sector for renewable energy generation, producing 6,253 MWh. The University also exported 627 MWh of electricity back to the national grid, placing Keele in the top 5 nationally for electricity export.

The Low Carbon Energy Generation Park continues to play a vital role in advancing research into smart energy systems and biodiversity. Demonstrating Keele's continued leadership in clean energy innovation, a hydrogen fuel cell system has been introduced comprising a hydrogen refuelling cube, electrolyser, and on-site hydrogen storage. This infrastructure enables the production of green hydrogen using renewable electricity generated on campus. The system supports the refuelling of two Toyota Mirai hydrogen fuel cell vehicles, which are used by the University and showcased in public demonstrations. By integrating Keele's energy generation facilities with the Smart Energy Network Demonstrator (SEND), the initiative explores and optimises green hydrogen production, contributing to key research and innovation in low-carbon technologies.

A comprehensive carbon emission baseline and decarbonisation roadmap was developed in partnership with Equans. This work provides a detailed understanding of the University's emissions profile, infrastructure, and strategic opportunities for campus-wide decarbonisation – enabling a focused approach to planning the next phase of the University's net zero journey.

Regional Leadership and Engagement in Climate Action

Keele University co-leads the Staffordshire and Stoke-on-Trent Climate and Nature Commission alongside the Staffordshire Wildlife Trust, convening a cross-sector network committed to accelerating climate and nature recovery. In 24/25, the University continued to deliver Continuing Professional Development (CPD) for business and public sector organisations across Staffordshire and the West Midlands, with approximately 150 learners completing courses on Net Zero and Smart Energy, Place-based Decarbonisation, and bespoke training for Staffordshire Moorlands District Council, Stafford Borough Council, and Cannock Chase District Council. Keele also collaborated with Staffordshire County Council on the Innovate UK-funded Green Skills for Growth project, providing a baseline for developing a green skills strategy for the county.

Throughout 2024/25, the University led the community-centric design and engagement of a Net Zero Neighbourhood in Brockmoor, Dudley, in partnership with Dudley Council, Equans, Connected Places Catapult, and others. Funded by the West Midlands Combined Authority, this project takes a place-based approach to carbon reduction through improvements to home energy systems, travel, and green infrastructure. Learning from this initiative is informing six other Net Zero Neighbourhoods across the West Midlands as part of the Department for Energy Security and Net Zero's Local Net Zero Accelerator programme.

Keele University hosted the West Midlands Climate Ambassadors Hub launch at Keele Hall in September 2024, attended by sustainability leads from nurseries, schools, and colleges across the region. Keele University is the West Midlands regional hub and, in its first year, has recruited over 100 Climate Ambassadors – experts from industry – who have had over 300 interactions with education settings, meeting Department for Education KPIs five months early. The hub also hosted Keele undergraduate student placements, supporting local climate action.

Education for Sustainability

2024/25 saw the graduation of the first cohort of Global Challenge Pathway students, who explored interdisciplinary challenges aligned with the UN SDGs across themes such as Social Justice, Global Health, Climate Change & Sustainability, and Digital Society.

These pathways run alongside students' main degrees, fostering critical thinking and global citizenship, with Social, Environmental and Ethical Responsibility being one of Keele University's four core graduate attributes.



PUBLIC BENEFIT STATEMENT AND IMPACT

Public Benefit

Keele University is an exempt charity. In respect of the Charity Commission’s guidance on public benefit, the Council has highlighted some of the ways in which the University has had a positive impact on society during 2024/25.

Research that improves lives

- Researchers at Keele embarked on a new study to help improve the early detection of ovarian cancer, which could benefit thousands of women every year. Working with Cancer Research UK, the team led by Dr Sarah Gosling hope to refine the ways in which signs of cancer can be identified in ovarian tissue, meaning it can be detected at an earlier stage to improve patient treatment and outcomes. Using the latest scientific methods including X-ray scattering, the Keele team hope to identify specific biological markers in the ovarian tissue and fallopian tubes – where some ovarian cancers are thought to develop – that may indicate the presence of cancerous cells.
- Researchers led by a Keele scientist published findings that make an important contribution to global efforts to tackle Dengue virus, after their data indicated that the world experienced the largest outbreak of Dengue virus in history with a record number of cases reported in 2023. The data showed that across the world there were 6.5 million cases and more than 6,800 deaths attributed to Dengue virus recorded that year, marking a historic milestone. Dr Najmul Haider, a Lecturer in Epidemiology in Keele’s School of Life Sciences, who led the research, said that the cases reported to the World Health Organisation (WHO) in 2024 surpassed 2023’s annual total to reach a new record high, and called for a comprehensive global approach to tackling the virus.
- A research team including Keele’s Dr Chris Adams has created a new material for treating central nervous system injuries and neurodegenerative conditions like Alzheimer’s and Parkinson’s diseases, offering hope of new therapies to regain lost motor, sensory or cognitive functions. The new electrically active transplantable material could help to regrow cells in the brain and spinal cord and could redefine the recovery prospects of patients who sustain life-altering injuries or suffer from neurodegenerative diseases. The 3D piezoelectric cellulose composite, invented by experts at Keele and the University of Bath, can be used as a bespoke ‘scaffold’ into which neural stem cells (NSCs) can be precision-delivered to injury sites, helping to effectively repair and regenerate neurons and associated tissues crucial for recovery.
- Dr Alexandra Kent from Keele University and colleagues from the University of Southampton teamed up with a pre and postnatal support company to analyse the impact of ‘maternity mentoring’ on women and the organisations they work for. The study focused on mentoring before, during and after maternity leave. The research team followed a group of new mothers as they received maternity mentoring and compared their experiences with mothers who had recently returned to work without mentoring. Maternity mentoring supports the emotional and practical challenges of maternity leave and returning to work. The researchers found mentored mothers felt supported, in control and empowered, while non-mentored mothers often felt isolated and unsupported.



Widening participation

As a university that was founded on the principles of widening participation, Keele has always placed great importance on supporting underrepresented groups, both pre and post entry. Keele is the lead institution for Higher Horizons, one of the largest partnerships in the Government funded Uni Connect Programme (formerly the National Collaborative Outreach Programme, or NCOP) and the leading provider of Higher Education outreach in Cheshire, Shropshire and Staffordshire. Keele oversees two outreach hubs at Keele and Staffordshire Universities, and have partnerships with the University of Chester, Harper Adams University, University of Derby and Somerville College Oxford. 19 members of Higher Horizons staff are dedicated to producing and delivering informative and impartial activities to schools and colleges across the region. This academic year, Higher Horizons has delivered 615 unique activities to 15,860 young people, focusing on three themes – Inform, Experience and Enable. 22% of all activities were based on university campuses that focus on raising attainment and normalising university settings.



Higher Horizons has delivered

615 unique activities to 15,860 young people

- Researchers have called for more funding for surveillance and monitoring of crop diseases and the insects that carry them, as well as to support growers affected by potential crop loss. In a new report, led by Professor James Bell, the researchers offer 24 recommendations for mitigating the effects of viral and bacterial epidemics to protect crop health, and make UK food crops more resilient to plant diseases. The recommendations in the “E-Prep” report cover all aspects of the response to such threats, from improving first detection and containing disease outbreaks, to mitigating against the impacts of disease and how to fund recovery efforts. The report was prepared as part of a project led by Professor Bell, funded through UK Research and Innovation’s (UKRI) work to tackle infections around the world, which aim to prevent infections in humans, plants, and animals.
- A Keele professor will co-lead a prestigious new research team set up to tackle the pressing challenges facing people living with arthritis, alongside colleagues from Oxford, Manchester, Nottingham and Aberdeen universities. Professor Christian Mallen, Executive Dean in the Faculty of Medicine and Health Sciences at Keele, is co-leading a new research consortium funded by a new £3m award from charity Versus Arthritis. The charity has brought together world-leading experts from five UK universities together in the new consortium, to accelerate clinical epidemiology research which will help answer pressing questions from those living with arthritis.
- Researchers at Keele have uncovered new details about our forgotten wartime heritage, revealing new insights about the forgotten “decoy” sights used by Britain during World War Two to trick German pilots into bombing open countryside instead of hitting their targets. In the first detailed examination of its kind, researchers at Keele and Goldsmiths, University of London, have shed new light on the ‘largely forgotten’ decoy sites, that were often operated by brave crews from brick-built bunkers who were actively trying to attract the German night raiders to drop their bombs on them in the belief they were adding to the destruction already inflicted. Researchers investigated the remains of three decoy sites in North Staffordshire, that were deliberately built along German radio beam directions – used as navigation in the early part of the war – to divert bombers from the high priority industrial target sites in the Stoke-on-Trent area.
- Researchers found that therapeutic interventions – including drug and talking treatments – resulted in fewer suicide attempts in adolescents. The researchers reviewed data from 3,470 adolescents aged up to 18 years old, with their findings published in JCPP Advances. Dr Faraz Mughal, a GP and NIHR Doctoral Fellow at Keele University, who led the study, said that evidence highlights that therapeutic intervention, such as cognitive behaviour therapy informed treatments, after self-harm leads to reduced self-harm repetition, but that there was no prior literature about the effects of therapeutic intervention on future mortality in adolescents.



Healthcare

Keele's major role in advancing healthcare regionally and internationally was exemplified throughout the year with a number of new initiatives launched, and our academics engaged in important research projects around the world.

Our landmark partnership with Telford College in Shropshire was officially launched this year, which was formed to boost skills and education opportunities for people in Shropshire with a suite of new healthcare-related courses. The first of these, a Nursing Associate apprenticeship, has welcomed its first cohort in 2025, with more to be developed. This innovative partnership between the NHS, Keele University and Telford College will open up new doors for people in Shropshire and give them an accessible avenue into a health and care career.

Our excellence in training these new healthcare workers of the future was also recognised with a number of strong rankings in external league tables. Keele was ranked among the top 5 universities in England to study Radiography, scoring 100% for graduates' prospects upon completing their course, as well as among the top 10 universities in England to study Nursing and Midwifery in the Complete University Guide 2026, highlighting our positive reputation for preparing tomorrow's healthcare workers for their careers.

Our expertise was also called upon for the launch of two nationally significant projects, which were established to improve healthcare and outcomes for patients across the UK. Keele was one of nine universities selected to make up the new NIHR Challenge Maternity Disparities Consortium, with the aim of tackling inequalities in maternity outcomes across the UK, with Keele named as a partner in the West Midlands regional hub led by the University of Birmingham. The research carried out by the consortium will focus on inequalities before, during and after pregnancy, and will also focus on building capacity for further research to help improve services over time, as well as supporting professionals who plan and deliver services for women and babies across both health and social care.

Keele's Professor Christian Mallen was also selected to co-lead a prestigious new research team set up to tackle the pressing challenges facing people living with arthritis, alongside colleagues from Oxford, Manchester, Nottingham and Aberdeen universities. Professor Mallen is co-leading the new research consortium funded by a £3m award from charity Versus Arthritis, which has been set up to accelerate clinical epidemiology research which will help answer pressing questions from those living with arthritis.

Our work in healthcare also continued to have a global significance this year. From Professor Mamas Mamas travelling with a contingent from Heart Attack Ethiopia to deliver treatments and practices pioneered in North Staffordshire to help heart patients in Africa, to researchers in Life Sciences partnering with colleagues in Mali to help them advance the fight against mosquito-borne diseases like malaria, Keele researchers have shared their knowledge and expertise both on the ground and across continents to tackle health challenges across the world.



Over

200

of the University's healthcare academics can also be found working on the NHS frontline across Newcastle-under-Lyme, Stoke-on-Trent, and Staffordshire



Sustainability

Keele continues to "embed sustainability in everything we do" and our vision is to be an international leader in campus sustainability encompassing activity across all aspects of the University estate and operations, our business activities, our engagement with the wider community, and in our core areas of education and research. Notable achievements this year include:

- A new partnership was signed between Keele University and leading environmental consultancy RSK Group, which will strengthen the two organisations' sustainability ambitions and create new opportunities for Keele staff and students. The partnership is based on a shared ethos of placing sustainability at the heart of everything both organisations do, with the partners committing to exchanging knowledge and opportunities that benefit both parties. The agreement will enable RSK to access leading academics in sustainability and green technology for research and development, and enhance the Group's skills pipeline with access to emerging student and graduate talent. Keele will benefit from access to the wealth of knowledge and experience across the RSK Group, which comprises more than 200 companies and 15,000 colleagues in 40 countries.
- Businesses and education leaders from across the West Midlands gathered at Keele University to officially launch a new initiative helping nurseries, schools and colleges become more sustainable and resilient to climate change. The Climate Ambassadors programme, a national scheme supported by £2m of Department for Education (DfE) funding, was established to provide free expert support to every nursery, school, and college in England to help them become greener and more prepared for the adverse effects of climate change. Keele is supporting the initiative by hosting the West Midlands Hub, one of nine such hubs across the country, and held an event at Keele Hall to bring together businesses and organisations who have volunteered their expertise as Climate Ambassadors, along with the teachers and education leaders who will benefit from the scheme.
- Keele has been recognised as one of the top-performing universities in the UK for renewable energy generation and carbon reduction, according to data from the Higher Education Statistics Agency (HESA) for the 2024/25 academic year which shows that with 6.253 MWh of renewable energy generated in 2024/25, Keele is fourth in the UK higher education sector for renewable energy generation – behind only Cambridge, Bristol, and Loughborough. Impressively, the University also exported 627 MWh of electricity back into the national grid. Keele has also reduced its carbon emissions by 3.5% compared to the previous year, despite that coinciding with a period of significant growth – demonstrating the University's continued commitment to sustainability and climate action. Keele was also in the top 5 nationally for both total renewable energy generated (on-site and off-site), and electricity exported back to the grid.
- Keele Business School has ranked among the top 40 universities in the world for embedding sustainability in its MBA course in a global ranking of over 170 business schools worldwide. KBS ranked 32nd in the world in the most recent Corporate Knights 2024 Better World MBA ranking, which scores MBA providers across the world on their efforts to provide a course that enables graduates to have a positive impact on the world. The 2024 exercise looked at 174 business schools around the world, scoring them according to how much of their MBA course is focused on promoting sustainable development in their teaching.
- Sustainability was on the agenda when Keele hosted its latest TEDx event on campus. Some of the university's most impactful alumni, lecturers, and partners all took to the stage to share their insights, approaching the topic of sustainability with insightful talks from all different angles, integrating expertise from all of Keele's different schools to explore and emphasise how the health of our planet impacts everyone and everything in our lives.



Global Sustainability Institution of the Year

Green Gown Awards 2021



Business Engagement

This year our work to enhance local growth and regeneration was once again recognised as being among the best in the country, when Research England published the results of their fourth Knowledge Exchange Framework (KEF4). The assessment showed that Keele remains among the very best performing institutions in the UK for contribution to local growth and regeneration, as well as being among the highest levels of engagement for research partnerships with non-academic colleagues; working with businesses of all sizes; and work with public and third sector organisations.

Our business engagement strategy also took another step forward when Keele in Town opened in Newcastle-under-Lyme town centre early in 2025. The space brings Keele University into the town centre for the first time in its history, and among the activities which are taking place there are business engagement workshops, where experts from Keele Business School meet with local business owners discuss the challenges they are facing, and how access to our students and our academic staff can help them to innovate and adapt to meet those challenges.

Closer to home, the campus proved itself once again to be an inspiring place for major companies to move their businesses to, when Michelin became one of the latest companies to become a business tenant on our Science and Innovation Park. The renowned company relocated its UK head office to Innovation Centre 2 in the Spring, saying that the move aligned with their People, Profit and Planet strategy, and highlighting Keele's reputation as a place for major companies to do business.

As well as welcoming exciting new tenants, it was also an exciting year for the Science and Innovation Park more broadly, when it was crowned the winner at a UK-wide awards ceremony. The UK Science Park Association 40th Anniversary Awards, which celebrate the achievements of Science Parks across the country, recognised Keele's significant role in addressing climate change and reducing environmental impact, presenting the University with the Building Environmental Sustainability and Innovation award.

Beyond our campus borders, our impact was also felt in Newcastle-under-Lyme town centre with the expansion of the FLOURISH project, which entered its second phase, following the success of the initial rollout. FLOURISH was set up last year to connect undergraduate and postgraduate students with dozens of small businesses to help them grow and innovate, and this year a new round of applications was opened to invite small businesses in the town centre to take part. The programme is part-funded by the UK Government through the UK Shared Prosperity Fund, secured by Newcastle-under-Lyme Borough Council.

Keele was also part of a coalition with 14 other university partners in the Midlands which launched a bold new initiative to revolutionise how research and innovation are translated into real-world impact across the region. Forging Ahead – led by Loughborough University and Midlands Innovation – will radically enhance the commercialisation ecosystem, supercharging entrepreneurial activity, scaling innovation, and creating dynamic new pathways for academic ideas to become high-growth ventures.



Professor Kevin Shakesheff
Vice-Chancellor



D Hall
Treasurer
27 November 2025

TRADE UNION

Statement

Trade Union Representation time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The regulations provide a framework for open and transparent monitoring and for demonstrating the effective use of taxpayer's money. The data below covers the relevant period of 1 April 2024 to 31 March 2025.

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period - 17

Full-time equivalent employee number - 17



Relevant Union Officials

Number of employees who were relevant union officials during the relevant period - 17
Full-time equivalent employee number - 17

Percentage of time spent by Relevant Union Officials on facility time

Percentage of time	Number of Employees
0%	3
1-50%	14
51-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time (£)	£31,672.26
Total pay bill (£)	£113,630,207.90
Percentage of the total pay bill spent on facility time	0.03%

Paid trade union activities

As a percentage of total paid facility time hours, hours spent by employees who were relevant union officials during the relevant period on paid trade union activities	46.2%
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The following statement is provided to enable readers of the Annual Review and Statement of Accounts of Keele University to obtain a better understanding of its governance and legal structure. It covers the period 1 August 2022 to 31 July 2024 and up to the date of approval of the audited financial statements.

CORPORATE GOVERNANCE

Statement

The following statement is provided to enable readers of the Annual Review and Statement of Accounts of Keele University to obtain a better understanding of its governance and legal structure. It covers the period 1 August 2024 to 31 July 2025 and up to the date of approval of the audited financial statements.

Legal Status of the University

Keele University is an independent corporation and is the successor to the University College of North Staffordshire, founded in 1949. The University derives its legal status from the Royal Charter granted in 1962 (as subsequently amended) and the status of its degrees is recognised by the University of Keele Act 1962. Like many English universities, the University is a charity exempt from registration with the Charity Commission and the Office for Students (OfS) is the principal regulator for the University as an exempt charity. This means that members of the 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. An internal review of the University's compliance with charity law requirements in 2021 resulted in the Council being provided with a high level of assurance.

How the University is governed

The University is committed to exhibiting best practice in all aspects of corporate governance. The University, like other public bodies, has a duty to conduct its affairs in a responsible and transparent way and to take into account the requirements of its funding bodies and the Higher Education Code of Governance published by the Committee of University Chairs (CUC). The University also conducts its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). The CUC Code was revised and published in September 2020 and the University is fully compliant. The CUC published a Higher Education Audit Committees Code of Practice in May 2020, which identified the key principles and elements that form an effective Audit Committee. The Council has formally adopted the Code.

The University is also committed to the principles of academic freedom and equality of opportunity in its approach to governance.

The University has a responsibility to ensure that slavery and human trafficking are not taking place in our business or in our supply chains. Keele complies with the Modern Slavery Act 2015 and our Modern Slavery and Human Trafficking Statement can be accessed on our website at: www.keele.ac.uk/modern-slavery

In line with CUC guidance and sector best practice, the University commissions reviews of the Council effectiveness at least every four years and the last review was undertaken by Advance HE in 2022. The review concluded that the governance arrangements were highly effective. Four elements of current practice were highlighted: the work of the governance team and the arrangements in place for regulatory oversight and compliance; the positive culture of support and challenge exhibited across the Council; the highly effective leadership of the Council by the Chair; and an ingrained appetite for continuous development and improvement. A small number of recommendations were made to further enhance effectiveness, which have now been implemented. The next review will take place in early 2026.

In the spirit of continuous improvement, the Council ensures that it maintains its position as an exemplar of good governance by individually appraising members each year and each committee reviews its terms of reference on an annual basis to ensure they remain fit for purpose, that the committee has fulfilled its remit, that it has had due regard for the promotion of equity and diversity and that the membership of the committee is appropriate given its responsibilities.

The Council took part in a Governance Apprenticeship Programme run by an executive search firm for three years that was aimed at providing board experience to those from underrepresented groups and this year one of the apprentices was appointed to the Council, demonstrating the benefits of the programme.

The University's Corporate Governance Framework

The University's powers and framework of governance are set out in the Charter, its supporting Statutes, Ordinances and Regulations. These currently require the University to have two separate bodies, each with clearly defined functions and responsibilities, to oversee and manage its activities, as follows:

- **The Council** is the supreme governing body, responsible for the finance, property, investments and general business of the University, and for setting the general strategic direction of the institution. Council members are sometimes referred to as the Trustees of the University. The Council has a majority of members from outside the University (described as lay members), from whom its Chair and Deputy Chairs must be drawn. Members also include representatives of the University's academic and support staff and student body. For a full list of the Council members who have served during the last year see the first page of this report.
- **The Senate** is the academic authority of the University and draws its membership entirely from the academic and academic-related staff and the students of the University. Its role is to regulate and superintend the education, welfare and discipline of students and the promotion of learning and research. The Vice-Chancellor is the Chair of the Senate. A review of its effectiveness took place in 2023 following the Council review in 2022 and the recommendations have been implemented or are in the process of being implemented.

The principal academic and administrative officer of the University is the Vice-Chancellor, who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the terms of the OfS Regulatory Framework for Higher Education in England, the Vice-Chancellor is the Accountable Officer of the University. The University appointed a new Vice-Chancellor this year on the retirement of Professor Trevor McMillan, OBE. Professor Kevin Shakesheff was appointed on 1 September 2025.

The Council has a number of committees, which undertake a lot of the detailed scrutiny on behalf of the Council and their decisions are reported back to the Council and, where relevant, the Senate. All committees are formally constituted with written terms of reference and have majority lay member representation.

The University Health & Safety Committee reports to both the University Executive Committee and via the Audit & Risk Committee to the Council. The University uses the Health and Safety Management Profile (HSMAP) as its standard tool for assurance on H&S matters, which is accepted by the Universities and Colleges Employers Association as the scheme for measuring H&S management performance in the higher education sector.

The Council and the Senate hold a joint meeting each year to discuss matters of common interest, and this is just one example of the numerous initiatives to aid the Council's understanding of the academic governance of the University.

The Council approved the University Strategy 'Our Future' in May 2019, which is articulated through five strands: Purpose, Performance, People, Place and Partnerships. A set of key performance indicators (KPIs) were developed, and a comprehensive review of the University Risk Register was subsequently undertaken in line with the Strategy. The University's performance against the Strategy is reviewed at each meeting of the Council. The University will embark on developing a new Strategy in 2026.

The Council re-appointed the external auditors PKF Littlejohn LLP for a further two years (2025-2027) on the recommendation of the Audit & Risk Committee.

Council Committees

The Business Review Committee provides detailed scrutiny on behalf of the Council on matters concerning the operation and financial sustainability of the University. It receives and recommends approval to the Council of the draft budget, financial forecasts and statutory accounts, monitors financial performance against agreed plans and budgets, receives reports on the University's wholly-owned subsidiary companies and monitors the University's portfolio of investments.

The Nominations & Governance Committee advises the Council on matters relating to corporate governance arrangements, ensuring that the University pursues best practice and complies with external governance requirements in addition to advising the Council on the appointment of new members, members of the College of Fellows and the Chancellor. The Committee takes into account skills and experience and seeks to ensure the promotion of equity and diversity in reflecting both the diversity of society and the needs of the University in all its appointments. The University, in accordance with guidance based on the Lambert Report, normally advertises vacancies nationally against defined person specifications.

The Senior Remuneration Committee determines the remuneration of the most senior academic and professional services staff, including the Vice-Chancellor. The University adopted the CUC HE Senior Staff Remuneration Code, which was published in 2018 and revised in 2021 and demonstrates Council's leadership and stewardship in seeking to protect the University's reputation and provide greater assurances to key stakeholders and partners, including the student community and wider society.

The Audit & Risk Committee advises and assists the Council in respect of the entire assurance and control environment of the University. Specifically, it reviews and recommends to the Council for approval the annual consolidated financial statements of the institution, including consideration of the external auditors' management letter and management responses to it. It seeks appropriate assurances in order that it can advise the Council on the effectiveness of the University's arrangements for governance and internal control and receives and considers the annual report of the Internal Auditors. The Audit & Risk Committee undertakes an annual appraisal of its effectiveness and prepares an Annual Report for both the Council and the OfS. It also receives and considers reports from the OfS as they affect the University's business and monitors adherence to the regulatory requirements. Whilst senior executives attend meetings of the Audit & Risk Committee, they are not members of the Committee. The Committee meet both the Internal and External Auditors on their own and then just members meet for independent discussions after each Committee meeting.

Statement of Primary Responsibilities – The Role of Council

The appointment and powers of the Council are laid down by the Charter and Statutes of the University. Its main general responsibilities are as follows:

- 1 To approve the mission and strategic vision of the institution, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
- 2 To delegate authority to the Vice-Chancellor, as chief executive, for the academic, corporate, financial, estate and personnel management of the institution. To establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the head of the institution.
- 3 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.
- 4 To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the institution against the plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
- 5 To establish processes to monitor and evaluate the performance and effectiveness of the governing body itself.
- 6 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.
- 7 To safeguard the good name and values of the institution.
- 8 To appoint the Vice-Chancellor as chief executive, and to put in place suitable arrangements for monitoring his/her performance.
- 9 To appoint a secretary to the governing body and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
- 10 To be the employing authority for all staff in the institution and to be responsible for establishing a human resources strategy.
- 11 To be the principal financial and business authority of the institution, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the institution's assets, property and estate.
- 12 To be the institution's legal authority and, as such, to ensure that systems are in place for meeting all the institution's legal obligations, including those arising from contracts and other legal commitments made in the institution's name.
- 13 To ensure, subject to the relevant legislation, that appropriate arrangements are in place for the management and operation of such companies as are wholly or partly owned by the University.
- 14 To accept ultimate responsibility for the health and safety of employees, students and other individuals while they are on the institution's premises and in other places where they may be affected by its operations. And to ensure that the institution has a written statement of policy on health and safety and arrangements for the implementation of that policy.
- 15 To make such provision as it thinks fit for the general welfare of students, in consultation with the Senate.
- 16 To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution.
- 17 To ensure that the institution's constitution is followed at all times and that appropriate advice is available to enable this to happen.

Preparation of the Statement of Accounts

The Council is responsible for preparing the Statement of Accounts 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 (the University and its subsidiary companies) 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;
- income has been applied in accordance with section 17 of the University's Statutes;
- 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;
- 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.

Risk Management and the System of Internal Control

As the governing body of Keele University, the Council has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding public and other funds and assets for which the University is responsible in accordance with the responsibilities assigned to the governing body in the University's Charter and Statutes and in the OfS' Regulatory Framework for Higher Education in England. 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 on-going process designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The University has reviewed and updated its risk management procedures, which continue to enable it to be compliant with OfS requirements.

The University has a published Risk Management Policy, which was approved by the Council in June 2011 and has been reviewed and updated regularly since then and most recently in July 2024. This policy identifies clearly and distinguishes the roles and responsibilities of both the Council and the executive. A key element of the policy is the University Risk Register, which is intrinsically linked to the University's Strategic Plan. A Risk & Compliance Group oversees the implementation of the University's Risk Management Policy and procedures, including incident management and business continuity, and compliance with internal audit recommendations on behalf of the University Executive Committee.

The University employs Uniac to undertake its internal audit functions. The internal auditors submit regular reports to the Audit & Risk Committee, including the head of internal audit's independent opinion on the adequacy and effectiveness of the system of internal control, together with recommendations for improvement. The implementation of those recommendations is monitored by the Audit & Risk Committee. The Chair of the Audit & Risk Committee provides the Council with regular reports concerning internal control.

The Council's review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the University who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Value for Money

The University strives to apply value for money considerations to all its processes and activities, and this is supported by strong awareness and vigilance across the executive. The Council and the Audit & Risk Committee have adequate and effective arrangements in place to ensure value for money in accordance with the OfS's Regulatory Framework for Higher Education in England. The Audit & Risk Committee also receives a comprehensive report on the Transparent Approach to Costing (TRAC) analysis undertaken by the University and submitted to the OfS in January of each year. In addition, all relevant internal audit review undertaken and submitted to the Audit & Risk Committee makes specific observations and judgements concerning the value for money demonstrated.

Register of Interests

The University maintains a Register of Interests of members of the Council and the executive, which may be consulted by arrangement with the Secretary to the Council. Lay members of the Council receive no remuneration for their role although they are reimbursed for travelling and other expenses incurred in attending Council and Committee meetings and other University business in their official capacity. The total sum of expenses claimed by members of the Council for the year to 31 July 2025 was £3,072 to 5 Council members (2024: £2,730 to 5 Council members).

Further Information

Any enquiries about the constitution and governance of the University should be addressed to the Secretary to the Council.

Independent auditor's report to the council of Keele University

REPORT ON AUDIT OF THE

Financial Statements

Opinion

We have audited the financial statements of Keele University (the 'parent institution') and its subsidiary (the 'group') for the year ended 31 July 2025 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, the Consolidated and University Balance Sheet, the Consolidated and University Statement of Changes in Reserves, the Consolidated Statement of Cash Flows and notes to the financial statements, including the statement of principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent institution's affairs as at 31 July 2025 and of the group's and parent institution's income and expenditure, gains and losses, changes in reserves and of the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, relevant legislation and the Office for Students requirements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent institution's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the strategic report, other than the financial statements and our auditor's report thereon. The Council is responsible for the other information contained within the strategic report. Our opinion on the group and parent institution financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Office for Students

In our opinion, based on the work undertaken in the course of the audit, in all material respects:

- funds from whatever source administered by the institution 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 applicable terms and conditions; and
- the requirements of the Office for Students accounts direction for the relevant year's financial statements have been met.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Office for Students require us to report to you if, in our opinion:

- the institution's grant and fee income, as disclosed in note 3 to the financial statements, has been materially misstated; and
- the institution's expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of the Council

As explained more fully in the Statement of Primary Responsibilities, the Council is responsible for the preparation of the group and parent institution financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent institution and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of our cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the group and parent institution in this regard to be those arising from the Office for Students Terms and conditions of funding for higher education institutions, the Higher Education and Research Act 2017, Financial Reporting Standard 102 and relevant employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent institution with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.

Auditor's responsibilities for the audit of the financial statements (cont.)

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the timing of recognition of research income, including the completion of research activity and meeting recognition terms within the underlying agreements. We addressed this through substantive sample testing of research income back to source documents to ensure that income was recognised in accordance with the performance related conditions. We also independently inquired with the University's research grant management team to confirm whether there are any disputes in relation to research finance and understand the outcome of audits performed by grant funding bodies during the period, crossreferring responses and the results of our substantive testing and challenging whether the University's assessment of clawback risk is correctly valued in the financial statements.
- We also identified potential for management bias in:
 - the judgements made around recoverability of debtors, which we addressed through examination of post year end cash received, review of correspondence with debtors and discussion of recoverability with management;
 - the depreciation rate applied to tangible fixed assets, which we addressed by considering the useful economic life applied for the types of asset held, and re-performing the calculation to ensure it had been performed accurately in line with the stated method;
 - the accounting for the defined benefit pension scheme liabilities, which we addressed through review of the actuarial reports prepared by management's experts, testing the reasonableness of inputs to their calculation, and challenging assumptions applied in the valuation; and

- the valuation of heritage assets, where we challenged the valuation methodology, including inputs and considering whether assumptions are reasonable and appropriate. We also challenged management's annual review for impairment.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of noncompliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the Council, as a body, in accordance with the Charter and Statutes of The University of Keele. 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 Council as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Littlejohn LLP
15 Westferry Circus
Canary Wharf
London E14 4HD

Registered Auditor
November 2024



ACCOUNTS

Statement of Comprehensive Income and Expenditure

JAKT Photography

Consolidated and University Statement of Comprehensive Income and Expenditure

	notes	Consolidated Y/E 31 July 2025 £'000	University Y/E 31 July 2025 £'000	Consolidated Y/E 31 July 2024 £'000	University Y/E 31 July 2024 £'000
Income					
Tuition fees and education contracts	1	105,749	105,749	102,746	102,746
Funding body grants	2	31,327	31,327	33,653	33,653
Research grants and contracts	4	23,650	23,650	19,405	19,405
Other Income	5	49,956	49,937	48,318	48,559
Investment Income	6	1,436	1,586	2,164	2,303
Donations and endowments	7	1,174	1,174	810	810
Total income		213,292	213,423	207,096	207,476
Expenditure					
Staff costs - pay including VS	8	111,054	111,054	114,383	114,383
Staff costs - movement on pension provisions	8	445	445	(67,354)	(67,354)
Other operating expenses	9	81,194	81,817	75,502	75,262
Depreciation	13	13,801	13,746	13,139	13,084
Interest and other finance costs	10	4,445	4,445	6,074	6,074
Total expenditure	11	210,939	211,507	141,744	141,449
Surplus / (deficit) before other gains losses and share of operating surplus / (deficit) of joint ventures and associates					
		2,353	1,916	65,352	66,027
Gain/(loss) on disposal of fixed assets		-	-	0	0
(Loss) / Gain on investment property	14	90	35	(946)	(1,028)
(Loss) / Gain on investments	16	157	157	1,051	1,051
Surplus / (Deficit) before tax		2,600	2,108	65,457	66,050
Taxation	12	-	-	0	0
Surplus / (Deficit) for the year		2,600	2,108	65,457	66,050
Unrealised surplus on revaluation of land and buildings					
		-	-	0	0
Actuarial (loss) / gain in respect of pension schemes					
Change in fair value of hedging financial instruments	32	(1,423)	(1,423)	(748)	(748)
		-	-	0	0
Total comprehensive income for the year		1,177	685	64,709	65,302
Represented by:					
Endowment comprehensive income for the year	23	248	248	503	503
Restricted comprehensive income for the year	24	625	625	59	59
Unrestricted comprehensive income for the year		304	(188)	64,147	64,740
Revaluation reserve comprehensive income for the year		-	-	-	-
		1,177	685	64,709	65,302

The consolidated income and expenditure of the University and its subsidiaries relate wholly to continuing operations.

Consolidated and University Statement of Changes in Reserves

Consolidated	Income and expenditure account			Revaluation Reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000		
Balance at 1 August 2023	1,415	462	153,649	150	155,676
Surplus/(deficit) for the year from the income and expenditure statement	503	59	64,895	0	65,457
Other comprehensive income	0	0	(748)	0	(748)
Release of restricted funds spent in year	0	0	0	0	0
Total comprehensive income for the year	503	59	64,147	0	64,709
Balance at 31 July 2024	1,918	521	217,796	150	220,385
Surplus/(deficit) for the year from the income and expenditure statement	248	625	1,727	0	2,600
Other comprehensive income	0	0	(1,423)	0	(1,423)
Release of restricted funds spent in year	0	0	0	0	0
Total comprehensive income for the year	248	625	304	0	1,177
Balance at 31 July 2025	2,166	1,146	218,100	150	221,562
University	Income and expenditure account			Revaluation Reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000		
Balance at 1 August 2023	1,415	462	152,407	0	154,284
Surplus/(deficit) for the year from the income and expenditure statement	503	59	65,488	0	66,050
Other comprehensive income	0	0	(748)	0	(748)
Release of restricted funds spent in year	0	0	0	0	0
Total comprehensive income for the year	503	59	64,740	0	65,302
Balance at 31 July 2024	1,918	521	217,147	0	219,586
Surplus/(deficit) for the year from the income and expenditure statement	248	625	1,235	0	2,108
Other comprehensive income	0	0	(1,423)	0	(1,423)
Release of restricted funds spent in year	0	0	0	0	0
Total comprehensive income for the year	248	625	(188)	0	685
Balance at 31 July 2025	2,166	1,146	216,959	0	220,271

Consolidated and University Balance Sheet

	notes	Consolidated 2025 £'000	University 2025 £'000	Consolidated 2024 £'000	University 2024 £'000
Non-current assets					
Intangible assets		7	7	0	0
Tangible assets	14	299,733	298,198	302,506	301,482
Investment Properties	14	10,800	11,230	11,217	11,135
	14				
Heritage assets	/15	12,116	12,116	12,116	12,116
Investments	16	27,916	27,916	29,140	29,140
Investment in joint venture		0	0	0	0
		350,572	349,467	354,979	353,873
Current assets					
Stock	18	3,101	48	3,105	52
Trade and other receivables	19	26,132	25,970	24,980	25,329
Cash and cash equivalents	26	17,477	17,443	17,628	17,560
		46,710	43,461	45,713	42,941
Less: Creditors amounts falling due within one year	20	53,486	53,476	49,660	49,633
Net current liabilities		-6,776	-10,015	(3,947)	(6,692)
Total assets less current liabilities		343,796	339,452	351,032	347,181
Creditors: amounts falling due after more than one year	21	103,190	100,137	108,431	105,379
Provisions					
Pension provisions	22	18,773	18,773	19,434	19,434
Other provisions	22	271	271	2,782	2,782
Total net assets		221,562	220,271	220,385	219,586
		Consolidated	University	Consolidated	University
Restricted Reserves					
Income and expenditure reserve - endowment reserve	23	2,166	2,166	1,918	1,918
Income and expenditure reserve - restricted reserve	24	1,146	1,146	521	521
Unrestricted Reserves					
Income and expenditure reserve - unrestricted reserve		218,100	216,959	217,796	217,147
Revaluation Reserve		150	0	150	0
Total Reserves		221,562	220,271	220,385	219,586

The financial statements were approved by the Governing Body on 27 November 2025 and were signed on its behalf on that date by:

K. Shakesheff, Vice-Chancellor

M. Farrar, Chair of Council

Pascale Vermassen, Chief Financial Officer

D. Hall, Treasurer

Consolidated Statement of Cash Flows

	notes	Y/E 31 July 2025 £'000	Y/E 31 July 2024 £'000
Cash flow from operating activities			
Surplus / (deficit) for the year		2,600	65,457
Adjustment for non-cash items			
Depreciation	14	13,801	13,139
Loss/(Gain) on Investment Property	14	(90)	946
Loss/(Gain) on investments		(157)	(1,051)
Decrease/(increase) in stock	18	4	22
Decrease/(increase) in debtors		(1,152)	3,516
Increase/(decrease) in creditors		1,712	(9,748)
Pension movements included in staff costs	8	445	(67,354)
Interest payable on pension schemes (net)	6 & 10	842	2,468
KSS deficit contributions paid	32	(3,371)	(3,317)
Increase/(decrease) in other provisions	22	(2,511)	2,781
Adjustment for investing or financing activities			
Investment income	6	(1,433)	(2,162)
Interest payable	10	2,562	2,698
Interest element of finance lease	10	1,038	906
Endowment income	7	(319)	(346)
Gain on disposal of tangible assets		0	0
Capital grant income		(5,738)	(4,939)
Cash flows from operating activities		8,233	3,016
Taxation		0	0
Net cash inflow from operating activities		8,233	3,016
Cash flows from investing activities			
Proceeds from sale of tangible assets		0	0
Capital grant receipts		5,281	6,441
Disposal of non-current asset investments		1,617	3,901
Withdrawal of deposits		0	12,000
Investment income		1,433	2,162
Payments made to acquire tangible assets		(10,521)	(20,838)
Payments made to acquire intangible assets		(7)	0
New non-current asset investments		(236)	(728)
		(2,433)	2,938
Cash flows from financing activities			
Interest paid		(2,562)	(2,698)
Endowment cash received		319	346
New loans		0	0
Repayments of amounts borrowed		(2,020)	(6,264)
Capital element of finance lease		(1,688)	(1,496)
		(5,951)	(10,112)
(Decrease)/increase in cash and cash equivalents in the year		(151)	(4,158)
Cash and cash equivalents at beginning of the year	27	17,628	21,786
Cash and cash equivalents at end of the year	27	17,477	17,628

Statement of Accounting Policies
For the year ended 31 July 2025

1. General information

Keele University is registered with the Office for Students in England. The address of the registered office is Keele, Staffordshire, ST5 5BG.

2. Accounting convention

The Consolidated and University 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 during the transition period to 31 July 2019, 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 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 therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

3. Basis of preparation

The University 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).They have also been prepared in accordance with the Accounts Direction issued by the Office for Students, the Terms and conditions of funding for higher education institutions issued by the Office for Students and terms and conditions of Research England Grant.

Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention, with the exception of certain investment properties which have been revalued to fair value as at the year ended 31st July 2024

Going Concern

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

The financial statements have been prepared on a going concern basis, which the Council considers appropriate for the following reasons. Cash flow forecasts for a period of 13 months from the date of approval of these financial statements (the going concern period) indicate that, even under severe but plausible downside scenarios, the Group and University will have sufficient funds to meet their liabilities as they fall due.

In reaching this conclusion, the Council has considered:

- **Cash flow forecasts:** including a base forecast and severe but plausible downside scenarios, tested against bank covenants and the OfS liquidity requirements. Mitigating actions, such as short-term cost reductions, have been identified if needed.
- **Operating performance:** the Group and University are budgeting to achieve an operating surplus and a net cash inflow from operating activities over the going concern period and in subsequent years.
- **Student numbers:** the September 2025 intake is higher than budgeted for 2025/26, supporting revenue generation.
- **Liquidity facilities:** the University has access to a £25m revolving credit facility with Barclays Bank until December 2030. No additional borrowing facilities are required, and no banking covenants have been breached or are expected to be breached during the going concern period.

Taking these factors into account, the Council is confident that the Group and University will have sufficient resources to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

These financial statements are presented in sterling (rounded to £'000), which is the functional currency of the Group.

4. Exemptions under FRS 102

The University has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the University in its separate financial statements.

5. Basis of Consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiaries for the financial year to 31 July 2025. Details of these companies are provided in note 15 (b).

The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statement of Comprehensive Income and Expenditure from the date of acquisition or up to the date of disposal. Goodwill arising on consolidation (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised on acquisition.

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. Balances between the University and any associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the balance sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity, the part relating to the University's share is eliminated.

Associated companies and joint ventures are accounted for using the equity method.

The consolidated financial statements do not include the income and expenditure of the Students' Union or Postgraduate Association as the University does not exert control or dominant influence over their policy decisions, but simply provides grant funding. The Students' Union and Postgraduate Association are both separately registered with the Charity Commission.

6. Income recognition

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

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

Education contracts are recognised when the University is entitled to the income, which is the period in which students are studying, or where relevant, when performance conditions have been met.

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

In both 2000/01 and 2006/07 the University received premiums for the lease of student accommodation to Keele Residential Funding plc, previously Owengate (Keele) plc. These premiums are held under Creditors on the balance sheet and are being released to the Statement of Comprehensive Income and Expenditure over the period of the respective lease agreements on a straight-line basis.

The income received for student lettings of the Halls is recognised as income in full, with any payments that are made to Keele Residential Funding Plc being accounted for as non-pay expenditure.

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

Grant funding

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

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

Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised within the Statement of Comprehensive Income and Expenditure when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recorded in the Statement of Comprehensive Income and Expenditure when the University is entitled to the funds.

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

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

Restricted donations – the donor has specified that the donation must be used for a particular objective.

Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.

Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible assets, and the University has the power to use the capital.

Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Capital grants are recognised in income when the University is entitled to the income subject to any performance related conditions being met.

7. Accounting for retirement benefits

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme ("USS") and the Keele Superannuation Scheme ("KSS"). The schemes are defined benefit schemes which are externally funded. Each fund is valued every three years by professionally qualified independent actuaries.

The USS is a multi-employer defined benefit scheme for which it is not possible to identify the assets and liabilities to Institution at members due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Defined Contribution Plan

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

Statement of Accounting Policies For the year ended 31 July 2025

Accounting for retirement benefits (cont.)

Multi-employer schemes

Where the University is unable to identify its share of the underlying assets and liabilities in a multiemployer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme. Where the University has entered into an agreement with such a multiemployer scheme that determines how the University will contribute to a deficit recovery plan, the University recognizes 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 University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The net liability is recognised in the balance sheet in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

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

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

Further detail is provided on the specific pension schemes in note 32 to the accounts.

Universities Superannuation Scheme

The University participates in the Universities Superannuation Scheme (the scheme). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the University therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme. Since the University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the University recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Statement of Comprehensive Income and Expenditure.

Keele Superannuation Scheme

The University operates the KSS providing benefits based on final pensionable pay for those staff who were both still members of the Scheme on 31 December 2013 and employed by the University upon retirement. All other members benefits being based on upon pay at the date of leaving KSS or the University revalued by CPI to the date of becoming a pension member. The assets of the scheme are held separately from those of the University. The scheme is closed to future accrual. Pension scheme assets are measured using market values. The Scheme is contracted out of the State Second Pension (S2P).

Annually the University engages independent actuaries to calculate the obligation for KSS. 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.

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.

Others

The University participates in the Local Government Pension Scheme ("LGPS"). This is a defined benefit scheme which is externally funded. The assets of the LGPS are measured using closing market values.

Annually the University engages independent actuaries to calculate the obligation for LGPS. 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.

Statement of Accounting Policies For the year ended 31 July 2025

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.

A small number of staff are also in the NHS pension scheme. The amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the accounting period.

8. 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.

9. Leases

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 a finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

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

Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

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 lease term.

10. Service Concession Arrangements

Fixed assets held under service concession arrangements are recognised in the Balance Sheet at the present value of the minimum lease payments when the assets are bought into use with a corresponding financial liability.

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

The Keele Residential Fund agreement is not treated as a service concession arrangement, and as such no financial liability was created and the Halls of Residence were valued in use as part of fixed assets.

11. Foreign currency

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

12. Accounting for Research and Development

Expenditure on pure and applied research is treated as a part of the continuing activities of the University. Expenditure on development activities is carried forward and amortised over the period expected to benefit.

13. Fixed assets

Fixed assets are stated at deemed cost less accumulated depreciation.

Land and Buildings

Land and buildings are capitalised at cost on initial recognition. After initial recognition land and buildings are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Certain items of land and buildings that had been revalued to fair value on transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation. Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the Group.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated by component from the date of completion over their expected useful economic lives ("UEL") on a straight-line basis as follows:

Structure (e.g. new build construction including ground work and, staff house purchase) up to 50 years

Plant and Machinery (e.g. boilers, heating systems, lifts and Electrical installations) up to 25 years

Fit Out (e.g. Interior fittings, blinds, fixed cabinets and shelving and signage) 3-15 years

Refurbishments 10 years

Where an item of land and buildings comprise two or more major components with substantially different UEL's, each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement of components is capitalised as incurred to the extent that they increase the expected future benefits to the University.

Leasehold land and buildings are depreciated over the life of the lease up to a maximum of 50 years.

No depreciation is charged on assets in the course of construction. No depreciation is charged in the month of disposal of an asset.

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

Statement of Accounting Policies For the year ended 31 July 2025

Fixed assets (cont.)

Equipment and Furniture

Equipment, including computers and software, and furniture costing less than £30,000 is written off to the Statement of Comprehensive Income and Expenditure in the year of acquisition, unless part of a larger capital project. All other equipment is capitalised, including equipment used for research. Capitalised equipment and furniture is stated at cost and depreciated from the month of purchase over its expected useful life of between 1 to 10 years.

Equipment acquired for specific research projects is written off over the same length as the remaining research project life, to better match depreciation and usage. No depreciation is charged in the month of disposal of an asset.

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

Impairment

A review for impairment of a tangible fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the tangible fixed asset may not be recoverable. If there is an indication of impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised when it arises. If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised when it arises.

Borrowing costs

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

Heritage assets

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

Heritage assets costing in excess of the capitalisation threshold of £20,000 will be capitalised and recognised at their cost or value where reasonably obtainable. The University uses the valuation for insurance purposes as the basis for the value reflected in the financial statements. The University's significant donated assets are works of art, porcelain and antiques. These are accounted for as heritage assets.

Heritage assets are revalued in line with insurance valuations, with any movements taken to the Statement of Comprehensive Income and Expenditure. The valuations are usually carried out every five years, and on an interim basis for specific items.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material. However, they are subject to an annual impairment review in accordance with applicable accounting standards.

15. Investment Properties

Investment property is land or a building, or part of a building, held for rental income or capital appreciation rather than for use in delivering services. Mixed use property is separated between investment property and property, plant and equipment where the separate portions can be sold separately or leased out under a finance lease. Where the fair value of the investment property portion cannot be reliably measured, the entire property has been included within property, plant and equipment. Where investment property, or a component of that property, is rented to another group entity the property has been accounted for within 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 in the Statement of Comprehensive Income and Expenditure. Investment properties are not depreciated but are revalued or reviewed annually according to market conditions as at the reporting date.

16. Investments

Investments in jointly controlled entities, associates and subsidiaries are carried at cost (less impairment) in the University's separate financial statements. Investments are held in the Balance Sheet as basic financial assets and are measured in accordance with Note 25.

17. Accounting for Joint Operations, Jointly Controlled Assets and Joint Ventures

A joint venture is an entity where the University has joint control and is entitled to a share of the net assets and liabilities. The University accounts for its share of joint ventures using the equity method, which involves recognition in the Statement of Comprehensive Income and Expenditure of the University's share of the joint venture's net surplus or deficit for the year.

The interest in a joint venture is carried in the Balance Sheet as the University's share in the net assets of the joint venture together with any goodwill less any impairment loss. When the University's share in a loss exceeds the carrying amount of the joint venture, the carrying amount is reduced to zero. No further losses are recognised, unless the University has responsibility for obligations relating to the joint venture.

The University accounts for its share of transactions from joint operations and jointly controlled assets through the Statement of Comprehensive Income and Expenditure.

18. Stock

Stock is held at the lower of cost and net realisable value. Food and beverage stock is held at latest cost.

The development land for sale is valued on a "per acre" basis for the remaining unsold plots on the development site by an external valuer, unless a separate plot specific valuation has been performed.

19. Cash and cash equivalents

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

Statement of Accounting Policies For the year ended 31 July 2025

20. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the University a probable obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

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

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

21. Taxation

Current tax, including UK Corporation Tax and foreign tax, is provided at amounts expected to be paid 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 that exist at the reporting date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in periods in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the reporting date. Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax assets and liabilities are not discounted.

The University is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011. It is therefore a charity within the meaning of Paragraph 1 of Schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from UK Corporation Tax in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The University group receives no similar exemption in respect of Value Added Tax ("VAT"). Irrecoverable VAT on expenditure (revenue and capital) is included in the costs of such expenditure.

The University's subsidiary companies are subject to Corporation Tax and VAT in the same way as any other commercial organisation.

22. Financial instruments

The Group and University has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition and measurement of financial instruments. Financial assets and liabilities are recognised when the Group and University becomes party to the contractual provision of the instrument and they are classified according to the substance of the contractual arrangements entered into. A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

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

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

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

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

Statement of Accounting Policies For the year ended 31 July 2025

Financial liability

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

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as noncurrent liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the statement of comprehensive income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the Group and University enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The Group and University does not apply hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are derecognised when the liability is discharged, cancelled, or expires.

23. Reserves

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

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

24. Significant accounting estimates and judgements

Management is required to adopt those accounting policies most appropriate to the circumstances for the purposes of presenting fairly the Group's financial position, financial performance, and cash flows. The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Valuations for the University's investment properties and pension funds rely on third party valuations. These valuations are subject to inherent uncertainty. The resulting accounting estimates will therefore, by definition, be unlikely to equal the related actual results.

Management considers the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities:

Recoverability of debtors (Note 18)

The provision for doubtful debts is based on an estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due. At the reporting date, the bad debt provision is £3,420k (2023: £2,109k).

Impairment of assets (Note 13)

At each reporting date, assets (in particular tangible non-current assets) are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. Where an indication of impairment is identified the estimation of the recoverable value requires an estimation of the recoverable value of the cash generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flow. If the estimated recoverable amount is lower, the carrying value is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the period it arises. During the year, the Group recognised an impairment charge of £297k (2024: £113k).

Investment property valuations (Note 13)

The University and Group holds four investment properties. Properties held for investment purposes are revalued to their fair value at the reporting date by an independent external team of chartered surveyors (Gerald Eve LLP). This is updated annually by them following a site visit, based on assumptions using the current tenant rents, any rental growth projections and an estimate of the rental yield going forward. Investment properties were valued at £11,312k (2024: £11,217k).

Useful economic life (UEL) of tangible assets (Note 13)

Property, plant and equipment represent a significant proportion of the Group's and University's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the reported performance. Useful lives are determined at the time the asset is acquired, and the UEL of its assets is reviewed annually. The UEL are based on historical experience with similar assets as well as anticipation of future events.

Statement of Accounting Policies For the year ended 31 July 2025

Provisions (Note 22)

Management apply judgement to arrive at the best estimate for any obligation required. The amount recognised as a provision is management's best estimate of the present value of the amount required to settle the obligation. To arrive at this amount, management assess the likelihood and extent of any future settlement and make judgements based on these.

Employee leave accrual (Note 20)

A liability for holiday pay is recognised due to accounting standards necessitating that short-term employee benefits be charged to the Statement of Comprehensive Income and Expenditure as the employee service is received. Information has been gathered from the HR/Payroll system on holiday balances, with assumptions having been made for staff where this information was not possible to collect. These balances were then applied against individual pay data to calculate the employee leave accrual. At the reporting date, the employee leave accrual in Creditors: amounts falling due within one year is £3,495k (2023: £4,050k).

Income recognition (Notes 1-7)

Judgement is applied in determining the value and timing of certain income items to be recognised in the financial statements. This includes determining when performance related conditions have been met, and determining the revenues associated with partially delivered courses and training where the activities have not been fully completed at the reporting date.

Retirement benefits (Note 8 and 32)

The University has obligations to pay pension benefits to certain employees. Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS102 assessment of the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS102 discount rate, have increased significantly since 31 July 2023, with corresponding falls in asset values. The markets have continued to be volatile and therefore while both gross defined benefit obligations and assets will have fallen, it is difficult to estimate the impact of these changes on the net balance sheet position.

In relation to the University Superannuation Scheme, following the 2023 valuation the scheme was in surplus on a technical basis. Consequently, no deficit recovery contributions were required from 1 January 2024 and the outstanding provision was released to the Statement of Comprehensive Income.

Keele Superannuation Scheme (KSS) and Local Government Pension Scheme (LGPS)

The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. The actuarial assumptions are set by the University, having first considered actuarial advice. Based on actuarial advice provided, management estimate these factors to determine the net pension obligation in the statement of financial position.

University Superannuation Scheme

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

The University is satisfied that USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

Notes to the Accounts For the year ended 31 July 2025

1. Tuition fees and education contracts

	Consolidated	University	Consolidated	University
	Y/E 31 July	Y/E 31 July	Y/E 31 July	Y/E 31 July
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Home and EU students	85,755	85,755	81,947	81,947
International students	15,742	15,742	16,886	16,886
Degree Apprenticeships	3,642	3,642	3,297	3,297
Other fees	610	610	616	616
	<u>105,749</u>	<u>105,749</u>	<u>102,746</u>	<u>102,746</u>

2. Funding body grants

	Y/E 31 July	Y/E 31 July	Y/E 31 July	Y/E 31 July
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Recurrent grant				
Office for Students	18,256	18,256	16,793	16,793
Research England	8,274	8,274	9,427	9,427
Capital grant	954	954	3,593	3,593
Specific grant				
Office for Students	1,575	1,575	1,587	1,587
Higher Education Innovation Fund	2,268	2,268	2,253	2,253
	<u>31,327</u>	<u>31,327</u>	<u>33,653</u>	<u>33,653</u>

Recurrent grants

The University receives recurrent annual funding from OfS and RE. The OfS recurrent funding is high-cost subject funding and targeted allocations to support important or vulnerable features of higher education in accordance with key OfS policy initiatives.

The University recognised formula and bid Teaching capital income during 2024/25 for the OfS grant year from 1 April 2025 to 31 March 2026 and the Research England formula capital income for the same period. There is no other funding body capital grant income recognised.

Specific grants The specific grant from the OfS relates primarily to the National Collaborative Outreach Programme (NCOP), where the income and expenditure are matched. Research England provides HEIF funding for knowledge exchange to support and develop a broad range of knowledge-based interactions between universities and the wider world, which result in benefits to the economy and society.

Fee income for research awards

Fee income for research awards, including postgraduate research awards but excluding research training support grants.

Fee income from non-qualifying courses

Fees paid by students (or by others on behalf of students) for non-credit-bearing courses, further education courses, research training support or any other course that are not included under fee income for taught awards or fee income for research awards.

Notes to the Accounts For the year ended 31 July 2025

3. Grant and fee income

	Y/E 31 July 2025 £'000	Y/E 31 July 2025 £'000	Y/E 31 July 2024 £'000	Y/E 31 July 2024 £'000
Grant income from the OfS	20,133	20,133	21,128	21,128
Grant income from other bodies (incl furlough income)	11,194	11,194	13,021	13,021
Fee income for taught awards	103,870	103,870	100,958	100,958
Fee income for research awards	1,269	1,269	1,172	1,172
Fee income from non-qualifying courses	610	610	616	616
	<u>137,076</u>	<u>137,076</u>	<u>136,895</u>	<u>136,895</u>

Grant income from the OfS

Grants by the OfS for the provision of education, the provision of facilities and the carrying on of other activities. This includes recurrent teaching funding (including targeted allocations, high-cost subject funding, National Collaborative Outreach Programme ("NCOP") funding and any other recurrent teaching funding) and non-recurrent funding (including grants for capital infrastructure, challenge competitions or any other non-recurrent grant funding) from the OfS.

Grant income from other bodies

Grants by UKRI, Research England or any other body. This includes the knowledge exchange funding that is distributed by both UKRI and the OfS in the form of Higher Education Innovation Funding.

Fee income for taught awards

Fee income for higher education courses for taught awards (from students directly or via the Student Loans Company or any other body paying fees on behalf of the student). These include undergraduate and postgraduate taught awards.

4. Research Grants And Contracts

	Y/E 31 July 2025 £'000	Y/E 31 July 2025 £'000	Y/E 31 July 2024 £'000	Y/E 31 July 2024 £'000
Research councils	4,293	4,293	3,799	3,799
Research charities	2,395	2,395	2,053	2,053
UK central government	13,088	13,088	10,906	10,906
UK industry & commerce	1,030	1,030	1,002	1,002
Other	1,030	1,030	940	940
	<u>21,836</u>	<u>21,836</u>	<u>18,700</u>	<u>18,700</u>
Capital grants	1,814	1,814	705	705
	<u>23,650</u>	<u>23,650</u>	<u>19,405</u>	<u>19,405</u>

Capital income is the release of capital funding from the Hydrogen development knowledge exchange project ("HyDEX") £1,158k (23/24: nil), Wolfson Grant £623k (23/24: £330k) and funding from Liverpool School of Tropical Medicine £33k (23/24: nil). The Medical Research Grant was completed in full in 2023/24 and no further income was recognised in 2024/25 (2023/24: £375k).

"Other" above includes EU government bodies, UK local authorities, health and hospital sources and other UK, EU and overseas sources.

Notes to the Accounts For the year ended 31 July 2025

5. Other Income

	Y/E 31 July 2025 £'000	Y/E 31 July 2025 £'000	Y/E 31 July 2024 £'000	Y/E 31 July 2024 £'000
Residences, catering and conferences	19,168	19,168	19,493	19,493
Rental payment received - KRF	30h 6,347	6,347	6,127	6,127
Release of premium - KRF	30h 2,842	2,842	2,842	2,842
Other services rendered	1,576	1,576	1,786	1,786
Other capital grants	2,970	2,970	641	641
Other revenue grants	1,006	1,006	276	276
Income from health and hospital authorities	3,193	3,193	4,290	4,290
Other income	8,140	8,140	9,119	9,119
Rent and service charge	4,714	4,695	3,744	3,985
	<u>49,956</u>	<u>49,937</u>	<u>48,318</u>	<u>48,559</u>

6. Investment income

	Y/E 31 July 2025 £'000	Y/E 31 July 2025 £'000	Y/E 31 July 2024 £'000	Y/E 31 July 2024 £'000
Investment income on endowments	23 63	63	92	92
Investment income on restricted reserves	24 41	41	26	26
Other investment income	1,329	1,479	2,044	2,183
Net return on pension scheme	3	3	2	2
	<u>1,436</u>	<u>1,586</u>	<u>2,164</u>	<u>2,303</u>

7. Donations and endowments

	Y/E 31 July 2025 £'000	Y/E 31 July 2025 £'000	Y/E 31 July 2024 £'000	Y/E 31 July 2024 £'000
New endowments	24 319	319	464	464
Donations with restrictions	25 834	834	318	318
Unrestricted donations	21	21	28	28
	<u>1,174</u>	<u>1,174</u>	<u>810</u>	<u>810</u>

There are no donations or endowments being held in the Balance Sheet not recognised as income.

Notes to the Accounts For the year ended 31 July 2025

8. Staff

Staff	Consolidated	University	Consolidated	University
	Y/E 31 July 2025 £'000	Y/E 31 July 2025 £'000	Y/E 31 July 2024 £'000	Y/E 31 July 2024 £'000
Staff costs:				
Salaries	87,698	87,698	88,281	88,281
Social security costs	10,131	10,131	9,136	9,136
Occupational pension costs (Note 32)				
Employer contributions	11,945	11,945	14,045	14,045
Movement on pension provisions	445	445	(67,354)	(67,354)
	<u>110,219</u>	<u>110,219</u>	<u>44,108</u>	<u>44,108</u>
Severance costs	1,280	1,280	2,921	2,921
	<u>111,499</u>	<u>111,499</u>	<u>47,029</u>	<u>47,029</u>
	£'000	£'000	£'000	£'000
Analysed as				
Pay costs	109,774	109,774	111,462	111,462
Severance costs	1,280	1,280	2,921	2,921
	<u>111,054</u>	<u>111,054</u>	<u>114,383</u>	<u>114,383</u>
Movement on pension provisions	445	445	(67,354)	(67,354)
	<u>111,499</u>	<u>111,499</u>	<u>47,029</u>	<u>47,029</u>

The above severance costs are payable to 42 post-holders (2024: 83).

A general pay award of 2.5% was made from 1 August 2024 for all staff above point 37 on the Keele Spine pay scale, with lump sums of up to £1,200, for those on grades below point 38. £900 of the August 2024 pay award was paid from 1 August 2024, with the remainder effective from 1 March 2025. Operational staff received a pay awards ranging from 3.4% to 4.8% dependent on grade from 1 April 2025. Staff on NHS pay scales received pay awards in line with their nationally agreed scale.

Notes to the Accounts For the year ended 31 July 2025

8. Staff (continued)

	Y/E 31 July 2025 FTE	Y/E 31 July 2024 FTE
Average staff numbers by major category		
Academic/Research	821	828
Technical	89	87
Academic Related	344	339
Secretarial/Clerical	458	466
Other	228	239
	<u>1,940</u>	<u>1,959</u>
	Y/E 31 July 2025	Y/E 31 July 2024
Emoluments of the Vice-Chancellor - McMillan	£'000	£'000
Basic Salary	236	270
Payment of dividends	0	0
Performance-related pay and other bonuses awarded, including any deferred payment arrangements	0	0
Payments in lieu of pension contributions	38	43
Salary sacrifice arrangements	0	0
Compensation for loss of office	0	0
Any sums paid under any pension scheme in relation to employment at Keele University	0	0
Other taxable benefits	1	1
Non-taxable benefits - Housing allowance	0	0
Other remuneration (e.g. ex-gratia, payments while on sabbatical)	0	0
Total before pension contributions	<u>275</u>	<u>314</u>
USS Pension contributions	0	0
USS Death in service contributions	0	7
	<u>275</u>	<u>321</u>
Remuneration of the VC		

The Vice-Chancellor is required by the University to have accommodation on campus. The University paid contributions to the University Superannuation Scheme for the Death In Service element only, which increased from 2.1% to 6.3% from 1 October 2021, and ceased in December 2023. The Vice-Chancellor had no salary sacrifice arrangements and did not receive any bonus or expenses allowance in the current or previous year. The emoluments of the Vice-Chancellor are shown on the same basis as for higher paid staff.

Basis of the remuneration package of the Vice-Chancellor

The remuneration of the Vice-Chancellor is reviewed annually by the Senior Remuneration Committee with reference to the terms set out in the "Salary Review Framework for the Vice-Chancellor" which was adopted in August 2013 and updated in July 2018 to align with the principles of the Committee of University chairs (CUC) voluntary Higher Education Remuneration Code for Senior Staff published in June 2018. The Committee has regard for the promotion of equality and diversity and ensures equality of opportunity in the way it conducts itself and in the transaction of its business. Committee members consider the public interest and the safeguarding of public funds alongside the interests of the institution when considering all forms of payment, reward and severance to the staff within its remit.

During the year 2024/25, the Committee met on two occasions. The membership of the Committee is:

Notes to the Accounts For the year ended 31 July 2025

8. Staff (continued)

Name	Position	Dates of meeting attended	
		Jan-25	Mar-24
Mr David Hall (Chair)	Honorary Treasurer	Yes	Yes
Mrs Sally Bucknall	Deputy Pro-Chancellor	Yes	Yes
Mr Richard Callaway	Deputy Pro-Chancellor	Yes	Yes
Mr Mike Farrar	Pro-Chancellor	Yes	Yes

The Vice-Chancellor may attend the Committee, except for an item where their remuneration is under consideration. The Vice-Chancellor attended both meetings.

Context in which Keele University operates

The University operates in the United Kingdom Higher Education sector, which is both competitive and complex. There is competition across the sector to recruit both UK and International students for undergraduate and postgraduate studies, alongside the desire of all institutions to attract and retain a high quality of academic and professional service staff. This obviously includes key management personnel, including the Vice-Chancellor. Alongside teaching, research is the other key strand of the sector, an area that encompasses varied specialisms, funding streams and requirements. As a result of the staff involved in teaching and research, universities are able to engage in innovation, business engagement and technology transfer, or collectively knowledge exchange.

Terms of the Vice-Chancellor's Salary Review

In considering any pay increase, Senior Remuneration Committee takes into account the following:

1 The size and complexity of the role, relevant market comparators, pay ratio data and other metrics as appropriate and the need to protect the strategic interests of the University.

The Vice Chancellor's salary is benchmarked annually against the salary data for comparable roles and institutions set out within the latest available UCEA Remuneration Report, as a basis for ensuring broad based fairness and comparability. However, it is not the intention that the salary is automatically adjusted to reflect a specific percentile point or range.

2 Performance in role

The Vice Chancellor's performance is reviewed annually by the Chair of Council with due consideration of both long and short-term objectives. Only in the case where the Vice Chancellor is deemed to have demonstrated significant achievement and exceptionality of performance in his/her role against key performance indicators and personal objectives will a salary review based on performance be considered.

3 Affordability – the University's financial position – current and longer terms.

Any increase considered against 1) and 2) above is balanced against available and projected long-term funding, expenditure priorities, discretionary pay expenditure, and pay as a percentage of income in the short to medium term.

4 National Pay Restraint and any associated Public and Employee Relations issues

Any recommended increase is considered within the context of the relevant pay climate. The Vice Chancellor's remuneration package is published annually within the annual statutory accounts which are available on the University's website and the University must be able to properly explain any enhancements based on the strategic interests of the institution.

Vice-Chancellor Pay Review 2024/25

The Senior Remuneration Committee reviewed the Vice-Chancellor's salary against sector benchmarks and an appraisal of his performance against agreed objectives and agreed an uplift in salary to £278,486 from 1 July 2024. This increased to £279,386 from 1 August 2024 following the partial implementation of the August 2024 pay award, and then to £285,448 when the August 2024 uplift of 2.5% was applied in full. From 28 October 2024, the Vice-Chancellor reduced his FTE from 1 to 0.8, with a corresponding adjustment to his salary.

Notes to the Accounts For the year ended 31 July 2025

8. Staff (continued)

Pay ratio of the Vice-Chancellor compared to the median pay of staff

The ratio has been calculated using the OfS Accounts Direction guidance, which states the calculation "must include all employees who are required to be included in real-time reporting to HMRC. Employees that are not required to be included in real-time reporting to HMRC should be excluded from the calculation of the remuneration of 'all other staff'". This includes all substantive staff together with all sessional and casual staff and anyone else paid through the payroll but excludes Agency Staff.

The median pay is calculated on a full-time equivalent basis for the salaries paid by the University to the staff.

Pay multiple between Vice-Chancellor and all other University employees	Y/E 31 July 2025 Pay multiple	Y/E 31 July 2024 Pay multiple
Basic salary of Vice-Chancellor compared to median of University staff	7.68	7.51
Total remuneration of Vice-Chancellor compared to median of University staff	8.41	8.19

Remuneration of other higher paid staff (including the Vice-Chancellor)

The number of staff with a basic salary of over £100,000 per annum has been included below, including the Vice-Chancellor. Basic salary includes market supplements and agency payments, but excludes (amongst other items) bonuses, payments in lieu of pension contributions, allowances, clinical excellence awards, benefits, compensation for loss of office, employer pension contributions, employer National Insurance and expenses. Payments made on behalf of the NHS in respect of its contractual obligations to University staff under separate NHS contracts of employment are not included within remuneration. In line with the Office for Students Accounts Direction, staff who joined or left part-way through a year who would have received salary in these bands in a full year but did not in this part year are excluded.

	Y/E 31 July 2025	Y/E 31 July 2024
£100,000 - £104,999	7	6
£105,000 - £109,999	0	0
£110,000 - £114,999	1	1
£115,000 - £119,999	1	0
£120,000 - £124,999	2	2
£125,000 - £129,999	3	2
£130,000 - £134,999	4	6
£135,000 - £139,999	1	0
£140,000 - £144,999	3	0
£145,000 - £149,999	0	0
£150,000 - £154,999	0	0
£155,000 - £159,999	0	0
£160,000 - £164,999	0	0
£165,000 - £169,999	1	0
£170,000 - £174,999	0	1
£175,000 - £179,999	1	1
£180,000 - £184,999	0	1
£185,000 - £189,999	0	0
£190,000 - £194,999	0	0
£195,000 - £199,999	1	1
£215,000 - £219,999	1	0
£235,000 - £239,999	1	0
£270,000 - £274,999	0	1
	27	22

Notes to the Accounts For the year ended 31 July 2025

8. Staff (continued)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University through the University Executive Committee. Key management personnel costs are based on 21 (2024: 22) University employees. Compensation consists of salary, benefits, compensation for loss of office, employer's national insurance and employer's pension contribution.

	Y/E 31 July 2025 £'000	Y/E 31 July 2024 £'000
Key management personnel	3,129	3,322

9. Other Operating Expenses

	Consolidated Y/E 31 July 2025 £'000	University Y/E 31 July 2025 £'000	Consolidated Y/E 31 July 2024 £'000	University Y/E 31 July 2024 £'000
Other operating expenses include:				
External auditors remuneration:				
Fees payable to the auditor for the audit of the University financial statements	96	96	99	99
Audit of the financial statements of the subsidiary	10	0	8	0
Other Assurance Services	13	13	7	7
Internal auditors remuneration	146	146	64	64
Operating lease rentals				
Other	257	257	233	233

The consolidated audit remuneration fee for 2024/25 was £88k excluding VAT (University £81k and subsidiary £7k).

10. Interest and other finance costs

	Consolidated Y/E 31 July 2025 £'000	University Y/E 31 July 2025 £'000	Consolidated Y/E 31 July 2024 £'000	University Y/E 31 July 2024 £'000
Loan interest	2,521	2,521	2,658	2,658
Finance leases	1,038	1,038	906	906
Exchange differences	41	41	40	40
	3,600	3,600	3,604	3,604
Pension finance costs	845	845	2,470	2,470
	4,445	4,445	6,074	6,074

Notes to the Accounts For the year ended 31 July 2025

11 Analysis of total expenditure by activity

	Consolidated Y/E 31 July 2025 £'000	University Y/E 31 July 2025 £'000	Consolidated Y/E 31 July 2024 £'000	University Y/E 31 July 2024 £'000
Academic	77,607	77,607	77,854	77,854
Academic services	19,984	19,984	18,351	18,351
Central administration	20,137	20,137	19,280	19,280
General education	3,550	3,550	4,332	4,332
Staff and student facilities	7,979	7,979	8,156	8,156
Premises	27,132	27,132	25,663	25,663
Catering & residential	23,484	23,484	23,419	23,419
Research	19,812	19,812	16,342	16,342
Scholarships, bursaries & prizes (excl fee waivers)	4,738	4,738	5,138	5,138
Other expenses	5,359	5,359	7,347	7,347
Staff costs – actuarial movement	445	445	(67,354)	(67,354)
Restructuring	1,280	1,280	2,921	2,921
Total University Expenditure	211,507	211,507	141,449	141,449
Subsidiary company	(568)	0	295	0
	210,939	211,507	141,744	141,449

12 Taxation

	Consolidated Y/E 31 July 2025 £'000	University Y/E 31 July 2025 £'000	Consolidated Y/E 31 July 2024 £'000	University Y/E 31 July 2024 £'000
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Total tax expense	-	-	-	-

The University has not provided a full tax reconciliation disclosure as tax is not material to the financial statements. The University does not believe that any current taxation will be payable by the group.

13 Intangible Assets

Consolidated	Assets in the course of construction (AUC)		Intangible Assets Total	
	£'000		£'000	
At 1 August 2024	0		0	
Additions	7		7	
Amortisation charge for the year	0		0	
At 31 July 2025	7		7	
University	Assets in the course of construction (AUC)		Intangible Assets Total	
	£'000		£'000	
Cost/ Valuation				
At 1 August 2024	0		0	
Additions	7		7	
Amortisation charge for the year	0		0	
At 31 July 2025	7		7	

Notes to the Accounts For the year ended 31 July 2025

14 Tangible Assets

Consolidated	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Equipment £'000	Assets in the course of construction (AUC) £'000	Tangible Assets Total £'000	Investment property £'000	Heritage assets £'000	Total £'000
Cost/ Valuation								
At 1 August 2024	344,180	18,128	31,245	13,785	407,338	11,217	12,116	430,671
Additions	8,185	6	1,399	871	10,461	60	0	10,521
Valuation increase	0	0	0	0	0	90	0	90
Transfer - AUC	3,704	0	5,254	(8,391)	567	(567)	0	0
Disposals	0	0	0	0	0	0	0	0
At 31 July 2025	356,069	18,134	37,898	6,265	418,366	10,800	12,116	441,282
Depreciation								
At 1 August 2024	84,109	1,636	19,087	0	104,832	0	0	104,832
Charge for the year	10,199	599	2,706	0	13,504	0	0	13,504
Impairment	297	0	0	0	297	0	0	297
Disposals	0	0	0	0	0	0	0	0
At 31 July 2025	94,605	2,235	21,793	0	118,633	0	0	118,633
Net book value At 31 July 2025	261,464	15,899	16,105	6,265	299,733	10,800	12,116	322,649
At 1 August 2024	260,071	16,492	12,158	13,785	302,506	11,217	12,116	325,839
University	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Equipment £'000	Assets in the course of construction (AUC) £'000	Tangible Assets Total £'000	Investment property £'000	Heritage assets £'000	Total £'000
Cost/ Valuation								
At 1 August 2024	342,780	18,128	31,165	13,785	405,858	11,135	12,116	429,109
Additions	8,186	6	1,399	871	10,462	60	0	10,522
Valuation Increase	0	0	0	0	0	35	0	35
Transfer	3,137	0	5,254	(8,391)	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
At 31 July 2025	354,103	18,134	37,818	6,265	416,320	11,230	12,116	439,666
Depreciation								
At 1 August 2024	83,734	1,636	19,006	0	104,376	0	0	104,376
Charge for the year	10,144	599	2,706	0	13,449	0	0	13,449
Impairment	297	0	0	0	297	0	0	297
Disposals	0	0	0	0	0	0	0	0
At 31 July 2025	94,175	2,235	21,712	0	118,122	0	0	118,122
Net book value At 31 July 2025	259,928	15,899	16,106	6,265	298,198	11,230	12,116	321,544
At 1 August 2024	259,046	16,492	12,159	13,785	301,482	11,135	12,116	324,733

Notes to the Accounts For the year ended 31 July 2025

14 Tangible Assets (continued)

The University and Group revalued its land and buildings on a fair value basis as at 31 July 2014, taking advantage of the transitional provisions of FRS 102 section 35.10. The University appointed Gerald Eve LLP, an independent external valuer which is regulated by the Royal Institution of Chartered Surveyors ("RICS"). The valuation was performed in accordance with the RICS Valuation - Professional Standards January 2014. In accordance with the FRS 102 transitional provisions these revised values are now used as the deemed cost of land and buildings going forward.

At 31 July 2024, freehold land and buildings included £34,558k University and £34,558k Consolidated (2024 - £34,558k University; £34,558k Consolidated) in respect of freehold land that is not depreciated. There are no leased assets included in the above, other than the Leasehold Land and Buildings.

The investment properties held by the University currently totalling £11,230k (2022: £11,135k) were valued on a fair value basis as at 31 July 2025 by an external valuer (GeraldEve LLP), which is regulated by the RICS. The historical cost of these investment properties is £9,500k (2024: £9,500k). The valuations have been carried out in compliance with the Practice Statements contained within the Valuation - Global Standards 2020 of the Royal Institution of Chartered Surveyors (RICS). The critical assumption made relating to the valuations is an equivalent net yield on the properties of between 0.2% - 15.0% (2024: between 0.2% and 14.9%).

15 Heritage assets

Consolidated and University

The University has a number of different types of heritage assets, some of which it owns, and some of which are held on loan deposit. On-deposit and loan items are not included within the valuation total for the University. During the year, the heritage assets were not revalued for insurance purposes. The total heritage assets are split between:

Library: Archives and Special Collections

The University holds a large number of manuscripts, archives and other special collections; these collections are housed in the University Library. They are held and maintained principally for their contribution to knowledge and culture.

Collections are acquired by deposit, gift and purchase. The University is committed to ensuring that these collections are exploited to their maximum advantage and made available efficiently and effectively. The University's collecting policy states that material should conform to at least one of the following criteria:

- It fits with the current or future teaching and research profile of the University
- It is of strategic local interest
- It supplements an existing collection
- It is material generated by the University and considered worth preserving.

The collections were professionally valued for insurance purposes during 2015/16 by Hansons Auctioneers and Valuers Ltd. The valuation of items owned by the University totalled £6,972k.

Listed below are the collections owned by the University:

- Arnold Bennett Papers
- Wilfred Bloor Papers
- Goldendale Iron Company
- T.E. Hulme Archive
- William Jack Collection
- The Foundations of British Sociology Archive (formerly called the LePlay Collection)
- Lord Lindsay Papers
- Local Collection
- Karl Mannheim Papers
- Pape Collection
- Raymond Richards Collection
- Sneyd Family Papers
- Warrillow Collection
- Josiah Clement Wedgwood Collection
- Jeavons Collection of 20th Century Slides
- An Illuminated Manuscript
- Reserve stock (13,529 other titles held by the University)
- George Thomas Baggaley - Finishing Designs
- Ray Pahl Papers

Additionally, within the Hansons Auctioneers and Valuers Ltd insurance valuation there were items that were not owned by the University and were on deposit, valued at a total of £977k. As noted in the 2018/19 financial statements, the University has been loaned the Joyce Holliday Archive valued at £5k, although again no value has been assigned to this in the financial statements as this is on loan.

Other than above, no significant additions or disposals have occurred of University owned Archives and Special Collections in this or the previous four years.

Other Miscellaneous Artefacts

The University has various miscellaneous artefacts that it owns, mainly situated in Keele Hall and the Library. These are classed as follows:

- Silver and Plated Ware
- Ceramics
- Furniture
- Sculpture
- Pictures (including Drawings and Prints)

During 2015/16, the collections were professionally valued for insurance purposes by Hansons Auctioneers and Valuers Ltd. The new valuation totalled £5,144k. Additionally, within the valuation there were items that were not owned by the University and were on deposit, valued at a total of £241k.

Other than above, no significant additions or disposals have occurred of University owned Artefacts in this or the previous four years.

Notes to the Accounts For the year ended 31 July 2025

16 Fixed Asset Investments

Consolidated	Keele Residential Fund					Total £'000
	(see 15a) Stanhope Capital £'000	RBS GIC £'000	(see 15b) Subsidiaries £'000	(see 15c) Spin Outs £'000	(see 15d) Others £'000	
Balance at 1 August 2023	22,531	8,506	0	0	225	31,262
Additions	325	403	0	0	0	728
Disposals	0	(3,901)	0	0	0	(3,901)
Change in market value	1,051	0	0	0	0	1,051
Impairment	0	0	0	0	0	0
Balance at 31 July 2024	23,907	5,008	0	0	225	29,140
Additions	0	236	0	0	0	236
Disposals	(26)	(1,591)	0	0	0	(1,617)
Change in market value	157	0	0	0	0	157
Impairment	0	0	0	0	0	0
Balance at 31 July 2025	24,038	3,653	0	0	225	27,916

University	Keele Residential Fund					Total £'000
	(see 15a) Stanhope Capital £'000	RBS GIC £'000	(see 15b) Subsidiaries £'000	(see 15c) Spin Outs £'000	(see 15d) Others £'000	
Balance at 1 August 2023	22,531	8,506	0	0	225	31,262
Additions	325	403	0	0	0	728
Disposals	0	(3,901)	0	0	0	(3,901)
Change in market value	1,051	0	0	0	0	1,051
Impairment	0	0	0	0	0	-
Balance at 31 July 2024	23,907	5,008	-	-	225	29,140
Additions	0	236	0	0	0	236
Disposals	(26)	(1,591)	0	0	0	(1,617)
Change in market value	157	0	0	0	0	157
Impairment	0	0	0	0	0	0
Balance at 31 July 2025	24,038	3,653	0	0	225	27,916

16 (a) Keele Residential Fund Investments

The Keele Residential Fund investments relate to monies generated from the financial restructuring deals in 1999 and 2007, and can be categorised as follows:

Stanhope Capital Investment Funds and Refurbishment Funds

The strategic asset investment funds are an overall fund managed by Stanhope Capital on behalf of the University. The fund is held over a variety of different investments. Where an element of the fund is held in liquid assets, this is shown as cash and cash equivalents with the rest shown as non-current asset investments above. All of the investments are shown at market value, as provided by the Investment managers, with any changes in market value being adjusted for in the Statement of Comprehensive Income and Expenditure.

National Westminster Bank plc (Nat West) Guaranteed Investment Contract

The Nat West Guaranteed Investment Contract is a separate fixed interest cash account against which a specified annual amount is drawn down by the University to use for the Halls of Residence refurbishment works. The ability of the University to draw down against the profile is subject to confirmation by Keele Residential Funding plc, and the final draw down is in 2029 when the balance in the account will be £nil. The whole of the Guaranteed Investment Contract is included in fixed asset investments.

Notes to the Accounts For the year ended 31 July 2025

16 (b) Investment in wholly owned subsidiary companies (*continued*)

The University had the following investments in wholly owned subsidiary companies as at 31 July 2023, which had a 31 July year end:

Name of Investment	Class of share	Proportion held by University	Nature of business
Keele University Science and Business Park Ltd	Ordinary	100%	Land development and associated activity
Keele Pension Trustee Ltd	Ordinary	100%	Dormant – Corporate pension trustee

The companies are registered in England and Wales. Keele Pension Trustee Ltd was incorporated in the year.

There were no acquisitions in the year. The University does not believe that there is any material difference between the cost and market value of the shares in the above company, and the investment is shown at cost.

16 (c) Investment in spin out companies

The University had the following investment in a spin out company as at 31 July 2023:

Name of Investment	Class of share	No of shares purchased	Proportion held by University & Group	Nature of business
Prescribing Decision	£1 Ordinary (1,000)	250	25.00%	Software to
Support Limited (PDS)	£1 Ordinary B (100)	-	-	assist pharmacists

The University does not believe that there is any material difference between the cost and market value of the shares in PDS, and the investment is shown at cost. Where the University holds 20% or more of the share capital of any spin out company, the University does not account for these investments as associates but holds them as simple investments in line with those in which it has a less than 20% shareholding. This is on the basis that the University merely holds the shares as an investment and does not seek to exercise any significant influence over the operating and financial policies of a spin out company.

16 (d) Other Investments

The University holds the following equity shares, which are accounted for at cost as a simple investment:

£	Shares held in	Description
31,761	CVCP Properties PLC	CVCP Properties plc is a company owned by 100 Higher Education institutions, whose executive heads are members of Universities UK.
49,850	KRF Holdings Ltd	The University holds 99.7% of the shares, being "A" Ordinary shares. These shares have no voting rights, and the holders of this class of shares do not have any right to appoint directors of the company. Consequently, the University has no Board representation. On the basis that the University lacks the ability to control the entity, KRF Holdings Ltd has not been consolidated into the accounts and is included at cost.

The University holds the following investment which is accounted for at cost as a simple investment:

£	Shares held in	Description
143,000	Midlands Mindforge Ltd	In 2021/22, the University invested £100,000 into a convertible loan agreement with Midlands Mindforge Limited, to enable the establishment of an investment fund to support the commercialisation of university IP across Midlands Innovation Universities. In 2022/23, these were converted into 100 ordinary shares, and a further £43,000 invested to obtain an additional 43 ordinary shares whilst maintaining the proportions of the original equity stake.

Notes to the Accounts For the year ended 31 July 2025

17 Investment in jointly controlled company and other partnerships

Joint contracts and partnerships

The University operates a number of collaborative provision arrangements with other Universities and educational establishments, as follows:

Partner	Country	Type of arrangement
Active		
Beijing Foreign Studies University	China	Joint Programme / Dual Award
Harper Adams University	United Kingdom	Joint Award
Higher Education Partners	United Kingdom	Online Programmes
British International College	Nepal	Franchising Undergraduate and Postgraduate
Navitas – Keele University International College	United Kingdom	Pathway Provider
Chengdu University of Traditional Chinese Medicine	China	Joint Programme / Dual Award
North West University	South Africa	Dual PhD Award
Kingston International School	Singapore	Franchising
Vytautas Magnus University	Lithuania	Dual Award
Universiti Sains Malaysia	Malaysia	Dual PhD Award
Universite Ibn Tofail	Morocco	Dual PhD Award
University Hassan 1er	Morocco	Dual PhD Award
Universite Hassan II	Morocco	Dual PhD Award

Newly approved but yet to launch

Horizon Campus	Sri Lanka	Franchising
Metropolitan College	Greece	Franchising
Keele University, Greece University Legal Entity, in partnership with Metropolitan	Greece	Franchising
Universite Sidi Mohamed Ben Abdellah	Morocco	Dual PhD Award

Undergoing teach out

Jiangxi University of Applied ScienceS	China	Joint Programme / Dual Award
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Recently taught out

Foundation for International Medical Education and Research	USA	Validation
Shaw Education Trust and Keele and North Staffordshire Primary SCITT	United Kingdom	Franchising

Notes to the Accounts For the year ended 31 July 2025

18 Stock

	Consolidated		University	
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Finished goods	48	48	52	52
Development land	3,053	0	3,053	0
	3,101	48	3,105	52

The development land is held by Keele University Science and Business Park Ltd.

19 Trade and other receivables

	Consolidated		University	
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Research grants receivables	4,648	4,648	4,790	4,790
Other trade receivables	152	152	1,884	1,884
Other receivables	11,135	10,973	9,207	9,189
Prepayments and accrued income	7,728	7,728	6,404	6,632
Amounts due from subsidiary companies	0	0	0	0
	23,663	23,501	22,285	22,495
Amounts falling due after one year:				
Prepayments and accrued income	2,469	2,469	2,695	2,695
Amounts due from subsidiary companies	0	0	0	139
	26,132	25,970	24,980	25,329

Within the prepayments balances are deferred costs relating to the Keele Residential Funding agreements in 1999 and 2007, which are being expended over the life of the leases.

20 Creditors: amounts falling due within one year

	Consolidated		University	
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Unsecured loans	1,420	1,420	1,521	1,521
Obligations under finance leases	420	420	589	589
Trade payables	6,627	6,627	3,847	3,847
Other creditors	1,324	1,324	1,412	1,412
Social security and other taxation payable	2,692	2,692	2,565	2,565
Accruals and deferred income	24,136	24,126	20,782	20,755
Research grants and contract advances	11,485	11,485	13,736	13,736
Payments received on account	2,540	2,540	2,366	2,366
Amounts due to subsidiary companies	0	0	0	0
Deferred income: Keele Residential Funding premium (see Note 21b)	2,842	2,842	2,842	2,842
Derivatives (see note 25)	0	0	0	0
	53,486	53,476	49,660	49,633

Notes to the Accounts
For the year ended 31 July 2025

20 Creditors: amounts falling due within one year *(continued)*

Deferred income

Included with accruals and deferred income and research grants and contract advances are the following items of income which have been deferred until specific performance related conditions have been met.

	Consolidated 2025 £'000	University 2025 £'000	Consolidated 2024 £'000	University 2024 £'000
Capital grant income	276	276	702	702
Grant income	1,190	1,190	691	691
	1,466	1,466	1,393	1,393

21 Creditors: amounts falling due after one year

	Consolidated 2025 £'000	University 2025 £'000	Consolidated 2024 £'000	University 2024 £'000
Unsecured loans	53,165	53,165	55,084	55,084
Deferred income: Keele Residential Funding premium (see Note 21b)	31,844	31,844	34,686	34,686
Obligations under finance leases	15,128	15,128	15,609	15,609
Other long-term creditors	3,053	0	3,052	0
	103,190	100,137	108,431	105,379

21(a) Mortgages and unsecured loans

	Consolidated 2025 £'000	University 2025 £'000	Consolidated 2024 £'000	University 2024 £'000
Analysis of secured and unsecured loans:				
Due within one year or on demand (Note 20)	1,420	1,420	1,521	1,521
Due between one and two years	2,437	2,437	1,521	1,521
Due between two and five years	2,625	2,625	4,563	4,563
Due in five years or more	48,103	48,103	49,000	49,000
Total secured and unsecured loans	54,585	54,585	56,605	56,605
Secured loans	0	0	0	0
Unsecured loans repayable by 2042	54,585	54,585	56,605	56,605
	54,585	54,585	56,605	56,605

Notes to the Accounts
For the year ended 31 July 2025

21(a) Creditors: amounts falling due after one year *(continued)*

The loans are all held by the University, with no loan facilities in the subsidiary companies. As at 31 July 2025, the loans comprise of the following:

Lender	Term	Amount £'000	Interest rate %
Royal Bank of Scotland	2029	483	SONIA plus margin
Royal Bank of Scotland	2027	1,500	9.19% fixed
Royal Bank of Scotland	2029	1,050	SONIA plus margin
Barclays Bank	2035	6,552	Mix of 6.885% fixed and SONIA plus agreed margin
Barclays Bank (Revolving Credit Facility)	2030	0	SONIA plus margin
Barings Bank	2037 / 2042	45,000	3.327% Series A and 3.37% Series B Senior Notes
Total		54,585	

21 (b) Keele Residential Funding premium

The Keele Residential Funding premium represents the premiums received on the lease of student accommodation to Keele Residential Funding plc. The premiums are held as deferred income in creditors and are being released on a straight-line basis over the period of the lease agreements.

22 Provisions for Liabilities and Charges

	USS £'000	KSS £'000	LGPS £'000	Total Pension s £'000	Pay and Severance s £'000	NHSPS £'000	Nursery Salary Sacrific e £'000	Total Other £'000
At 1 August 2024	0	19,434	0	19,434	2,782	0	0	2,782
Utilised in the year	0	0	0	0	(2,782)	0	0	(2,782)
Transfer from statement of comp income	0	2,697	13	2,710	0	64	207	271
University deficit contributions	0	(3,371)	0	(3,371)	0	0	0	0
Additions	0	0	0	0	0	0	0	0
At 31 July 2025	0	18,760	13	18,773	0	64	207	271

Notes to the Accounts For the year ended 31 July 2025

22 Provisions for Liabilities and Charges *(continued)*

USS deficit

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out in note 33.

Following the completion of the 2020 actuarial valuation, a deficit recovery plan has been agreed which requires deficit payments of 6.2% of salaries from 1 April 2022 to 31 March 2024 and 6.3% from 1 April 2024 onwards. However, following the 2023 valuation the scheme was in surplus on a technical basis. Consequently, no deficit recovery contributions were required from 1 January 2024 and the outstanding provision was released to the Statement of Comprehensive Income.

KSS deficit

This relates to pension scheme obligations that have been calculated by actuaries. See note 32 for further details.

LGPS deficit

This relates to pension scheme obligations that have been calculated by actuaries. See note 32 for further details.

Pay and severances

The provision of £0k (2023: £2,782k) relates to severance payments that the University and individuals have agreed by 31 July, but the University had not paid by that date.

NHPS

The NHS Pension Scheme operates a "Scheme Pays" and for 2019/20 the government put in place an allowance compensation scheme for that year. This guaranteed that any annual allowance tax charge for eligible clinicians will be compensated at the time of retirement, with the additional pension obligation falling on the employer but an equal amount of funding being "guaranteed" by the government. Four people have signed up through Keele University to the NHS Scheme Pays 2019/20 allowance compensation scheme.

Nursery Salary Sacrifice

This relates to an amounts arising from historic recalculations of the operation of the salary sacrifice scheme in respect of childcare from the University nursery.

23 Endowment reserves

Consolidated & University	Restricted permanent endowments	Unrestricted permanent endowments	Expendable endowments	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000
At 1 August 2024					
Capital	345	0	0	345	
Accumulated income	113	0	1,460	1,573	
	<u>458</u>	<u>0</u>	<u>1,460</u>	<u>1,918</u>	
New endowments	0	0	319	319	
Investment Income	17	0	46	63	
Expenditure	(1)	0	(133)	(134)	
	<u>474</u>	<u>0</u>	<u>1,692</u>	<u>2,166</u>	
Represented by:					
Capital value	347	0	0	347	
Accumulated income	127	0	1692	1,819	
	<u>474</u>	<u>0</u>	<u>1692</u>	<u>2,166</u>	
Analysis by type of purpose:					
General fund				1,307	1,071
Hardship fund				40	39
Prize funds				214	213
Scholarships and bursaries				557	559
Student Loans				48	36
				<u>2,166</u>	<u>1,918</u>

The funds are held as cash and cash equivalents There are no deficit balances as at 31 July 2024 or 31 July 2025

Notes to the Accounts For the year ended 31 July 2025

24 Restricted reserves

Consolidated & University	Donations	2025 Total	2024 Total
	£'000	£'000	£'000
At 1 August 2024	521	521	
New donations	834	834	
Investment income	41	41	
Expenditure	(250)	(250)	
At July 2025	<u>1,146</u>	<u>1,146</u>	
Analysis by type of purpose:			
General fund		684	288
Hardship fund		151	126
Research Support		189	8
Scholarships and bursaries		122	99
		<u>1,146</u>	<u>521</u>

The funds are held as cash and cash equivalents There are no deficit balances as at 31 July 2024 or 31 July 2025

25 Financial instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Examples of financial instruments include cash, debtors and creditors, investments, hedging instruments and loans.

Nature and Extent of Risks Arising from Financial Instruments

The university's activities expose it to a variety of financial risks. The main risks to the University's treasury activities are:

- Credit and counterparty risk (security of investments);
- Liquidity risk/refinancing risk (inadequate cash resources/impact of debt maturing in future years);
- Interest rate risk (fluctuations in interest rate levels);
- Inflation risk (exposure to inflation); and
- Foreign exchange risk.

Interest rate risk

The University is exposed to risk in terms of its exposure to interest rate movements on its borrowings and cash equivalent investments. Movements in interest rates have a dual impact on the University. A rise in interest rates would increase the interest payable costs of any variable rate loans, but interest income credited to the surplus or deficit will rise for investments and cash equivalents that are based on a variable interest receivable. The University 'hedges' its interest rate risk using swaps which provide stability against interest rate fluctuations, as highlighted below.

The carrying values of the Group and University's financial assets and liabilities are summarised by category below:

	Note	Consolidated 2025	University 2025	Consolidated 2024	University 2024
		£'000	£'000	£'000	£'000
The carrying values of the Group and University's financial assets and liabilities are summarised by category below:					
Categories of financial instruments					
Financial assets					
<i>Financial assets at fair value through Statement of Comp income</i>					
Listed investments	15	24,038	24,038	23,907	23,907
<i>Financial assets that are instruments measured at cost less impairment</i>					
Other investments	15	3,878	3,878	5,233	5,233
<i>Financial assets that are debt instruments measured at amortised cost</i>					
Trade and other receivables	18	152	152	1,884	1,884
		<u>28,068</u>	<u>28,068</u>	<u>31,024</u>	<u>31,024</u>

Notes to the Accounts
For the year ended 31 July 2025

25 Financial instruments (*continued*)

Financial liabilities					
<i>Financial liabilities at fair value through Statement of Comp income</i>					
Derivatives	20	0	0	0	0
<i>Financial liabilities measured at amortised cost</i>					
Loans	20/21	54,585	54,585	56,605	56,605
Trade payables	20	6,627	6,627	3,847	3,847
		<u>61,212</u>	<u>61,212</u>	<u>60,452</u>	<u>60,452</u>
		Consolidated 2025	University 2025	Consolidated 2024	University 2024
		£'000	£'000	£'000	£'000

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

Interest income and (expense)					
<i>Total interest income for financial assets at fair value</i>					
	5	660	660	606	606
<i>Total interest income for financial assets at amortised cost</i>					
	5	215	215	347	347
<i>Total interest expense for financial liabilities at amortised cost</i>					
	9	(3,559)	(3,559)	(3,564)	(3,564)
		<u>(2,684)</u>	<u>(2,684)</u>	<u>(2,611)</u>	<u>(2,611)</u>
Fair value gains and (losses)					
<i>On financial assets measured at fair value through the Statement of Comprehensive Income</i>					
		157	157	1,051	1,051
		<u>157</u>	<u>157</u>	<u>1,051</u>	<u>1,051</u>

26 Cash and cash equivalents

	At 1 August 2024	Cash Flows	At 31 July 2025
	£'000	£'000	£'000
Consolidated			
Cash at bank and on deposit	<u>17,628</u>	<u>(151)</u>	<u>17,477</u>

The cash at bank and on deposit represents cash in hand together with current and short-term deposit accounts without a notice period or a notice period of less than 3 months.

Notes to the Accounts
For the year ended 31 July 2025

27 Consolidated reconciliation of net debt

	At 31 July 2025	
	£'000	
Net debt 1 August 2024		55,175
Movement in cash and cash equivalents (note 26)	151	
Repayment of Loans	(2,020)	
New Loans	-	
New finance leases	-	
Repayment of finance leases	(650)	
Changes in market value and exchange rates	-	
Change in net debt		(2,519)
Net debt 31 July 2025		52,656
	At 31 July 2025	At 31 July 2024
	£'000	£'000
Analysis of net debt:		
Cash and cash equivalents	(17,477)	(17,628)
Borrowings: amounts falling due within one year		
Unsecured loans	1,420	1,521
Bank overdraft	-	-
Obligations under finance leases	420	589
Derivatives	-	-
	<u>1,840</u>	<u>2,110</u>
Borrowings: amounts falling due after more than one year		
Unsecured loans	53,165	55,084
Obligations under finance lease	15,128	15,609
Derivatives	-	-
	<u>68,293</u>	<u>70,693</u>
Net debt	52,656	55,175

28 Capital Commitments

	Consolidated 2025	University 2025	Consolidated 2024	University 2024
	£'000	£'000	£'000	£'000
Commitments contracted for	<u>2,777</u>	<u>2,777</u>	<u>4,919</u>	<u>4,919</u>

29 Contingent Liabilities

The University has a stock of houses on campus that is available to purchase by or rent to employees under various Schemes. If a house is purchased by an individual, the University covenants to re-purchase the house from that person if they are unable to sell to another eligible person. The contingent liability represents the stock of houses that the University would be liable to purchase if all of the owners called on the University to do so as at 31 July at an estimated market value.

In February 2021, an independent operator opened a new hotel on campus. As part of the agreements, upon practical completion of the Hotel, Keele University is required to underwrite the lease rental for 37 years as an "income guarantee" to Legal & General who will be long leasing the land and providing the funds to the external developer for the construction of the Hotel. The rental for the year February 2025 to January 2026 was £898k, and this will increase annually based on RPI using a "cap and collar" of between zero to 5%.

Notes to the Accounts For the year ended 31 July 2025

30 Leases

(a) Lease commitments

	Consolidated Equipment 2025 £'000	Consolidated Equipment 2024 £'000
Total rentals payable under operating leases:		
Payable during the year	208	35
Future minimum lease payments due:		
Not later than 1 year	71	31
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
Total lease payments due	71	31
	University Equipment 2025 £'000	University Equipment 2024 £'000
Total rentals payable under operating leases:		
Payable during the year	208	35
Future minimum lease payments due:		
Not later than 1 year	71	31
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
Total lease payments due	71	31

Equipment

The equipment relates to a contract that the University has in place for multifunctional printing devices, vans and grounds machinery. The agreements all terminate on or before 31 July 2026.

(b) Lessor commitments - KRF lease

	Minimum lease receipts 2025 £'000	2024 £'000
Future minimum lease receipts due:		
Not later than 1 year	5,262	5,134
Later than 1 year and not later than 5 years	22,396	21,850
Later than 5 years	124,216	130,023
	151,874	157,007

The lease relates to the leasehold interest in the University Halls of Residence property held by KRF Holdings Ltd. There are no financial restrictions imposed by the lease agreement. There is no contingent rent recognised as income.

Further details of the KRF agreement are disclosed under note 31 (f).

Notes to the Accounts For the year ended 31 July 2025

31 Related Party Transactions

The operating statements of the University include transactions with related parties. In accordance with FRS102 these are disclosed where members of the University Council disclose an interest in a body with whom the University undertakes transactions which are considered material to the University's Financial Statements and/or the other party. Due to the nature of the University's operations and the composition of its 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 Council may have an interest. All such transactions are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures. There were no payments for services provided by a Council Member in the year. Please refer to the Corporate Governance Statement for the total expenses paid to council members.

The University has taken advantage of the exemption within FRS 102 Section 33 "Related Party Disclosures" and has not disclosed transactions with other wholly owned group entities. Included within the financial statements are the following transactions with related parties:

Ref	Name of Council member / disclosing body	Relationship with related party	Income from related party £000	Expenditure with related party £000	Balance in Debtors with related party £000	Balance in Creditors with related party £000
(a)	Keele Superannuation Scheme ("KSS")	Staff Pension Scheme (closed)	Nil	3,371	Nil	Nil
(b)	Keele University Students' Union President ("KSU")	Representative body for students at the University	31	1,437	533	Nil
(c)	Keele Postgraduate Association President ("KPA")	Representative body for Post Graduate students at the University	22	241	Nil	Nil
(d)	Harper Adams University	Joint Harper and Keele Veterinary School	2,748	15	Nil	Nil
(e)	Simon Constable	Chief Executive at UHNM	109	1,038	Nil	Nil

31 (a) Keele Superannuation Scheme ("KSS")

KSS is a final salary defined benefit scheme in the United Kingdom, with the assets held in separate trustee-administered funds. The University is the principal employer. KSS is closed to future service benefit accrual. Accordingly, no further contributions by either members or the University to KSS have been made except for the deficit funding contributions paid by the University in line with the recovery plan. For the year ended 31 July 2025, these were £3,171k. Additionally, administrative expenses of £200k have been re-imbursed by the University, including Trustees Indemnity Insurance.

31 (b) Keele University Students' Union President ("KSU")

The President of KSU is a Council member during their term of office. As such they are trustees of the University, and transactions are required to be disclosed between the University and KSU. The expenditure includes £1,218k of grant payments, of which £70k was paid in advance and prepaid on the Balance Sheet. A loan repayable over 10 years was provided by the University to KSU in 2021/22 to facilitate the refurbishment of the Co-op shop, with a balance of £363K on the University balance sheet at 31 July 2025. An additional £150k loan repayable over three years was made by the University to KSU in 2023/24 to assist with cashflow, with a balance of £100k on the University balance sheet at 31 July 2025.

31 (c) Keele Postgraduate Association President ("KPA")

The President of the KPA is a Council member during their term of office. As such they are trustees of the University, and transactions are required to be disclosed between the University and the KPA. The expenditure includes £154k of grant payments.

31 (d) Harper Adams University

The joint Harper and Keele Veterinary School is run by the two Universities. Income and expenditure incurred by both Universities on the Veterinary School is reconciled through the year, and the above debtor and creditor balances include the gross income and expenditure balances held on the Balance Sheet. Additionally, both Universities are part of the Uni Connect Programme through Higher Horizons. Keele manages the regional Hub and so receives claims from, and passes grant income to, Harper Adams.31 (e)

Notes to the Accounts For the year ended 31 July 2025

31 Related Party Transactions (*continued*)

University Hospitals of North Midlands NHS Trust ("UHNM")

Simon Constable is the Chief Executive of UHNM. The University has a Faculty of Medicine and Health Sciences including a School of Medicine and School of Nursing and Midwifery, and so naturally has a significant relationship with UHNM. The balances due from UHNM includes debtors and accrued income and the balances due to UHNM includes creditors and accrued expenditure.

Other related party disclosures

31 (f) Keele Residential Funding ("KRF") agreement

The term Keele Residential Funding ("KRF") is used to describe several linked transactions running throughout the financial statements. The principal relationships and transaction flows are described in this note.

During the financial year 1999/2000, the University undertook a securitisation deal in respect of the rental income flow from its Halls of Residence up to 2029 with Keele Residential Funding plc. In 2006/07, this was extended to 2047. The University received a premium on both occasions, and this premium (together with associated costs) is being released to the Statement of Comprehensive Income and Expenditure over the life of the agreements. The residual premium and associated costs are recognised as deferred income and prepayments respectively on the Balance Sheet.

The university collects rent on behalf of Keele Residential Funding plc under a Letting Services agreement and passes these rents over on an annual basis. Halls of Residence rental income is recognised in full within income for the University, with the payment to Keele Residential Funding plc being a cost recognised in other operating expenses. Keele Residential Funding plc pays the University a management fee for the management of the Halls of Residence, which is included within income, and disclosed in note 5 to the accounts.

As part of these agreements, the University leases a proportion of its student accommodation portfolio to Keele Residential Funding plc. The assets leased remain on the balance sheet of the University, because the substance of the transaction is that they will fully revert back to the University at the end of the agreement in 2047. The updated net book value on the University fixed asset register as at 31 July 2025 of these assets is £68,890k (2024: £69,029k).

Additionally, the University has a contractual duty to maintain and refurbish the student halls of residence. Investments of £19,999k (2024: £18,911k) have been set aside in fixed asset investments as at 31 July 2025 to enable the University to meet its future obligations in respect of the agreed refurbishment programme. These investments are shown as part of the Keele Residential Funding investments. The University is required to ensure funds are maintained at a level to ensure compliance with agreed maintenance programmes and failure to comply may result in monies being withheld from annual University facilities management payments due from Keele Residential Funding plc.

As highlighted in note 15(d), the University holds shares in KRF Holdings Ltd, but does not consolidate its accounts into the University accounts. KRF Holdings Ltd owns 100% of the share capital of Keele Residential Funding plc, which owns 100% of the share capital of KRF Management Ltd.

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes

The University contributes to the following pensions schemes:

Name of pension scheme	Type of pension scheme accounted as
(i) Universities' Superannuation Scheme (USS)	Multi-employer (Contributions plus recognise contractual commitment to fund past deficits)
(ii) Keele Superannuation Scheme (KSS)	Defined benefit
(iii) Local Government Pension Scheme (LGPS)	Defined benefit
(iv) National Health Service Pension Scheme (NHSPS)	Multi-employer (Contributions only)
(v) National Employment Savings Trust (NEST)	Defined contribution

	-----	-----
Contributions paid		
USS	11,063	13,381
KSS	-	-
LGPS	91	90
NHSPS (includes invoiced amounts for additional NHS pension costs)	778	562
NEST	13	12
	<u>11,945</u>	<u>14,045</u>
Actuarial adjustment in staff costs		
USS	-	(67,945)
KSS	439	585
LGPS	6	6
	<u>445</u>	<u>(67,354)</u>
Total pension cost for year (charged to staff costs in the Statement of Comprehensive Income and Expenditure as per Note 8)	<u>12,390</u>	<u>(53,309)</u>

	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Statement of Comprehensive Income and Expenditure - net interest charge on pension schemes		
USS	-	1,524
KSS	845	946
LGPS	(3)	(2)
Total net interest charge on pension schemes in the Statement of Comprehensive Income and Expenditure (as per notes 6 and 10)	<u>842</u>	<u>2,468</u>

	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Other Comprehensive Income - actuarial (gain) / loss in respect of pension schemes		
KSS	1,413	752
LGPS	10	(4)
Total actuarial (gain) / loss in respect of pension schemes in the Statement of Comprehensive Income and Expenditure	<u>1,423</u>	<u>748</u>

The pension scheme liability on the Balance Sheet is disclosed in note 23.

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes (*continued*)

The University contributes to the following pensions schemes:

(i) The Universities Superannuation Scheme (USS)

The University participates in USS which is the main scheme covering most staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total credit released to salaries in the Statement of Comprehensive Income and Expenditure is £0k (2024: £13,363k), excluding the impact of the change in the deficit recovery plan as shown above as the "Actuarial adjustment".

Deficit recovery contributions due within one year for the University are £0k (2024: £0k).

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

Since the University cannot identify its share of 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:

	2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of SEPFA for females.
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2025	2024
Males currently aged 65 (years)	23.8	23.7
Females currently aged 65 (years)	25.5	25.6
Males currently aged 45 (years)	25.7	25.4
Females currently aged 45 (years)	27.2	27.2

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes (*continued*)

Following the completion of the 2020 actuarial valuation, a deficit recovery plan has been agreed which requires deficit payments of 6.2% of salaries from 1 April 2022 to 31 March 2024 and 6.3% from 1 April 2024 onwards. However, following the 2023 valuation the scheme was in surplus on a technical basis. Consequently, no deficit recovery contributions were required from 1 January 2024 and the outstanding provision was released to the Statement of Comprehensive Income and Expenditure.

(ii) Keele Superannuation Scheme (KSS)

The KSS is a final salary defined benefit scheme in the United Kingdom that pays out pensions at retirement based on service and final pay, with the assets held in separate trustee-administered funds. The employer cash contribution made for the year ended 31 July 2025 was £3,171k (2023: £3,067k), with £200k (2024: £250k) of expenses paid by the University on behalf of the Scheme. This includes Enil (2024: Enil) outstanding contributions at the balance sheet date.

In 2013, it was decided to close KSS to future service benefit accrual and to transfer active members to USS. Therefore, no further contributions by either members or the University have been made in this financial year, with the exception of the deficit funding contributions paid by the University in line with the recovery plan agreed between the University and the KSS Trustees that began in November 2015.

Assumption

The following information is based upon a full actuarial valuation of KSS at 1 August 2020.

The principal financial assumptions used to calculate scheme liabilities under FRS102 are:

	At 31 July 2025 %pa	At 31 July 2024 %pa
Discount rate	5.35	4.70
Rate of increase in salaries	3.00	3.30
Price Inflation (RPI)	3.00	3.30
Price Inflation (CPI)	2.25	2.45
Rate of increase of pensions in payment and deferred pensions:		
Pre 1 August 2001 Service	4.05	4.15
1 August 2001 to 30 November 2006 Service	3.00	3.25
Post 1 December 2006 Service	1.95	2.05
Commutation allowance (Members commute % of their pension)	25%	25%
No allowance has been assumed for early retirement.		

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

	Current Pensioner aged 65 (Male)	Non-pensioner aged 45 (Male)	Current Pensioner aged 65 (Female)	Non-pensioner aged 45 (Female)
At 31 July 2025	21	22	24	25
At 31 July 2024	21	22	23	25

The actuarial tables used for this are 112% S4PA CMI 2024 (1.25%) (2024: 112% S4PA with CMI 2023 improvements trending to 1.25%).

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes (continued)

Consistent with previous years, the approach taken is to set mortality assumptions broadly in line with the mortality assumption adopted for the latest triennial valuation of the Scheme.

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions, which, due to the timescale covered, may not necessarily be borne out in practice.

Scheme assets of KSS

The assets in the scheme were:

	Fair values at at	
	31 July 2025 £'000	31 July 2024 £'000
Equities / Return seeking Funds	8,134	7,441
Corporate bonds	10,060	11,455
Insured pensioners	597	699
Cash	1,149	671
Total	19,940	20,266

The scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	At 31 July 2025 £'000	At 31 July 2024 £'000
Analysis of the amount shown in the balance sheet for KSS		
Scheme assets	19,940	20,266
Scheme liabilities	(38,700)	(39,700)
Deficit in the scheme – recorded within pension provisions (note 22)	(18,760)	(19,434)
Total operating charge		
Staff costs and administrative expenses	439	585
Analysis of the amount charged to interest payable for KSS		
Interest on net deficit	845	946
Total profit and loss charge before deduction for tax	1,284	1,531
	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Analysis of other comprehensive income for KSS:		
Experience (loss)/gain on assets	(1,987)	(386)
Gain on liabilities	574	(366)
Total other comprehensive income before deduction for tax	(1,413)	(752)

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes (continued)

	At 31 July 2025 £'000	At 31 July 2024 £'000
Cumulative actuarial loss recognised as other comprehensive income for KSS		
Cumulative actuarial losses recognised at the start of the year	(10,219)	9,467
Cumulative actuarial losses recognised at the end of the year	8,806	(10,219)
Analysis of movement in deficit for KSS		
Deficit at beginning of year	(19,434)	(20,468)
Contributions paid by the University	3,171	3,067
Administration expenses paid by the University	200	250
Total operating charge	(439)	(585)
Other finance charges	(845)	(946)
Deficit at end of year	(18,760)	(19,434)
	At 31 July 2025 £'000	At 31 July 2024 £'000
Analysis of movement in the present value of KSS liabilities		
Present value of KSS liabilities at the start of the year	39,700	39,800
Total operating charge	439	585
Interest cost	1,814	1,912
Actuarial (gain)/loss	(574)	366
Actual benefit payments	(2,240)	(2,378)
Recognition of insured pensioners	-	-
Administration expenses paid by KSS	(439)	(585)
Present value of KSS liabilities at the end of the year	38,700	39,700
	At 31 July 2025 £'000	At 31 July 2024 £'000
Analysis of movement in the fair value of scheme assets		
Fair value of assets at the start of the year	20,266	19,332
Expected return on assets	969	966
Actuarial (loss)/gain on assets	(1,987)	(386)
Contributions paid by the University	3,171	3,067
Administration expenses reimbursed by the University	200	250
Actual benefit payments	(2,240)	(2,378)
Recognition of insured pensioners	-	-
Administration expenses paid by KSS	(439)	(585)
Fair value of scheme assets at the end of the year	19,940	20,266
KSS assets do not include any of the University's own financial instruments, or any property occupied by the University.		
	At 31 July 2025 £'000	At 31 July 2024 £'000
Actual return on Scheme assets		
Expected return on assets	969	966
Actuarial gain on assets	(1,987)	(386)
Actual return on Scheme assets before administration expenses	(1,018)	580
Administration expenses	(439)	(585)
Actual return on Scheme assets before administration expenses	(1,457)	(5)

Based on the Schedule of Contributions dated 24 November 2021, the University expects to contribute in the region of £3,371k to

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes (*continued*)

(iii) Local Government Pension Scheme (LGPS)

LGPS is a contributory defined benefit pension scheme administered by Staffordshire County Council. The scheme is governed by the Public Service Pensions Act 2013 (as amended). The fund is administered in accordance with the following secondary legislation:

- the Local Government Pension Scheme Regulations 2013 (as amended)
- the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended)
- the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.
- the Statement of Recommended Practice (SORP) The Financial Reports of Pension Schemes (as amended in 2014).

The employer contribution (including contributions in respect of unfunded benefits) made for the year ended 31 July 2025 was £91k (2024: £90k). This includes £0k (2024: £8k) outstanding contributions at the balance sheet date.

For the year ended 31 July 2025, the University has been contributing at a rate of 59.1% with agreed annual lump sum contributions to the scheme of £77k. Employee contributions were 5.8% of pensionable salaries.

Assumptions

The following information is based upon a full formal actuarial valuation of LGPS as at 31 March 2025 projected forward to 31 July 2024 by a qualified independent actuary. There is an allowance for the impact of the recent McCloud ruling, as there was in the year to 31 July 2024.

The 2022 formal funding valuation included an allowance for full Guaranteed Minimum Pension Benefits (GMP) indexation within the LGPS. The rolled forward position to 31 July 2024 therefore includes this allowance.

The principal financial assumptions used to calculate scheme liabilities under FRS102 are:

	31 July 2025 %pa	31 July 2024 %pa
Discount rate	5.75	4.95
Rate of increase in salaries	3.30	3.25
Price Inflation (RPI)	3.30	3.25
Price Inflation (CPI)	2.80	2.75
Rate of increase of pensions in payment and deferred pensions	2.80	2.75
Commutation allowance (Members commute % of their pension) – pre-April 2008 service	65%	50%
post-April 2008 service	65%	75%

The most significant non-financial assumption is the assumed level of longevity. The table below shows future life expectancy assumptions (in years) used in the accounting assessments based on the life expectancy of male and female members.

	Current Pensioner aged 65 (Male)	Non-pensioner aged 45 (Male)	Current Pensioner aged 65 (Female)	Non-pensioner aged 45 (Female)
At 31 July 2025	20	22	24	25
At 31 July 2024	20	22	24	25

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 (and 2022) data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females, and current and future pensioners.

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions, which, due to the timescale covered, may not necessarily be borne out in practice.

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes (*continued*)

Scheme assets of LGPS

Based on the actuarial calculations, the LGPS had a surplus of £2,697k (2024: £2,104k) which has not been recognised in these financial statements. This is reflected below by reducing the assets of the scheme to £3,106k to give a liability in respect of the unfunded obligations £13k (2024: £0k) and adjusting the net charge to other finance income and actuarial gain in respect of pension schemes recognised in Other Comprehensive income.

	31 July 2025 £'000	31 July 2024 £'000
Equities / Return seeking Funds	1,895	2,222
Corporate bonds	901	937
Property	248	243
Cash	62	69
Total	3,106	3,471

The scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	At 31 July 2025 £'000	At 31 July 2024 £'000
Analysis of the amount shown in the balance sheet for LGPS		
Scheme assets	5,816	5,141
Scheme liabilities	(3,119)	(3,471)
Surplus not recognised	(2,710)	(1,670)
Deficit in the scheme – recorded within pension provisions (note 23)	(13)	-
Current service cost	6	6
Total operating charge	6	6
Interest income on net assets	(169)	(174)
Interest cost on defined benefit obligation	166	172
Net charge to other finance income	(3)	(2)
Total profit and loss charge before deduction for tax	3	4
	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Analysis of other comprehensive income for LGPS:		
Experience loss on assets	(403)	(46)
Contributions by University	91	92
Experience loss on liabilities	32	(116)
Change in demographic assumptions	(20)	7
Change in financial assumptions	290	67
Total other comprehensive income before deduction for tax	(10)	4

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes (*continued*)

	At 31 July 2025 £'000	At 31 July 2024 £'000
Cumulative actuarial loss recognised as other comprehensive income for LGPS		
Cumulative actuarial losses recognised at the start of the year	979	(975)
Cumulative actuarial losses recognised at the end of the year	(989)	979
Analysis of movement in deficit for LGPS		
Deficit at beginning of year		
Administration expenses paid by the University	-	-
Total operating charge	(6)	(6)
Other finance charges	3	2
Deficit at end of year	<u>(13)</u>	<u>-</u>
Analysis of movement in the present value of LGPS liabilities		
Present value of LGPS liabilities at the start of the year	3,471	3,466
Current service cost	6	6
Interest cost	166	172
Actuarial (gain)/ loss	(302)	42
Contributions paid by scheme members	3	3
Actual benefits payments	(225)	(218)
Present value of LGPS liabilities at the end of the year	<u>3,119</u>	<u>3,471</u>
Analysis of movement in the fair value of scheme assets		
Fair value of assets at the start of the year	3,471	3,466
Expected return on assets	169	174
Actuarial loss on assets	(403)	(46)
Actual contributions paid by University	91	92
Contributions paid by scheme members	3	3
Actual benefit payments	(225)	(218)
Fair value of scheme assets at the end of the year	<u>3,106</u>	<u>3,471</u>

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

	At 31 July 2025 £'000	At 31 July 2024 £'000
Actual return on Scheme assets		
Expected return on assets	169	174
Actuarial gain on assets	(403)	(46)
Actual return on Scheme assets before administration expenses	(234)	128
Administration expenses	-	-
Actual return on Scheme assets before administration expenses	<u>(234)</u>	<u>128</u>

The University expects to contribute in the region of £15k to the scheme in the next year through deficit contributions and on-going service costs.

Notes to the Accounts For the year ended 31 July 2025

32 Pension Schemes (*continued*)

(iv) National Health Service Pension Scheme (NHSPS)

The University also participates in the NHSPS which is contracted out of the State Second Pension (S2P). The notional assets of NHSPS are assessed by the Government Actuary and the benefits are underwritten by the Government.

The NHS Pension Scheme is a defined benefit public service pension scheme, which operates on a pay-as-you-go basis. A new reformed scheme was introduced on 1 April 2015 that calculates pension benefits based on career average earnings. Transitional arrangements permit individuals who on 1 April 2012 were within ten years of normal pension age to continue participating in the old 'final salary' NHS Pension Scheme arrangements (the 1995 and 2008 sections).

An HM Treasury pension scheme valuation for funding purposes was carried out as at March 2012. The Scheme Regulations have been changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The contribution rate payable by the University during the year to 31 March 2025 was equal to 14.30% (plus a 0.08% scheme administration levy) (2024 - 14.30% plus 0.08%) of the total pensionable salaries in accordance with the conclusion of the Government Actuary's report on the scheme, and the University contributed £588k (2024: £549k).

34 Access and Participation Plan

Access and Participation Plans ("APPs") set out how a higher education provider will improve equality of opportunity in higher education.

If providers want to charge higher level tuition fees, their plans must be approved by the OfS's Director for Fair Access and Participation

The Keele APP articulates our ongoing commitment to improving equality of opportunity for underrepresented groups to access, succeed in and progress from higher education. We are committed to enabling social mobility through education, aiming to widen participation, raise attainment, contribute to a strong regional skills base and bridge gaps in retention, progression and success. Our latest Plan incorporates contributions from colleagues across our university community. Keele has an approved APP to 2028/29. The APP for Keele can be accessed on either the OfS website or the Keele website on:

www.keele.ac.uk/access-plan

	2025 £'000	2024 £'000
Access investment	1,416	1,380
Financial support provided to students	2,430	2,600
Support for disabled students	2,794	2,524
Research and evaluation related to access and participation activities	538	509
Total access and participation expenditure	<u>7,178</u>	<u>7,013</u>

Included within the above expenditure is £3,711k (2024: £3,799k) of staff costs that are also included in Note 8 "Staff costs".



[keele.ac.uk/statementofaccounts](https://www.keele.ac.uk/statementofaccounts)