

# Statement of Accounts 2023/24

For the year ended 31 July 2024



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Council members and  
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Keele strikes  
Gold for  
*outstanding*  
quality  
education

Teaching Excellence Framework 2023



No 1  
Britain’s best university,  
as ranked by students

Student Crowd University Awards, 2022

80%  
of our research  
was classified as  
world-leading or  
internationally excellent

Research Excellence Framework, 2021

Top 10  
in the UK for multiple  
subject areas

NSS 2023 (broad-based universities)

Global  
*Sustainability*  
Institution of  
the Year

Green Gown Awards 2021



# Introduction *from* the Vice-Chancellor

It is a privilege, but also quite humbling, to be writing this as Vice-Chancellor during Keele's 75th anniversary year. So many students, staff and partners have been part of our remarkable journey and contributed to making Keele the wonderful place it is today, and it's important to remember them at this milestone.

Founded in 1949 to meet the demands of a new kind of society, economy and world, our principles resonate now more than ever. Taking time to look back over the past 12 months allows us to reflect on so many great achievements that have made a positive impact on communities and societies at home and abroad and to recognise the hard work that has been put in to make them happen.

With 2024 being such a significant year in Keele's history, it's only right to begin by shining a light on all the fantastic events and initiatives that have taken place to celebrate our 75th anniversary. One that I feel really captures the ethos of Keele has been giving our 2,000 staff an extra day off to volunteer in their communities or with charities they support. It's been great seeing colleagues volunteering in so many ways, from dry stone walling at the local Silverdale Country Park, to gardening at the Douglas Macmillan Hospice and refurbishing Alice Charity's new office space. Our staff have helped to create better futures for our communities, and I am immensely proud of their efforts.

We also launched a new photo exhibition, 75 faces of Keele, celebrating just a small cross-section of the countless people who have played an important part in the University's past and present, and made an impact on the world around them. While it would be impossible to feature everybody who has made Keele what it is today, it has been great to see the exhibition being so well received by the Keele community and we hope it will inspire and bring back memories for many people. It was also wonderful to see such an incredible turnout on our campus for the 75th anniversary Keele Day special event, as thousands of families, alumni and members of the local community enjoyed a taste of what Keele is all about. Our beautiful campus is always open to the community, and it's at its best and most vibrant when so many people come to enjoy everything Keele has to offer.

While there is much to celebrate about our past, we are always looking to the future. Our campus improvements, opportunities for students and teaching quality, are key aspects of our university that contribute to us moving forward. We were delighted to officially launch our Digital Society Institute in October, housed inside the Innovation Centre 7 building on campus. The new Institute has been created to both address the challenges, and make the most of the opportunities, created by the digital revolution. It will enable national and international visibility for Keele's world-leading research and is a great addition to our university.

We also saw the launch of a new Institute of Sport which offers a suite of exciting new sports programmes for those interested in furthering their sports knowledge and pursuing a career in the sport and exercise sector. This includes a new exercise physiology and movement laboratory, as well as a bespoke sports laboratory set to open during the 2024/25 academic year.

Work has also been completed on a state-of-the-art healthcare simulation suite, created to give students the chance to practice and hone their skills in realistic environments including a hospital ward, GP surgery, and operating theatre. Additionally, work is also under way on creating a new purpose-built insect research laboratory on our campus. It will be a place where scientists can carry out vital research to tackle the spread of deadly diseases and reduce crop losses to pests in the UK and across the globe and is another example of how we are continuing to invest in our facilities and evolving our campus to give students, staff and visitors the best experience.

It has been a fantastic year for our teaching, research and educational offer, with two major accolades secured by Keele. We maintained our Gold rating in the Teaching Excellence Framework (TEF) 2023 – a repeat of our ranking from 2017 – which signified that the student experience and student outcomes at Keele are typically outstanding for all students and across all subjects and courses. As a result of this, Keele took its place in a 'Golden Quadrangle' of the top 15 universities in England that excel in both teaching and research, all with a Gold award in the TEF and also high research intensity in the most recent Research Excellence Framework. This dual excellence in both teaching and research gives Keele students opportunities to work alongside world-leading researchers at the top of their field, studying a curriculum which is directly informed by globally-recognised research. To be one of only a select group of universities recognised as being excellent in both teaching and research is a tremendous achievement and would not be possible without the hard work of everybody at Keele.

Further afield, we were delighted to attend a ceremony in China to welcome the first cohort of students studying at the new Keele University and Chengdu University of Traditional Chinese Medicine (CDUTCM) Joint Education Institute. More than 200 students have signed up for the two undergraduate degree programmes initially on offer through the Joint Institute – Rehabilitation and Exercise Therapy, and Public Health Management. Keele is now one of around 30 UK universities with a Joint Institute in China, offering students the opportunity to receive a dual degree from Keele and CDUTCM, and providing a basis for further degree programmes and collaborative research opportunities to be developed.

We continued to strengthen our profile and reputation abroad by announcing an exciting new partnership with Germany's national aeronautics and space research centre. Both institutions are already working on a number of joint activities and I'm excited to see this high-profile partnership for our School of Computer Science and Mathematics develop, and the opportunities it will provide for researchers and students. Alongside this, we also entered a partnership with the Harry S. Truman Scholarship Foundation, founded as a living memorial to the 33rd US President, that will see five "Truman Scholars" come to Keele for postgraduate study, and we look forward to welcoming them to our community.

The environment we are working in continues to be challenging, and like many universities, Keele is facing a range of financial pressures. A declining pool of both undergraduate and postgraduate applicants, combined with a strong decline in the international market for postgraduate students and over a decade of unchanged UK student fees are just some of the issues we and others are facing. With the Higher Education landscape remaining volatile and uncertain, it only stands to make our resilience and achievements over the past 12 months even more remarkable. That is something we can all be proud of in our 75th anniversary year.

**Professor Trevor McMillan OBE**  
Vice-Chancellor, Keele University





## STRATEGIC REPORT

# Highlights of the year

- 1 Plans were unveiled to create a new Peace Garden on our campus. Funded entirely through alumni donations, the garden will be located in-between the University Chapel and Cherry Tree Walk, with a professionally designed garden encompassing screening, benches, and natural meadow planting to provide a central place for rest and reflection, and a location for wellbeing initiatives to take place. The garden is being built as part of Keele's 75th anniversary celebrations and will serve as a lasting legacy of the anniversary year for visitors to the campus, and the entire university community, to enjoy.
- 2 We launched a suite of exciting new sport courses under the umbrella of an Institute of Sport. The psychology, business, and physical science of sport are among the subjects students can now explore in undergraduate and postgraduate courses. The programmes build on Keele's well-established and leading reputation in health and medicine, rehabilitation and exercise science, business, and psychology.
- 3 To celebrate the 20th anniversary of forensic science being offered as a degree at Keele, a new crime scene simulation facility was created on our campus. Featuring crime scenes in a bar, post office, and domestic home, the facility will complement Keele's existing crime scene house for Forensic Science students and has been kitted out to simulate a variety of different settings that forensics teams might be called to, with each room equipped to simulate a wide range of scenarios.
- 4 Work got under way on our exciting new development Keele in Town, situated on Ironmarket in the heart of Newcastle-under-Lyme. Due to open by the end of the year, Keele in Town will be a gateway where residents, community groups and businesses can collaborate with experts at the University and benefit from new learning and support opportunities. The project is being funded by money from the Newcastle Town Deal: a successful bid by partners including the University and Newcastle-under-Lyme Borough Council to central Government for funding in Newcastle and Kidsgrove – to improve residents' quality of life and boost economic regeneration.



- 5 The Minister charged with looking after scientific innovation in Sir Keir Starmer's new Government praised the University for its forward-thinking approach to sustainability and green technology. During a visit to Keele in June, Peter Kyle MP, the new Secretary of State for Science, Innovation and Technology, said: "Universities forming a partnership like Keele has done with Siemens, that's a really inspiring partnership which is delivering innovation, job creation, and hopefully, if you spin some of this innovation out it will lead to job creation and wealth creation for our country. Keele has already shown itself, with the partnership it has got with Siemens, and the clean energy that you've got here which is providing almost half of the energy needs of your own campus. It must be not only great for the environment, but it also shows what kind of ethos, what kind of principles and values you have as a university."

- 6 We were delighted to welcome more than 45 of Keele's first ever graduates back to campus for a reunion to mark the 75th anniversary of the University. Some travelled more than 3,000 miles to be at the event, with others making shorter journeys from Newcastle-under-Lyme, Stoke-on-Trent and Crewe. The group, affectionately referred to by Keele as its 'pioneers', were the first generation of students to learn at the University, which was established as the University College of North Staffordshire in 1949. The 'pioneers' graduated between 1954 and 1961 and are recognised for playing a pivotal role in establishing the University.

- 7 Professor Emerita Miriam Bernard received an MBE in the New Years Honours list for her contribution to society's understanding of ageing. While at Keele, Miriam helped to set up – and teach on – the first postgraduate programmes in Gerontology outside of London. Keele PhD student Elliott Lancaster was also made an MBE for services to Youth Empowerment and Sustainability in Staffordshire, celebrating his work in campaigning for environmental and social causes, and his extensive volunteering efforts.

- 8 BBC News' chief international correspondent Lyse Doucet was recognised by Keele with an honorary degree for her contribution to journalism. Ms Doucet has been reporting for the BBC for about 30 years and is known for her work in conflict zones such as Syria, Afghanistan and Ukraine. On receiving the award at our Winter Graduation ceremonies, she said: "This is not your ivory tower university, this is a university which, even though it's in the middle of this gorgeous countryside, is so connected to the local community, to the world beyond. I love the emphasis on research, on practical solutions, not saying 'let's study the world and then go out and change the world', it's all part of the university learning, and the motto is 'Make a Difference'. I think that's fantastic, it should be a mantra for the world."

- 9 Students, lecturers, and partners from a variety of cultures and backgrounds came together to celebrate the first anniversary of the Keele University International College. The College was established in 2022 to give international students new opportunities to access higher education with Keele, with the first intake starting their studies in September 2022.

- 10 A plaque was unveiled on our campus in memory of Fumiko Yonezawa – the first Japanese student to study at Keele. Professor Yonezawa studied at Keele from 1963-64 and went on to become the first female President of the Physical Society of Japan. A distinguished scientist, Fumiko received the L'Oreal-UNESCO Award for Women in Science for her pioneering theory and computer simulations on amorphous semiconductors and liquid metals in 2005. She passed away in 2019, aged 80. The plaque was unveiled on Cherry Tree Walk by her daughter, Rumiko.





2023/24

# Financial Highlights

Total income of  
**£207.1m**

**Total income** – income for the year totalled £207.1m (2022/23: £206.3m), an increase of £0.8m compared to 2022/23. There has been increases across all income streams, particularly in tuition fee income £5.0m (due to Home and EU students) and funding body grants £4.6m (due to an increase in the recurrent and capital grants from the Office for Students). A one-off capital grant of £13.8m relating to the Innovation Centre 7 recognised in 2022/23 has not been repeated in 2023/24.

## Surplus before other gains

**Surplus/(deficit) before other gains/losses** – excluding the actuarial movement in staff costs, the consolidated operating (deficit)/surplus before other gains/losses has decreased from an £16.0m surplus in 2022/23 to an £2.0m deficit in 2023/24. Whilst income has remained static year-on-year, there have been significant increases in both pay £11.0m and non-pay £9.4m costs. Included in the pay costs is a £2.7m increase in severance costs due to a one-off provision relating to a voluntary severance scheme which is anticipated to deliver material savings going forward.

## Tuition fee income

**£102.7m**

**Tuition Fee Income** – tuition fee income increased by £5.0m, to £102.7m (2022/23: £97.7m). This was primarily due to strong recruitment in Home and EU, but there was also increased income relating to international students and degree apprenticeships.

## Cash Generation



**Cash Generation** – cash generation from operating activities increased marginally from £2.6m to £3.0m as shown in the Consolidated Statement of Cash Flows. At year end, the Group had cash and cash equivalents of £17.6m (2022/23: £21.8m), short-term investments of £0m (2022/23: £12.0m) and fixed asset investments of £29.1m (2022/23: £31.3m). The University currently has access to further undrawn bank borrowing (Revolving Credit Facilities) of £14m.

## Staff costs



**Staff costs** – on-going staff costs excluding severance and actuarial movements (see note 8) totalled £111.5m for 2023/24, equalling 54% of total income (£103.2m and 50% in 2022/23).

## Capital expenditure

**£8.9m**

**Capital Expenditure** – £20.8m (2022/23: £8.9m) of capital expenditure (ignoring finance leases) was spent on projects in the year. This included £5.4m on upgrading the IT network and £3.6m on the Clinical Skills and Simulation Suite. A significant proportion of this was funded externally, primarily from the Office for Students.

## 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 been able to develop the hybrid-education model introduced during the pandemic, to offer new and innovative ways of delivering our programmes to our students, as well as significantly seeking to expand our educational provision through the achievement of our Academic Delivery Plan, bringing a suite of new programmes at undergraduate and postgraduate level into development for future recruitment, as well as enhancing and driving performance across our education, research and international activity.

Research and Education remain at the heart of our purpose at Keele and this year we have seen significant successes in both areas, delivering excellent outcomes for our students, staff and society with our founding mission held deeply at heart.

## 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, India 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 ‘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 combines 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.

Going Concern

Net cash generated from operating activities for 2023/24 was £3.0m, or 1.5% of turnover (£2.6m and 1.3% in 2022/23). Cash generation is an area that the University is continually looking to improve, in order to facilitate increased investment across the campus buildings and infrastructure and enhance the student and staff experience at Keele.

The amount of cash and cash equivalents on the balance sheet decreased from £21.8m at 31 July 2022 to £17.6m at 31 July 2023. This was primarily due to net capital expenditure of £14.4m (capital expenditure less capital grant receipts) being partially offset by the withdrawal of a £12m deposit in a short-term investment.

The University holds fixed asset investments that are invested in liquid funds (approximately £8.0m) which could be available to the University at short notice if required. Additionally, the majority of the University’s external loan funding of £56.6m (2022/23: £62.9m) is long term in nature. The University also has access to two revolving credit facilities totalling £14m and it is expected that a replacement facility of £25m will be available when these accounts are signed. These facilities will be used to support liquidity as and when required. Cash flow forecasts show that the University is still able to ensure it has sufficient liquidity over the short, medium and long term.

As with all other entities, the University has been impacted by the high inflationary environment on our cost base, with our primary source of income (UK undergraduate taught students) being a fixed fee of £9,250 per year whose value therefore reduces over time. However, the financial savings plans that has been recently implemented together with detailed cashflow forecasting provides the University Council with the confidence that the University has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of signature of these financial statements.



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



Gender Pay Gap

Building on the University’s founding principles, our commitment to promoting equality 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. In recent years the University has carried out an annual Equal Pay Analysis across our pay grades which demonstrates that there is no pay inequality within our Pay Grading Structure, i.e. we pay men and women equally for work at the same level. However, there is work to do in addressing our Gender Pay Gap which exists, not because of an equal pay failure, but because of issues relating to the composition of the workforce.

Keele’s Gender Pay Gap is biased towards men. The gender pay gap includes every worker and employee, from frontline operational staff to members of the executive team. The composition of our workforce is therefore a key factor in understanding our gender pay gap. Put simply, we have more men in senior academic roles and more women in our lower level administrative and operational positions.

This year we reported a small decrease of 1.1% in the mean Gender Pay Gap, with a small increase in our median Gender Pay Gap of 0.3%. Key factors that impact on our Gender Pay Gap include; a predominantly female substantive workforce, with high proportions of women occupying lower paid administrative and operational roles, proportionally fewer women in senior grades and the large numbers of female casual staff on low pay rates.

While the gap reflects broader societal trends and career choices that disproportionately impact on women, we choose not to be complacent and use this to justify our gap. We have reduced the number of low paid casual staff and we have engaged recruitment approaches to make administrative roles more attractive to a diverse group but we recognise that we have a responsibility to address workplace barriers to gender equality and have in summer 2023, resubmitted for a further Athena Swan award.

Since September 2005, the University has been a Member of the Athena Swan Charter. The University and its Schools continue to strive towards higher levels of award recognition. Keele University is committed to the principles of the Athena Swan Charter and values equality and diversity across its workforce. The University sees membership of the Charter as working towards sustaining equitable working environments enabling universities to identify themselves as employers of choice, not only to their staff, but to students, stakeholders, research councils and industry. Keele University currently holds a eight departmental Bronze awards and five departmental silver awards, which means we have an Athena Swan award in all Schools, with the exception of the Harper and Keele Vet School which is currently ineligible to apply for an award.

A full gender gap report can be found on the University website, together with other equality, diversity and inclusion reports.



Member of the Athena Swan Charter since September 2005

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.



Net cash generated from operating activities for 2022/23 was £2.6m, or 1.3% of turnover (£22.5m and 12.6% in 2021/22)

Sustainable Development Goals

Keele’s Root and Branch campaign continues to “embed sustainability in everything we do” with a steadfast vision of being an inspirational leader in holistic sustainability. As an organization with a longstanding commitment to the United Nations Sustainable Development Goals, Keele University is now placing these central to our core purpose and strategy. Our recently published Environmental and Social Sustainability Framework for 2024-2029 aims to ensure that all activities and decision-making regarding education and research, campus operations and development, business strategy and public engagement are led by and/or examined against the five underlying themes, 17 goals and 169 targets of the SDGs.

Keele has continued to demonstrate leadership in advancing the aims of the SDGs in 2023/24, with a global position of 10th in Reduced Inequalities (SDG 10) and 15th in Peace, Justice & Strong Institutions (SDG 16) (and 4th in UK) in the Times Higher Education Impact Rankings. Significant focus continues to be on Affordable and Clean Energy (SDG7) and Climate Action (SDG13); in 2023/24, the Low Carbon Energy Generation Park generated almost 6 GWh of electricity from solar and wind energy, supplying one-third of electricity demand of all buildings on Keele’s estate, and enabling a reduction in natural gas consumption through the Smart Energy Network Demonstrator. Progress was also made in improving quality and scope of data collection, accounting and reporting of carbon emissions across Scope 1, 2 and 3 categories, led by a newly appointed Head of Net Zero Delivery & Sustainability within the Vice Chancellor’s Office. Work has begun on development of a Net Zero Carbon Reduction Plan, with an evidence-based carbon trajectory in line with science-based targets, with a costed plan to sit alongside the estate masterplan. This will enable Keele University to build on the significant reduction in carbon emissions that has been achieved since 2005, to inform a strategy for a full transition to a net zero carbon campus.

Carbon Reduction

Scope 1 and 2 emissions in 2022/23 totalled 6,661 equivalent tonnes of carbon dioxide (tCO2e) representing a 48% reduction in Scope 1 and 2 carbon emissions from a 2005 baseline of 13,803 tCO2e. This can be partly attributed to the carbon conversion factor of UK electricity decreasing from 0.48 kgCO2e per kWh in 2005 to 0.21 kgCO2e per kWh in 2023 (while that of natural gas has remained steady at around 0.18 kgCO2e per kWh), however this reduction is despite an increase in gross internal area of Keele University’s estate. Scope 3 emissions from procurement, staff and student commuting, business travel, water and waste and staff housing were estimated to total between 30,000-35,000 tCO2e. Progress was also made in improving quality and scope of data collection, accounting and reporting of carbon emissions across Scope 1, 2 and 3 categories, led by a newly appointed Head of Net Zero Delivery & Sustainability within the Vice Chancellor’s Office.

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2023/24

# Notable Achievements

1 Delivering training on the topics of Net Zero and Smart Energy Transition, and Place-Based Decarbonisation to a further 123 individuals from over 100 organisations, through our Ofsted rated 'Outstanding' **Skills Bootcamps** – part of the Government's Lifetime Skills Guarantee to gain key sector-specific skills  
[www.keele.ac.uk/study/cpdandleadership/cpd-bootcamp](http://www.keele.ac.uk/study/cpdandleadership/cpd-bootcamp)

2 Launch of the **Climate Ambassadors program** funded by the Department for Education in association with the University of Reading, EAUC, and STEM Learning, with Keele University as the West Midlands regional hub supporting a network of hundreds of enthusiastic, trained volunteers to support early years settings, schools and colleges to take action on climate change and biodiversity loss.  
 News article:  
[www.keele.ac.uk/about/news/2024/may/climate-ambassadors/volunteer-west-midlands.php](http://www.keele.ac.uk/about/news/2024/may/climate-ambassadors/volunteer-west-midlands.php)

3 Being one of fifteen initial signatories of the **UK research and innovation sector environmental sustainability concordat**, pledging to make research more sustainable, such as by reducing energy consumption, reusing equipment, and recycling waste products, as well as carefully considering travel associated with research.  
[www.keele.ac.uk/sustainability/newsandevents/news/2024/april/sustainability-pledge/environmental-sustainability-concordat.php](http://www.keele.ac.uk/sustainability/newsandevents/news/2024/april/sustainability-pledge/environmental-sustainability-concordat.php)

4 Keele's **School of Medicine being ranked as the top performing medical school in the UK in the latest Planetary Health Report Card**, with Pharmacy and Physiotherapy also performing strongly; The student-led initiative was launched to encourage climate change and sustainability to be introduced into medical school curricula.  
[www.keele.ac.uk/about/news/2024/june/health-schools/planetary-health-report-card.php](http://www.keele.ac.uk/about/news/2024/june/health-schools/planetary-health-report-card.php)

5 Keele University Business School being selected for the 2024-2025 cohort of PRME Champions, helping to transform business education by raising the bar around sustainability principles for responsible management.  
[www.keele.ac.uk/kbs/aboutus](http://www.keele.ac.uk/kbs/aboutus)



6 **Earth Stories Film Festival** running for its second year with support from a student-led committee, the competition saw over 1000 entries internationally. The award ceremony held at the Mitchell Arts Centre, was a great success encouraging the communication of sustainability issues through the power of storytelling.  
[www.keele.ac.uk/earth-stories](http://www.keele.ac.uk/earth-stories)

7 Becoming a signatory of the **Nature Positive Universities** pledge launched by the United Nations Environment Programme and the University of Oxford in partnership with the UN Decade on Ecosystem Restoration.  
[www.keele.ac.uk/sustainability/sustainabilityeducationandoutreach/sustainabilityengagement/#keele-nature-positive-universities-student-ambassador](http://www.keele.ac.uk/sustainability/sustainabilityeducationandoutreach/sustainabilityengagement/#keele-nature-positive-universities-student-ambassador)

8 Ensuring our campus is championing green spaces with the **Keele Campus Garden Project** and the Walled Garden, Peace Garden, Woodmeadow Walk, Wellbeing Garden and Memorial Garden.  
[www.keele.ac.uk/sustainability/sustainabilityeducationandoutreach/sustainabilityengagement/#a-recent-history-of-gardening-on-campus](http://www.keele.ac.uk/sustainability/sustainabilityeducationandoutreach/sustainabilityengagement/#a-recent-history-of-gardening-on-campus)

9 Launching our updated **Sustainability webpages** to showcase our commitment to sustainability and the journey that we have been on as a University.  
[www.keele.ac.uk/sustainability](http://www.keele.ac.uk/sustainability)

10 Supporting and hosting the **Midlands Climate Expo** at Keele Hall in September 2023, with exhibitors, speakers, workshops, roundtables and networking on the topics of climate innovation, resilience and solutions  
[climateexpo.org.uk](http://climateexpo.org.uk)

11 Supporting over 150 students and staff to become certified as **Carbon Literate** regardless of field of study or job role.  
[www.keele.ac.uk/sustainability/sustainabilityeducationandoutreach/carbonliteracyproject](http://www.keele.ac.uk/sustainability/sustainabilityeducationandoutreach/carbonliteracyproject)

12 Holding Keele Green Festival and **Earth Day** events, supporting students, staff and the local community to celebrate and engage with sustainability.  
[www.keele.ac.uk/sustainability/newsandevents/news/2024/april/earthdayeventoncampus/earth-day-celebrations-at-keele.php](http://www.keele.ac.uk/sustainability/newsandevents/news/2024/april/earthdayeventoncampus/earth-day-celebrations-at-keele.php)





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 2023/24.



## Research that improves lives

- Researchers from the School of Medicine found that analgesic medicines – commonly known as “painkillers” – are widely prescribed to people with inflammatory arthritis across England despite little research evidence that they improve pain for these patients, and studies showing they can cause serious side-effects. The study, funded by the National Institute for Health and Care Research (NIHR) and published in the journal Rheumatology, showed that all types of painkillers were widely prescribed, with around two thirds of patients with inflammatory arthritis receiving a prescribed painkiller in 2020, and one in four patients receiving prescribed opioids long-term. Lead author Dr Ian Scott said the findings showed an urgent need to improve the way pain is managed in patients with inflammatory arthritis in the English NHS.
- Researchers found a link between patients prescribed gabapentinoids and a greater risk of ‘adverse events’ such as drug misuse, overdose, and major trauma such as a bone fracture or head injury. The researchers looked at anonymised GP records to compare rates of adverse events in patients who were prescribed gabapentin or pregabalin therapeutically by their doctor, with those who were not. Adverse events in patients prescribed gabapentinoids were more likely if they were a smoker, had a history of substance misuse, overdose, or a mental health condition, and if they were also prescribed other drugs that affect the central nervous system. Researchers said the study highlights the importance of careful patient selection when prescribing gabapentinoids.
- A tool designed by Keele researchers to improve care for patients with low back pain was praised in a national report for its tremendous positive impact and return on investment, generating more than £226 for every £1 spent to implement it. The stratified care approach to low back pain (STarTBack), developed by a team of researchers at Keele University, was highlighted in a report by the RAND corporation looking at impactful research from UK universities, including some that have generated significant returns from the amount of money they cost to develop and implement. As highlighted in the report, the tool has been estimated by Public Health England to have generated over £226 for every £1 spent on implementing it, highlighting the significant positive impact of the research for patients, clinicians, and healthcare providers.
- Keele University received a grant from the Bill & Melinda Gates Foundation to develop new technologies to support global efforts to control and eliminate malaria. Although great progress has been made in reducing its transmission, malaria still causes hundreds of thousands of deaths every year, primarily in sub-Saharan African regions. The \$750,000 project led by Dr Roberto Galizi from the School of Life Sciences, in collaboration with the Sharakhov Laboratory at Virginia Tech (USA), will leverage their recent research work to advance the understanding of the specific genes regulating mosquito reproduction.



- Keele criminologist Dr Helen Wells is working alongside the UK Home Office to study how rising numbers of connected and autonomous vehicles (CAVs) will impact policing in the UK. CAVs theoretically offer the potential to significantly improve road safety through eliminating driver error (a major cause of collisions), but the short-term reality is likely to be much more complex. Dr Wells is being funded by UK Research and Innovation (UKRI) for 18 months to explore the new opportunities and challenges that CAV use will present for policing in the UK, and hosted a high-level meeting of police and partner organisations to get the fellowship journey under way.
- Analysis by researchers from Keele University, UCL, The University of Exeter and Staffordshire University suggested that a complex interplay of factors increases the likelihood of Taser being deployed against people from Black and other ethnic minority communities. The research project was initiated by the National Police Chiefs’ Council and commissioned by the College of Policing, after their Officer and Staff Safety Review (OSSR) in 2019 found there was growing evidence to suggest that Tasers were being used disproportionately in society. Researchers reviewed body worn camera footage, observed Taser training, and analysed routine police data to generate an evidence-based understanding of the potential drivers of ethnic and racial disproportionality in police use of Taser, and to inform future interventions aimed at addressing disparities.
- Fire and rescue service staff could help healthcare providers reach more patients in need by including early detection of mental ill health in older adults as part of their routine Home Fire Safety Visits, researchers from Keele found. Fire services up and down the country include routine Home Fire Safety Visits to potentially vulnerable people in their area, including older adults, to ensure their properties are as safe as possible and to provide fire prevention advice. A team of researchers, led by Professor Carolyn Chew-Graham OBE and Dr Tom Kingstone in collaboration with Staffordshire Fire and Rescue, Midlands Partnership University NHS Foundation Trust, and colleagues at other academic institutes, and funded by the NIHR’s Research for Patient Benefit programme, have completed research to examine the potential use of Home Fire Safety Visits to include detection and sign-posting for anxiety and depression in older adults.



## 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 four outreach hubs at Keele and Staffordshire Universities, the University of Chester and Harper Adams University, with more than 30 members of staff dedicated to producing and delivering informative and impartial activities to schools and colleges across the region. This academic year, Higher Horizons has delivered 923 unique activities to 11,031 young people, focusing on three themes – Inform, Experience and Enable. Some 195 of these activities were campus visits that focus on raising attainment and normalising university settings.



Higher Horizons  
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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

## Healthcare

Keele's major role in our local NHS was celebrated with a new public awareness campaign that launched in December. More than 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, and this positive local impact was highlighted through a series of online videos, social media posts, news articles and on billboards in the area. The campaign, led by the University's Strategic Comms & Brand team, featured Professor Pensee Wu, a senior lecturer and researcher at the University, who has delivered more than 500 babies at the local hospital; Kevin Armstrong, Keele's Director of Paramedic Sciences who has attended almost 10,000 call-outs as a paramedic in Staffordshire; and Professor Jo Protheroe, Keele's Director of General Practice Education, who has also been a GP for more than 20 years, and looks after patients at a surgery in Newcastle-under-Lyme. In total, the campaign reached more than 1 million people, illustrating Keele's role in the local NHS to a large audience.

Keele has a long and proud history of working with the local NHS and care providers, delivering wide-ranging and world-leading research and education partnerships. More than 5,000 Keele-trained nurses and midwives work in the NHS, with many of them staying locally in Staffordshire and Stoke-on-Trent after they graduate. The University also has partnerships with more than 100 GP practices in the area, where students can help support the health and wellbeing of local communities and benefit from gaining clinical experience and quality placements.

In a special milestone, our summer graduation ceremonies saw Keele mark its contribution to the health service in Staffordshire, Shropshire and beyond as we celebrated our 2,024th medical student to graduate. Mohamed Jalloh received a Medicine MBChB as part of the University's 2024 summer graduation ceremonies, joining 2,023 other medicine professionals to qualify through one of the University's medicine degrees since we began teaching clinical undergraduate medicine in 2002. Graduates of Keele's undergraduate medical degrees have gone on to serve communities and pursue careers in a range of specialist fields, from forensic pathologists to psychiatrists, GPs and cardiothoracic surgeons.

## Business engagement

In August, the University announced its latest partnership with Newcastle-under-Lyme Borough Council, which saw the introduction of two new business-focused projects designed to provide enormous benefits to the local area.

The projects, known as FLOURISH and Moving Ahead, have been funded through the UK Shared Prosperity Fund, and aim to leverage the University's student and graduate talent for the benefit of the local area.

FLOURISH is delivering 60 innovation and transformation projects with local SMEs, community groups, and not-for-profit organisations, focusing on the themes of: Digital inclusion, Society and Economy; Sustainability and Carbon Literacy; SME Innovation; Culture and Creativity; and Entrepreneurship.

Moving Ahead is enabling Keele to work with a cohort of innovation-ready businesses to develop detailed, fundable proposals for intensive Research Development and Innovation projects.

The project will also promote networking and collaboration through the creation of a broader Newcastle-under-Lyme Innovation Network, bringing together businesses and partners across sectors to share knowledge, expertise and resources, and stimulate innovation and growth. The Innovation Network will prepare a new generation of

collaborators in the Borough through a series of events to stimulate peer-to-peer learning, and opportunities to engage with academic experts and visits.

A number of FLOURISH and Moving Ahead activities will soon be delivered out of Keele's new teaching, learning and community space in the heart of Newcastle-under-Lyme town centre.

Located on Ironmarket, Keele in Town will be a gateway where residents, community groups and businesses can collaborate with experts at the University and benefit from new learning and support opportunities.

The project is being funded by money from the Newcastle Town Deal: a successful bid by partners including the University and Newcastle-under-Lyme Borough Council to central Government for funding in Newcastle and Kidsgrove – to improve residents' quality of life and boost economic regeneration.

Contractor Interclass, a company based in the Midlands, is undertaking the works to the building, which is expected to be open by the end of 2024. The development will bring the previously empty 19th century building back to life as a mixed-use venue that will also feature a café. It will be a space where: Newcastle-under-Lyme residents and eligible businesses will be able to access a range of free digital support opportunities; community events, such as art exhibitions, can be held;

Keele students and staff can work flexibly; people and businesses can access free legal advice on certain areas of law from Keele's Legal Advice Clinics; and small groups and businesses can meet and stage presentations.

Keele's presence in the town centre builds on a continuing programme of engagement with local communities. This includes supporting and collaborating with more than 1,000 Staffordshire businesses since 2016, supporting and playing an active role in community events, such as being headline sponsor for the Lymelight Festival, and putting on a vibrant community public arts programme through ArtsKeele.

Keele's role in these projects is just another example of the University's commitment to its civic role, and its position as a significant contributor to local economic development and prosperity. This is evidenced in Keele's ongoing performance in a national assessment of local growth and regeneration – the Knowledge Exchange Framework (KEF3).

Published by Research England, KEF3 demonstrated that, not only did the University maintain its position among the very highest in the UK for contribution to local growth and regeneration, but it was also among the highest levels of engagement for research partnerships, public and community engagement, and working with business.





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:

- The University was highly commended in two categories at the UK and Ireland 2023 Green Gown Awards. The University’s Smart Energy Network Demonstrator (SEND) and Low Carbon Energy Generation Park were highly commended in the 2030 Climate Action category, and the University’s Catering team were highly commended in the Campus Health, Food and Drink category for their efforts to embed sustainability into all catering operations on campus.
- Two students on Keele’s Environmental Sustainability and Green Technology MSc have worked closely with a local professional football club to help improve their energy consumption performance and enhance biodiversity around their stadium. Over the past year, postgraduate students Kamron Singh and Charlotte Becker have worked alongside Port Vale FC on projects designed to help the club become more environmentally friendly and sustainable moving forward. Working with sustainability expert Dr Sharon George, and a team of Keele technicians led by Richard Burgess, the students created a strategic energy and sustainability improvement plan, as well as carrying out a biodiversity audit on the club’s premises.
- The minister charged with looking after scientific innovation in Sir Keir Starmer’s new Government praised Keele University for its forward-thinking approach to sustainability and green technology. Peter Kyle MP, the new Secretary of State for Science, Innovation and Technology, praised the university for its approach to partnerships, innovation, and renewable energy on a visit to Keele.

- The 2024 Times Higher Education University Impact Rankings analysed over 2,000 universities around the world on their contributions to the United Nations Sustainable Development Goals (SDGs), including their research performance, and how their efforts contribute to a more sustainable world. This year’s ranking has seen Keele placed in the Top 10 globally for SDG 10, reducing inequalities, the University’s highest ever ranking, as well as ranking 4th in the UK. Keele also ranked in the Top 15 in the world for its performance for SDG 16, promoting peace, justice, and strong institutions, also coming 4th in the UK in this category.
- Keele University’s School of Medicine was ranked the best in the UK for embedding sustainability into its medical education for the fourth year in a row in the Planetary Health Report Card. The School of Pharmacy came 2nd in the UK and 5th in the world in its first year of entering the scheme, while the School of Allied Health Professions was the only UK university featured in the Physiotherapy table, also in its first time entering, ranking 2nd in the world.



Global Sustainability Institution of the Year

Green Gown Awards 2021



Professor T J McMillan OBE  
Vice-Chancellor



D Hall  
Treasurer  
November 2024



TRADE UNION

# Public Benefit

## 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 2023 to 31 March 2024.

## Relevant Union Officials

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

Full-time equivalent employee number – 16.4



## Relevant Union Officials



## Percentage of time spent by Relevant Union Officials on facility time

Percentage of time	Number of Employees
0%	4
1-50%	13
51-99%	0
100%	0

## Percentage of pay bill spent on facility time



## 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

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 2023 to 31 July 2024 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](http://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. Reviews of individual Council members are also conducted on an annual basis.

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 equality and diversity and that the membership of the committee is appropriate given its responsibilities.

The Council has taken part in a Governance Apprenticeship Programme run by an executive search firm for the last three years that is aimed at providing board experience to those from underrepresented groups.

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 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 has an executive committee with responsibility for Equity, Diversity & Inclusion, which has lay representation from the Council and a reporting line into the Council.

It also has a committee for Health & Safety (H&S) that 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 (HASMAP) 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. Considerable work was undertaken last year to review, update and amend policies and procedures and to engrain H&S across the campus and this has continued to be embedded this year along with monitoring and reviewing progress.

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 Council approved the appointment of new external auditors PKF Littlejohn LLP on 7 July 2022 for a minimum three-year term starting with the 2022/23 financial year audit 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 meets at least three times a year, with the University's external and internal auditors in attendance. The Committee considers detailed reports together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation plans. 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's 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 on behalf of the University Executive Committee the implementation of the University's Risk Management Policy and procedures, including incident management and business continuity, and compliance with internal audit recommendations.

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 2024 was £2,730 to 5 members (2023: £2,195 to 6 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 subsidiaries (the 'group') for the year ended 31 July 2023 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 2024 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.



- 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, cross-referring 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;

- accounting for the transfer of property within the group, for which we vouched the underlying accounting entries to source documents and justification of transfer; 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 non-compliance. 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](http://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 ("SOCl") Year Ended 31 July 2024

	Notes	Year ended 31 July 2024 Consolidated £'000	University £'000	Year ended 31 July 2023 Consolidated £'000	University £'000
<b>Income</b>					
Tuition fees and education contracts	1	102,746	102,746	97,732	97,732
Funding body grants	2	33,653	33,653	29,101	29,101
Research grants and contracts	4	19,405	19,405	18,380	18,380
Other Income	5	48,318	48,559	58,920	59,176
Investment Income	6	2,164	2,303	1,997	2,133
Donations and endowments	7	810	810	193	193
<b>Total Income</b>		<b>207,096</b>	<b>207,476</b>	206,323	206,715
<b>Expenditure</b>					
Staff costs – pay (including Voluntary Severance)	8	114,383	114,383	103,373	103,373
Staff costs – actuarial movement	8	(67,354)	(67,354)	(6,774)	(6,774)
Other operating expenses	9	75,502	75,262	66,116	68,631
Depreciation	13	13,139	13,084	14,006	13,914
Interest and other finance costs	10	6,074	6,074	6,815	6,815
<b>Total expenditure</b>	11	<b>141,744</b>	<b>141,449</b>	183,536	185,959
<b>Surplus / (Deficit) before other gains/ losses</b>		<b>65,352</b>	<b>66,027</b>	22,787	20,756
Gain on disposal of tangible assets		-	-	1	1
Loss on investment property	13	(946)	(1,028)	(3,016)	(2,750)
Gain/ (Loss) on investments	15	1,051	1,051	(1,032)	(1,032)
<b>Surplus / (Deficit) before tax</b>		<b>65,457</b>	<b>66,050</b>	18,740	16,975
Taxation	12	-	-	-	-
<b>Surplus / (Deficit) for the year</b>		<b>65,457</b>	<b>66,050</b>	18,740	16,975
<b>Other comprehensive income and expenditure</b>					
Unrealised surplus on revaluation of land and buildings		-	-	150	-
Actuarial (loss) / gain in respect of pension schemes	32	(748)	(748)	1,285	1,285
<b>Total comprehensive income and expenditure for the year</b>		<b>64,709</b>	<b>65,302</b>	20,175	18,260
Represented by:					
Endowment comprehensive income for the year	23	503	503	2	2
Restricted comprehensive income for the year	24	-	-	-	-
Unrestricted comprehensive income for the year		64,206	64,799	20,023	18,258
Revaluation reserve comprehensive income for the year		-	-	150	-
		<b>64,709</b>	<b>65,302</b>	20,175	18,260

All items of income and expenditure relate to continuing activities.

The accompanying notes and policies on pages 35 to 76 form part of these financial statements.



Consolidated and University Statement of Changes in Reserves  
Year Ended 31 July 2024

Consolidated	Income and expenditure account			Revaluation Reserve	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2022	1,038	-	134,463	-	135,501
Surplus for the year from the income and expenditure statement	2	-	18,738	-	18,740
Other comprehensive income and expenditure	-	-	1,285	150	1,435
Release of restricted funds spent in year	-	-	-	-	-
Total comprehensive income for the year	2	-	20,023	150	20,175
Balance at 1 August 2023	1,040	-	154,486	150	155,676
Surplus for the year from the income and expenditure statement	503	-	64,954	-	65,457
Other comprehensive income and expenditure	-	-	(748)	-	(748)
Release of restricted funds spent in year	-	-	-	-	-
Total comprehensive income for the year	503	-	64,206	-	64,709
Balance at 31 July 2024	1,543	-	218,692	150	220,385

University	Income and expenditure account			Revaluation Reserve	Total
	Endowment £'000	£'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2022	1,038	-	134,986	-	136,024
Surplus for the year from the income and expenditure statement	2	-	16,793	-	16,975
Other comprehensive income and expenditure	-	-	1,285	150	1,285
Release of restricted funds spent in year	-	-	-	-	-
Total comprehensive income for the year	2	-	18,258	150	18,260
Balance at 1 August 2023	1,040	-	153,244	150	154,284
Surplus for the year from the income and expenditure statement	503	-	<del>65,575</del>	-	<del>66,976</del>
Other comprehensive income and expenditure	-	-	(748)	-	(748)
Release of restricted funds spent in year	-	-	-	-	-
Total comprehensive income for the year	503	-	64,799	-	65,302
Balance at 31 July 2024	1,543	-	218,043	150	219,586

Consolidated and University Statement of Financial Position  
Year Ended 31 July 2024

Notes	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets				
Tangible assets	13	302,506	301,482	296,868
Investment Properties	13	11,217	11,135	10,102
Heritage assets	13 / 14	12,116	12,116	12,116
Investments	15	29,140	29,140	31,262
		354,979	353,873	350,348
Current assets				
Stock	17	3105	52	3,127
Trade and other receivables	18	24,980	25,329	28,496
Investments	19	-	-	12,000
Cash and cash equivalents	26	17,628	17,560	21,786
		45,713	42,941	65,409
Less: Creditors: amounts falling due within one year	20	49,660	49,633	60,011
Net current assets / (liabilities)		(3,947)	(6,692)	5,398
Total assets less current liabilities		351,032	347,181	355,746
Creditors: amounts falling due after more than one year	21	(108,431)	(105,379)	(113,180)
Provisions				
Pension provisions	22	(19,434)	(19,434)	(86,889)
Other provisions	22	(2,782)	(2,782)	(1)
Total Net Assets		220,385	219,586	155,676
Restricted Reserves				
Income and expenditure reserve – endowment reserve	23	1,543	1,543	1,040
Income and expenditure reserve – restricted reserve	24	-	-	-
Unrestricted reserves				
Income and expenditure reserve – unrestricted reserve		218,692	218,043	154,486
Revaluation Reserve		150	-	150
Total Reserves		220,385	219,586	155,676

The financial statements were approved by the Governing Body on 28 November 2024 and were signed on its behalf on that date by:

T. J. McMillan, Vice-Chancellor

M. Farrar, Chair of Council

Pascale Vermassen, Chief Financial Officer

D. Hall, Treasurer



Consolidated Statement of Cash Flows  
Year Ended 31 July 2024

Consolidated	Notes	31 July 2024	31 July 2023
		£'000	£'000
<b>Cash flows from operating activities</b>			
Surplus / (deficit) for the year		65,457	18,740
<b>Adjustment for non-cash items</b>			
Depreciation	13	13,139	14,006
Loss on investment property	13	946	3,016
Gain/ (Loss) on investments		(1,051)	1,032
Decrease / (Increase) in stock	17	22	(24)
Decrease / (Increase) in debtors		3,516	(6,376)
Decrease in creditors		(9,748)	(6,387)
Pension movements included in staff costs	8	(67,354)	(6,774)
Interest payable on pension schemes (net)	6 & 10	2,468	3,053
KSS deficit contributions paid	32	(3,317)	(2,966)
Increase / (Decrease) in other provisions	22	2,781	(35)
<b>Adjustment for investing or financing activities</b>			
Investment Income	6	(2,162)	(1,951)
Interest payable (including loan interest)	10	2,698	2,691
Interest element of finance lease	10	906	1,025
Endowment income	7	(346)	(102)
Loss on disposal of tangible assets		-	(1)
Capital grant income		(4,939)	(16,309)
<b>Cash flows from operating activities</b>		3,016	2,638
Taxation		-	-
<b>Net cash inflow from operating activities</b>		3,016	2,638
<b>Cash flows from investing activities</b>			
Proceeds from sales of tangible assets		-	81
Capital grant receipts		6,441	5,207
Disposal of non-current asset investments		3,901	3,044
Withdrawal of deposits		12,000	-
Investment income		2,162	1,951
Payments made to acquire tangible assets		(20,838)	(8,881)
New non-current asset investments		(728)	(574)
New deposits		-	(12,000)
		2,938	(11,172)
<b>Cash flows from financing activities</b>			
Interest paid		(2,698)	(2,691)
Endowment cash received		346	102
Repayments of amounts borrowed		(6,264)	(1,962)
Capital element of finance lease		(1,496)	(1,613)
		(10,112)	(6,164)
<b>Increase in cash and cash equivalents in the year</b>		(4,158)	(14,698)
Cash and cash equivalents at beginning of the year	26	21,786	36,484
Cash and cash equivalents at end of the year	26	17,628	21,786

Statement of Accounting Policies  
For the year ended 31 July 2024

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 its 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, its cash flows, liquidity position and borrowing facilities.

The financial statements have been prepared on a going concern basis which Council consider to be appropriate for the following reasons.

The University has prepared cash flow forecasts for a period of 13 months from the date of approval of these financial statements (the going concern period) which indicate that, taking account of severe but plausible downsides, the Group and parent University will have sufficient funds to meet their liabilities as they fall for that period. In reaching this conclusion, Council has considered the following factors:

Council have considered the cashflow forecasts for 13 months from the date of approval of these financial statements, the going concern period. They have reviewed a base forecast and also severe but plausible downside scenarios with bank covenant tests and OfS liquidity test and mitigating actions that the University can take to reduce costs at short notice.

The student numbers for the September 2024 intake, when compared to the budget for 2024/25, were lower than expected. As a result of this, management have prepared a forecast in September 2024, updated in October 2024 reflecting the current position and management have prepared a plan to mitigate the lower recruitment. After reviewing these forecasts Council is of the opinion that, taking account of downsides, the Group and parent University will have sufficient funds to meet their liabilities as and when they fall due over the going concern period. The Group and parent University is budgeting to achieve an operating surplus and a net cash inflow from operating activities and subsequent years.

The University has access to a £10m revolving credit facility with National Westminster Bank until October 2024 and a £4m revolving credit facility with Barclays Bank until August 2025 to assist with liquidity. There is no requirement for any new or additional lending facilities during the going concern assessment period and the RCF remained unutilised. No banking covenants have been breached or are expected to be breached during the going concern assessment period.

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

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 2024. 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 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 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 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 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 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 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 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 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 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 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:

- 1 Restricted donations – the donor has specified that the donation must be used for a particular objective.
- 2 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.
- 3 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.
- 4 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.

**Multi-employer schemes**  
Where the University is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme. Where the University has entered into an agreement with such a multi-employer 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 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.

**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.

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 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.

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 .....up to 50 years

Plant and Machinery .....up to 25 years

Fit Out .....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.

Equipment and Furniture

Equipment, including computers and software, and furniture costing less than £30,000 (2023:£20,000) is written off to the Statement of Comprehensive Income 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.

14. 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. 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 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.

20. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- A. the University has a present obligation (legal or constructive) as a result of a past event;
- B it is probable that an outflow of economic benefits will be required to settle the obligation; and
- C 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 de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of the ownership of the asset are transferred to another party.

Financial liability

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

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

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

Derivatives, 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 re-measured 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 de-recognised 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 £113k (2023: £0k).

**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 £11,217k (2023:£10,102k).

**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.

**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 2024

1. Tuition fees and education contracts

	Notes	Year ended 31 July 2024 Consolidated and University £'000	Year ended 31 July 2023 Consolidated and University £'000
<b>Tuition fees and education contracts</b>			
Home and EU students		81,947	77,410
International students		16,886	15,897
Degree Apprenticeships		3,297	2,382
Other fees		616	2,043
		<b>102,746</b>	<b>97,732</b>

2. Funding body grants

	31 July 2024 Consolidated and University £'000	31 July 2023 Consolidated and University £'000
<b>Recurrent grants</b>		
Office for Students (OfS)	16,793	14,791
Research England (RE)	9,427	8,753
Capital Grant	3,593	1,807
<b>Specific grants</b>		
Office for Students	1,587	1,689
Higher Education Innovation Fund (HEIF)	2,253	2,061
Capital Grant	-	-
	<b>33,653</b>	<b>29,101</b>

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 2023/24 for the OfS grant year from 1 April 2024 to 31 March 2025 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. RE 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.



Notes to the Accounts  
For the year ended 31 July 2024

3. Grant and fee income

Notes	Year ended 31 July 2024 Consolidated and University £'000	Year ended 31 July 2023 Consolidated and University £'000
Grant income from the OfS	21,128	16,991
Grant income from other bodies (incl furlough income)	13,021	27,252
Fee income for taught awards	100,958	94,851
Fee income for research awards	1,172	1,020
Fee income from non-qualifying courses	616	1,862
<b>Total grant and fee income</b>	<b>136,895</b>	<b>141,976</b>

Grant income from the OfS

This includes 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

This includes 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

This includes 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.

Fee income for research awards

This includes fee income for research awards, including postgraduate research awards but excluding research training support grants.

Fee income from non-qualifying courses

This includes 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 2024

4 Research grants and contracts

	Year ended 31 July 2024 Consolidated and University £'000	Year ended 31 July 2023 Consolidated and University £'000
Research councils	3,799	3,219
Research charities	2,053	1,915
UK central government	10,906	9,836
UK industry & commerce	1,002	533
Other	940	2,132
	<b>18,700</b>	<b>17,635</b>
Capital income	705	745
	<b>19,405</b>	<b>18,380</b>

Capital income is the release of capital funding from the Medical Research Grant £375k (22/23: nil) and Wolfson Grant £330k (22/23: nil). The Smart Energy Network Demonstrator (“SEND”) project was completed in full in 2022/23 and no further income was recognised in 2023/24 (2022/23: £745k).

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

5. Other income

Notes	Year ended 31 July 2024 Consolidated £'000	University £'000	Year ended 31 July 2023 Consolidated £'000	University £'000
Residences, catering and conferences	19,493	19,493	18,189	18,189
KRF rental payment received	31(h) 6,127	6,127	4,061	4,061
KRF premium release	31(h) 2,842	2,842	2,842	2,842
Other services rendered	1,786	1,786	2,016	2,016
Other capital grants	641	641	13,757	13,757
Other revenue grants	276	276	2,474	2,474
Income from health and hospital authorities	4,290	4,290	4,228	4,228
Other income	9,119	9,119	9,222	9,222
Rent and service charge	3,744	3,985	2,131	2,387
	<b>48,318</b>	<b>48,559</b>	<b>58,920</b>	<b>59,176</b>

6. Investment income

	Year ended 31 July 2024 Consolidated £'000	University £'000	Year ended 31 July 2023 Consolidated £'000	University £'000
Investment income on endowments	23 92	92	33	33
Other investment income	2,070	2,209	1,918	2,054
Pension scheme interest	2	2	46	46
	<b>2,164</b>	<b>2,303</b>	<b>1,997</b>	<b>2,133</b>



Notes to the Accounts  
For the year ended 31 July 2024

7. Donations and endowments

	Year ended 31 July 2024		Year ended 31 July 2023
	Consolidated £'000	University £'000	Consolidated £'000      University £'000
New endowments	346	346	21      21
Unrestricted donations	464	464	172      172
	810	810	193      193

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

8. Staff costs

	Year ended 31 July 2024	Year ended 31 July 2023
	Consolidated and University £'000	Consolidated and University £'000
Salaries	88,281	79,670
Social security costs	9,136	7,964
Occupational pension costs (see note 32)		
- Employer contributions	14,045	15,540
- Actuarial movements on pension provisions	(67,354)	(6,774)
	44,108	96,400
Severance costs	2,921	199
Total	47,029	96,599
	£'000	£'000
Analysed as:		
On-going staff costs	111,462	103,174
Severance costs (see below)	2,921	199
	114,383	103,373
Actuarial movements on pension provisions	(67,354)	(6,774)
Total	47,029	96,599

The above severance costs were payable to 83 post-holders (2023: 6).

A general pay award of 5.0% was made from 1 August 2023 for all staff above point 25 on the Keele Spinepay scale, with increased uplifts, up to 8.0%, for those on grades below point 26. The August 2023 pay award was partially bought forward, with an additional uplift of £1,000 or 2% on pay points being made from 1 February 2023 to help with the high cost-of-living pressures. The remainder of the uplift for 2023/24 was awarded in 1 August 2023. Operational staff received a pay awards ranging from 6% to 10% dependent on grade from 1 April 2023. 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 2024

8. Staff costs continued

Average staff numbers by major category:	Year ended 31 July 2024 FTE	31 July 2023 FTE
Academic / Research	828	774
Technical	87	87
Academic Related	339	329
Secretarial / Clerical	466	445
Other	239	239
Total	1,959	1,874

Emoluments of the Vice-Chancellor (Professor McMillan)	Year to 31 July 2024 £'000	Year to 31 July 2023 £'000
Basic salary	270	260
Payments in lieu of pension contributions	43	42
Non-taxable benefit – Clock House residence	1	2
Taxable benefit – Clock House residence	-	-
Remuneration excluding pension contributions	314	304
Contributions to USS – Death In Service	7	16
Total Remuneration	321	320

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. 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 2023/24, the Committee met on two occasions. The membership of the Committee is:

Name	Position	Date of meetings attended	
		Nov 22	Nov 22
Mr David Hall (Chair)	Honorary Treasurer	Yes	Yes
Mrs Sally Bucknell	Deputy Pro-Chancellor	Yes	Yes
Mr Richard Callaway	Deputy Pro-Chancellor	Yes	Yes
Mr Mike Farrar	Pro-Chancellor	Yes	Yes
Ms Sherree Schaefer	Senior Independent Member of Council	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.



Notes to the Accounts  
For the year ended 31 July 2024

8. Staff costs continued

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 2023/24

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 £250,000 from 1 October 2021. This follows a period of pay restraint with no pay award made above the national uplift. This increased to £257,500 from 1 August 2022 following the 3% national pay award, and increased further to £262,650 from 1 February 2023 when the August 2023 pay award was partially bought forward. The salary increased further to £270,375 from 1 August 2023 when the August 2023 uplift of 5% was applied in full.

Notes to the Accounts  
For the year ended 31 July 2024

8. Staff costs 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.

	Year ended 31 July 2024	Year ended 31 July 2023
	Pay multiple	Pay multiple
Basic salary of Vice-Chancellor compared to median of University staff	7.51	7.23
	Pay multiple	Pay multiple
Total remuneration of Vice-Chancellor compared to median of University staff	8.19	8.11

Remuneration of higher paid staff

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.

	Year ended 31 July 2024	Year ended 31 July 2023
Basic salary per annum	Number	Number
£100,000 to £104,999	6	-
£105,000 to £109,999	-	1
£110,000 to £114,999	1	-
£115,000 to £119,999	-	-
£120,000 to £124,999 **	2	7
£125,000 to £129,999	2	2
£130,000 to £134,999	6	1
£135,000 to £139,999	-	1
£140,000 to £144,999*	-	1
£145,000 to £149,999	-	-
£150,000 to £154,999	-	-
£155,000 to £159,999	-	-
£160,000 to £164,999	-	1
£165,000 to £169,999	-	1
£170,000 to £174,999	1	-
£175,000 to £179,999	1	-
£180,000 to £184,999	1	-
£190,000 to £194,999	-	1
£195,000 to £199,999	1	-
£260,000 to £264,999	-	1
£270,000 to £274,999	1	-
	22	17



Notes to the Accounts  
For the year ended 31 July 2024

8. Staff costs (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 22 (2023: 19) University employees. Compensation consists of salary, benefits, compensation for loss of office, employer's national insurance and employer's pension contribution.

	Year ended 31 July 2024	Year ended 31 July 2023
<b>Key management personnel</b>	<b>3,322</b>	3,039

9. Other operating expenses

Notes	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Other operating expenses include:				
External auditors remuneration				
Fees payable to the auditor for the audit of the University financial statements	99	99	169	169
Audit of the financial statements of the subsidiary	8	-	8	-
Other assurance services	7	7	-	-
Taxation and other advisory services	-	-	1	1
Internal auditors remuneration	64	64	111	111
Operating lease rentals				
Land and buildings	-	-	-	208
Other	233	233	228	228

The consolidated audit remuneration fee for 2023/24 was £89k excluding VAT (University £81k and subsidiary

10. Interest and other finance costs

	Year ended 31 July 2024	Year ended 31 July 2023
	Consolidated and University £'000	Consolidated and University £'000
Loan interest	2,658	2,764
Finance lease interest	906	1,025
Exchange differences	40	(73)
	<b>3,604</b>	3,716
Net charge on pension schemes	32 2,470	3,099
	<b>6,074</b>	<b>6,815</b>

Notes to the Accounts  
For the year ended 31 July 2024

11. Analysis of total expenditure by activity

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Academic	77,854	77,854	69,466	69,466
Academic services	18,351	18,351	20,077	20,077
Central administration	19,280	19,280	17,248	17,248
General education	4,332	4,332	4,709	4,709
Staff and student facilities	8,156	8,156	7,147	7,147
Premises	25,663	25,663	21,994	21,994
Residences, catering and conferences	23,419	23,419	21,803	21,803
Research grants and contracts	16,342	16,342	15,711	15,711
Scholarships, bursaries and prizes	5,138	5,138	4,433	4,433
Other expenses	7,347	7,347	9,927	9,927
Staff costs – actuarial movement	(67,354)	(67,354)	(6,774)	(6,774)
Restructuring	2,921	2,921	218	218
<b>Total University expenditure</b>	<b>141,449</b>	<b>141,449</b>	<b>185,959</b>	<b>185,959</b>
Subsidiary and consolidation	295	-	(2,423)	-
<b>Total Consolidated expenditure</b>	<b>141,744</b>	<b>141,449</b>	183,536	185,959

12. Taxation

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Current tax	-	-	-	-
Deferred tax	-	-	-	-
<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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.



Notes to the Accounts  
For the year ended 31 July 2024

13. Tangible Assets

Consolidated	Freehold Land and Buildings	Leasehold Land and Buildings	Equipment	Assets in the Course of Construction (AUC)	Tangible Assets Total	Investment Properties	Heritage assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost / valuation</b>								
At 1 August 2023	339,108	18,128	27,600	4,577	389,413	10,102	12,116	411,631
Additions	7,881	-	3,796	9,736	21,413	2,636	-	24,049
Valuation decrease	-	-	-	-	-	(946)	-	(946)
Transfers	528	-	-	(528)	-	-	-	-
Disposals	(3,337)	-	(151)	-	(3,488)	(575)	-	(4,063)
<b>At 31 July 2024</b>	<b>344,180</b>	<b>18,128</b>	<b>31,245</b>	<b>13,785</b>	<b>407,338</b>	<b>11,217</b>	<b>12,116</b>	<b>430,671</b>
<b>Depreciation</b>								
At 1 August 2023	74,971	1,039	16,565	-	92,545	-	-	92,545
Charge for the year	9,808	597	2,621	-	13,026	-	-	13,026
Impairment	113	-	-	-	113	-	-	113
Disposals	(753)	-	(99)	-	(852)	-	-	(852)
<b>At 31 July 2024</b>	<b>84,109</b>	<b>1,636</b>	<b>19,087</b>	<b>-</b>	<b>104,832</b>	<b>-</b>	<b>-</b>	<b>104,832</b>
<b>Net book value At 31 July 2024</b>	<b>260,071</b>	<b>16,492</b>	<b>12,158</b>	<b>13,785</b>	<b>302,506</b>	<b>11,217</b>	<b>12,116</b>	<b>325,839</b>
At 31 July 2023	264,167	17,089	11,035	4,577	296,868	10,102	12,116	319,086
<b>University</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost / valuation</b>								
At 1 August 2023	337,708	18,128	27,520	4,577	387,933	10,102	12,116	410,151
Additions	7,881	-	3,796	9,736	21,413	2,636	-	24,049
Valuation decrease	-	-	-	-	-	(1,028)	-	(1,028)
Transfers	528	-	-	(528)	-	-	-	-
Disposals	(3,337)	-	(151)	-	(3,488)	(575)	-	(4,063)
<b>At 31 July 2024</b>	<b>342,780</b>	<b>18,128</b>	<b>31,165</b>	<b>13,785</b>	<b>405,858</b>	<b>11,135</b>	<b>12,116</b>	<b>429,109</b>
<b>Depreciation</b>								
At 1 August 2023	74,621	1,039	16,484	-	92,144	-	-	92,144
Charge for the year	9,753	597	2,621	-	12,971	-	-	12,971
Impairment	113	-	-	-	113	-	-	113
Disposals	(753)	-	(99)	-	(852)	-	-	(852)
<b>At 31 July 2024</b>	<b>83,734</b>	<b>1,636</b>	<b>19,006</b>	<b>-</b>	<b>104,376</b>	<b>-</b>	<b>-</b>	<b>104,376</b>
<b>Net book value At 31 July 2024</b>	<b>259,046</b>	<b>16,492</b>	<b>12,159</b>	<b>13,785</b>	<b>301,482</b>	<b>11,135</b>	<b>12,116</b>	<b>324,733</b>
At 31 July 2023	263,087	17,089	11,036	4,577	295,789	10,102	12,116	318,007

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 (2023 – £34,598k University; £34,598k 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 £11,135k (2022: £10,102k) were valued on a fair value basis as at 31 July 2024 by an external valuer (GeraldEve LLP), which is regulated by the RICS. The historical cost of these investment properties is £11,450k (2023: £9,417k). 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% – 14.9% (2023: between 0.5% and 13.5%).

Notes to the Accounts  
For the year ended 31 July 2024

14. 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
- David Pownall (see below)

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.

During 2023/23, the University took receipt of an archive collection of the literary papers of David Pownall (novelist, playwright, dramatist and Keele alumnus) comprising scripts, drafts, correspondence, poems, publications, audio recordings, research notes, and press / promotional materials dating from 1965 to 2023. This has not yet been valued but is not material from a financial perspective (estimated at a few thousand pounds). As such, a value has not been attributed to these papers for the Heritage assets in the financial statements.

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 2024

15. Non-Current Investments

Consolidated	Keele Residential Fund (see 15a)		(see 15b)	(see 15c)	(see 15d)	Total
	Stanhope Capital	Nat West Guaranteed Investment	Subsidiary companies	Investment in spinouts	Other fixed asset investments	
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2022	23,557	11,025	-	-	182	34,764
Additions	6	525	-	-	43	574
Disposals	-	(3,044)	-	-	-	(3,044)
Change in market value	(1,032)	-	-	-	-	(1,032)
At 31 July 2023	22,531	8,506	-	-	225	31,262
Additions	325	403	-	-	-	728
Disposals	-	(3,901)	-	-	-	(3,901)
Change in market value	1,051	-	-	-	-	1,051
At 31 July 2024	23,907	5,008	-	-	225	29,140

University	Keele Residential Fund (see 15a)		(see 15b)	(see 15c)	(see 15d)	Total
	Stanhope Capital	Nat West Guaranteed Investment	Subsidiary companies	Investment in spinouts	Other fixed asset investments	
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2022	23,557	11,025	-	-	182	34,764
Additions	6	525	-	-	43	574
Disposals	-	(3,044)	-	-	-	(3,044)
Change in market value	(1,032)	-	-	-	-	(1,032)
At 31 July 2023	22,531	8,506	-	-	225	31,262
Additions	325	403	-	-	-	728
Disposals	-	(3,901)	-	-	-	(3,901)
Change in market value	1,051	-	-	-	-	1,051
At 31 July 2024	23,907	5,008	-	-	225	29,140

15 (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 2024

15 Non-Current Investments (continued)

15 (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.

15 (b) Investment in wholly owned subsidiary companies

The University had the following investments in wholly owned subsidiary companies as at 31 July 2024, 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.

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.

15 (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	25.0%	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.



Notes to the Accounts  
For the year ended 31 July 2024

15 Non-Current Investments (continued)

15. (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:

143,000	Midland 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 2023/23, 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.
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16 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
<b>Active</b>		
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
Navitas - Keele University International College	United Kingdom	Pathway Provider
Jiangxi University of Applied Sciences	China	Joint Programme / Dual Award
Chengdu University of Traditional Chinese Medicine	China	Joint Programme / Dual Award
North West University	South Africa	Dual PhD Award
<b>Newly approved but yet to launch</b>		
Kingston International School	Singapore	Franchising
Vytautas Magnus University	Lithuania	Dual Award
Universiti Sains Malaysia	Malaysia	Dual PhD Award
Universite Sidi Mohamed Ben Abdellah	Morocco	Dual PhD Award
Universite Ibn Tofail	Morocco	Dual PhD Award
University Hassan 1er	Morocco	Dual PhD Award
Universite Hassan II	Morocco	Dual PhD Award
<b>Undergoing teach out</b>		
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 2024

17. Stock

	At 31 July 2024		At 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Finished goods	52	52	74	74
Development land	3,053	-	3,053	-
	<u>3,105</u>	<u>52</u>	<u>3,127</u>	<u>74</u>

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

18. Trade and other receivables

	At 31 July 2024		At 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Amounts falling due within one year:</b>				
Research grants receivables	4,790	4,790	4,655	4,655
Other trade receivables	1,884	1,884	4,092	1,734
Other receivables	9,207	9,189	7,274	7,241
Prepayment and accrued income	6,404	6,632	9,554	9,588
Amounts due from subsidiary companies	-	-	-	-
	<u>22,285</u>	<u>22,495</u>	<u>25,575</u>	<u>23,218</u>
<b>Amounts falling due after one year:</b>				
Prepayment and accrued income	2,695	2,695	2,921	2,921
Amounts due from subsidiary companies	-	139	-	2,358
	<u>24,980</u>	<u>25,329</u>	<u>28,496</u>	<u>28,497</u>

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.

19. Current Investments

	At 31 July 2024		At 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Other trade receivables	-	-	12,000	12,000
	<u>-</u>	<u>-</u>	<u>12,000</u>	<u>12,000</u>



Notes to the Accounts  
For the year ended 31 July 2024

20. Creditors: amounts falling due within one year

	At 31 July 2024		At 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Unsecured loans (see note 21a)	1,521	1,521	6,263	6,263
Obligations under finance leases	589	589	589	589
Trade payables	3,847	3,847	4,948	4,948
Other creditors	1,412	1,412	697	697
Social security and other taxation payable	2,565	2,565	2,625	2,625
Accruals and deferred income	20,782	20,755	23,265	23,254
Research grants and contract advances	13,736	13,736	15,518	15,518
Payments received on account	2,366	2,366	3,264	3,264
Amounts due to subsidiary companies	-	-	-	-
Deferred income: Keele Residential Funding premium (see Note 21b)	2,842	2,842	2,842	2,842
Derivative (see note 25)	-	-	-	-
	<u>49,660</u>	<u>49,633</u>	<u>60,011</u>	<u>60,000</u>

Deferred income

Included within creditors falling due within one year are the following items of income which have been deferred until specific performance related conditions have been met.

	At 31 July 2024 Consolidated and University £'000	At 31 July 2023 Consolidated and University £'000
Capital grant income	702	231
Grant income	691	-
	<u>1,393</u>	<u>231</u>

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

	At 31 July 2024		At 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Unsecured loans (see note 21a)	55,084	55,084	56,606	56,606
Deferred income: Keele Residential Funding premium (see Note 21b)	34,686	34,686	37,528	37,528
Obligations under finance leases	15,609	15,609	16,199	16,199
Other long-term creditors	3,052	-	2,847	-
	<u>108,431</u>	<u>105,379</u>	<u>113,180</u>	<u>110,333</u>

Notes to the Accounts  
For the year ended 31 July 2024

21. (a) Mortgages and unsecured loans

	At 31 July 2024		At 31 July 2023	
	Consolidated £'000	£'000	Consolidated £'000	£'000
Analysis of secured and unsecured loans:				
Due within one year or on demand (see note 20)		1,521		6,263
Due between one and two years	1,521		1,521	
Due between two and five years	4,563		4,563	
Due in five years or more	<u>49,000</u>		<u>50,522</u>	
Due after more than one year (see note 21)		55,084		56,606
Total secured and unsecured loans		<u>56,605</u>		<u>62,869</u>
Secured loans		-		-
Unsecured loans repayable by 2042		<u>56,605</u>		<u>62,869</u>
		<u>56,605</u>		<u>62,869</u>

The loans are all held by the University, with no loan facilities in the subsidiary companies. As at 31 July 2024, the loans comprise of the following:

Lender	Term	Balance £'000	Interest rate %
Royal Bank of Scotland	2029	1,068	SONIA plus agreed margin
Royal Bank of Scotland	2027	2,000	9.19% fixed
Royal Bank of Scotland	2029	1,296	SONIA plus agreed margin
National Westminster Bank (Revolving credit facility)	2024	-	SONIA plus agreed margin
Barclays Bank	2035	7,241	Mix of 6.885% fixed and SONIA plus agreed margin
Barclays Bank (Revolving credit facility)	2025	-	SONIA plus agreed margin
Barings Bank	2037/2042	45,000	3.27% Series A and 3.37% Series B Senior Notes
Total		<u>56,605</u>	

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.



Notes to the Accounts  
For the year ended 31 July 2024

22. Provisions for Liabilities

Consolidated and University	Obligation to fund deficit on pensions for:				Pay and severances	Other provisions	Total Other Provisions
	USS £'000	KSS £'000	LGPS £'000	Total Pensions Provisions £'000			
At 1 August 2023	66,421	20,468	-	86,889	1	-	1
Utilised in year	-	-	-	-	(1)	-	(1)
Transfer from statement of comprehensive income	(66,421)	2,283	-	(64,138)	2,782	-	2,782
University deficit contributions	-	(3,317)	-	(3,317)	-	-	-
Additions	-	-	-	-	-	-	-
At 31 July 2024	-	19,434	-	19,434	2,782	-	2,782

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 32.

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

This relates to pension scheme obligations that have been calculated by actuaries. It must be noted that the position for LGPS as at 31 July 2024 shows a surplus of £2,104k (2023: £1,670k surplus). As no change in contributions will immediately arise from this actuarial surplus, then FRS102 does not allow the recognition of the surplus and so no asset or liability balance is recognised on the Statement of Financial Position for LGPS at 31 July 2023. Note 32 shows the details for LGPS and assumes the nil balance position by reducing the assets from £5,575k to £3,471k to eliminate the £2,104k surplus.

Pay and severances

The provision of £2,782k (2023: £1k) relates to severance payments that the University and individuals have agreed by 31 July, but the University had not paid by that date.

Notes to the Accounts  
For the year ended 31 July 2024

23 Endowment Reserves

Restricted net assets relating to endowments are as follows:

Consolidated and University	Restricted permanent endowments	Unrestricted permanent endowments	Expendable endowments	2024 Total
	£'000	£'000	£'000	£'000
Balances at 1 August 2023				
Capital	251	-	-	251
Accumulated income	88	-	701	789
	339	-	701	1,040
New endowments	92	-	373	465
Investment income	28	-	63	91
Expenditure	(1)	-	(52)	(53)
	119	-	384	503
At 31 July 2024	458	-	1,085	1,543
Represented by:				
Capital	345	-	-	345
Accumulated income	113	-	1,085	1,198
	458	-	1,085	1,543
Analysis by type of purpose:				
General fund	696			332
Hardship fund	39			36
Prize funds	213			199
Scholarships and bursaries	559			437
Student Loans	36			36
	1,543			1,040

The funds are held as cash and cash equivalents. There are no deficit balances as at 31 July 2023 or 31 July 2024.

24. Restricted Reserves

Reserves with restrictions are as follows:

Consolidated and University	Capital Grant Income Unspent
	£'000
Balances at 1 August 2023	-
New capital grant income	-
Capital grants utilised	-
	-
At 31 July 2024	-

Notes to the Accounts  
For the year ended 31 July 2024

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:

	Notes	At 31 July 2024		At 31 July 2023	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Categories of financial instruments</b>					
<b>Financial assets</b>					
<i>Financial assets at fair value through Statement of Comprehensive income</i>					
Listed investments	15	23,907	23,907	22,531	22,531
<i>Financial assets that are equity instruments measured at cost less impairment</i>					
Other investments	15	5,233	5,233	8,731	8,731
<i>Financial assets that are debt instruments measured at amortised cost</i>					
Trade and other receivables	18	1,884	1,884	4,092	1,734
		<u>31,024</u>	<u>31,024</u>	<u>35,354</u>	<u>32,996</u>
<b>Financial liabilities</b>					
<i>Financial liabilities measured at amortised cost</i>					
Loans	20/21	56,605	56,605	62,869	62,869
Trade and other payables	20	3,847	3,847	4,948	4,948
		<u>60,452</u>	<u>60,452</u>	<u>67,817</u>	<u>67,817</u>

Notes to the Accounts  
For the year ended 31 July 2024

25. Financial Instruments (continued)

Derivatives

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

	Notes	At 31 July 2024		At 31 July 2023	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
<b>Interest income and (expense)</b>					
Total interest income for financial assets at fair value		606	606	461	461
Total interest income for financial assets at amortised cost		347	347	484	484
Total interest expense for financial liabilities at amortised cost	10	(3,564)	(3,564)	(3,789)	(3,789)
		<u>(2,611)</u>	<u>(2,611)</u>	<u>(2,844)</u>	<u>(2,844)</u>
<b>Fair value gains and (losses)</b>					
On financial assets measured at fair value through the Statement of Comprehensive Income		1,051	1,051	(1,032)	(1,032)
On financial liabilities measured at fair value through the Statement of Comprehensive Income	6	-	-	-	-
		<u>1,051</u>	<u>1,051</u>	<u>(1,032)</u>	<u>(1,032)</u>

26. Cash and cash equivalents

	At 1 August 2023	Cash Flows	At 31 July 2024
	£'000	£'000	£'000
Consolidated			
Cash at bank and on deposit	21,786	(4,158)	17,628

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 2024

27. Consolidated reconciliation of net debt

	Year ended 31 July 2024	
	Consolidated £'000	£'000
<b>Net debt 1 August 2023</b>		<b>57,871</b>
Movement in cash and cash equivalents (note 26)	4,158	
Repayment of loans	(6,264)	
New finance leases	-	
Repayment of finance leases	(590)	
Changes in market value (note 6)	-	
		(2,696)
<b>Change in net debt</b>		
<b>Net debt 31 July 2024</b>		<b>55,175</b>

Analysis of net debt:

	31 July 2024		31 July 2023	
	Consolidated £'000	£'000	Consolidated £'000	£'000
<b>Cash and cash equivalents (note 26)</b>		<b>(17,628)</b>		<b>(21,786)</b>
<b>Borrowings: amounts falling due within one year</b>				
Unsecured loans	1,521		6,263	
Bank overdraft	-		-	
Obligations under finance leases	589		589	
Derivatives	-		-	
		2,110		6,852
<b>Borrowings: amounts falling due after more than one year</b>				
Unsecured loans	55,084		56,606	
Obligations under finance leases	15,609		16,199	
Derivatives	-		-	
		70,693		72,805
<b>Net debt</b>		<b>55,175</b>		<b>57,871</b>

28. Capital and other commitments

Provision has not been made for the following capital commitments:

	31 July 2024 Consolidated and University £'000	31 July 2023 Consolidated and University £'000
Commitments contracted for (order placed but work not completed)	4,919	7,260

Notes to the Accounts  
For the year ended 31 July 2024

29. Contingent liabilities

The University has a stock of houses on campus that is available to purchase or rent for 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.

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 2024 to January 2025 was £868k, and this will increase annually based on RPI using a “cap and collar” of between zero to 5%.

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. 4 people have signed up through Keele University to the NHS Scheme Pays 2019/20 allowance compensation scheme.

30. Leases

(A) Lease commitments

Total rentals payable under operating leases:

	31 July 2024		31 July 2023	
	Land and Buildings £'000	Equipment leases £'000	Land and Buildings £'000	Equipment leases £'000
<b>Consolidated</b>				
<b>Payable during the year</b>	-	35	-	145
<b>Future minimum lease payments due:</b>				
Not later than 1 year	-	31	-	47
Later than 1 year and not later than 5 years	-	-	-	46
Later than 5 years	-	-	-	-
<b>Total lease payments due</b>	-	31	-	93
<b>University</b>				
	Land and Buildings £'000	Equipment leases £'000	Land and Buildings £'000	Equipment leases £'000
<b>Payable during the year</b>	-	35	208	145
<b>Future minimum lease payments due:</b>				
Not later than 1 year	-	31	-	47
Later than 1 year and not later than 5 years	-	-	-	46
Later than 5 years	-	-	-	-
<b>Total lease payments due</b>	-	31	-	93

The equipment relates to a contract that the University has in place for multifunctional printing devices. The agreement runs until December 2024.

Land and Buildings related to a lease that the University has with Keele University Science and Business Park Limited for the lease of the Sustainability Hub building. The building was sold back to the University in July 2024.

Notes to the Accounts  
For the year ended 31 July 2024

30. Leases (continued)

(A) Lessor disclosures

Total rentals receivable as lessor:

	31 July 2024 £'000	31 July 2023 £'000
<b>Future minimum lease receipts due:</b>		
Not later than 1 year	5,134	5,008
Later than 1 year and not later than 5 years	21,850	21,317
Later than 5 years	130,023	135,691
<b>Total lease receipts due</b>	<b>157,007</b>	<b>162,016</b>

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).

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	3,317	Nil	Nil
(b)	Keele University Students' Union President ("KSU")	Representative body for students at the University	36	1,683	423	Nil
(c)	Keele Postgraduate Association President ("KPA")	Representative body for Post Graduate students at the University	11	191	Nil	Nil
(d)	Harper Adams University	Joint Harper and Keele Veterinary School	1,774	199	Nil	Nil
(e)	Tracy Bullock	Chief Executive at UHNM	99	328	253	216

Notes to the Accounts  
For the year ended 31 July 2024

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 2024, these were £3,067k. Additionally, administrative expenses of £250k 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 £1,629k of grant payments, of which £150k was paid in advance and prepaid on the Balance Sheet. A loan repayable over 10 years was provided by the University to KSU in the year to facilitate the refurbishment of the Co-op shop, with a balance of £423k on the University balance sheet.

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 £143k of grant payments.

31 (d) Harper Adams University

The joint Harper and Keele Veterinary School is run by the two Universities. This is primarily due to the joint Harper and Keele Veterinary School, which 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) University Hospitals of North Midlands NHS Trust ("UHNM")

Tracy Bullock 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 2024 of these assets is £69,029k (2023: £70,192k).

Additionally, the University has a contractual duty to maintain and refurbish the student halls of residence. Investments of £18,911k (2023: £23,041k) have been set aside in fixed asset investments as at 31 July 2024 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 per 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 2024

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)
(j) Keele Superannuation Scheme (KSS)	Defined benefit
(k) Local Government Pension Scheme (LGPS)	Defined benefit
(l) National Health Service Pension Scheme (NHSPS)	Multi-employer (Contributions only)
(m) National Employment Savings Trust (NEST)	Defined contribution

The two principal pension schemes for University staff are USS and KSS. The assets of these pension schemes are held in separate trustee administered funds. Total pension costs comprised:

	Year Ended 31 July 2024 £'000	Year Ended 31 July 2023 £'000
<b>Contributions paid</b>		
USS	13,381	14,882
KSS	-	-
LGPS	90	94
NHSPS (includes invoiced amounts for additional NHS pension costs)	562	551
NEST	12	13
	<b>14,045</b>	<b>15,540</b>
<b>Actuarial adjustment in staff costs</b>		
USS	(67,945)	(6,951)
KSS	585	170
LGPS	6	7
	<b>(67,354)</b>	<b>(6,774)</b>
Total pension cost for year (charged to staff costs in the Statement of Comprehensive Income and Expenditure as per Note 8)	<b>(53,309)</b>	<b>8,766</b>
	Year Ended 31 July 2024 £'000	Year Ended 31 July 2023 £'000
<b>Statement of Comprehensive Income and Expenditure - net interest charge on pension schemes</b>		
USS	1,524	2,358
KSS	946	741
LGPS	(2)	(46)
Total net interest charge on pension schemes in the Statement of Comprehensive Income and Expenditure (as per notes 6 and 10)	<b>2,468</b>	<b>3,053</b>
	Year Ended 31 July 2024 £'000	Year Ended 31 July 2023 £'000
<b>Other Comprehensive Income - actuarial (gain) / loss in respect of pension schemes</b>		
KSS	752	(1,324)
LGPS	(4)	39
Total actuarial (gain) / loss in respect of pension schemes in the Statement of Comprehensive Income and Expenditure	<b>748</b>	<b>(1,285)</b>

The pension scheme liability on the Balance Sheet is disclosed in note 22.

Notes to the Accounts  
For the year ended 31 July 2024

32. Pension Schemes (continued)

(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 £13,363k (2023 cost charged: £14,882k), 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 (2023: £5,137k).

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).

<b>CPI assumption</b>	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
<b>Pension increases (subject to a floor of 0%)</b>	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
<b>Discount rate (forward rates)</b>	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.90% 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
<b>Mortality base table</b>	101% of S2PMA “light” for males and 95% of SEPFA for females.
<b>Future improvements to mortality</b>	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

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

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.

Notes to the Accounts  
For the year ended 31 July 2024

32. Pension Schemes (continued)

(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 2024 was £3,067k (2023: £2,966k), with £250k (2023: £200k) of expenses paid by the University on behalf of the Scheme. This includes £nil (2023: £nil) 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 2024 %pa	At 31 July 2023 %pa
Discount rate	4.70	4.95
Rate of increase in salaries	3.30	3.35
Price Inflation (RPI)	3.30	3.35
Price Inflation (CPI)	2.45	2.50
Rate of increase of pensions in payment and deferred pensions:		
Pre 1 August 2001 Service	4.15	3.95
1 August 2001 to 30 November 2006 Service	3.25	3.34
Post 1 December 2006 Service	2.05	2.30
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 currently aged 45 (Male)	Current Pensioner aged 65 (Female)	Non-pensioner currently aged 45 (Female)
At 31 July 2024	21	22	23	25
At 31 July 2023	21	23	24	25

The actuarial tables used for this are 112% S3PA CMI 2023 (1.25%) (2023: 112% S3PA with CMI 2021 improvements trending to 1.25%).

COVID-19 has caused significant disruption to economic activity which has been reflected in global stock market fluctuations and, in turn, in the valuation of pension Scheme assets. Although allowance is made for known membership movements, the longer-term impact of the pandemic on pension scheme members is not yet known and no specific adjustments have been made to mortality assumptions adopted at the 31 July 2024 year-end. 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.

Notes to the Accounts  
For the year ended 31 July 2024

32. Pension Schemes (continued)

Scheme assets of KSS

The assets in the scheme were:

	Fair value as at 31 July 2024 £'000	31 July 2023 £'000
Equities / Return seeking Funds	7,441	7,754
Corporate bonds	11,455	10,259
Insured pensioners	699	699
Cash	671	620
Total	20,266	19,332

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 2024 £'000	At 31 July 2023 £'000
<b>Analysis of the amount shown in the balance sheet for KSS</b>		
Scheme assets	20,266	19,332
Scheme liabilities	(39,700)	(39,800)
<b>Deficit in the scheme – recorded within pension provisions (note 22)</b>	<b>(19,434)</b>	<b>(20,468)</b>
<b>Total operating charge</b>		
Staff costs and administrative expenses	585	370
<b>Analysis of the amount charged to interest payable for KSS</b>		
Interest on net deficit	946	741
<b>Total profit and loss charge before deduction for tax</b>	<b>1,531</b>	<b>1,111</b>
<b>Analysis of other comprehensive income for KSS:</b>		
Experience (loss)/gain on assets	(386)	(9,066)
Gain on liabilities	(386)	10,390
<b>Total other comprehensive income before deduction for tax</b>	<b>(752)</b>	<b>1,324</b>
<b>Cumulative actuarial loss recognised as other comprehensive income for KSS</b>		
Cumulative actuarial losses recognised at the start of the year	9,467	(8,143)
Cumulative actuarial losses recognised at the end of the year	(10,219)	9,467
<b>Analysis of movement in deficit for KSS</b>		
<b>Deficit at beginning of year</b>	<b>(20,468)</b>	<b>(23,847)</b>
Contributions paid by the University	3,067	2,966
Administration expenses paid by the University	250	200
Total operating charge	(585)	(370)
Other finance charges	(946)	(741)
<b>Deficit at end of year</b>	<b>(19,434)</b>	<b>(20,468)</b>



Notes to the Accounts  
For the year ended 31 July 2024

32. Pension Schemes (continued)

	At 31 July 2024	At 31 July 2023
	£'000	£'000
<b>Analysis of movement in the present value of KSS liabilities</b>		
<b>Present value of KSS liabilities at the start of the year</b>	<b>39,800</b>	51,000
Total operating charge	585	370
Interest cost	1,912	1,643
Actuarial (gain)/loss	366	(10,390)
Actual benefit payments	(2,378)	(2,453)
Recognition of insured pensioners	-	-
Administration expenses paid by KSS	(585)	(370)
<b>Present value of KSS liabilities at the end of the year</b>	<b>39,700</b>	39,800

  

	At 31 July 2024	At 31 July 2023
	£'000	£'000
<b>Analysis of movement in the fair value of scheme assets</b>		
<b>Fair value of assets at the start of the year</b>	<b>19,332</b>	27,153
Expected return on assets	966	902
Actuarial (loss)/gain on assets	(386)	(9,066)
Contributions paid by the University	3,067	2,966
Administration expenses reimbursed by the University	250	200
Actual benefit payments	(2,378)	(2,453)
Recognition of insured pensioners	-	-
Administration expenses paid by KSS	(585)	(370)
<b>Fair value of scheme assets at the end of the year</b>	<b>20,266</b>	19,332

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

	Year to 31 July 2024	Year to 31 July 2023
	£'000	£'000
<b>Actual return on Scheme assets</b>		
Expected return on assets	966	902
Actuarial gain on assets	(386)	(9,066)
Actual return on Scheme assets before administration expenses	580	(8,164)
Administration expenses	(585)	(370)
<b>Actual return on Scheme assets before administration expenses</b>	<b>(5)</b>	(8,534)

Based on the Schedule of Contributions dated 24 November 2021, the University expects to contribute in the region of £3,300k to the scheme in the next year, through deficit contributions and expenses payments.

Notes to the Accounts  
For the year ended 31 July 2024

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 2024 was £90k (2023: £94k). This includes £8k (2023: £8k) outstanding contributions at the balance sheet date.

For the year ended 31 July 2024, the University has been contributing at a rate of 34.40% with agreed annual lump sum contributions to the scheme of £77k. Employee contributions were tiered at 6.50% and 6.80% of pensionable salaries.

Assumptions

The following information is based upon a full formal actuarial valuation of LGPS as at 31 March 202 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 2023.

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:

	At 31 July 2024 %pa	At 31 July 2023 %pa
Discount rate	4.95	5.10
Price Inflation (RPI)	3.25	3.55
Price Inflation (CPI)	3.25	3.55
Rate of increase in salaries	2.75	3.05
Rate of increase of pensions	2.75	3.05
Commutation allowance (Members commute % of their pension) – pre-April 2008 service	50%	50%
-post-April 2008 service	75%	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 currently aged 45 (Male)	Current Pensioner aged 65 (Female)	Non-pensioner currently aged 45 (Female)
At 31 July 2024	20	22	22	25
At 31 July 2023	20	22	24	25

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2022 model, with a 25% weighting of 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.

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 2024

32. Pension Schemes (continued)

Scheme assets of LGPS

As noted in Note 22, based on the actuarial calculations, the LGPS had a surplus of £2,104k (2023: £1,670k) which has not been recognised in these financial statements. This is reflected below by reducing the assets of the scheme to £3,471k to give a nil provision and adjusting the actuarial gain in respect of pension schemes recognised in Other Comprehensive income.

The assets in the scheme were:

	Fair value as at 31 July 2024 £'000	31 July 2023 £'000
Equities / Return Seeking Funds	2,222	2,357
Corporate bonds	937	797
Property	243	243
Cash	69	69
Total	3,471	3,466

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 2024 £'000	At 31 July 2023 £'000
<b>Analysis of the amount shown in the balance sheet for LGPS</b>		
Scheme assets	1,367	5,136
Scheme liabilities	(3,471)	(3,466)
Surplus not recognised	2,104	(1,670)
<b>Deficit in the scheme – recorded within pension provisions (note 22)</b>	-	-
Current service cost	6	7
<b>Total operating charge</b>	6	7
<b>Analysis of the amount charged to interest payable for LGPS</b>		
Interest income on net assets	(174)	(175)
Interest cost on defined benefit obligation	172	129
<b>Net charge to other finance income</b>	(2)	(46)
<b>Total profit and loss charge before deduction for tax</b>	(4)	(39)

	At 31 July 2024 £'000	At 31 July 2023 £'000
<b>Analysis of other comprehensive income for LGPS:</b>		
Experience gain on assets	(46)	(447)
Contributions by University	92	94
Experience loss on liabilities	(116)	(358)
Change in demographic assumptions	7	53
Change in financial assumptions	67	619
<b>Total other comprehensive income before deduction for tax</b>	4	(39)

Notes to the Accounts  
For the year ended 31 July 2024

32. Pension Schemes (continued)

	At 31 July 2024 £'000	At 31 July 2023 £'000
<b>Cumulative actuarial gains recognised as other comprehensive income for LGPS</b>		
Cumulative actuarial gains recognised at the start of the year	(975)	936
Cumulative actuarial gains recognised at the end of the year	979	(975)

<b>Analysis of movement in deficit for LGPS</b>		
<b>Deficit at beginning of year</b>		
Contributions paid by the University transferred to actuarial gain	-	-
Administration expenses paid by the University	-	-
Total operating charge	(6)	(7)
Other finance charges	2	46
<b>Deficit at end of year</b>	-	-

	At 31 July 2024 £'000	At 31 July 2023 £'000
<b>Analysis of movement in the present value of LGPS liabilities</b>		
<b>Present value of LGPS liabilities at the start of the year</b>	3,466	3,858
Current service cost	6	7
Interest cost	172	129
Actuarial loss	42	(314)
Contributions paid by scheme members	3	2
Actual benefit payments	(218)	(216)
<b>Present value of LGPS liabilities at the end of the year</b>	3,471	3,466

	At 31 July 2024 £'000	At 31 July 2023 £'000
<b>Analysis of movement in the fair value of scheme assets</b>		
<b>Fair value of assets at the start of the year</b>	3,466	3,858
Expected return on assets	174	175
Actuarial gain on assets	(46)	(447)
Actual contributions paid by University	92	94
Contributions paid by scheme members	3	2
Actual benefit payments	(218)	(216)
<b>Fair value of scheme assets at the end of the year</b>	3,471	3,466

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

	Year to 31 July 2024 £'000	Year to 31 July 2023 £'000
<b>Actual return on Scheme assets</b>		
Expected return on assets	174	175
Actuarial gain on assets	(46)	(447)
Actual return on Scheme assets before administration expenses	128	(272)
Administration expenses	-	-
<b>Actual return on Scheme assets before administration expenses</b>	128	(272)

The University expects to contribute in the region of £90k 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 2024

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 2024 was equal to 14.30% (plus a 0.08% scheme administration levy) (2023 – 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 £549k (2023:£491k).

33 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 2024/25. The APP for Keele can be accessed on either the OfS website or the Keele website on: [www.keele.ac.uk/access-plan](http://www.keele.ac.uk/access-plan)

Expenditure incurred during the year on the APP in the four sectors identified by the OfS was:

	At 31 July 2024 £'000	At 31 July 2023 £'000
Access investment	1,380	1,626
Financial support provided to students	2,600	2,651
Support for disabled students	2,524	1,930
Research and evaluation related to access and participation activities	509	310
<b>Total access and participation expenditure</b>	<b>7,013</b>	<b>6,517</b>

Included within the above expenditure is £3,799k (2023: £2,974k) of staff costs that are also included in Note 8 “Staff costs”.

Variance to submitted 2023/24 APP

The actual access expenditure is £270k below the planned expenditure in the 2023-24 AFR and £246k below the 2022- 23 spend. The reduced spend reflects reduced staffing costs within the Faculty of Natural Sciences and the Faculty of Medicine and Health Sciences. These reductions reflect a strategic and centralised approach to access within the university, through the Global Student Recruitment and Admissions team, alongside improved institutional understanding of the costs and time involved in delivering activities badged as ‘access’.

Spend on financial support is £60k lower than the planned expenditure from the 2023-24 AFR and £51k below the 2022-23 spend. This is primarily due to the move towards increased spend via the Access and Success Fund, as a proactive financial disbursement method for the university.

Expenditure on support for disabled students has increased by £594k since 2022-23 and is £574k above planned expenditure. This reflects increased staffing costs within the Faculty of Natural Sciences, the Faculty of Humanities and Social Sciences, the Faculty of Medicine and Health Sciences, and through Information and Digital Services Team. This increase is primarily due to institutional improvements to supporting Disabled Students and the introduction of Disability Inclusion Tutors with clear outlined role responsibilities and aligned workload allocations.

Expenditure on research & evaluation is £239k above planned expenditure from the 2023-24 AFR and £199k above the 2022-23 spend. The increase this year compared to 2022-23 relates to higher spend in staff time spent on research and evaluation across the university. This increase is likely to be due to the increased emphasis on evaluation by the OfS, and work that has been required to be undertaken across the university in preparing for submission of Keele’s APP 2025-29.





# Council Members *and* Professional Partners

The following were members of Council for the period from 1 August 2023 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  
Simon Greenhalgh (from 1 September 2024)

**The Vice-Chancellor**  
Professor Trevor McMillan, OBE

**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  
Dr Abigail Roberts  
Dr Chrystelle Egger  
(from 1 September 2024)

**Lay Members appointed by the Council**  
Ruth Bagley  
Tracy Bullock (until 31 August 2024)  
David Brown  
Jane Burns

**Lay Members appointed by the Council** (*continued*)  
Tim Forman  
Simon Greenhalgh  
(from 1 September 2023 to 31 August 2024)  
Hifsa Haroon-Iqbal, OBE  
Manali Lukha (until 31 August 2023)  
Andrew Macleod (until 31 August 2023)  
Sherree Schaefer  
Dr Lesley Thompson, MBE

**Student Representatives**  
Jade Cioffi (until 30 June 2024)  
Rachana Dhaka (from 1 July 2023 to 30 June 2024)  
Tom Robinson (from 1 July 2024)  
Anne George (from 1 July 2024)

**In attendance**  
Dr Mark Bacon  
Chief Operating Officer  
Louise Parr-Morley  
Interim Chief Financial Officer  
(from 24 July 2023 to 26 November 2023)  
Pascale Vermassen  
Chief Financial Officer  
(from 27 November 2023)  
Frances Hewison  
Chief People Officer  
Clare Stevenson  
Secretary to Council

## 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.







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