

1 AUGUST 2023 TO 31 JULY 2024

# Annual Report and Statement of Accounts 2024



UNIVERSITY  
*of* HULL

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# Foreword

**The University of Hull is an inspiring place – a place where students flourish, where research and innovation thrives and where unwritten futures become unlimited possibilities.**

We are delighted to present this year's annual report, which showcases some of the highlights of the past twelve months.

The report is just a snapshot of all that we have been able to achieve through the talent, passion and commitment of our staff and students. We have made good progress over the past year, and we extend our thanks to the University community for making this possible.

We continue to provide an outstanding university experience that supports students from all backgrounds to succeed. This is reflected in our Teaching Excellence Framework Gold rating and excellent results in the 2024 National Student Survey.

Our outstanding researchers continue to offer solutions to global challenges. For example, we are leading a new Centre for Doctoral Training driving cutting-edge advances in the offshore wind sector. With the support of £16 million from the UK Research Partnership Investment Fund, we're establishing a national centre to translate chronic wound care research into clinical settings, improving diagnosis and treatment for individuals and tackling one of the major challenges faced by health care systems around the world. And, working with King's College London and the University of York, we're leading a £11 million project to create a new Centre for Addiction and Mental Health Research. We are incredibly proud to be ranked among the best in the world by the Times Higher Education (THE) Impact Rankings for our contributions to bringing about a more sustainable and just future.

We were pleased to support the devolution deal for Hull and East Yorkshire. We look forward to working collaboratively with partners, new and old, to capitalise on this significant opportunity to bring growth and investment to our region.

2024 saw the launch of our vibrant new identity and brand. This is the product of extensive engagement with our community and stakeholders, firmly grounded in evidence and proudly befitting an historic institution that has been enriching lives through education and research for almost 100 years.

As we move into a new academic year, the higher education sector continues to face significant and mounting challenges that universities must navigate while seeking new opportunities for growth and impact.

Our University is not exempt. A reduction in international student applications and changes in UK student recruitment application patterns have contributed to a drop in income while other costs have continued to rise. These factors placed the University under considerable financial pressure during 2023/24, leading us to report a deficit for the year of £17.3 million (excluding changes in the value of the USS pension scheme).

We're by no means alone in these challenges, however, and with challenge comes opportunity.

While we expect to remain in a deficit position in 2024/25, further prudent management of our finances and acting swiftly to make some structural changes will ensure that we can continue to move forward with confidence and the financial stability required for growth.

By fostering innovation and seeking collaboration, we will continue to build our resilient, dynamic and inclusive community and ready our University for future challenges and opportunities.

Before concluding, we would like to take a moment to remember all those we have lost this year, among whom was the world-leading historian, Professor Trevor Burnard, who served as Director of our Wilberforce Institute from November 2019 to June 2024. Under Trevor's leadership, the Institute secured significant awards from prestigious research funders as well as numerous prizes for the far-reaching impact of its work. He will be greatly missed by all those who had the privilege to work with him.

Our annual report is just one of the ways we continue to show the world what makes Hull great. Research-led, dynamic and with ambitious plans for our future, we are proud to be a freethinking and open-hearted community – a place where people join forces to drive true progress.

**George Garlick OBE**  
*Chair of Council*

**Professor Dave Petley**  
*Vice-Chancellor*





# Strategic Review

## Strategy 2030

The University of Hull is a global community of freethinking students, scholars and partners.

Our Strategy 2030 puts the talent and dedication of our people, our strong sense of place and our dynamic partnerships at the heart of our success as a vibrant and research-led civic university.

Exploring new ways of thinking about issues critical both to our region and humanity's shared future, we're helping to accelerate the adoption of renewable energies, embedding sustainability and ethics in the application of AI and using our understanding of the past to confront the injustices of today. Our researchers are helping more people to benefit from advances in wound care, more communities to prepare for rising flood risks and more organisations to root out modern slavery.

Our students benefit from an outstanding, inclusive education. With the support of our excellent staff, they develop the skills, confidence and values that empower them to play their part in tackling the defining challenges of tomorrow.

Together, we're making a real difference to lives across the world and shaping a fairer, brighter and carbon neutral future for all.







## An inspiring student experience

**We work hard to ensure our students engage with developments at the cutting edge of research, practice and scholarship.**

**TEF  
2023**

**Gold**

### Education excellence

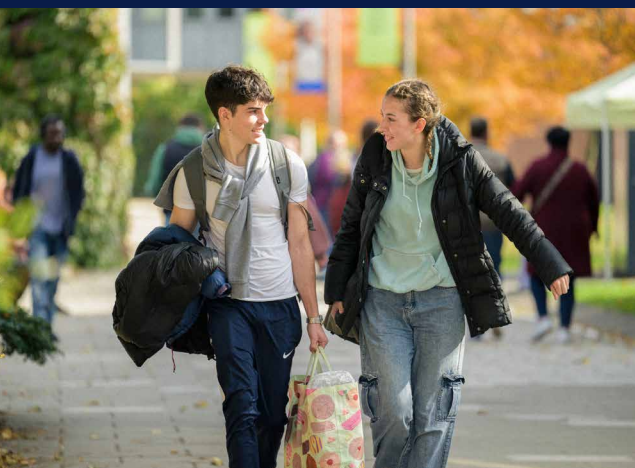
This year we were awarded a Gold Rating in the Teaching Excellence Framework (TEF) - the highest award possible for student experience and student outcomes. The accolade means that the experience and outcomes of our undergraduate students are typically outstanding.

Our innovative competence-based education is recognised across the sector, and we are proud to feature in two examples of excellent practice within the Quality Assurance Agency's (QAA) report on TEF Gold institutions. We've been working with the QAA to share our approach to inclusive education and our commitment to ensuring that our graduates are ready to thrive. The University of Cambridge and Oxford Brookes University are among those who have adopted the approach as a result of the QAA collaborative project.

We've continued to evolve our programmes and extend our reach this year. In January, we announced the launch of our London Study Centre, giving students the chance to immerse themselves in the professional hub of the capital. Located in Bloomsbury, the Study Centre welcomed over 200 students this summer across a range of Masters programmes in areas such as business management, logistics and supply chain management, digital marketing and advertising.

We're dedicated to creating excellent, relevant education for our students. Following Ofsted inspections this year, we're proud to have received a Good rating for our Initial Teacher Education provision and our apprenticeships, which are predominately in the health and social work sectors.





## Celebrating success in the NSS

Our students are at the heart of everything we do, so we were incredibly proud of our National Student Survey (NSS) results showing we're ahead of the higher education sector in 24 out of the 27 areas surveyed.

We've seen improvements in 20 out of 27 questions across seven of the nine NSS themes, including in the key areas of academic support and learning resources. We've also improved in the question focused on communication of mental wellbeing services. In this area, we've worked hard to streamline our access and referral process, and increase awareness of our services, so that students know where to go for support and staff can confidently refer students. High positivity ratings were also achieved for how good our teaching staff are at explaining things and the support of our library resources.



## Investing in healthy futures

We've made significant investment in Health Sciences to help students reach the top of their profession. This includes a combined investment of £2 million by the University and the Department of Health to develop ten new virtual clinical environments – such as the live X-ray training rooms used by students on our new accelerated degree programme in diagnostic radiography, the first course of its kind in the country.

We opened a rugby league performance, education and community hub, bringing outstanding opportunities for students seeking sports-related careers. The project, in partnership with local Super League team Hull FC, offers students the opportunity to gain work placements in key fields such as sports science, coaching, analysis and media.



## Hull for life

Membership of our University community doesn't end at graduation. We delivered a range of events with our alumni this year, including Inspired in Hull talks, masterclasses and graduation-related activities. We have also premiered a series of alumni podcasts and launched an alumni volunteering programme.

The kind generosity of our alumni helps us invest in the success of our current and future students. We secured £1.7 million in gifts and commitments from individuals, legacies and organisations this year, in addition to our annual telephone fundraising campaign. Our first cohort of Chancellor's Scholars are joining the University this autumn. This new merit-based undergraduate scholarship scheme was launched in 2023 to celebrate the installation of the Right Honourable Alan Johnson as our new Chancellor and was made possible by the donations of our Chancellor's Circle of alumni, friends and members of the business community.

We have a long and proud tradition of alumni who make a significant contribution to the world of politics. In August 2024, we were delighted to congratulate Hull alumna Eluned Morgan as she became First Minister of Wales. Since graduating with a BA in European Studies from Hull in 1990, Eluned has served the people of Wales as Member of the European Parliament, Member of the House of Lords and Member of the Senedd. Now the first woman to hold the role of First Minister of Wales, she is an inspiring example for future generations of Hull students.



## A powerhouse of research and knowledge exchange

As a research-led institution, we continue to deliver life-enhancing, impactful research and innovation.







## Showcasing our research and culture

With 14 events across five days involving hundreds of attendees, our first-ever Research Culture Week was a resounding success. Alongside showcasing our research expertise, the week allowed us to build and sustain our partnerships and focus on researcher development. We also launched our new Research Culture Action Plan and dedicated Research Culture website.

We continued this trend during Humber Business Week, taking our place firmly as a partner at the heart of the business community. We hosted and participated in a series of inspiring events showcasing the future potential of our region's wealth of talent, entrepreneurship and vision.



## Tackling global challenges

Our researchers continue to change lives as we explore ways to create a sustainable, healthy and inclusive world. We're leading a £2 million project working with vulnerable coastal communities to help protect their futures. COAST-R is bolstering research, innovation and practice in understanding coastal change and enhancing the resilient management of UK coastal seas and communities.

Securing our position at the forefront of pioneering solutions to offshore wind challenges, the Engineering and Physical Sciences Research Council (EPSRC) has invested £5.8 million in our Centre for Doctoral Training (CDT) in Offshore Wind Energy Sustainability and Resilience. Led by Hull, with the universities of Durham, Loughborough and Sheffield as partners, the new CDT has also attracted considerable investment from more than 40 commercial partners in the offshore wind industry. The Centre is set to train more than 65 postgraduate doctoral students over the next five years, developing a diverse range of future leaders for the sector, focused on maximising the potential of offshore wind and driving the UK's transition to net zero.



## Bringing ideas to life

The Ideas Fund has seen twenty community groups in Hull working with our researchers on unique knowledge exchange projects that aim to improve community mental wellbeing. For example, we are working with people who have dementia from the Butterflies Memory Loss Support Group and various arts practitioners to develop a library of resources and coping strategies to help families and carers.

Floreon, a company which produces plastics from plants, relocated to office space at our Aura Innovation Centre two years ago. This collaboration has since flourished into a successful partnership where the knowledge and expertise of our researchers combines with the industrial mindset of the company to develop low carbon processes within our InventX labs, removing the need to outsource from across the world, improving sustainability and accelerating the innovation of new products.



## Powerful partnerships

We have joined the prestigious Turing University Network, which unites world-class researchers working on global challenges in data science and Artificial Intelligence. We are collaborating with other leaders in the field to apply research to real-world problems, drive economic impact and societal good, as well as leading the training of a new generation of scientists.

From research about the Olympic games to activity trails and athlete appearances, our partnership with Team GB has continued to offer exceptional opportunities to our students, staff and the local community.

The Humber Innovation Support Programme, along with our Student Futures team and the Aura Innovation Centre, has worked with talented students to help businesses and organisations innovate. Supported by the UK Shared Prosperity Fund, the programme is creating a talent pipeline through a fully funded internship programme available to SMEs in the Hull City Council area. It follows on from the successful Humber Internship Programme (HIP), which ended in December 2023. HIP successfully placed 52 interns at 50 different local SMEs, with 48% of placements continuing beyond the initial internship.







# A great place to work

**We've embarked on a journey of transformation over the past year, starting from the inside out. Based on staff feedback, we've improved our systems and processes to help build a great place to work.**



## Investing in our leaders

Our leaders have a vital role to play in creating an inclusive culture and helping bring out the best in our people. We've created a new structure of regular meetings and development opportunities through our Senior Leaders Forum and Managers' Network. These help to inform and empower our leaders, ensuring they model the values and behaviours we want to see in our community.

Through our new Building Brilliant Leaders programme, we're equipping the next generation of University leaders with the right skills and an understanding of their impact on their team's wellbeing.



## Focusing on staff wellbeing

In October 2023, we launched a stress survey to help us understand more about what our people need in this critical area. Almost 900 people completed the survey and the findings have been invaluable in identifying good practice that we can develop further, as well as issues we need to address.

Already, we have:

- set up a wellbeing governance board to develop our upcoming wellbeing strategy and make sure the findings of the stress survey are acted on
- improved our triaging process for mental health support
- launched new resources on mental health, stress in the workplace and healthy living
- offered a range of wellbeing activities, webinars and online resources.

We will be building on these initial steps in the coming year, focusing our efforts on actions that will make the biggest difference to support the wellbeing of our staff.



## Digital transformation

We are investing over £20 million to bring our digital and IT infrastructure up to date. Our legacy infrastructure presents many challenges, so we've implemented a new digital spine connecting our various systems, applications, data sources and processes and allowing them to talk to each other through a single portal. Our new single, automated Customer Relationship Management (CRM) system, which provides consistent information and transparency across all interactions with our students, is already beginning to help transform how we support student recruitment and retention.

We're also implementing a new Enterprise Resource Planning (ERP) system, which will automate systems across HR, Finance and Procurement, reduce workload and provide accurate data to inform planning.



# A vibrant civic university

## Our new identity and brand

Over the past year, we have been working with staff, students and our community to create a new identity and brand that reflects our values and draws together a century of past achievements with our bold vision for the future. Designed to convey our tradition of unconventional thinking, academic excellence and strong sense of community, the new brand captures our inclusive and collaborative spirit and unwavering purpose to change the world for the better.

We launched our new identity and brand in March and continue to roll it out across the University, both in how we look and in how we communicate internally and externally.



## Our impact in the region and beyond

In October 2023, an Economic Impact Report by Biggar Economics delivered compelling figures detailing our financial contribution to our city, region and beyond. For example, in the year 2021/22, we generated £1.2 billion Gross Value Added (GVA) for the UK economy, supporting 14,480 jobs. Around £700 million of this was in the Humber region and almost £500 million, and 6,600 jobs, in Hull itself.

The economic value of international students to our city and region was confirmed in a report published by the Higher Education Policy Institute (HEPI) and Kaplan International Pathways in June. This new analysis using current UK parliamentary constituency boundaries found that just one year's intake of international students brings a net benefit of £164 million across the three Hull constituencies.

We have welcomed devolution plans for Hull and East Yorkshire and the opportunity this offers to secure one of the government's investment zones, which will drive growth, increase jobs and encourage investment in our region, underpinned by collaborative university research and innovation.

We were proud to be on the steering group to shape a new narrative for the Humber. Helping breathe life into our region's identity and heighten its profile, this narrative will be a driver for economic growth and investment.







## A truly global community

We continue to build significant international strategic alliances and work with international networks to develop collaborative research and education projects. This global cooperation enables us to tackle some of the world's most pressing challenges, such as adapting to climate change and improving food, energy and water security. It also helps our students gain significant international experience, enhance their learning and broaden their career prospects.

We're working with the University of North Carolina Wilmington on marine sensors, coastal community engagement and renewable energy. Our ongoing partnership with Mariupol State University includes critical research into post-war recovery and trauma.

Our recently announced membership of the University of the Arctic network opens up avenues for a wealth of new collaborative work in logistics, energy security and student exchange.

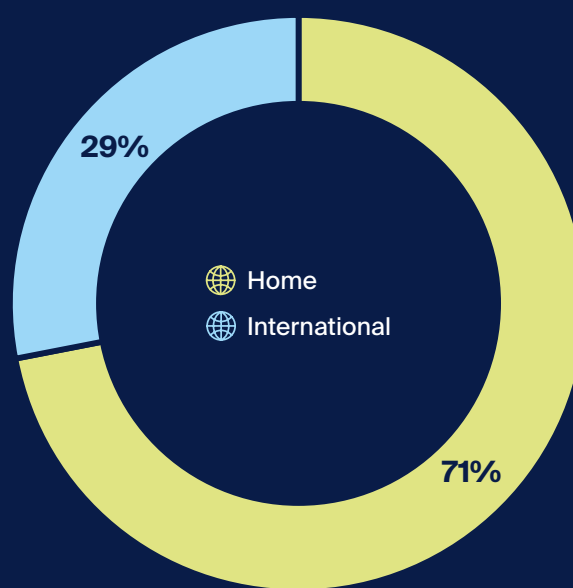
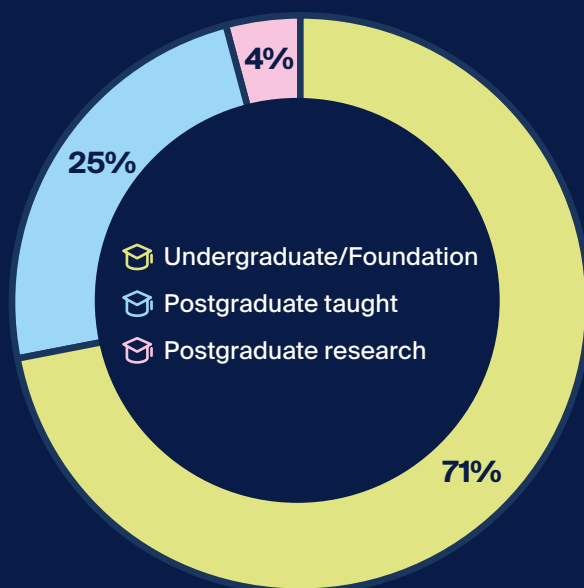


# Our University in numbers

## Student profile

### Standard provision 12,716

Foundation, undergraduate, postgraduate taught and postgraduate research degrees



### Hull Online 1,305

Part-time postgraduate taught programmes delivered online

### Other provision 1,077

Degree apprenticeships, distance taught, franchised provision, exchange programmes and short courses

### Collaborative provision 1,390

Validated provision at partner institutions

#### Student data:

Headcount as at 1 December 2023 census; standard provision excludes Hull Online, degree apprenticeships, distance taught, exchange programmes, short courses and collaborative provision delivered by partner institutions.



# Student diversity

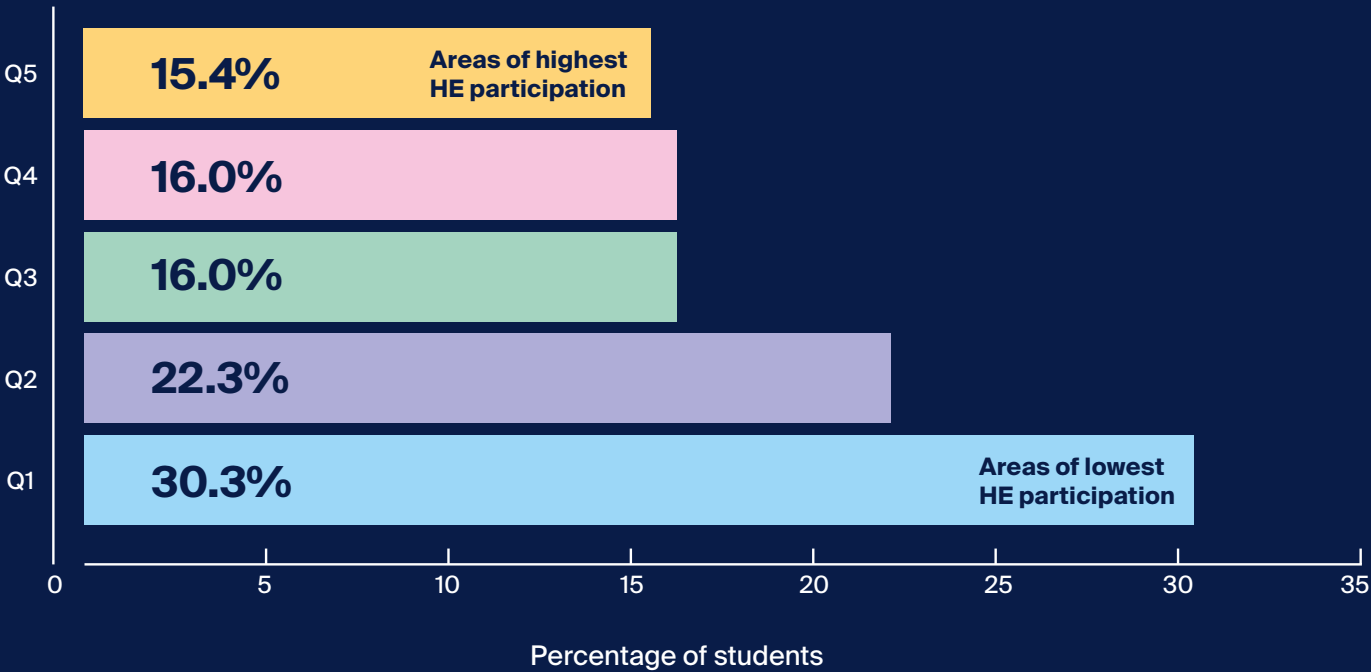
**34.2%** students of Black, Asian and minority ethnic origin

**14.7%** students known to have a disability

**35.4%** mature students (aged 21 or over)



## Participation of Local Areas (POLAR4) quintiles



**Student diversity data:**  
Population includes home and international students on all programmes, with the exception of distance taught and collaborative provision.  
Exceptions: (a) data on % mature students is specific to students entering programmes at Level 6 or below; (b) data on % students from POLAR4 quintiles is specific to students entering programmes at Level 6 or below and who have home fee status and a valid UK postcode for which POLAR4 data is available.

# Measuring our success

TEF  
2023

Gold

Our **GOLD** rating in the **Teaching Excellence Framework (TEF)** recognises that the student experience and student outcomes across our undergraduate programmes are typically outstanding.

This rating was awarded in 2023 for four years.

95%

of our graduates are in work or further study 15 months after graduation, with 69% in high-skilled employment and/or graduate-level study.<sup>1</sup>



## Outstanding student experience

In the 2024 **National Student Survey (NSS)**, our positivity score exceeded the Office for Students benchmark on 25 of the 27 questions. We exceeded the higher education sector median on 24 questions, including eleven where our positivity score is in the top quartile.

We scored most highly in the following areas:

- How good our teaching staff are at explaining things (93% of students responded positively)
- How well our library resources support student learning (92%)
- How well our IT resources and facilities support student learning (90%)

Relative to the sector, our highest ranked questions concern assessment and feedback, learning resources and learning opportunities. We are ranked 16th (out of 175 higher education institutions) for the clarity of our marking criteria, 17th for how well our IT resources and facilities support learning and 24th for how our courses balance directed and independent study.

Despite a change of methodology this year to include a wider range of institutions, we remain ranked within the top 20% of universities in the Times Higher Education analysis of overall positivity.

<sup>1</sup> Graduate Outcomes 2021/22, full-time, first degree, UK domiciled graduates. Note: the definition of our KPI relating to the proportion of our graduates in high-skilled employment and/or graduate-level study has been realigned with that used by the Office for Students. Previous annual reports have quoted a similar indicator from the Times Good University Guide, which employs a different methodology.





## Top 10 University for social inclusion

We have improved our ranking in all four **UK league tables** this year. We are pleased to be ranked particularly highly on metrics relating to the quality of our teaching—from 27th in the Daily Mail league table and 23rd in the Times and Complete University Guide to 21st in the Guardian.

Overall, we continue to be ranked 4th among the universities in Yorkshire and the Humber by the Times and the Daily Mail.

We remain on an upward trajectory in the **Times Social Inclusion Ranking for England and Wales**, rising a further two places this year to be ranked 10th out of 115 institutions.

Daily Mail University Guide	<b>43</b> (up 2)
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Times Good University Guide	<b>60</b> (up 7)
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Complete University Guide	<b>73</b> (up 3)
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Guardian University Guide	<b>75</b> (up 14)
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## Top 100 global impact

We are ranked in the global top 100 on five Sustainable Development Goals (SDGs) in the 2024 **Times Higher Education Impact Rankings**:

- *Reduced Inequalities* (ranked 59th globally and 30th in the UK)
- *Climate Action* (ranked joint 59th globally and 16th in the UK)
- *Life Below Water* (ranked 39th globally and 7th in the UK)
- *Peace, Justice and Strong Institutions* (ranked 11th globally and 3rd in the UK)
- *Partnership for the Goals* (ranked 12th globally and 2nd in the UK).

Overall, the University is ranked in the 101-200 group (out of almost 2,000 institutions).

In the 2025 **QS World University Rankings**, Hull is ranked joint 516th (out of 1,503), the University's highest position since 2013.

We are ranked in the 401-500 group in the 2025 **Times Higher Education World University Rankings**. In this global league table of 2,092 institutions, we are ranked particularly highly for our international outlook (ranked joint 148th) and research quality (ranked 395th). Among the 107 UK institutions appearing in the 2025 edition, Hull is ranked joint 45th.



## World-leading research

**82%** of our research was recognised as world-leading (4\*) or internationally excellent (3\*) in the **2021 Research Excellence Framework**, with the proportion of 4\* research doubling since 2014.

The University is ranked 55th overall (up 17 places since 2014) and 42nd on impact (up 23 places).

Globally, our research in seven disciplines is ranked among the top 500 in the world, with Nursing ranked in the top 150, Earth Sciences and Geography ranked in the top 300, and Physics and Management ranked in the top 400.<sup>2</sup>

# £15.8 million

research grants and contracts income

# £2.7 million

income from our enterprise activity


<sup>2</sup> ShanghaiRanking Global Ranking of Academic Subjects 2024.

# Financial Review

## Overview

The University of Hull has experienced a very challenging year financially, driven by volatility across student recruitment markets and the continuing decline in real terms of home undergraduate tuition fees. In response to a decline in student applications, coupled with inflationary increases in operating expenditure, the University has taken actions during the year to realign its cost base to ensure it remains financially secure in order to move the University forward into the next financial year.

The University reported a deficit of £17.3m (2023: deficit of £9.0m) excluding the impact of the USS pension provision movements.

 Financial summary	2023/24 £m	2022/23 £m
Total income	206.9	208.5
Tuition fee income	127.6	128.1
Research grant income	15.8	14.9
Adjusted EBITDA	19.3	26.3
Adjusted EBITDA as % of income	9%	13%
Total comprehensive (expense) excluding USS movement*	(17.3)	(9.0)
Net assets	233.9	186.6
Cash & short-term investments	81.5	104.3
Pension liabilities	(20.7)	(86.9)
Borrowings	(86.0)	(86.0)
Net (debt)	(63.3)	(67.4)
Cash from operating activities	14.8	24.8


Total income for the year was £206.9m (2023: £208.5m), a reduction of £1.5m or 0.8%, of which £127.6m or 62% (2023: £128.1m, 61%) relates to tuition fees. Total expenditure for the year excluding USS pension provision movements was £227.4m (2023: £212.5m). Staff costs before fundamental restructuring costs and excluding the impact of USS pension movements were £116.9m (2023: £112.6m). Operating expenses were £67.2m (2023: £63.6m).

\*Following the 2023 revaluation of the USS pension scheme, the scheme is no longer in a deficit and as such the University's USS pension liability has reduced by £63.1m. USS pension scheme movements have resulted in a total comprehensive income of £47.3m after their inclusion as compared to a total comprehensive expense of £17.3m before inclusion.

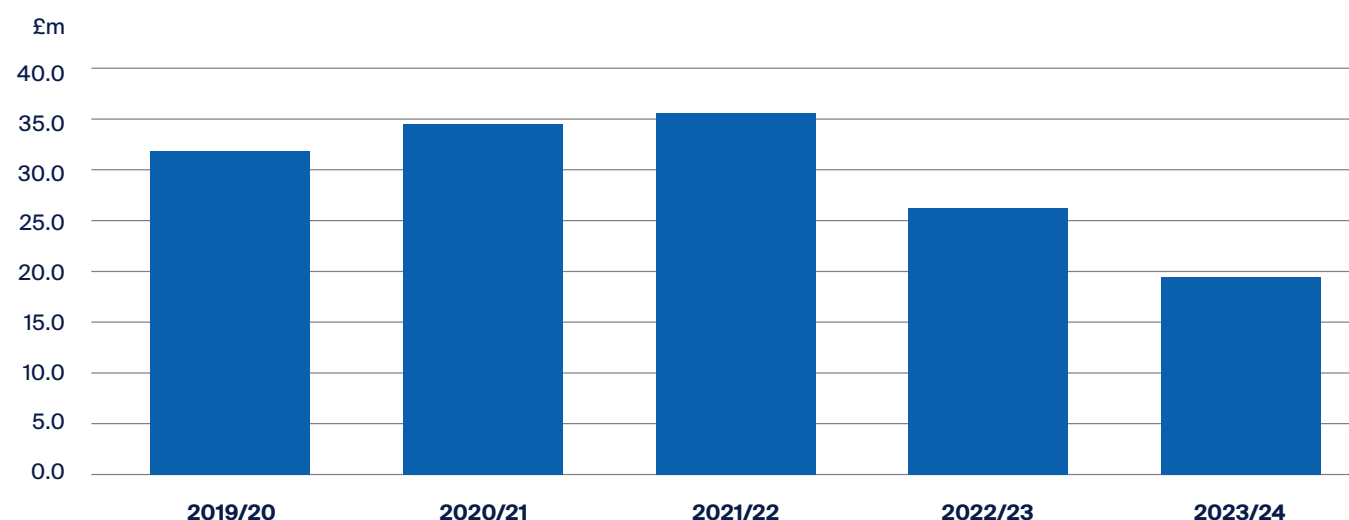


## Adjusted EBITDA

The following table and graph show the University's financial performance on an Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) basis. Adjusted EBITDA is a measure of operating performance, eliminating the effects of financing and accounting decisions to enable more meaningful comparison between organisations. Increased operating costs due to pay and inflationary pressures are the main driver for the EBITDA reduction when compared to 2022/23.

 Adjusted EBITDA	2023/24 £m	2022/23 £m
Surplus before other gains & losses	44.1	0.7
Interest & other finance costs	5.8	5.9
Investment income	(3.8)	(2.7)
Depreciation & amortisation	32.2	29.5
(Decrease) in USS pensions provision	(64.5)	(4.7)
Other pension adjustments	(3.7)	(3.2)
Fundamental restructuring staff costs	5.3	0.8
Exceptional items*	3.9	0.0
	<b>19.3</b>	<b>26.3</b>

## EBITDA



\* Exceptional items in 2023/24 represent a £1.5m capital write-down and a £2.4m settlement charge to exit the North Yorkshire Pension Fund.

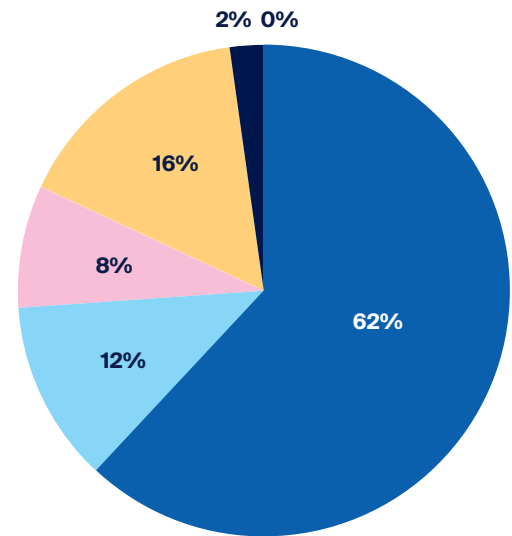


## Income & Expenditure

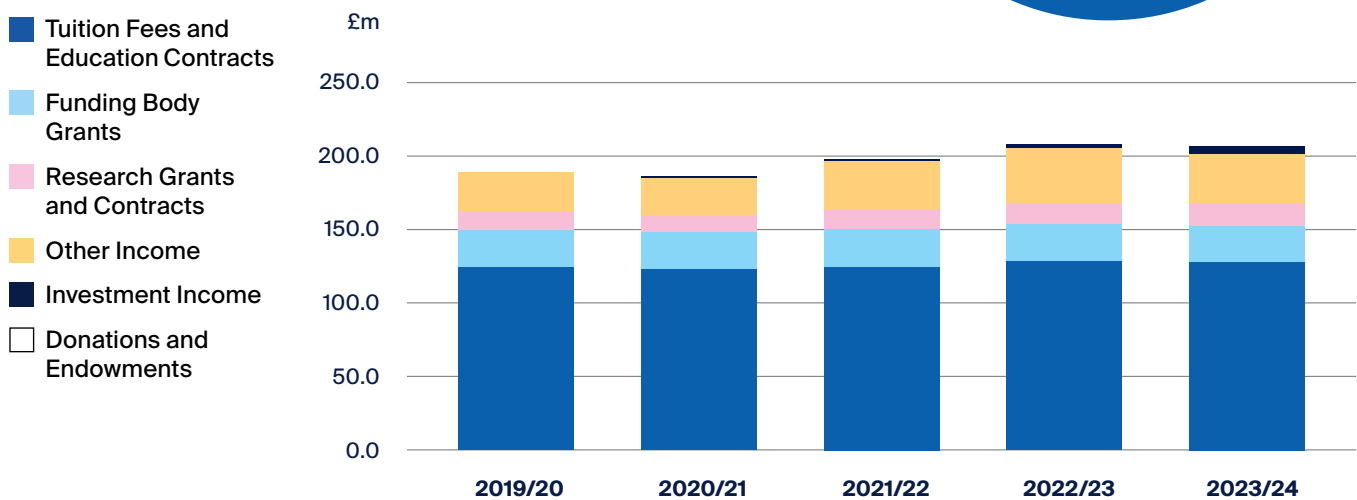
The following charts illustrate the University's financial performance:

### Total Income 2023/24

- Tuition Fees and Education Contracts
- Funding Body Grants
- Research Grants and Contracts
- Other Income
- Investment Income
- Donations and Endowments

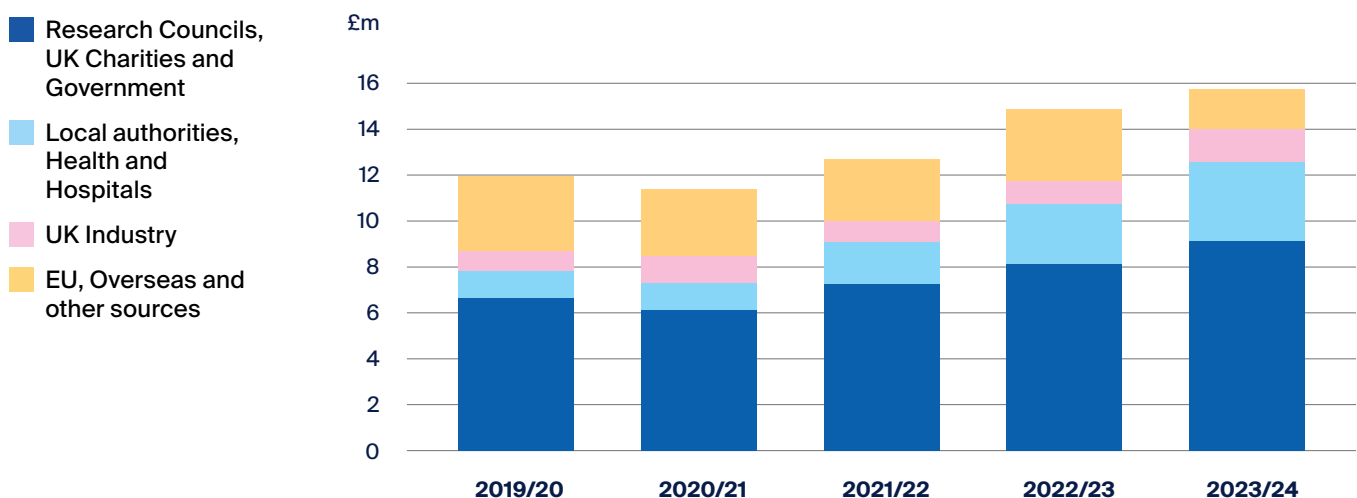


### Total income by category



Total tuition fee income reduced by 0.4% to £127.6m (2023: £128.1m). Income from full-time overseas students rose by 2.5% or £1.1m but was accompanied by a reduction in full-time home students, where tuition fees have fallen by 3.3% or £2.7m.

### Research income by source

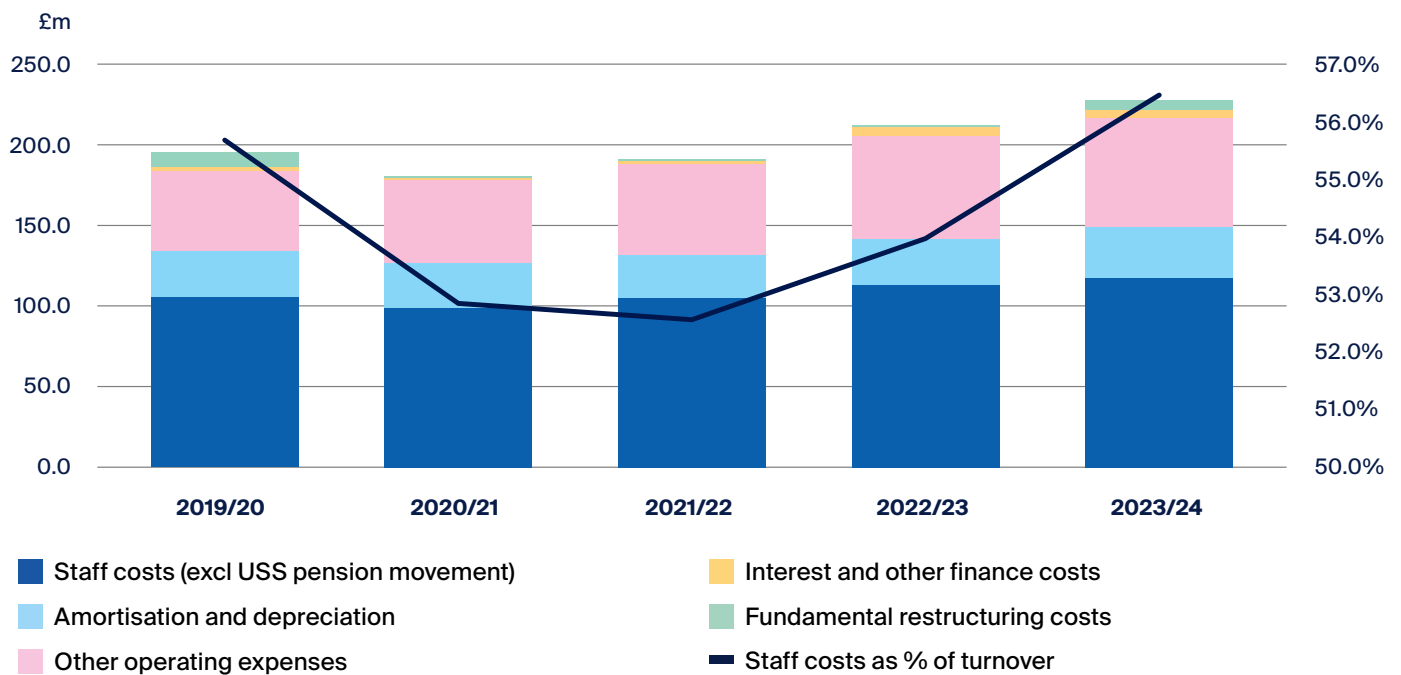


Total income declined by 1% to £206.9m (2023: £208.5m). However, research grant income has surpassed all previous years for a second year running, with growth of 6% to £15.8m (2023: £14.9m).

Research grants and contracts income has increased by £0.9m, a 6% increase from 2023. Funding from local authorities, health and hospitals has increased by 31% to £3.5m, however EU and Overseas funding has reduced by 43% to £1.8m.

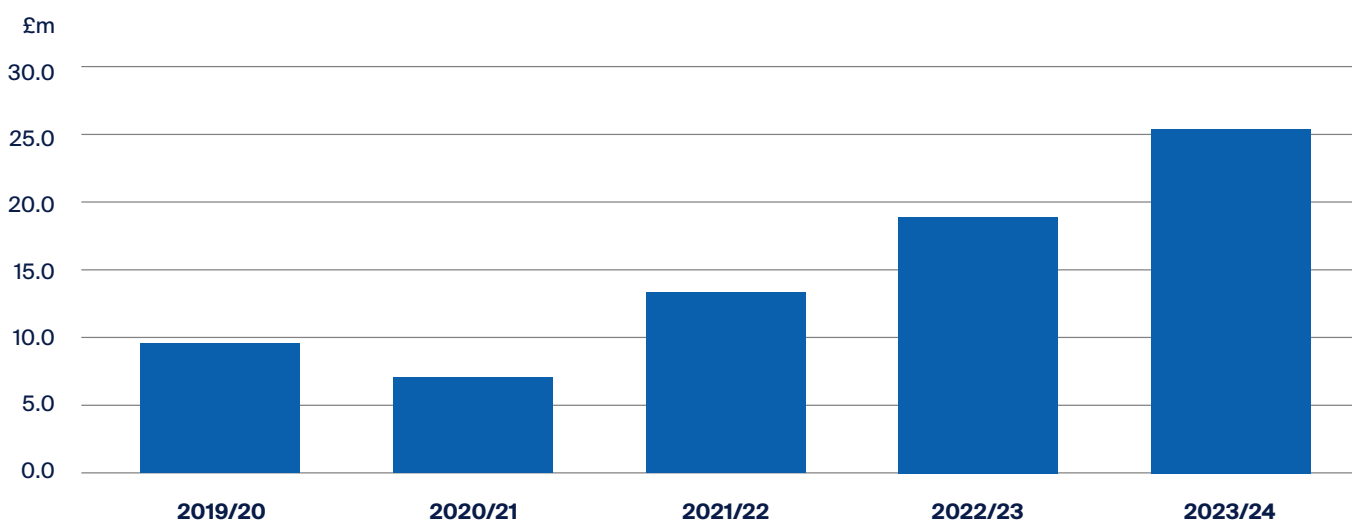
Research awards reduced by 15% to £16.5m (2023: £19.4m) although, due to timing, this excludes a £16m award for the Centre for Translational Wound Research and £8.3m for the NIHR Mental Health Research Group, which have been awarded in the current year.

## Operating expenditure



Staff costs excluding USS pension adjustments have increased by 4% to £116.9m (2023: £112.6m), which equates to 56% of income (2023: 54%). Fundamental restructuring costs were £5.3m (2023: £0.8m). Other operating expenses have increased by £3.5m to £67.2m (2023: £63.6m). Depreciation, including service concession arrangements, has increased by 9.1% to £32.2m (2023: £29.5m).

## Capital expenditure (excl service concession)

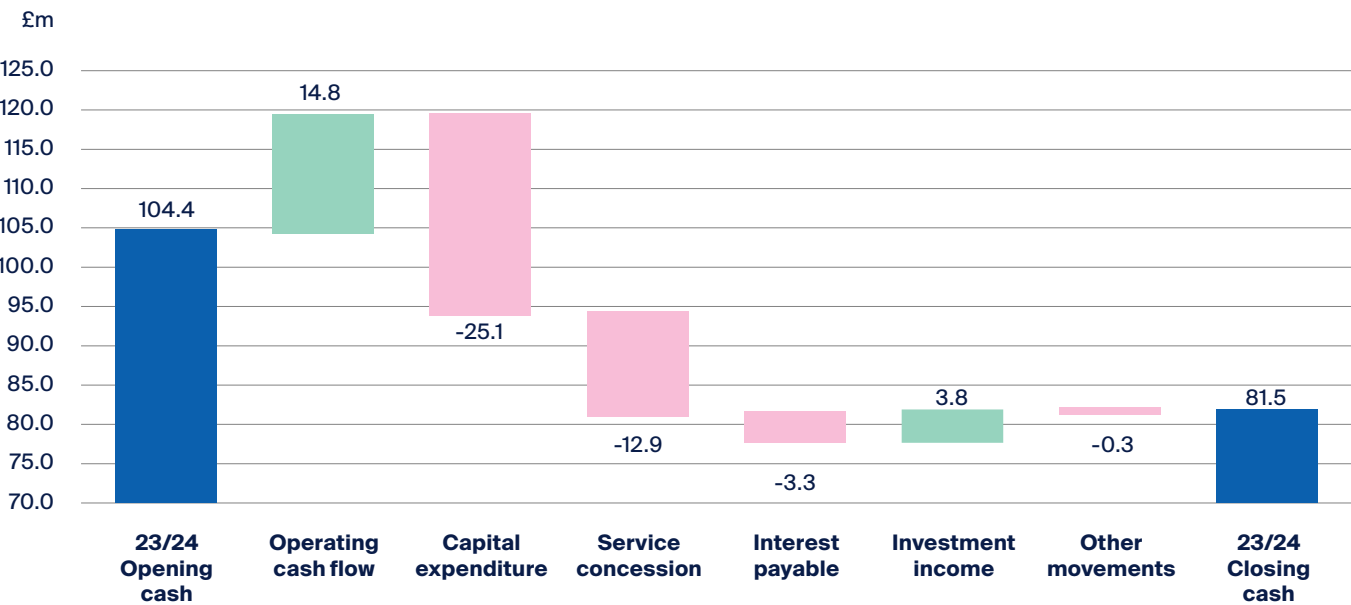


Capital expenditure excluding service concession arrangements has increased by 34.8% to £25.4m (2023: £19.0m) largely due to investment in digital infrastructure comprising Digital Spine, CRM and ERP systems.



## Cash Flow, Liquidity and Debt

The waterfall graph below shows the main cash movements from 31 July 2023 to 31 July 2024. The opening and closing values include cash and cash equivalents and also short-term investments (deposits maturing in one year or less).



The University generated £14.8m (2023: £24.8m) of cash inflows from operating activities. Cash and cash equivalents including investments totalled £81.5m (2023: £104.4m) at the year end.

The University's Treasury Management Policy balances risk against return, with the overriding imperative being to protect capital rather than maximise returns. The University's Finance service is responsible for producing rolling cash flow forecasts, monitoring the daily cash position and ensuring that ongoing cash requirements are met and surpluses appropriately invested.

Short-term investments reduced by £27.0m to £58.8m (2023: £85.8m) due to increased capital expenditure and a reduction in operating cash inflow.

Liquidity (days cover) measures the number of days the University could meet its immediate obligations with the cash and short-term investments it holds. In 2024 the liquidity days cover was 162 days (2023: 216 days).

The debt held at the year-end is £86.0m (2023: £86.0m) and relates solely to the loan notes issued in 2022.

## Pensions

Pension liabilities have reduced to £20.7m (2023: £86.9m):

- £0.0m USS (2023: £63.1m);
- £20.7m University of Hull Pension and Assurance Scheme (UHPAS) (2023: £23.8m); and
- North Yorkshire Pension Fund (NYPF) scheme exited in 23/24 (2023: £0.0m)

The USS pension provision has reduced by £63.1m (2023: £2.5m reduction) reflecting the 2023 scheme valuation showing the position has materially improved since the 2020 valuation and the scheme is no longer in a deficit. The UHPAS pension liability provision has reduced by £3.1m compared to an increase of £2.2m in 2023. The NYPF pension scheme was exited in May 2024 with a realised gain of £1.0m recognised in the accounts.

## Going Concern

The challenges facing the University and the UK Higher Education sector are numerous and include political uncertainty, an uncertain global economic outlook and the need to ensure that sufficient surplus revenues are generated to ensure we remain financially sustainable.

In April 2022, the University attracted external investment through a private placement and issued loan notes with a value of £86m. Alongside this, the £25m Revolving Credit Facility (RCF) was renegotiated and extended for a 5-year period until April 2027 and unrestricted for any operational or working capital requirements whilst also being sustainability linked. Additionally, an Uncommitted Money Market loan facility of £9.9m has been approved with Handelsbanken. This Financing Strategy will support the University with its 2030 Strategy and remaining financially sustainable.

At 31 July 2024, the University held cash, cash equivalents and short-term investments of £81.5m, was compliant with all financial covenants and the RCF was unutilised.

The University Council have considered cash flow forecasts to 31 July 2026, a period of 20 months from the date of approval of these financial statements. After reviewing these forecasts, the University Council is of the opinion, taking account of a base case forecast and also severe but plausible downsides as well as an extreme reverse stress test scenario, that the University has sufficient funds to meet its liabilities as they fall due for the period to 31 July 2026.

The scenarios modelled all assume a flat home UG fee and include the following assumptions:

- home UG recruitment targets not achieved
- increased student attrition
- a cyber-attack
- increased energy costs and continued high inflation
- a reduction in international student numbers.

A more severe, but still plausible, scenario modelled assumes a default on the private placement loan agreement, requiring repayment of the funds. A range of mitigating actions such as cost containment or improved liquidity have been identified in order to maintain a positive cash position even if this scenario were to arise.

An extreme reverse stress test scenario assumes a limit on international student numbers due to visa restrictions, increased student attrition, a further increase in energy costs and continued high inflation, as well as a default on the private placement loan requiring repayment of the funds. This extreme reverse stress test would result in a potential breach of all of the financial covenants, with an unavoidable breach of one covenant in 2025/26. This scenario is not considered plausible based on the unlikelihood of all adverse factors occurring at the same time.

The University has identified a range of mitigating actions it can take to reduce costs and respond to adverse scenarios should they arise, as evidenced in recent years.

These scenarios demonstrate that the University remains financially sustainable with sufficient cash balances, even under the reverse stress test scenario. Financial covenants would be met in all but the final extreme reverse stress test, which would result in one covenant breach.

Taking account of the analyses of sensitivities of the financial projections, the Revolving Credit Facility, the Uncommitted Money Market loan facility, the University's ability to pay its debts as they fall due and to meet its ongoing financial covenants for the foreseeable future (being the period to the end of July 2026), the University Council confirms that it is appropriate that these financial statements are prepared on a Going Concern basis.

**Jeremy Hartley**  
Chief Finance Officer



# Principal risks and uncertainties

Our policy and processes for the management of risk are designed to support the University in delivering our ambitious Strategy 2030, providing a framework for identifying, assessing and managing risk as we pursue opportunities and take decisions consistent with our Strategy.

Strategy 2030 expands on the University’s vision and articulates the qualities and ambitions that characterise our education, research and knowledge exchange. It positions the University as agile and responsive to the challenges and opportunities afforded by the external context.

Strategy 2030 informs our institutional risk register, with risks clearly linked to strategic objectives and Key Performance Indicators. Our approach to risk management seeks to create and protect value. It is proportionate, iterative and responsive to change, with

risks owned at the appropriate level and escalated where additional actions are required.

Oversight and monitoring of institutional risk is provided through the University Council, Audit and Risk Committee and University Leadership Team, and all staff have a responsibility to ensure that risk management is an integral part of any decision-making process.

The current and anticipated principal risks and uncertainties facing the University, and our approach to managing these, are set out below.

Risk area	Mitigations
<b>Academic excellence</b>  Excellence across education, student experience, research and knowledge exchange is the bedrock of our Strategy and the route to enriching lives and tackling societal challenges.  To assure future research opportunities, funding and reputation, growth in our research capacity must be achieved without compromising quality and be supported by excellent facilities and equipment.  Robust monitoring, continuous improvement and innovation are required to ensure that we continue to meet regulatory requirements and fulfil our potential as a sector leader in teaching excellence and student experience.	<ul style="list-style-type: none"><li>• Refreshed Research and Knowledge Exchange Strategy and development of research catalysts to provide foci for activity</li><li>• Performance management and reward and recognition frameworks</li><li>• Review of Academic Careers Framework to clarify performance expectations</li><li>• Professional development and innovation in education supported through our Teaching Excellence Academy</li><li>• Programme-level process of continual monitoring, evaluation and enhancement informed by critical appraisal of student outcomes and satisfaction data</li><li>• Restructured Academic Services driving responsive, customer-focused approach to excellence in student support</li></ul>
<b>Financial sustainability</b>  A robust financial position is essential for the achievement of our Strategy 2030 objectives and sustained investment in talented staff and infrastructure.  The higher education sector continues to face significant pressures from the impact of recent high levels of inflation, interest rates, pension costs and energy prices.  The successful recruitment and retention of students is fundamental to assuring financial sustainability. Amid the sector’s financial pressures, UK recruitment continues to be exceptionally competitive. Recruitment of international students remains similarly competitive and highly dynamic, with the stability of markets within individual countries vulnerable to political or economic events. The rising prevalence of mental health challenges, the cost-of-living crisis and significant increases in the time students spend working alongside their studies are among the growing barriers to student retention and successful completion.	<ul style="list-style-type: none"><li>• Dynamic, metrics-based financial planning, including scenario analysis and contingency plans, supported by robust financial control, monitoring and anti-fraud arrangements</li><li>• Investment decisions and capital plan informed by a focus on areas of strength that are supported by market demand and meet the needs of our region</li><li>• Private placement and annual operating surpluses enabling investment in our staff, academic programmes, student support and facilities</li><li>• Restructuring programme to reflect changes in student numbers and enhance the quality and sustainability of our operating model</li><li>• Strategic projects to optimise, diversify and grow student recruitment, including London Study Centre and refreshed identity and brand</li><li>• Student Experience and Success Strategy, with enhanced retention data monitored by Senior Tutors and the Student Voice and Success Group</li></ul>

## Risk area

## Mitigations

### Policy, regulation and compliance

The change in government in July 2024 has seen a shift in the tenor of some aspects of the higher education policy environment. The sector has welcomed the new government's recognition of universities as drivers of public good and economic growth and the value that international students bring to our society. The refocusing of the Office for Students' priorities to place greater emphasis on financial sustainability is also welcome.

The policy and regulatory landscape nevertheless remains complex and dynamic, with new conditions of registration around sexual misconduct and harassment being introduced by the OfS, for example, and other areas of policy, such as lifelong learning and freedom of speech, currently under review by the new government.

Failure to comply with higher education regulation or wider relevant legislation carries significant financial and reputational risk and may impact student experience and outcomes.

- Active engagement, particularly through our Vice-Chancellor, in national policy discussions and in maintaining productive relations with local and national politicians
- Regular reports on higher education policy to the University Council
- Regulatory compliance overseen by the University Leadership Team, reporting to the Audit and Risk Committee as required
- Governance action plan monitored by the Governance and Nominations Committee
- Comprehensive framework of University legislation addressing areas of potential risk such as bribery and corruption, data breach and research misconduct
- Mandatory staff training in key matters, including health and safety, safeguarding and data protection

### Operational excellence

**Workforce, pay and pensions:** Our ability to deliver academic and operational excellence depends on the attraction, development and retention of a talented workforce. We participate in several pension schemes and must balance future affordability with appropriate retirement benefits for our staff. Industrial action arising from local or national disputes around pay, conditions or restructuring remains an ongoing risk.

**Systems and data:** Fit for purpose systems, processes and digital infrastructure are essential to assure successful business delivery and safeguard against financial, reputational or other loss (of service, data or intellectual property, for example).

**Cyber security:** Robust policies and procedures relating to security in IT, research and international activities are required to address the cyber security challenges manifest in an increasingly digital education and research environment.

**Incident management:** As illustrated by the coronavirus pandemic, there is an ongoing need for the sector to prepare for and respond appropriately to serious incidents to mitigate harm to individuals, property, finances or reputation. There is a growing risk of incidents arising from the impact of climate change.

- People Strategy, professional development and training programmes, and reward and recognition framework
- Establishment control and vacancy management boards reporting to the University Leadership Team
- Engagement with Trustees and national bodies and regular updates to the University Council on pensions issues
- Business continuity planning framework provides an established approach for responding to industrial action
- Digital transformation programme, investing in digital spine, customer relationship management and enterprise resource planning systems
- Oversight and monitoring of Data Strategy and cyber security provided by our Information Governance Committee; regular reports on cyber security are also provided to the Audit and Risk Committee
- Cyber insurance and capital investment in cyber security measures
- New mandatory staff training module on cyber security
- Enhanced incident management and business continuity planning framework implemented in 2024, with test exercises planned for academic year 2024/25

### Social responsibility

**Carbon reduction:** We are committed to achieving net zero across all our direct and indirect carbon emissions. While the pace of our progress has been impacted by issues with planning permission and the significant queue for National Grid connections, achieving net zero is essential to the successful delivery of our Strategy 2030 and mitigation of reputational risk.

**Social justice:** Tackling disparities, such as degree awarding and gender pay gaps, is both our moral responsibility as well as fundamental to successful delivery against a core theme of our Strategy 2030.

- Green Finance Framework and private placement funding
- Progress towards net zero overseen by the Sustainability Board and reported to the Finance and Investment Committee and University Council
- Annual Sustainability Report
- Social Justice and Inclusion Strategy overseen by the Equality, Diversity and Inclusion Governance Board reporting to the University Leadership Team
- Access and Participation Plan
- Annual Equality, Diversity and Inclusion Transparency report



# Environmental, Social and Governance Review

**Strategy 2030 and our institutional values – inclusive, empowering, progressive – drive our approach to advancing sustainability and social justice on our campus and across our local and global communities. A fuller account of this work and updates on our progress towards net zero are presented in our annual *Sustainability Report*.**

## **Our commitment to Equality, Diversity and Inclusion (EDI)**

Our new EDI transparency report, launched in July, reflects on some of the initiatives we've implemented to help tackle inequality and foster inclusivity – from strengthening governance structures and updating EDI-related policies to investing in enhanced training and refreshing our internal staff networks.

Our advancement of inclusion is recognised through a broad range of external charter marks and accreditations, and this year we were proud to receive a Silver award in the Stonewall Workplace Equality Index (WEI), in recognition of our contribution to LGBTQIA+ inclusion.

With more still to do, our EDI transparency report outlines our future plans, including steps to improve our use of data to identify disparities and monitor progress in areas such as student recruitment and outcomes, research culture, leadership development and staff recruitment.

## **Ranked among the best for impact**

We are ranked among the top 100 institutions globally for our impact across several facets of sustainable development. The Times Higher Education (THE) Impact Rankings assess the contribution universities are making towards delivering the UN Sustainable Development Goals (SDGs) – the urgent call to action for countries to work in partnership to address global challenges and secure a more sustainable and just future for all.

The rankings shine a light on the difference we are making in the world, and we are particularly proud to be ranked 11th globally and 3rd in the UK for our work in securing peace, justice and strong institutions, and 12th globally and 2nd in the UK for the strength of our partnership approach to delivering the SDGs.

## **Building better futures through research**

Our academics are helping Wren Kitchens accelerate their journey to net zero. Using a unique supply chain carbon mapping tool to help the business become more sustainable, Wren customers now have the opportunity to make more sustainable choices. And, as part of the University's partnership with Team GB, our Energy and Environment Institute have been working in collaboration with consultancy Perform Green to model the British Olympic Association's carbon footprint and develop carbon reduction strategies.

We have been working in the Red River area of Vietnam to develop community-led climate action and empower young people to champion change. We are now extending this work to engage with policy makers from other countries.

With a shared goal to improve immediate and long-term support for survivors of modern slavery, we're working together with the Salvation Army to prevent re-trafficking and to help survivors reintegrate and move forward with their lives.

# Sustainability: strategy, governance and performance

In the face of the mounting climate emergency and deepening social injustices, Strategy 2030 defines the fight for a fair and sustainable future as a core purpose of the University. Our approach to securing a fairer, brighter and carbon neutral future for our own community and campus is directed by dedicated strategies for social justice and inclusion, sustainability, carbon management and waste management.

Implementation of these strategies is overseen by our EDI Governance Board and Sustainability Board, both of which report to the University Leadership Team (ULT) and are chaired by our Chief Operating Officer and Chief Finance Officer respectively. The Boards monitor and report on performance, ensure the effective delivery of relevant policies and support the sharing of best practice across the University.

We first announced our commitment to becoming a carbon neutral campus in 2019. Our plans originally relied heavily on the construction of, and resulting energy generation from, solar farms on University-owned land. Issues with planning permission and grid connection, however, have allowed us to take a step back, review our emissions reduction levers across the University and reset our commitment. This also enables us to take advantage of improvements in carbon emission tracking to expand our ambitions for our campus, aiming now to achieve net zero across all direct and indirect (scope 1, 2 and 3) emissions by 2040. Our annual *Sustainability Report* provides further detail on the revised plans for achieving our new net zero targets.

Reflecting our commitment to place sustainability at the heart of all we do, including our financing strategy, we launched a Green Finance Framework in 2022 and have secured private placement funding of £86 million under this Framework to support our net zero commitment and invest in sustainable academic facilities and infrastructure. In 2023, we established our revolving credit facility as a sustainability-linked loan.

Our Capital Investment Committee, reporting to ULT, provides oversight and control of all University capital expenditure, ensuring that our investments align to Strategy 2030 and that projects are monitored and evaluated effectively. As part of the business case process, it is standard University practice to undertake project-level ESG analysis and environmental and socio-economic impact assessments, both of which form an integral part of the project approvals and implementation phases of a project.

Failure to fulfil our sustainability commitments is considered among our principal risks and uncertainties (see page 22) and reflected in our institutional risk register. Further work is required to develop the way we assess and manage the sustainability and climate-related opportunities and risks to our business model and operations. This work is ongoing and will be a key area of focus for our Sustainability Board over the coming year.

Our net zero commitment is reflected in one of the institutional-level Key Performance Indicators (KPIs) monitored by our University Council. In addition, we monitor KPIs related to reducing our water and energy usage, increasing our waste recycling rate and reducing our gender pay gap. Our progress against these KPIs is independently verified each year and published in our annual *Sustainability Report*. Data for the most recent two years is summarised below.

Key Performance Indicator	2023/24	2022/23
Scope 1 carbon emissions (tCO <sub>2</sub> e)	3,785	4,139
Scope 2 carbon emissions (tCO <sub>2</sub> e)	3,214	3,337
Scope 3 carbon emissions (tCO <sub>2</sub> e)	58,098	42,364
Water use (tCO <sub>2</sub> e)	13	20
Energy use (kWh)	36,216,667	38,939,029
% waste recycled	39.1%	39.7%
Median gender pay gap (hourly pay)	12.3%	14.0%



# Corporate governance

## Summary of the University's Structure of Corporate Governance

The following statement is provided to enable readers of the Annual Report and Statement of Accounts to obtain a better understanding of the governance and legal structure of the University.

The University endeavours to conduct its business in accordance with the seven principles identified by the Committee for Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) and has formally adopted the *Higher Education Code of Governance*, published by the Committee of University Chairs (CUC) and updated in September 2020. The University reviewed its compliance with the Code in March 2021 and this was subject to review by internal audit, which confirmed that the University has adopted and is fully compliant with the Code.

The University engaged AdvanceHE to undertake an external review of its governance arrangements in the 2023/24 academic year. The report was issued in March 2024. It identified "evident strengths in the leadership and governance of the University of Hull" and did not identify any fundamental issues of compliance. Ten recommendations for improvement were made, and 26 suggestions. All recommendations and suggestions have been incorporated into the Governance Action Plan and will be addressed in due course.

The University Secretary, Registrar and Chief Compliance Officer leads on the University's Governance Action Plan, which is subject to regular review by the University's Governance and Nominations Committee.

The University is an independent corporation whose legal status derives from a Royal Charter granted in 1954. Its objects, powers and framework of governance are set out in the Charter and its supporting Statutes, which are approved by the Privy Council and the Office for Students (OfS).

The University is also an exempt charity as defined by the Charities Act 2011, with the OfS acting on behalf of the Charity Commission as the principal regulator for English higher education institutions.

The University strives to be an inclusive community that advances equality and opportunity for all. Our [Social Justice and Inclusion Strategy](#) sets out our strategic aims. The University remains committed to providing a campus environment free from discrimination, harassment and inequality and in which our staff and students can flourish. We recognise that different people bring different ideas, experiences, knowledge and culture. We value this diversity, which enhances our work to spread knowledge, unlock our potential and develop intellectual capital across our community and region.





The University’s Charter, Statutes and Ordinances require the University to have two separate bodies, each with clearly defined functions and responsibilities, to oversee and manage its activities, as follows:

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**The Council** is the governing body, responsible for the general business of the University and for setting its general strategic direction.

In accordance with the University Charter, the majority of Council members, including the Chair, are drawn from outside the University (the lay members). Also included in its membership are the Vice-Chancellor, the Deputy Vice-Chancellor and the Chief Operating Officer, and representatives of the staff of the University and the student body. The lay members receive no fees or payment for the work they do for the University. George Garlick OBE serves as the Chair of Council.

The following individuals served on Council between 1 August 2023 and 31 July 2024:

<b>Lay Members:</b>	George Garlick OBE	(Pro-Chancellor and Chair)
	Andrew Haigh	
	Matt Jukes	
	Vanessa Lee	
	Ursula Lidbetter OBE	
	Catharine Murray	
	Rashmi Rungta	
	Rosalyn Schofield	
	Denise Wilson OBE	
<b>Non-Lay Members:</b>	Vice-Chancellor	Dave Petley
	Deputy Vice-Chancellor	Kevin Kerrigan
	Chief Operating Officer	Neil Robinson
	Senate (appointed member)	Rob Dover
	Non-academic staff	Heidi Morris-Flint
	President, Students’ Union	Raji Destiny Raji

**The Senate** has delegated authority from the Council to oversee the academic work of the University. It directs and regulates the learning, teaching, research and enterprise work of the University, the enhancement of academic quality and assurance of academic standards and the regulation of student discipline. It draws its membership from the academic staff and the students of the institution and is chaired by the Vice-Chancellor.

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In compliance with the University’s OfS registration, the Vice-Chancellor is the Accountable Officer of the University and has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University.



# Council Committees

The Council normally meets five times each academic year, and much of its detailed work is delegated to committees; in particular during 2023/24, the Finance and Investment Committee (chaired by Vanessa Lee), the Remuneration Committee (chaired by Denise Wilson), the Governance and Nominations Committee (chaired by Ursula Lidbetter) and the Audit and Risk Committee (chaired by Rosalyn Schofield).

These committees are formally constituted as committees of the Council with written terms of reference and specified membership, including a proportion of lay members of the University Council, non-lay members, where appropriate, and co-opted members. The committees have met both in person or in a hybrid format.

The **Finance and Investment Committee** provides recommendations to the Council, inter alia, on matters of finance, including the annual revenue and capital budgets, the finance strategy and the estates strategy, and monitors performance in relation to the approved budgets and strategies. The Committee also reviews and recommends to the Council the University Financial Regulations, financial policies and the draft audited financial statements.

The **Remuneration Committee** determines the annual remuneration of senior staff of the University, and the salaries, other benefits and emoluments of the Vice-Chancellor and the University Leadership Team. The University has formally adopted The Higher Education Senior Staff Remuneration Code, published by the CUC in June 2018. Element II, Principle E of this code states that the Remuneration Committee “must be chaired by a lay governor who is not Chair of the governing body”, in this case Denise Wilson. In line with the requirements of the Code, the University publishes its Senior Staff Remuneration and Severance Policy and Procedure, a Senior Staff Remuneration and Severance Annual Report and the agenda and minutes of the Remuneration Committee. The Vice-Chancellor is not a member of the Committee but does attend. They are not present for any discussion of their performance or remuneration.

The **Audit and Risk Committee** advises the Council on the adequacy and effectiveness of the University's arrangements for risk management control, governance, value for money (economy, efficiency and effectiveness) and for overseeing the University's policy on fraud and irregularity, ensuring that any significant losses have been properly investigated. The Committee receives internal audit reports and agrees the audit approach and schedule with the external auditors.

The **Honorary Awards Committee** (chaired by the Vice-Chancellor) is a joint Committee of the Council and Senate. The Committee makes recommendations to the Council and Senate on nominations for honorary degrees.

The University **Ethics Committee** (chaired by the Vice-Chancellor's nominee) is a joint committee of the Council and Senate. It is responsible for reviewing and monitoring the University Ethics Framework and for advising faculties and service areas on procedures and making recommendations to Council and Senate, as appropriate.

The **Governance and Nominations Committee** provides a focus for issues of governance and appointments to Council and its committees. It has reviewed compliance with the CUC Code of Governance, reviewed the detailed Governance Action Plan and also recommended to Council the appointment of a Senior Independent Council Member. The latter was approved by Council and it was agreed that this role would be fulfilled by the Chair of the Audit and Risk Committee.

The University maintains a Register of Interests of Members of the Council and Senior Officers, which is publicly available. The University also carries out regular checks to ensure that Members of Council and those with senior management responsibilities are fit and proper persons as defined by the OfS Public Interest Governance Principles.

The University has a Risk Management Policy and a regularly reviewed and updated Risk Register. These were both reviewed in detail during the year and Council approved the latest versions in July 2024. The Audit and Risk Committee monitors the risk management process. See also *Principal risks and uncertainties* (page 22).

The University complies with the OfS Regulatory Framework. Any enquiries about the governance of the University should be addressed to the University Secretary, Registrar and Chief Compliance Officer.

## Responsibilities of the Council

In accordance with the University's Statutes, the Council is responsible for the administration and management of the affairs of the University.

The Council is responsible for preparing the Strategic Review and the financial statements in accordance with applicable law and regulations.

The Council is required to prepare and publish financial statements for each financial year. The Council is required to prepare the financial statements in accordance with the applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). In addition, the Council is required to prepare the financial statements in accordance with the OfS Regulatory advice 9: Accounts direction (issued October 2019) (the 'OfS Accounts direction'), the OfS Terms and conditions of funding for higher education institutions (issued July 2023), any requirements of UK Research and Innovation (including Research England) and the Department for Education, and other financial reporting regulations relating to the constitution and activities of the University that are relevant to its financial affairs.

Under applicable law, the Council must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the University and of the surplus or deficit, gains and losses, changes in reserves and cash flows of the University for that year.

The Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the University and enable it to ensure that the financial statements are prepared in accordance with the University's Charter and Statutes, the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 edition, the Accounts direction issued by the OfS, and other relevant accounting standards.

The Council is required to prepare and publish financial statements for each financial year that give a true and fair view of the state of affairs of the University as at 31 July 2024 and of the University's income and expenditure, gains and losses, changes in reserves and of the University's cash flows for that year.

#### **In preparing the financial statements, the Council is required to:**

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in operation.

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the University's transactions and disclose with reasonable accuracy at any time the financial position of the University. They are also responsible for safeguarding the assets of the University and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **The members of the Council have taken reasonable steps to:**

- ensure that funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- ensure that funds provided by the OfS, UK Research and Innovation (including Research England) and the Department for Education have been applied in accordance with the OfS Terms and Conditions of funding for higher education institutions (issued July 2023), the funding agreements with UK Research and Innovation (including Research England) and the Department for Education, and any other terms and conditions attached to them;
- ensure that the University has a robust and comprehensive system of risk management, control and corporate governance, which includes the prevention and detection of corruption, fraud, bribery and irregularities;

- ensure that there is regular, reliable, timely and adequate information to monitor performance and track the use of public funds;
- plan and manage the University's activities to remain sustainable and financially viable;
- ensure that it informs the OfS of any material change in its circumstances, including any significant developments that could impact on the mutual interests of the University and the OfS;
- ensure that there are adequate and effective arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, the OfS, Research England and other funding or regulatory bodies;
- ensure an effective framework – overseen by the University's Council and Senate – to manage the quality of learning and teaching and to maintain academic standards;
- consider and act on the OfS' assessment of the University's risks specifically in relation to its funding purposes; and
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funding from other sources.

#### **The Council confirms that:**

- so far as each Member is aware, there is no relevant audit information of which the auditor is unaware; and
- the Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **Statement of Internal Control**

### **Scope of responsibility**

The Council has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives while safeguarding the public and other funds and assets for which it is responsible. This is in accordance with the responsibilities assigned to the Council in the University's Charter and Statutes and the conditions attached to the University's registration with the OfS.

### **The purpose of the system of internal control**

The system of internal control is designed to manage rather than eliminate risk; it can therefore only provide reasonable and not absolute assurance of effectiveness. This is supported by the strategy and operational plans created and delivered by the internal audit team. The University Leadership Team and the Audit and Risk Committee regularly receive updates against the plans, which were approved by Council. The University has appointed RSM to deliver its internal audit activity, providing external assurance and resilience.



## Capacity to handle risk

The system of internal control is based on a number of ongoing processes designed to identify the principal risks to the achievement of objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The Council has responsibility for overseeing and reviewing the effectiveness of the system of internal control. See also *Principal risks and uncertainties* (page 22).

## Review of effectiveness

The Council's review of the effectiveness of the system of internal control is informed by the University's internal auditors, who operate to defined professional standards. The internal auditors deliver regular improvement and assurance reports to the University, the results of which are summarised in an annual report and opinion, provided to the Council via the Audit and Risk Committee. The annual report presents an independent opinion on the adequacy and effectiveness of the institution's system of internal control.

The Audit and Risk Committee produces an annual report to Council detailing the internal audit annual opinion on the effectiveness of risk management, control, data quality, value for money and governance. There is a defined process to review implementation of agreed actions from reviews undertaken.

The Council's review of the effectiveness of the system of internal control is also informed by the work of the executive managers within the institution, who have responsibility for the maintenance of the internal control framework, and by outcomes from external audit activity, which is summarised in their management letter and other reports.

## Public benefit

The University of Hull is an independent corporation established by Royal Charter and an exempt charity within the meaning of the Charities Act 2011. The Office for Students is the Principal Regulator on behalf of the Charity Commission for English higher education institutions. In setting and reviewing the University's objectives and activities, the University Council has had due regard to Office for Students Regulatory Advice 5: Exempt Charities, together with the Charity Commission's guidance on charities and public benefit, public benefit and fee-charging and the advancement of education for the public benefit.

The majority of the University's Council members are from outside the University (described as lay members), from among whom its Chair is drawn. Also included among its members are representatives of the staff of the University and the student body. Lay members receive no fees or payment for the work they do for the University, although reasonable travel expenses and certain training costs are met.

The University's charitable purposes derive from its Royal Charter to "advance education, scholarship, knowledge and understanding". Principal beneficiaries of the University's education, research, international outlook and civic engagement include current and potential students, alumni and society at large.

Examples of the public benefit arising from the University's activities are provided throughout this annual report and statement of accounts.

## Trade Union facility time

The number of University employees who were relevant union officials during the year to 31 March 2024 was 31 (28.77 FTE). Of these, one employee spent 100% of their time working on facility time. One employee spent between 51% and 99%, 24 spent between 1% and 50% and five spent less than 1% of their time working on facility time. The percentage of the University's total pay bill spent on facility time was 0.23%. The percentage of time spent on paid trade union activities as a percentage of total paid facility time hours was 0%.



# Independent auditor's report to the Council of the University of Hull

## Opinion

We have audited the financial statements of the University of Hull (the 'parent University') and its subsidiaries (the 'group') for the year ended 31 July 2024, which comprise the statement of comprehensive income and expenditure, the statement of changes in reserves, the balance sheet, the consolidated cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 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 the parent University's affairs as at 31 July 2024 and of the group's and the parent University's income and expenditure, gains and losses, changes in reserves and of the group's cash flows for the year then ended; and

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

## 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 the parent University 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

We are responsible for concluding on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent University to cease to continue as a going concern.

In our evaluation of the Council's conclusions, we considered the inherent risks associated with the group's and the parent University's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the Council and the related disclosures and analysed how those risks might affect the group's and the parent University's financial resources or ability to continue operations over the going concern period.

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 and the parent University'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 annual report other than the financial statements and our auditor's report thereon. The Council is responsible for the other information contained within the annual report. Our opinion on the 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether

there is 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.

## Opinion on other matters prescribed by the Office for Students ('OfS') Accounts direction (issued October 2019) (the 'OfS Accounts direction')

In our opinion, in all material respects:

- funds from whatever source administered by the parent University for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by the OfS, UK Research and Innovation (including Research England), the Department for Education have been applied in accordance with the OfS Terms and Conditions of funding for higher education institutions (issued July 2023), the funding agreement with UK Research and Innovation (including Research England), and the Department for Education, and any other terms and conditions attached to them; and
- the requirements of the OfS Accounts direction have been met.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the OfS Accounts direction requires us to report to you where:

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

## Responsibilities of Council

As explained more fully in the Statement of responsibilities of the Council set out on page 28, the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's responsibilities 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent University, and the sector in which it operates. We determined that the following laws and regulations were most significant;
  - Financial reporting legislation (FEHE SORP 2019, United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 and the OfS Accounts Direction (October 2019));
  - Regulatory environment (including the OfS framework and relevant OfS regulatory notices); legal framework and the Royal Charter and its supporting Statutes; and
  - the Higher Education Code of Governance published by the CUC.
- We understood how the group and parent University is complying with these legal and regulatory frameworks by making inquiries of management, internal audit, and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes and papers provided to the Audit Committee, and through our legal and professional expenses review;
- We assessed the susceptibility of the group and parent University's financial statements to material misstatement, including how fraud might occur by discussions with management to understand where management considered there is a susceptibility to fraud.

Audit procedures performed by the engagement team included:

- Identifying and assessing the design and implementation of controls management has in place to prevent and detect fraud;
- Identifying and testing journal entries, in particular journal postings relating to management estimates and entries determined to be large or relating to unusual transactions;

- Challenging judgement and assumptions made by the management in its significant accounting estimates;
- Identifying and testing related party transactions; and
- Completion of audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner assessed the appropriateness of the collective competence and capability of the engagement team, including consideration of the engagement team's knowledge and understanding of the industry in which the group and parent University operates in, and its practical experience through training and participation with audit engagements of a similar nature. All team members are considered to have sufficient knowledge and experience, appropriate to their role within the team.
- We issued engagement team communications in respect of potential non-compliance with laws and regulations and fraud.

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

### Grant Thornton UK LLP

*Statutory Auditor, Chartered Accountants*

London

12 December 2024



# Statement of Comprehensive Income and Expenditure

for the year ended 31 July 2024

		2024		2023	
		Consolidated	University	Consolidated	University
	Notes	£'000	£'000	£'000	£'000
<b>Income</b>					
Tuition Fees and Education Contracts	1	127,621	127,621	128,092	128,092
Funding council grants	2	24,860	24,860	25,300	25,300
Research grants and contracts	3	15,752	15,752	14,851	14,851
Other income	4	34,108	32,929	36,904	35,839
Investment income	5	3,806	4,114	2,732	2,755
Donations and endowments	6	797	797	627	627
<b>Total Income</b>		<b>206,944</b>	<b>206,073</b>	<b>208,507</b>	<b>207,465</b>
<b>Expenditure</b>					
Staff costs - excluding USS Provision		116,910	115,854	112,600	111,565
USS Provision release		(64,537)	(64,537)	(4,658)	(4,658)
<b>Total Staff Cost</b>	7	52,373	51,317	107,942	106,907
Fundamental Restructuring costs	7	5,288	5,288	757	757
Other operating expenses	9	67,205	67,063	63,694	63,999
Amortisation and depreciation	9	32,213	32,206	29,512	29,507
Interest and other finance costs	8	5,808	5,808	5,902	5,902
<b>Total expenditure</b>		<b>162,886</b>	<b>161,682</b>	<b>207,807</b>	<b>207,072</b>
<b>Surplus before other gains/(losses)</b>		<b>44,058</b>	<b>44,391</b>	<b>699</b>	<b>392</b>
Net (loss)/gain on assets	10	(31)	(31)	1,356	1,356
Share of operating surplus/(deficit) in associates		58	-	(73)	-
<b>Surplus before tax</b>		<b>44,085</b>	<b>44,360</b>	<b>1,982</b>	<b>1,748</b>
Taxation		-	-	(63)	-
<b>Surplus for the year</b>		<b>44,085</b>	<b>44,360</b>	<b>1,919</b>	<b>1,748</b>
<b>Other comprehensive income</b>					
Actuarial gain/(loss) in respect of pension schemes	26	2,832	2,832	(4,648)	(4,648)
Unrealised gain/(loss) on revaluation of investment assets	10	361	361	(1,536)	(1,536)
<b>Total comprehensive income/(expense) for the year</b>		<b>47,278</b>	<b>47,553</b>	<b>(4,265)</b>	<b>(4,436)</b>
Represented by:					
Endowment comprehensive income/(expense) for the year	22	866	866	(218)	(218)
Unrestricted comprehensive income/(expense) for the year		46,412	46,687	(4,047)	(4,218)
		<b>47,278</b>	<b>47,553</b>	<b>(4,265)</b>	<b>(4,436)</b>

# Statement of Changes in Reserves

for the year ended 31 July 2024

Consolidated	Income and expenditure account		Total
	Endowment £'000	Unrestricted £'000	£'000
<b>Balance at 31 July 2022</b>	<b>15,152</b>	<b>175,710</b>	<b>190,862</b>
(Deficit)/surplus from the income and expenditure statement	(218)	2,137	1,919
Other comprehensive (expense)		(6,184)	(6,184)
<b>Total comprehensive (expense) for the year</b>	<b>(218)</b>	<b>(4,047)</b>	<b>(4,265)</b>
<b>Balance at 31 July 2023</b>	<b>14,934</b>	<b>171,663</b>	<b>186,597</b>
Surplus from the income and expenditure statement	505	43,580	44,085
Other comprehensive income	361	2,832	3,193
<b>Total comprehensive income for the year</b>	<b>866</b>	<b>46,412</b>	<b>47,278</b>
<b>Balance at 31 July 2024</b>	<b>15,800</b>	<b>218,075</b>	<b>233,875</b>

University	Income and expenditure reserve		Total
	Endowment £'000	Unrestricted £'000	£'000
<b>Balance at 31 July 2022</b>	<b>15,152</b>	<b>174,610</b>	<b>189,762</b>
(Deficit)/surplus from the income and expenditure statement	(218)	1,966	1,748
Other comprehensive (expense)		(6,184)	(6,184)
<b>Total comprehensive (expense) for the year</b>	<b>(218)</b>	<b>(4,218)</b>	<b>(4,436)</b>
<b>Balance at 31 July 2023</b>	<b>14,934</b>	<b>170,392</b>	<b>185,326</b>
Surplus from the income and expenditure statement	505	43,855	44,360
Other comprehensive income	361	2,832	3,193
<b>Total comprehensive income for the year</b>	<b>866</b>	<b>46,687</b>	<b>47,553</b>
<b>Balance at 31 July 2024</b>	<b>15,800</b>	<b>217,079</b>	<b>232,879</b>



# Balance Sheet

as at 31 July 2024

		2024		2023	
		Consolidated	University	Consolidated	University
	Notes	£'000	£'000	£'000	£'000
Non-current assets					
Intangible assets	11	6,184	6,184	8,669	8,669
Fixed assets	12	305,146	304,545	296,835	296,540
Investment Property	13	4,200	4,200	4,422	4,422
Investments	14	16,559	14,992	15,710	14,380
		332,089	329,921	325,636	324,012
Current assets					
Properties for Sale	15	4,047	4,047	3,514	3,514
Stocks		37	37	32	32
Trade and other receivables	16	28,826	30,736	40,148	40,522
Investments	17	58,750	58,750	85,750	85,750
Cash and cash equivalents	18	22,722	22,517	18,600	18,534
		114,382	116,087	148,044	148,352
Creditors: Amount falling due within one year	19	(66,898)	(67,431)	(72,268)	(72,222)
Net current assets		47,484	48,656	75,776	76,130
Total assets less current liabilities		379,573	378,577	401,412	400,141
Creditors: amounts falling due after more than one year	20	(123,214)	(123,214)	(125,882)	(125,882)
Provisions					
Pension provisions	21	(20,706)	(20,706)	(86,865)	(86,865)
Other provisions	21	(1,778)	(1,778)	(2,068)	(2,068)
Total net assets		233,875	232,879	186,597	185,326
Restricted Reserves					
Income and expenditure reserve - endowment reserve	22	15,800	15,800	14,934	14,934
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		218,075	217,079	171,663	170,392
Total Reserves		233,875	232,879	186,597	185,326

The financial statements were approved by the University Council on 12 December 2024, and signed on its behalf by:

**George Garlick OBE**  
Chair of Council

**Professor Dave Petley**  
Vice-Chancellor

# Consolidated Cash Flow

for the year ended 31 July 2024

	2024	2023
	£'000	£'000
<b>Cash flow from operating activities</b>		
Surplus for the year before tax	44,085	1,982
<b>Adjustment for non-cash items</b>		
Depreciation	29,624	27,091
Amortisation of intangibles	2,589	2,421
(Gain) on endowment investments	(361)	(382)
Loss on investment property	222	-
(Increase) in stock	(5)	-
Decrease/(increase) in debtors	11,322	(11,776)
Decrease/(increase) in creditors	(5,340)	15,296
(Decrease) in pension provision	(66,159)	(331)
Actuarial gain/(loss) in respect of pension schemes	2,832	(4,648)
(Decrease)/increase in other provisions	(290)	768
Expenditure on capital WIP written off	1,439	374
Loss/ Impairment of assets	64	228
<b>Adjustment for financing activities</b>		
Investment income	(3,806)	(2,732)
Interest payable	3,254	3,038
Endowment income	(326)	(4)
(Gain) on the sale of fixed & current assets	(254)	(1,584)
(Profit)/ loss on share of associated undertakings	(58)	73
Capital grant income	(4,043)	(4,986)
<b>Cash flows from operating activities</b>	<b>14,789</b>	<b>24,828</b>
Taxation	-	(63)
<b>Net cash inflow from operating activities</b>	<b>14,789</b>	<b>24,765</b>
<b>Cash flows from investing activities</b>		
Capital grants receipts	1,110	2,462
Decrease/ (increase) in deposits	27,000	(51,650)
Investment income	3,806	2,732
(Increase) in non-current investments	(178)	-
Payments made to acquire fixed assets	(39,373)	(32,704)
Payments made to acquire intangible assets	(104)	(1,052)
	<b>(7,739)</b>	<b>(80,212)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(3,254)	(3,038)
Endowment cash received	326	4
	<b>(2,928)</b>	<b>(3,034)</b>
<b>Increase/(decrease) in cash and cash equivalents in the year</b>	<b>4,122</b>	<b>(58,481)</b>
Cash and cash equivalents at beginning of the year	18,600	77,081
Cash and cash equivalents at end of the year	<b>22,722</b>	<b>18,600</b>



# Statement of Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

## 1. Accounting convention

The financial statements are presented in sterling, and 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 OfS, the Terms and conditions of funding for higher education institutions issued by the Office for Students and the Terms and conditions of Research England Grant. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of certain financial assets and liabilities at fair value).

The University has taken the accounting policy choice in FRS 102 paragraph 11.2 to recognise and measure financial instruments in accordance with the provisions of IAS 39 Financial Instruments: Recognition and Measurement ("IAS39"). The presentation and disclosure requirements of FRS 102 sections 11 and 12 continue to apply to financial instruments.

## 2. Exemption 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 only in its separate financial statements.

## 3. Basis of consolidation

The consolidated financial statements consolidate the financial statements of the University and its subsidiary undertakings Lampada Digital Solutions Ltd and UoH Energy Co Ltd, together with the share of the results of its associate for the financial year ended 31 July 2024. Intra-group transactions are eliminated on consolidation.

Associated companies are accounted for using the equity method.

## 4. Going concern

The financial statements are prepared on a going concern basis, with forecasts approved by the University Council and as per the Strategic Review and Financial Review, which include details of the activities of the University and factors likely to affect its future development and performance. The financial position of the University, including its cash flow, liquidity and borrowings, is considered throughout the Financial Statements and accompanying notes.

The challenges facing the University and the UK Higher Education sector are numerous and include political uncertainty, an uncertain global economic outlook and the need to ensure that sufficient surplus revenues are generated to ensure we remain financially sustainable.

In April 2022, the University attracted external investment through a private placement and issued loan notes with a value of £86m. Alongside this, the £25m Revolving Credit Facility (RCF) was renegotiated and extended for a 5-year period until April 2027 and unrestricted for any operational or working capital requirements whilst also being sustainability linked. Additionally, an Uncommitted Money Market loan facility of £9.9m has been approved with Handelsbanken. This Financing Strategy will support the University in delivering its 2030 Strategy and remaining financially sustainable.

At 31 July 2024, the University held cash, cash equivalents and short-term investments of £81.5m, was compliant with all financial covenants and the RCF was unutilised.

The University Council have considered cash flow forecasts to 31 July 2026, a period of 20 months from the date of approval of these financial statements. After reviewing these forecasts, the University Council is of the opinion, taking account of a base case forecast and also severe but plausible downsides as well as an extreme reverse stress test scenario, that the University has sufficient funds to meet its liabilities as they fall due for the period to 31 July 2026.

The scenarios modelled all assume a flat home UG fee and include the following assumptions:

- home UG recruitment targets not achieved
- increased student attrition
- a cyber-attack
- increased energy costs and continued high inflation
- a reduction in international student numbers.

A more severe, but still plausible, scenario modelled assumes a default on the private placement loan agreement, requiring repayment of the funds. A range of mitigating actions such as cost containment or improved liquidity have been identified in order to maintain a positive cash position even if this scenario were to arise.

An extreme reverse stress test scenario assumes a limit on international student numbers due to visa restrictions, increased student attrition, a further increase in energy costs and continued high inflation, as well as a default on the private placement loan requiring repayment of the funds. This extreme reverse stress test would result in a potential breach of all of the financial covenants, with an unavoidable breach of one covenant in 2025/26. This scenario is not considered plausible based on the unlikelihood of all adverse factors occurring at the same time.

The University has identified a range of mitigating actions it can take to reduce costs and respond to adverse scenarios should they arise, as evidenced in recent years.

These scenarios demonstrate that the University remains financially sustainable with sufficient cash balances, even under the reverse stress test scenario. Financial covenants would be met in all but the final extreme reverse stress test, which would result in one covenant breach.

Taking account of the analyses of sensitivities of the financial projections, the Revolving Credit Facility, the Uncommitted Money Market loan facility, the University's ability to pay its debts as they fall due and to meet its ongoing financial covenants for the foreseeable future (being the period to the end of July 2026), the University Council confirms that it is appropriate that these financial statements are prepared on a Going Concern basis.

## 5. Recognition of income

- I. Grant funding  
Revenue grant funding including Office for Students block grant, research grants from government sources and all grants (including research grants) from non-government sources are recognised as income when the University is entitled to the income and where performance-related conditions have been met. Income received in advance of performance-related conditions being met is recognised as deferred income within creditors, on the Balance Sheet, and released to income as the conditions are met.
- II. Donations and endowments  
Non-exchange transactions without performance-related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions, at which point the income is released to general reserves through a reserve transfer.

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

- III. Capital grants  
Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the University is entitled to the funds, subject to any performance-related conditions being met.
- IV. Fee income  
Tuition fees represent student fees received and receivable attributable to the current accounting period. Fee income is stated gross and credited to the Statement of Comprehensive Income and Expenditure over the period in which students are studying. Funds the University receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.
- V. Investment income  
Investment income is credited to the Statement of Comprehensive Income and Expenditure on a receivable basis. Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the individual endowment fund.
- VI. Other income  
Income from the sale of goods or services is credited to the Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or when the terms of the contract have been satisfied.

## 6. Pensions

The two main defined benefit pension schemes for the University's staff are the Universities Superannuation Scheme (USS) for academic and academic-related staff and the University of Hull Pension and Assurance Scheme for other staff. The schemes are defined benefit schemes which are externally funded and contracted out of the State Second Pension (S2P). Pension costs are assessed in accordance with the advice of the actuaries to each scheme, based on the latest actuarial valuations of the schemes. The University also contributes to Aviva Pension, a defined contribution scheme in compliance with the government automatic enrolment initiative. The University also contributes to the NHS Pension Scheme when it has employed staff who are already members.

- I. Universities Superannuation Scheme  
The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee Benefits", the University therefore accounts for the scheme as if it were a wholly defined contribution scheme.

As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents 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) and therefore an expense is recognised.

Refer to Note 26, which details changes to the USS provision following the 2023 valuation.

- II. University of Hull Pension and Assurance Scheme  
The difference between the fair value of the assets held in the University's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the University's Balance Sheet as a pension scheme asset or liability as appropriate.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the University are charged to the Statement of Comprehensive Income and Expenditure.

The scheme is closed to new entrants, with new staff able to join a defined contribution stakeholder scheme.

Further details are included in note 26 (e) (i) to the financial statements.

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

## 7. Land and buildings

Land and Buildings are stated at historic or deemed cost. A one-off valuation exercise as at 1 August 2014 was conducted under the transition to FRS 102 by an external chartered surveyor. Land is not depreciated as it is considered to have an indefinite useful life. New buildings are depreciated over their expected useful lives of 50 years, or the length of lease for leasehold properties.

New capital expenditure classed as mechanical & electrical works is depreciated over 10–25 years according to the type of work and the asset concerned. No depreciation is charged in the year of acquisition.

No depreciation is charged for assets under the course of construction.

Where buildings are acquired with the aid of specific government grants they are capitalised and depreciated as above. The related grants are treated as deferred capital grants and released to the Statement of Comprehensive Income and Expenditure over the expected useful life of the buildings.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

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

Where it is known that buildings are to be sold in the forthcoming year, their net book value is moved from non-current to current assets, and no depreciation is charged in that year.

## 8. Service Concession Arrangements

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

## 9. Equipment

Equipment costing less than £10,000 per individual item, or group of related items, is written off in the year of acquisition. All other equipment is capitalised.

Equipment acquired for specific research projects is depreciated over the project life, by financial year, unless there will be a residual value to the equipment after the project has ended, in which case the economic useful life will be extended.

All motor vehicles, regardless of cost, are capitalised, and depreciated over 8 years. No depreciation is charged in the year of acquisition.

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated as above. The related grant is treated as a deferred capital grant and released to income over the expected useful life of the equipment (the period of the grant by financial year in respect of specific research projects).

## 10. Intangible assets

New capitalised non-IT equipment is depreciated over 5–25 years, according to the type of equipment. IT equipment is depreciated over 5–10 years, according to the type of equipment.

## 11. Investment properties

Investment properties are buildings held for rental income rather than use in delivering services. Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the surplus or deficit. Properties are not depreciated, but revalued or reviewed annually according to market conditions at 31 July each year.



## 12. Heritage assets

Heritage assets are treated in line with the University's capitalisation policy, i.e. those with a cost or value over £10,000 are capitalised. Where heritage assets have not been capitalised, details of the nature and age of these assets are disclosed.

## 13. Maintenance of premises

The cost of routine maintenance is charged to the Statement of Comprehensive Income and Expenditure in the period that it is incurred.

## 14. Provisions for liabilities

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the Balance Sheet date. This is discounted to present value, if the time value of money is material.

## 15. Investments

Fixed asset investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.

Changes in value arising on the valuation of fixed asset investments are credited/charged to the Statement of Comprehensive Income and Expenditure.

Investments that form part of endowments are included in the Balance Sheet at market value. Increases/decreases in value arising on the revaluation or disposal of endowment assets are added to, or subtracted from, the funds concerned.

Current asset investments are included in the Balance Sheet at the lower of their original cost and net realisable value.

## 16. Stocks

Stocks are valued at the lower of cost or net realisable value.

## 17. Cash and cash equivalents

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

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

## 18. Cash flows and liquid resources

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, deposits repayable on demand and overdrafts. No investments, however liquid, are included as cash. Liquid resources comprise assets held as a readily disposable store of value. They include term deposits, government securities and loan stock but exclude any such assets held as endowment asset investments. Current asset investments represent liquid resources held wholly as term deposits.

## 19. Taxation status

The University is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988 (ICTA)) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The University receives no similar exemption in respect of Value Added Tax.

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

## 20. Agency arrangements

Where the University receives and disburses funds as paying agent on behalf of a funding body for which the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction, then the related income and expenditure is excluded from the Statement of Comprehensive Income and Expenditure.

## 21. Financial instruments

The University has taken the accounting policy choice available in FRS 102 Section 11 to apply IAS 39 Financial Instruments: Recognition and Measurement in relation to financial instruments.

Financial assets and financial liabilities are recognised on the University's balance sheet when the University becomes a party to the contractual provisions of the instrument.

The University derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the University neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the University recognises its retained interest in the asset and an associated liability for any amounts it may have to pay. If the University retains substantially all the risks and rewards of ownership of a transferred financial asset, the University continues to recognise the financial asset.

The University derecognises financial liabilities when, and only when, the University's obligations are discharged, cancelled, or expire.

The specific application of these principles in relation to the University's financial instruments means that:

- Trade, student and research debtors are classified as 'loans and receivables', are initially recognised at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses. A provision is made when there is evidence that the University will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.
- Current asset investments represent investments with maturity dates of over three months and less than one year. Current asset investments are classified as 'loans and receivables', are initially recognised at fair value, and subsequently measured at amortised cost using the effective interest rate method, less any impairment losses.
- Endowment investments classified as 'available for sale' financial assets, are initially recognised at fair value and subsequently measured at fair value through Other Comprehensive Income.
- The investment in UPP (Hull) Limited is classified as an 'available for sale' financial asset. This investment is measured at cost, on the basis fair value cannot be measured reliably.
- Cash and cash equivalents comprises cash balances and short-term deposits with banks with initial maturity less than three months and are held at face value which is equal to fair value.
- Amounts owed by Subsidiary companies are classified as 'loans and receivables', are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses.
- Trade and other creditors are initially recognised at fair value, and are subsequently measured at amortised cost using the effective interest rate method.
- Bank loans are initially recognised at fair value, less attributable transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.
- Loan notes are assessed on issue as to whether they should subsequently be measured at amortised cost or fair value through profit and loss. Where the loan notes do not have an embedded derivative, or where they have an embedded derivative that is closely related to the host contract, they are initially recognised at fair value, less attributable transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

Where the loan notes have an embedded derivative that is not closely related to the host contract, then the embedded derivative is separated out and subsequently measured at fair value through profit and loss. The host contract is subsequently measured at amortised cost using the effective interest rate method.

## 22. Reserves

Reserves are classified as endowment reserves or unrestricted reserves. Endowment reserves include balances which have been endowed to the University.

## 23. Significant judgements and estimates

Accounting judgements and estimates are made after consideration of facts and receipt of advice from external parties where relevant.

### Judgements

#### I. West Campus Residences Project (WCRP)

Judgements have been taken in accounting for amounts attributable to individual elements of the WCRP.

Subleases issued by UPP (Hull) Ltd to the University on changing rooms, a shop, a café and car park spaces built by UPP (Hull) Ltd also form part of the total consideration. The University is treating these leases as prepaid through a reduction in the total consideration received. Estimates of the value of the prepaid lease obligations are based on the market value of similar leased assets as provided by an external valuer. The fair value of these lease obligations has been accounted for as a prepayment in the financial statements and will be released over the 50-year life of the leases.

The WCRP agreement includes the refurbishment and management of student accommodation at Taylor Court by UPP (Hull) Ltd. The University judged that the issuing of a 50-year lease for the land and buildings is in substance a disposal of the buildings to UPP (Hull) Ltd, based on the assessment that the remaining useful economic life of the buildings is the total term of the lease. Furthermore, an estimate has been made of £17m for the fair value of the lease arrangement based on an assessment made by an external valuer. The fair value of the buildings has been estimated by management to be in line with the net book value of the buildings before the transaction of £5m. Thus the value of the lease obligations that UPP owes to the University for the rental of the land at Taylor Court has been estimated at £12m. This prepayment of rent has been accounted for as deferred income and will be released over the 50-year life of the lease.

Consideration from UPP includes a prepayment of lease obligations in respect of the lease of land from the University to UPP on the WCRP site. The value of the lease obligations has been estimated by reference to an external valuation of the market rent of the land. The total value of £3.7m has been accounted for as deferred income and will be released over the 50-year lease term.

The project includes 12-year contracts for security and maintenance of the WCRP site to be provided by the University. UPP have effectively prepaid the contract obligations in advance as part of total consideration for the project. These contracts have been valued within the agreement at £420k and £456k respectively, and the prepayment by UPP has been accounted for as deferred income and will be released over the 12-year term of the contracts.

Under the WCRP, the University commits to an annual nominations agreement with UPP (Hull) Ltd for the provision of student accommodation. A one-year nominations agreement is made between the University and UPP (Hull) Ltd in January each year for the following academic year. This arrangement is deemed to be a Service Concession Arrangement under the terms of Section 34 of FRS 102 and the University recognises the assets and liabilities to the extent that the University is required to fulfil nominations commitments at each 31 July.

The University holds 10% equity in UPP (Hull) Ltd, the Special Purpose Vehicle set up to operate the residences. This investment is accounted for within non current investments (see note 14 to the financial statements) on the basis that the University does not control the activities of this entity.

## II. Cash and Cash Equivalents

The University operates a deposit account where the underlying asset (£17.6m) is a corporate/ Government bond or certificate of deposit which can have a maturity of greater than three months. However, the account is operated for day to day operating transactions and considered highly liquid. We have therefore made a judgement that whilst the investment has a maturity of more than three months this is more appropriate to be disclosed as cash equivalents.

## Estimates

### III. Pensions

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 the Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) 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 the Universities Superannuation Scheme meets the definition of a multi- employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

Pension provisions are calculated on the basis of assumptions agreed with scheme actuaries, in relation to future salary increases, mortality rates, discount rates and inflation rates. Changes to any of the assumptions could have a material impact on the valuation of the pension schemes. More details are included in note 26.

### IV. Fixed assets

Following the one-off valuation of certain land and buildings as at 1 August 2014, on transition to FRS 102, estimates were made of remaining useful economic life of the assets and the proportion of each asset's total value to be attributed to its constituent components. These estimates were determined after consideration by the Estates management team and the external valuer. Both estimates are used as the basis for calculating annual depreciation.

### V. Debtors

The University makes an estimate of the recoverable value of debtors. When assessing the provision for bad debt required, consideration is given to the aged profile of debtors and historical experience.



# Notes to the Accounts

## 1. TUITION FEES AND EDUCATION CONTRACTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Full-time home and EU students	78,155	78,155	80,926	80,926
Full-time international students	44,714	44,714	43,618	43,618
Part-time students	2,718	2,718	1,242	1,242
Research training support grant	836	836	946	946
Short course fees	1,198	1,198	1,360	1,360
	<b>127,621</b>	<b>127,621</b>	<b>128,092</b>	<b>128,092</b>

## 2. FUNDING COUNCIL GRANTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>Recurrent grant</b>				
Office for Students (OfS)	10,805	10,805	10,338	10,338
Research England (RE)	7,853	7,853	8,038	8,038
Capital grant - OfS	1,920	1,920	1,997	1,997
Capital grant - RE	744	744	803	803
<b>Specific grants</b>				
Department for Education	5	5	8	8
Higher education innovation fund	1,742	1,742	1,816	1,816
Humber Outreach Programme (HOP)	728	728	813	813
Other OfS	345	345	420	420
Other Research England	718	718	1,067	1,067
	<b>24,860</b>	<b>24,860</b>	<b>25,300</b>	<b>25,300</b>

Funding Council Grants represent grants from the Office for Students, Research England and the Department for Education.

## 3. RESEARCH GRANTS AND CONTRACTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Research councils	4,806	4,806	3,751	3,751
UK charities	2,769	2,769	2,854	2,854
UK central government	1,533	1,533	1,460	1,460
Local authorities	316	316	136	136
Health and hospitals	3,158	3,158	2,524	2,524
UK industry	1,418	1,418	1,026	1,026
EU	885	885	1,598	1,598
Overseas and other sources	867	867	1,502	1,502
	<b>15,752</b>	<b>15,752</b>	<b>14,851</b>	<b>14,851</b>

# Notes to the Accounts

The source of grant and fee income included in notes 1 to 3 is as follows:

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
OfS	13,070	13,070	12,756	12,756
Other bodies	11,790	11,790	12,545	12,545
Research awards	15,752	15,752	14,851	14,851
Non-qualifying	2,033	2,033	2,306	2,306
Taught	125,588	125,588	125,786	125,786
<b>Total</b>	<b>168,233</b>	<b>168,233</b>	<b>168,244</b>	<b>168,244</b>

## 4. OTHER INCOME

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Residences, catering and conferences	18,633	18,633	16,894	16,894
Other services rendered	4,736	4,736	5,313	5,313
Health authorities	3,395	3,395	3,329	3,329
Released from deferred capital grants	946	946	946	946
Rents receivable and Facilities income	1,426	1,426	1,586	1,586
ERASMUS grants	120	120	144	144
Other revenue grant and departmental income	1,502	1,502	5,370	5,370
Other income	3,350	2,171	3,322	2,257
	<b>34,108</b>	<b>32,929</b>	<b>36,904</b>	<b>35,839</b>

## 5. INVESTMENT INCOME

	Notes	2024		2023	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
Investment income on endowments	22	406	406	352	352
Interest on inter-company loan		-	33	-	25
Other investment income		3,400	3,675	2,380	2,378
		<b>3,806</b>	<b>4,114</b>	<b>2,732</b>	<b>2,755</b>

## 6. DONATIONS AND ENDOWMENTS

	Notes	2024		2023	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
New endowments	22	326	326	4	4
Unrestricted donations		471	471	623	623
		<b>797</b>	<b>797</b>	<b>627</b>	<b>627</b>

# Notes to the Accounts

## 7. STAFF

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>Staff Costs:</b>				
Salaries	87,613	86,671	82,120	81,196
Social security costs	9,606	9,510	8,596	8,501
Movement on USS provision	(64,537)	(64,537)	(4,658)	(4,658)
Other pension costs	23,380	23,362	25,070	25,054
Other pension adjustments	(3,690)	(3,690)	(3,186)	(3,186)
	52,372	51,316	107,942	106,907
Fundamental restructuring costs (2024: 129 individuals; 2023: 25 individuals)	5,288	5,288	757	757
<b>Total</b>	<b>57,660</b>	<b>56,604</b>	<b>108,699</b>	<b>107,664</b>

In May 2009 the University introduced a pension salary sacrifice scheme for most staff. From that date, employee pension contributions, effectively paid over by the University on behalf of employees, are included within other pension costs as employer pension contributions (and are construed as such) with a corresponding reduction in the salaries heading which formerly included employee pension contributions (2024: £5,687k; 2023: £6,305k).

During the year the University offered a compensation scheme for voluntary leavers as part of its ongoing transformation work to restructure the organisation. Costs and numbers of individuals accounted for in the current and previous financial years are shown above.

The Vice-Chancellor's basic salary is 8.4 times (2023: 6.4 times) the median pay of all University staff. The Vice-Chancellor's total remuneration is 9.0 times (2023: 6.6 times) the median total remuneration of all University staff.

	2024	2023
	University £'000	University £'000
<b>Emoluments of the Vice-Chancellors:</b>		
<b>Vice-Chancellor (September 2022 to July 2024)</b>		
Salary before salary sacrifice arrangements	245	216
Salary sacrificed	(19)	(21)
Salary after salary sacrifice arrangements	226	195
Employers pension contributions	43	45
Pension contributions made under salary sacrifice arrangements	19	21
Total pension contributions	62	66
<b>Total</b>	<b>288</b>	<b>261</b>
<b>Outgoing Vice-Chancellor (August 2022)</b>		
Salary before salary sacrifice arrangements	-	52
Salary sacrificed	-	(5)
Salary after salary sacrifice arrangements	-	47
Employers pension contributions	-	11
Pension contributions made under salary sacrifice arrangements	-	5
Total pension contributions	-	16
<b>Total</b>	<b>-</b>	<b>63</b>



# Notes to the Accounts

The Remuneration Committee is required to meet at least one time per academic year and ordinarily meets in or around October. This year, the Committee met in March and November.

The terms of reference of Remuneration Committee, including the names of members of the committee, who are appointed by Council, are available from the University's Governance Team.

The University will ordinarily determine the market rate of a role with reference to the UCEA Senior Salary Remuneration Survey and a standard, local definition of the market within which the University operates. When considering reward, the University primarily takes account of an individual's performance and their impact on the achievement of the University's goals. The University also takes account of changes in the recruitment market, measures necessary to effectively manage equality issues, the need to recognise developmental progression and retain staff and substantial changes to roles.

The demands on the Vice-Chancellor are complex, operating within a highly competitive environment both nationally and internationally, where student demand for places both at subject and institutional level is increasingly volatile. The Vice-Chancellor's performance is judged through an annual appraisal process of objective setting and monitoring performance against those objectives. Performance is reported to the University's Remuneration Committee annually and this committee is responsible for ensuring the annual remuneration package is commensurate with the Vice-Chancellor's performance and responsibilities.

The delivery of the University's Strategy 2030 has continued this past year with significant successful outcomes including:

- Placed joint 45th out of 105 in the UK in THE World University Rankings (WUR) 2024. This is an improvement on our position from last year. We have also improved on our global ranking moving from 501-600 to 401-500.
- A very positive NSS result in 2024, with improved results in 20 out of 27 questions in 5 out of 7 NSS themes.
- The commencement of a significant programme of modernisation, including the roll-out of the identity and brand programme, significant transformative change programmes across academic and professional services, the implementation of the digital spine and the start of a project to replace the existing HR and finance systems (ERP).
- Completion of the Research and KE Strategy and continued positive trajectory and notable successes in our research performance, including large grant awards and increased national and international coverage of our research.
- The London Study Centre has opened and exceeded recruitment targets for the first cohort of students.
- Continued success in KEF with the results highlighting we are one of the top performing universities in the country when it comes to our work with the public and third sector, ranking as having 'very high engagement'. This is the highest ranking in these categories.
- Continued delivery against the People Strategy. This includes the delivery of the EDI transparency report, the launch and delivery of the Building Brilliant Leaders development programme, delivery of two key employee surveys (full staff survey and stress survey), awarded silver as part of the Armed Forces Covenant and silver in the Stonewall workplace equality index, and development of the wellbeing strategy and action plan.

	2024	2023
	Consolidated	Consolidated
	Number	Number
Average staff numbers by major category :		
Academic departments	971	1,053
Central student services	139	83
Central administration	675	627
Premises	167	161
Total number of staff	1,952	1,924

# Notes to the Accounts

## Remuneration of Higher Paid Staff

(excluding employers pension contributions), excluding the Vice-Chancellor

The number of staff with a basic salary of over £100,000 per annum has been included below. 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.

	2024	2023
	Consolidated	Consolidated
	No. of Staff	No. of Staff
Basic salary per annum		
£170,000 - £174,999	1	-
£165,000 - £169,999	-	1
£160,000 - £164,999	-	1
£155,000 - £159,999	-	-
£150,000 - £154,999	1	-
£145,000 - £149,999	1	1
£140,000 - £144,999	1	2
£135,000 - £139,999	-	2
£130,000 - £134,999	1	-
£125,000 - £129,999	2	1
£120,000 - £124,999	1	3
£115,000 - £119,999	5	1
£110,000 - £114,999	2	2
£105,000 - £109,999	2	2
£100,000 - £104,999	4	4
	<b>21</b>	<b>20</b>

## Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University, the Vice-Chancellor and the University Leadership Team.

	2024	2023
	Consolidated	Consolidated
	£'000	£'000
Key management personnel compensation	<b>2,740</b>	<b>2,225</b>

## 8. INTEREST PAYABLE AND OTHER FINANCE COSTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Bank and other loans wholly or partly repayable in more than 5 years	3,254	3,254	3,038	3,038
Net charge on pension scheme	2,554	2,554	2,864	2,864
	<b>5,808</b>	<b>5,808</b>	<b>5,902</b>	<b>5,902</b>

# Notes to the Accounts

## 9. ANALYSIS OF EXPENDITURE BY ACTIVITY

	Staff Costs	Amortisation/ Depreciation	Other Operating Expenditure	Interest Payable	2024 Total	2023 Total
<b>Consolidated</b>						
Consolidated	£'000	£'000	£'000	£'000	£'000	£'000
Academic departments	24,175	1,358	9,230	-	34,763	74,850
Academic services	10,288	4,008	9,806	-	24,102	20,840
Research grants and contracts	7,017	433	8,464	-	15,914	16,283
Residences, catering and conferences	1,297	12,932	289	-	14,518	13,766
Premises	4,801	13,439	14,725	5,808	38,773	40,342
Administration	-6,090	24	5,927	-	-139	16,033
Services rendered	850	-	786	-	1,636	1,490
Other expenses	10,034	19	17,978	-	28,031	23,446
	<b>52,372</b>	<b>32,213</b>	<b>67,205</b>	<b>5,808</b>	<b>157,598 *</b>	<b>207,050</b>
Fundamental restructuring costs	5,288				5,288	757
<b>Total</b>	<b>57,660</b>	<b>32,213</b>	<b>67,205</b>	<b>5,808</b>	<b>162,886</b>	<b>207,807</b>

Other operating expenses include:

External auditors remuneration in respect of audit services	142	130
External auditors remuneration in respect of non audit services	48	28

	Staff Costs	Amortisation/ Depreciation	Other Operating Expenditure	Interest Payable	2024 Total	2023 Total
<b>University</b>						
<b>University</b>	£'000	£'000	£'000	£'000	£'000	£'000
Academic departments	24,175	1,358	9,230	-	34,763	74,850
Academic services	10,288	4,008	9,806	-	24,102	20,840
Research grants and contracts	7,017	433	8,464	-	15,914	16,283
Residences, catering and conferences	1,297	12,932	289	-	14,518	13,766
Premises	4,801	13,439	14,725	5,808	38,773	40,342
Administration	-6,090	24	5,927	-	-139	16,033
Services rendered	850	-	786	-	1,636	1,490
Other expenses	8,978	12	17,836	-	26,826	22,711
	<b>51,316</b>	<b>32,206</b>	<b>67,063</b>	<b>5,808</b>	<b>156,393*</b>	<b>206,315</b>
Fundamental restructuring costs	5,288				5,288	757
<b>Total</b>	<b>56,604</b>	<b>32,206</b>	<b>67,063</b>	<b>5,808</b>	<b>161,681</b>	<b>207,072</b>

Other operating expenses include:

External auditors remuneration in respect of audit services	142	130
External auditors remuneration in respect of non audit services	48	28

\*after USS pension release



# Notes to the Accounts

## 9B. ACCESS AND PARTICIPATION

	2024	2023
	£'000	£'000
Access Investment	1,891	2,539
Financial Support	1,178	1,040
Disability Support	932	1,297
Research and Evaluation	289	298
	<b>4,290</b>	<b>5,174</b>

The University's Access and Participation Plan, approved by the OfS, is published on the University website:

### Access and Participation Plan

#### Access Investment

Our core outreach programme is designed to provide a coherent and sustained experience for participating students. Outreach interventions are delivered primarily by Outreach Officers within our Schools and Colleges Engagement team to target schools and sixth forms/colleges. All of the schools and colleges have been selected as target institutions based on data for their pupils such as the proportion of students eligible for free school meals, living in low participation areas, or living in high deprivation areas.

#### Financial Support

Financial support includes bursaries for students from low household incomes, and also a range of scholarships and grants for undergraduate students who are seeking sanctuary or have experience of care, are a young adult carer or who are estranged from their parents.

Students who are in financial hardship can apply for support from our Hardship Support Fund, which is widely promoted within the University.

#### Disability Support

Disability support includes the provision of tutors and advisors to provide focused and specific support.

#### Research and Evaluation

Our research and evaluation team are continually looking to strengthen our evidence base for our APP activity, to ensure our measures are informed by the best available evidence on what works for students and to monitor achievement against key targets as set out in the University's plan.

## 10. NET GAIN/(LOSS) ON ASSETS

		2024		2023	
		Consolidated	University	Consolidated	University
University and Consolidated	Notes	£'000	£'000	£'000	£'000
Realised gain on disposal of fixed assets		255	255	1,584	1,584
Unrealised loss on revaluation investment property		(222)	(222)	-	-
Unrealised (loss) on derivatives measured at fair value through profit or loss		(64)	(64)	(228)	(228)
<b>Total</b>		<b>(31)</b>	<b>(31)</b>	<b>1,356</b>	<b>1,356</b>
<b>Recognised in Other Comprehensive Income and Expenditure</b>					
Unrealised gain/(loss) on revaluation of investment assets	22	361	361	(1,536)	(1,536)
<b>Total</b>		<b>361</b>	<b>361</b>	<b>(1,536)</b>	<b>(1,536)</b>

# Notes to the Accounts

## 11. INTANGIBLE ASSETS

	Software	
	Consolidated	University
	£'000	£'000
Cost		
<b>At 1 August 2023</b>	18,806	18,806
Additions	104	104
<b>At 31 July 2024</b>	<b>18,910</b>	<b>18,910</b>
Amortisation		
<b>At 1 August 2023</b>	10,137	10,137
Charge	2,589	2,589
<b>At 31 July 2024</b>	<b>12,726</b>	<b>12,726</b>
Net book value		
<b>At 31 July 2024</b>	<b>6,184</b>	<b>6,184</b>
Net book value		
<b>At 31 July 2023</b>	<b>8,669</b>	<b>8,669</b>

The amortisation period is 7 years.

## 12. FIXED ASSETS

	Land & Buildings		Service Concession Arrangement	Mechanical & electrical	Equipment	Work in progress	Total
	Freehold	Leasehold					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Consolidated</b>							
<b>Cost:</b>							
<b>At 1 August 2023</b>	<b>250,673</b>	<b>1,085</b>	<b>12,932</b>	<b>99,819</b>	<b>50,496</b>	<b>17,408</b>	<b>432,413</b>
Additions	-	-	13,902	-	189	25,385	39,476
Transfers to intangible assets	-	-	-	-	-	(104)	(104)
Transfers from WIP	2,833	-	-	4,906	6,720	(15,896)	(1,437)
Disposals	-	-	(12,932)	-	-	-	(12,932)
<b>At 31 July 2024</b>	<b>253,506</b>	<b>1,085</b>	<b>13,902</b>	<b>104,725</b>	<b>57,405</b>	<b>26,793</b>	<b>457,416</b>
<b>Depreciation:</b>							
<b>At 1 August 2023</b>	<b>51,034</b>	<b>929</b>	<b>-</b>	<b>42,440</b>	<b>41,175</b>	<b>-</b>	<b>135,578</b>
Charge for the year	5,932	7	12,932	7,068	3,685	-	29,624
Disposals	-	-	(12,932)	-	-	-	(12,932)
<b>At 31 July 2024</b>	<b>56,966</b>	<b>936</b>	<b>-</b>	<b>49,508</b>	<b>44,860</b>	<b>-</b>	<b>152,270</b>
Net book value							
<b>At 31 July 2024</b>	<b>196,540</b>	<b>149</b>	<b>13,902</b>	<b>55,217</b>	<b>12,545</b>	<b>26,793</b>	<b>305,146</b>
Net book value							
<b>At 1 August 2023</b>	<b>199,639</b>	<b>156</b>	<b>12,932</b>	<b>57,379</b>	<b>9,321</b>	<b>17,408</b>	<b>296,835</b>

# Notes to the Accounts

	Land & Buildings		Service Concession Arrangement	Mechanical & electrical	Equipment	Work in progress	Total
	Freehold	Leasehold					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Institution</b>							
<b>Cost:</b>							
<b>At 1 August 2023</b>	<b>250,673</b>	<b>1,085</b>	<b>12,932</b>	<b>99,819</b>	<b>50,427</b>	<b>17,129</b>	<b>432,065</b>
Additions			13,902		186	25,075	39,163
Transfers to intangible assets						(104)	(104)
Transfers from WIP	2,833	-		4,906	6,720	(15,896)	(1,437)
Disposals			(12,932)				(12,932)
<b>At 31 July 2024</b>	<b>253,506</b>	<b>1,085</b>	<b>13,902</b>	<b>104,725</b>	<b>57,333</b>	<b>26,204</b>	<b>456,755</b>
<b>Depreciation:</b>							
<b>At 1 August 2023</b>	<b>51,034</b>	<b>929</b>	<b>-</b>	<b>42,440</b>	<b>41,122</b>	<b>-</b>	<b>135,525</b>
Charge for the year	5,932	7	12,932	7,068	3,678		29,617
Disposals			(12,932)				(12,932)
<b>At 31 July 2024</b>	<b>56,966</b>	<b>936</b>	<b>-</b>	<b>49,508</b>	<b>44,800</b>	<b>-</b>	<b>152,210</b>
Net book value							
<b>At 31 July 2024</b>	<b>196,540</b>	<b>149</b>	<b>13,902</b>	<b>55,217</b>	<b>12,533</b>	<b>26,204</b>	<b>304,545</b>
Net book value							
<b>At 1 August 2023</b>	<b>199,639</b>	<b>156</b>	<b>12,932</b>	<b>57,379</b>	<b>9,305</b>	<b>17,129</b>	<b>296,540</b>

As permitted by FRS 102, the University conducted a one-off valuation of some of its land and buildings as at 1 August 2014 and adopted these valuations as deemed cost. The valuation was conducted by Clark Weightman Chartered Surveyors in accordance with the terms of the Royal Institution of Chartered Surveyors' Valuation Professional Standards 2014 and consistent with the requirements of FRS 102 and the SORP.

## Heritage assets

Virtually no heritage assets are held on the Balance Sheet, having been acquired through donation or historically expensed through the income & expenditure account (i.e. non-capitalisation in previous periods). It is not considered that analysis of past accounting records to determine cost and/or an appropriate value to place on the University's Balance Sheet would provide any additional benefit to the users of the University's accounts. Purchased heritage assets are treated in line with the University's capitalisation policy.

## Service concession arrangements

The University has a service concession arrangement with University Partnerships Programme Limited (UPP) for the provision of student residential accommodation services. In 2017 the University entered into a 50-year contract with UPP for the provision of residential accommodation services.

The assets and liabilities relating to this contract are recognised on the University's Balance Sheet to the extent that the University is required to fulfil nomination commitments at each 31 July. This commits the University to pay for these rooms in the following year only. It is anticipated that student rents received will fully fund this obligation. At the end of the contract term the buildings will revert back to the University. The University has the right to nominate rooms each January for the following academic year.

The asset value of the service concession in the Balance Sheet as at 31 July 2024 is £13,902k (2023: £12,932k).

The total liabilities relating to the service concession in the balance sheet as at 31 July 2024 were £13,902k (2023: £12,932k), representing the present value of lease obligations for the following academic year. All our future commitments in relation to the service concession arrangement are payable within one year.



# Notes to the Accounts

## 13. INVESTMENT PROPERTY

	2024	2024
	Consolidated	University
	£'000	£'000
At 1 August 2023	4,422	4,422
Additions	-	-
Market value adjustment	(222)	(222)
At 31 July 2024	4,200	4,200

The original cost of the investment property was £3,273k. The investment property was revalued on an open market basis as at 31 July 2024 by an external valuer, Garness Jones, which is regulated by the Royal Institute of Chartered Surveyors. The valuation was performed in accordance with the RICS Valuation – Professional Standards.

## 14. NON CURRENT INVESTMENTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Endowment investments	11,779	11,779	11,103	11,103
UPP (Hull) Limited	2,736	2,736	2,736	2,736
Vertual Limited	1,301	-	1,243	-
Medimusic Limited/Risk Reality Limited	266	-	87	-
ERGO Centre	300	300	300	300
Derivatives	177	177	241	241
	16,559	14,992	15,710	14,380

Details of investments in which the consolidated and Institution (unless indicated) hold 20% or more of the nominal value of any class of share capital are as follows:

Name of undertaking	Country of incorporation or registration	Description of shares held	Proportion of nominal value of issues shares held %	Nature of business	Registered office
Lampada Digital Solutions Ltd	England and Wales	Ordinary	100	Digital Technology	Venn Building, Cottingham Road, Hull. HU6 7RX
Vertual Limited	England and Wales	Ordinary	36	Virtual Technology	Building 1 @ The Dock, 31-38 Queen Street, Hull. HU1 1UU
Kingston Chemical Limited	England and Wales	Ordinary	21	Dormant	21 Marina Court, Castle Street, Hull. HU1 1TJ
UPP (Hull) Limited	England and Wales	Ordinary	10	Student accomodation	1st floor 12, Arthur Street, London. EC4R 9AB
UoH Energy Co Limited	England and Wales	Ordinary	100	Energy Provider	Venn Building, Cottingham Road, Hull. HU6 7RX

The University of Hull guarantees all outstanding liabilities of UoH Energy Co Limited as at 31 July 2024 under s479C of the Companies Act 2006. UoH Energy Co Limited (registered no: 11459134) therefore takes exemption under s479A-479C of the Act from requiring an audit for the year ending 31 July 2024.

Lampada Digital Solutions Ltd's result for the year ended 31 July 2024 was a loss of £97k. The University's share of the result for Vertual Limited for the same period was a gain of £58k. UoH Energy Co Limited had no trading activity in the period.

# Notes to the Accounts

## 15. PROPERTIES FOR SALE

2024	2023
£'000	£'000
<b>4,047</b>	<b>3,514</b>

Two student residences and one other property are to be sold in 2024/25. The net book value of £4,047k (2023: £3,514k) has been moved from fixed assets to current assets, and no depreciation charged in the year.

## 16. TRADE AND OTHER RECEIVABLES

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
<b>Debtors falling due within one year:</b>				
Trade, student and research debtors	15,909	15,480	26,318	25,783
Amounts owed by subsidiary companies	-	2,912	-	1,134
Prepayments and accrued income	8,165	7,592	9,011	8,786
	<b>24,074</b>	<b>25,984</b>	<b>35,329</b>	<b>35,703</b>
<b>Debtors falling due after more than one year:</b>				
Trade, student and research debtors	1,800	1,800	1,800	1,800
Prepayments and accrued income	2,952	2,952	3,019	3,019
	<b>4,752</b>	<b>4,752</b>	<b>4,819</b>	<b>4,819</b>
<b>Total Debtors</b>	<b>28,826</b>	<b>30,736</b>	<b>40,148</b>	<b>40,522</b>

The University has made a loan of £450k to its subsidiary, Lampada Digital Solutions Ltd, at an interest rate of 2% per annum above base rate.

## 17. CURRENT INVESTMENTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Deposits maturing in one year or less	<b>58,750</b>	<b>58,750</b>	<b>85,750</b>	<b>85,750</b>

Deposits are held with banks and building societies in accordance with the University's Treasury Management Policy, with more than 3 months maturity at the Balance Sheet date. The interest rates for these deposits are variable based on base rate movements during the period of investment.

## 18. CASH AND CASH EQUIVALENTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Endowments	4,021	4,021	3,831	3,831
Short-term investments < 3 months	14,269	14,269	9,909	9,909
Cash at bank	4,432	4,227	4,860	4,794
	<b>22,722</b>	<b>22,517</b>	<b>18,600</b>	<b>18,534</b>

# Notes to the Accounts

## 19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2024		2023	
		Consolidated	University	Consolidated	University
	Notes	£'000	£'000	£'000	£'000
Grants and donations received in advance		10,099	10,099	9,053	9,053
Bank loans	20	-	-	-	-
Creditors		21,061	20,975	21,509	21,374
Amounts owed to subsidiary companies		-	1,102	-	813
Service concession arrangement		13,903	13,903	12,932	12,932
Social security and other taxation payable		2,822	2,802	2,555	2,468
Accruals and other deferred income		15,621	15,158	22,176	21,539
Deferred capital grants		3,392	3,392	4,043	4,043
		<b>66,898</b>	<b>67,431</b>	<b>72,268</b>	<b>72,222</b>

## 20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024		2023	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Loans notes repayable	86,000	86,000	86,000	86,000
Other deferred income	13,422	13,422	13,807	13,807
Deferred capital grants	23,792	23,792	26,075	26,075
	<b>123,214</b>	<b>123,214</b>	<b>125,882</b>	<b>125,882</b>

### Loans/loan notes are repayable as follows:

In five years or more	86,000	86,000	86,000	86,000
	<b>86,000</b>	<b>86,000</b>	<b>86,000</b>	<b>86,000</b>

The University issued £86.0m private placement of loan notes in 2022 to aid its broader investment strategy. The notes are in three series as follows:

- Series A repayable 2034 with a fixed interest rate of 3.40%
- Series B repayable 2037 with a fixed interest rate of 3.61%
- Series C repayable 2042 with a fixed interest rate of 3.88%

The Series A, B and C loan notes have been assessed and have been determined to include an embedded derivative, which is not closely related to the host contract. This embedded derivative arises from the specific terms of the University's prepayment option in the loan notes. Therefore, the embedded derivative is measured at fair value through profit and loss. The underlying loan notes are measured at amortised cost.



# Notes to the Accounts

## 21. PROVISION FOR LIABILITIES AND CHARGES

	Consolidated and University				
	USS provision	Pension scheme provisions	Total Pension provisions	Other provisions	Total
	£'000	£'000	£'000	£'000	£'000
At 1 August 2023	63,086	23,779	86,865	2,068	88,933
Utilised in year					-
Movements	(63,086)	(3,073)	(66,159)	(290)	(66,449)
<b>At 31 July 2024</b>	<b>-</b>	<b>20,706</b>	<b>20,706</b>	<b>1,778</b>	<b>22,484</b>

Pension scheme provisions relate to the deficit on the University's own pension scheme. Further details are included in the Statement of Principal Accounting Policies and note 26 to the financial statements.

Other provisions include £1,389k provision for demolition costs. In addition, £389k partly represents the present value of future pension enhancements in respect of former University College Scarborough employees who have taken early retirement (£383k) plus an amount of £6k for former University of Hull employees where the pension is paid directly by the University.

## 22. Endowment reserves

	Consolidated and University					
	Unrestricted permanent	Restricted expendable	Restricted permanent	Restricted total	2024 Total	2023 Total
	£'000	£'000	£'000		£'000	£'000
Capital value	7,914	857	3,902	4,759	12,673	13,045
Accumulated income		(12)	2,273	2,261	2,261	2,107
At 1 August 2023	7,914	845	6,175	7,020	14,934	15,152
New endowments		13	313	326	326	4
Increase/(decrease) in market value of investment	234	-	127	127	361	(382)
Investment income	167	39	200	239	406	352
Expenditure	(167)	(39)	(21)	(60)	(227)	(192)
<b>Total endowment comprehensive income for the year</b>	<b>234</b>	<b>13</b>	<b>619</b>	<b>632</b>	<b>866</b>	<b>(218)</b>
<b>At 31 July 2024</b>	<b>8,148</b>	<b>858</b>	<b>6,794</b>	<b>7,652</b>	<b>15,800</b>	<b>14,934</b>
<b>Represented by:</b>						
Capital	8,148	908	4,344	5,252	13,400	12,673
Accumulated income	-	(50)	2,450	2,400	2,400	2,261
	<b>8,148</b>	<b>858</b>	<b>6,794</b>	<b>7,652</b>	<b>15,800</b>	<b>14,934</b>
<b>Analysis by type of purpose:</b>						
Fellowships and scholarships	-	572	2,545	3,117	3,117	3,104
Prize funds	-	43	546	589	589	594
Chair and lectureships funds	-	-	1,661	1,661	1,661	1,663
Other	8,148	243	2,042	2,285	10,433	9,573
	<b>8,148</b>	<b>858</b>	<b>6,794</b>	<b>7,652</b>	<b>15,800</b>	<b>14,934</b>
<b>Analysis by asset:</b>						
Current and non current asset investments (note 14)					11,779	11,103
Cash and cash equivalents (note 18)					4,021	3,831
					<b>15,800</b>	<b>14,934</b>

The unrestricted permanent endowment fund is the founding bequest to the University made in 1927 by Mr Thomas Ferens with all income generated available for use by the University in supporting its recurrent activities. This is reflected in the SOCI.

Restricted permanent endowments consist of 134 individual bequests, all with different specified uses and of varying size. Income generated within the year is used to support students in accordance with the terms of the endowment, generally through scholarships, bursaries and prizes, and staff through academic sponsorship.

# Notes to the Accounts

## 23. CAPITAL COMMITMENTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£000	£000	£000	£000
Commitments contracted for at 31 July 2024	13,570	13,570	5,472	5,472

These commitments will be funded by operating cash flows.

## 24. FINANCIAL INSTRUMENTS

	2024		2023	
	Consolidated	University	Consolidated	University
	£000	£000	£000	£000
<b>Financial assets that are debt instruments measured at amortised cost:</b>				
Cash	22,722	22,517	18,600	18,534
Trade, student and research debtors	15,909	15,480	26,318	25,783
Current asset investments	58,750	58,750	85,750	85,750
Amounts owed by subsidiary companies	-	2,912	-	1,134
	97,381	99,659	130,668	131,201

### Financial assets that are equity instruments measured at cost:

Non-current asset investments	2,736	2,736	2,736	2,736
	2,736	2,736	2,736	2,736

### Financial liabilities measured at amortised cost:

Trade creditors	21,061	20,975	21,509	21,374
Accruals	15,622	15,158	22,176	21,539
Bank loans	-	-	-	-
Loan notes	86,000	86,000	8,600	86,000
Amounts owed to subsidiary companies	-	1,102	-	813
	122,683	123,235	52,285	129,726

### Financial assets measured at fair value through profit and loss:

Derivatives	177	177	241	241
	177	177	241	241

### Financial assets measured at fair value through other comprehensive income (AFS assets):

Non-current asset investments	11,779	11,779	11,103	11,103
	11,779	11,779	11,103	11,103

### Financial instruments measured at fair value

#### Non-current asset investments

Non-current asset investments reflect endowment investments, which are invested in various corporate and government bonds. These investments are recognised at fair value, based on quoted market prices.

#### Embedded derivatives

The fair value of the embedded derivative, arising from the University's prepayment option in the loan notes (see note 20) is based on probability-based discounted cash flows. The discounted cash flows are calculated based on the contractual terms of the prepayment option set out in the loan notes, including any applicable make-whole payments. The exercise probabilities are based on a market-based options pricing model.

# Notes to the Accounts

## 25. CONSOLIDATED RECONCILIATION OF NET DEBT

	2024	
	£'000	
<b>Net debt 1 August 2023</b>	67,400	
Movement in cash and cash equivalents	4,122	
Other non-cash changes	(8,244)	
<b>Net debt 31 July 2024</b>	63,278	
<b>Change in net debt</b>	<b>(4,122)</b>	
<b>Analysis of net debt:</b>	<b>2024</b>	<b>2023</b>
	£'000	£'000
<b>Cash and cash equivalents</b>	22,722	18,600
<b>Borrowings: amounts falling due within one year</b>		
Unsecured loans	-	-
	-	-
<b>Borrowings: amounts falling due after more than one year</b>		
Unsecured loans	86,000	86,000
	86,000	86,000
<b>Net debt</b>	<b>63,278</b>	<b>67,400</b>

## 26. UNIVERSITY PENSION SCHEMES

	Employer's pension costs for the year to 31 July 2024	Employer's pension costs for the year to 31 July 2023	Pension liability as at 31 July 2024	Pension liability as at 31 July 2023	Actuarial loss as at 31 July 2024	Actuarial gain as at 31 July 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Universities Superannuation Scheme (USS)	11,876	13,462	-	63,086	-	-
University of Hull Pension and Assurance Scheme (UHPAS)	-	-	21,738	23,779	(346)	(4,439)
Aviva defined contribution scheme	1,124	1,076	-	-	-	-
North Yorkshire Pension scheme	35	56	-	-	3,178	(209)
NHS pension scheme	554	562	-	-	-	-
Teachers pension scheme	82	82	-	-	-	-
	<b>13,671</b>	<b>15,238</b>	<b>21,738</b>	<b>86,865</b>	<b>2,832</b>	<b>(4,648)</b>

### 26 (a) Universities Superannuation Scheme ("USS")

The total cost charged to the SOCI is £11,875,966 (2023: £13,461,733)

Deficit recovery contributions due within one year are £nil (2023: £4,247,677)

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out above, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.



# Notes to the Accounts

## CPI assumption

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

## Pension increases (subject to a floor of 0%)

Benefits with no cap:  
CPI assumption plus 3bps

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

## Discount rate (forward rates)

Fixed interest gilt yield curve plus:  
Pre-retirement: 2.5% p.a.  
Post-retirement: 0.9% p.a.

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

	2023 valuation
Mortality base table	101% of S2PMA “light” for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. 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

## (b) University of Hull Pension and Assurance Scheme (“UHPAS”)

The University operates a funded pension scheme providing benefits based on the final pensionable pay. The assets of the scheme are held separately from those of the University and are invested in a segregated fund.

The University operates a Salary Sacrifice Scheme in which members of this scheme could and do participate.

See (c) below for events following the closure of the Final Salary Defined Benefit scheme to new entrants.

The contributions to the final salary scheme are determined by a qualified actuary on the basis of triennial valuations using the attained age method. The last declared actuarial valuation was carried out at 6 April 2021. The market value of the scheme assets as at the 2021 date, excluding additional voluntary contributions, was £120.9m. The value placed on the scheme liabilities was £160.8m, resulting in a shortfall of £39.9m. On this basis the scheme was funded at 75.2%.

The key assumptions are the rate of return assumed on the scheme's investments and the rate of price inflation. The assumptions for the various pension increases payable by the scheme and the assumption for pensionable salary increases are all built up from the assumption for price inflation with pensionable salary increases assumed to be 0.5% p.a. above retail prices inflation. The valuation assumes that the scheme's assets will be invested such that the scheme holds higher returning assets to fund members' benefits up to the point of retirement, but that at the point of retirement the assets will be switched into bonds to fund the pension payments. The investment return assumed up to the point of retirement is 6.5% p.a. The assumed rate of return on bonds and the rate of price inflation are assumed to vary with the duration of each projected cash flow out of the scheme. The assumed rates of retail prices inflation applying in future years are assumed to be in line with the Bank of England inflation curve. The assumed rates of return on the scheme's bond investments are assumed to be 1% p.a. above the Bank of England gilt yield curve.

# Notes to the Accounts

## (c) Aviva Defined Contribution Stakeholder Scheme

On the 31st December 2011, the University closed the Final Salary Defined Benefit scheme to new entrants and launched a new Defined Contribution Stakeholder scheme for new support staff on 1st January 2012. With effect from October 2017 the University changed to Aviva as the main support vehicle.

Employer contributions to the scheme during the year, including those staff members who participate in the Salary Sacrifice arrangement, totalled £1,124,353 (2023: £1,076,389).

## (d) Other Pension Schemes

A small number of staff remain in other pension schemes. Employer contributions to such schemes totalled £689,548 during the year (2023: £699,966).

## (e) (i) University of Hull Pension and Assurance Scheme

A full actuarial valuation of this scheme was carried out at 6 April 2021.

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

	2024	2023
Rate of increase in salaries	3.00%	3.05%
Rate of increase in pensions in payment	3.05%	3.10%
Discount rate	4.95%	5.05%
RPI Inflation assumption	3.00%	3.05%
CPI Inflation assumption	2.65%	2.65%

The CPI inflation assumption only applies to the pre-February 2005 deferred pension element which is linked to statutory increases under Scheme rules.

	2024	2023
<b>The most significant non-financial assumption is the assumed level of longevity:</b>		
Retiring today		
<i>Males</i>	21.6	21.6
<i>Females</i>	24.0	24.0
Retiring in 20 years		
<i>Males</i>	22.8	22.8
<i>Females</i>	25.4	25.4

Pension Investments	2024	2023
	£'000	£'000
Global and emerging equities	19,216	19,538
Global fixed income	2,753	-
Low Risk Bond Strategy & Multi asset credit	1,857	-
Absolute returns	10,310	7,329
Hedge funds	7,190	8,276
Property	3,696	5,044
Illiquid	4,765	5,060
Hedging	25,989	26,120
Cash/other	962	2,975
	<b>76,738</b>	<b>74,342</b>

# Notes to the Accounts

The following amounts at 31 July each year were measured in accordance with the requirements of FRS102:

	2024	2023
	£'000	£'000
Total market value of assets	76,738	74,342
Present value of scheme liabilities	(98,476)	(98,121)
Deficit in the scheme	<b>(21,738)</b>	<b>(23,779)</b>
Current service cost	-	-
Past service cost	-	-
Total operating charge	-	-
Expected return on pension scheme assets	3,718	3,601
Interest on pension scheme liabilities	(4,824)	(4,299)
Net charge to other finance income	<b>(1,106)</b>	<b>(698)</b>
Gain/ (loss) on assets	460	(30,853)
(Loss)/gain on liabilities	(806)	26,414
Changes in assumptions re present value of scheme liabilities	-	-
Actuarial (loss)	<b>(346)</b>	<b>(4,439)</b>

## History of experience gains and losses

Differences between the expected and actual return on scheme assets:

	2024	2023	2022	2021
Amount (£'000)	460	(30,853)	(31,177)	4,295
Percentage of scheme assets	1%	-42%	-30%	3%
Experience gains and losses on scheme liabilities:				
Amount (£'000)	(806)	26,414	37,182	(7,335)
Percentage of the present value of the scheme liabilities	1%	-27%	-30%	-4.5%



# Notes to the Accounts

	2024	2023
	£'000	£'000
<b>Analysis of movement in deficit</b>		
Deficit in scheme at beginning of the year	(23,779)	(21,623)
Movement in the year:		
Current service cost	(326)	(415)
Contributions by employer	3,819	3,396
Past service costs	-	-
Other financial charges	(1,106)	(698)
(Loss) recognised as other comprehensive income	(346)	(4,439)
Deficit in scheme at end of year	<b>(21,738)</b>	<b>(23,779)</b>
<b>Analysis of the movements in the present value of the scheme liabilities</b>		
At beginning of the year	98,121	125,378
Current service cost	-	-
Interest on liabilities recorded within other comprehensive income	4,824	4,299
Contributions by employee	-	-
Past service costs	-	-
Pensions paid	(5,275)	(5,142)
Actuarial loss/(gains)	806	(26,414)
At end of year	<b>98,476</b>	<b>98,121</b>
<b>Analysis of the movements in the fair value of the scheme assets</b>		
At beginning of the year	74,342	103,755
Expected return on assets	3,718	3,601
Total contributions	3,819	3,396
Pensions paid	(5,275)	(5,142)
Administration costs	(326)	(415)
Actuarial gain/(loss)	460	(30,853)
At end of year	<b>76,738</b>	<b>74,342</b>

The Trustees are aware of the 'Virgin Media Ltd v NTL Pension Trustees II Ltd (and others)' case. There is a potential for the outcome of the case to have an impact on the UK pension scheme. The case affects defined benefit schemes that provided contracted-out benefits before 6 April 2016 based on meeting the reference scheme test. Where scheme rules were amended, potentially impacting benefits accrued from 6 April 1997 to 5 April 2016, schemes needed the actuary to confirm that the reference scheme test was still being met by providing written confirmation under Section 37 of the Pension Schemes Act 1993. In the Virgin Media case the judge ruled that alterations to the scheme rules were void and ineffective because of the absence of written actuarial confirmation required under Section 37 of the Pension Schemes Act 1993. The case was taken to The Court of Appeal in June 2024 and the original ruling was upheld.

As a result, there may be a further liability to the University of Hull Pension and Assurance Scheme for benefits that were reduced by previous amendments, if those amendments prove invalid (i.e. were made without obtaining s37 confirmation). The Trustees will continue to investigate the possible implications with their advisors, but it is not possible at present to estimate the potential impact, if any, on the Scheme.

# Notes to the Accounts

## (e) (ii) North Yorkshire Pension Fund (within “other pensions schemes” at (d) above)

The University of Hull exited the North Yorkshire Pension Fund on 31 May 2024. As permitted under FRS 102, a gain of £1,034,000 has been recognised in these financial statements and which represents the difference between scheme assets and liabilities at the point of exit.

A full actuarial valuation of this scheme was carried out at 31 March 2019 and financial assumptions updated 31 July 2022 by a qualified actuary. The major assumptions used by the actuary were:

	31 May 2024	31 July 2023
Rate of increase in salaries	3.95%	3.85%
Rate of increase in pensions in payment	2.70%	2.60%
Discount rate	5.20%	5.10%
CPI Inflation assumption	2.70%	2.60%

The CPI inflation assumption only applies to the pre-February 2005 deferred pension element which is linked to statutory increases under Scheme rules.

The most significant non-financial assumption is the assumed level of longevity:

Retiring today

<i>Males</i>	21.8	22.0
<i>Females</i>	24.4	24.5

Retiring in 20 years

<i>Males</i>	22.4	22.9
<i>Females</i>	25.2	25.5

	31 May 2024	31 July 2023
The assets in the scheme were:	£'000	£'000
Equities	6,902	7,304
Bonds	2,746	2,376
Property/Cash/Other	4,703	3,897
	<b>14,351</b>	<b>13,577</b>

# Notes to the Accounts

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

	31 May 2024	31 July 2023
	£'000	£'000
Total market value of assets	14,351	13,577
Present value of scheme liabilities	(9,974)	(10,041)
Asset in the scheme	<b>4,377</b>	<b>3,536</b>
Current service cost	21	42
Past service cost	-	-
Total operating charge	<b>21</b>	<b>42</b>
Expected return on pension scheme assets	572	487
Interest on pension scheme liabilities	(417)	(398)
Net credit	<b>155</b>	<b>89</b>
(Loss) on assets	(647)	(734)
Gain on liabilities	139	1,566
Changes in assumptions re present value of scheme liabilities	3,686	(1,041)
Actuarial gain/(loss)	<b>3,178</b>	<b>(209)</b>

## History of experience gains and losses

Differences between the expected and actual return on scheme assets:	31 May 2024	31 July 2023	31 July 2022	31 July 2021
Amount (£'000)	(647)	(734)	(1,934)	2,058
Percentage of scheme assets	-5%	-5%	14%	13%
Experience gains and losses on scheme liabilities:				
Amount (£'000)	139	1,566	4,688	315
Percentage of the present value of the scheme liabilities	-1.4%	-15.6%	-39.4%	-2%

## Analysis of movement in deficit

	31 May 2024	31 July 2023
	£'000	£'000
Deficit in scheme at beginning of the year	3,536	2,410
Movement in the year:		
Current service cost	(21)	(42)
Employer contributions	218	247
Past service costs	-	-
Other financial charges	5	4
Gain/(loss) recognised as other comprehensive income	3,178	(209)
Other (losses)/gains	(3,536)	1,126
Settlement (loss)	(2,346)	-
Gain in the scheme at end of year	<b>1,034</b>	<b>3,536</b>



# Notes to the Accounts

	31 May 2024	31 July 2023
	£'000	£'000
<b>Analysis of the movements in the present value of the scheme liabilities</b>		
At beginning of the year	10,041	11,570
Current service cost	21	42
Interest on liabilities recorded within other comprehensive income	417	398
Contributions by employee	9	10
Past service costs	-	-
Pensions paid	(375)	(413)
Actuarial gain	(139)	(1,566)
Settlement (Loss)	(9,974)	-
At end of year	-	10,041
Gain in the scheme at end of year	-	<b>3,536</b>
<b>Analysis of the movements in the fair value of the scheme assets</b>		
At beginning of the year	13,577	13,980
Expected return on assets	572	487
Total contributions	227	257
Pensions paid	(375)	(413)
Actuarial (loss)	(647)	(734)
Settlement (Loss)	(12,320)	-
At end of year	<b>1,034</b>	<b>13,577</b>

## (e) (iii) NHS pension scheme

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

The 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 10 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 ended 31 July 2023 was equal to 14.3% of the total pensionable in accordance with the conclusion of the Government Actuary's report on the scheme.

## 27. DEPARTMENT FOR EDUCATION BURSARY FUND

	2024	2023
	£'000	£'000
Balance brought forward at 1 August	9	(2)
Grants	(9)	434
	-	432
Disbursed to students	-	(423)
Balance unspent at 31 July	-	<b>9</b>

# Notes to the Accounts

## 28. RELATED PARTY DISCLOSURES

Details of investments are given in Note 14.

Due to the nature of the University’s operations and the composition of the Council (being drawn from local public and private sector organisations) and University Leadership Team, it is inevitable that transactions will take place with organisations in which a member of Council or the University Leadership Team may have an interest. All such transactions are conducted at arms length and in accordance with the University’s financial regulations and normal procurement procedures. 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.

### The University of Hull Maritime History Trust Limited

The University of Hull Maritime History Trust Limited (excluding the International Journal of Maritime History) is a company limited by guarantee that has charitable status. It has been formed for the advancement of the education of the public by promotion of maritime historical studies at the University of Hull and the provision and facilitation of research in all aspects of maritime history. The Trust has seven trustees, of whom one is an employee of the University.

### The Ferens Education Trust

The Ferens Education Trust is constituted by a deed of trust and is registered as a charitable body. It has been formed to promote the advancement of liberal, technical and professional education and knowledge in the East Riding of Yorkshire and to assist the University of Hull in the furtherance of the objects for which it was founded. The Trust has eight trustees, of whom five are employees of the University.

### Hull University Students’ Union

Hull University Students’ Union is the official students’ union for the University of Hull. The University provides a grant towards the running costs of the Union, as well as other payments regarding goods and services rendered. Income received from the Union is in respect of facilities recharges.

### EMIH Limited

EMIH Limited has charitable status with a Board of eight directors, three of whom are nominees of the University. The University has links with the research and educational activity of EMIH Ltd at The Deep in Hull.

### Kingston Chemicals Limited

Kingston Chemicals Limited was a manufacturer of other organic basic chemicals. The University of Hull has a 21% shareholding in the company. The company was dissolved on 16 July 2024 and is now dormant.

	Income	Expenditure	Balance due to the University	Balance due from the University
	£000	£000	£000	£000
The University of Hull Maritime History Trust Limited	10	19	0	18
The Ferens Education Trust	87	43	29	0
Hull University Students' Union	305	1,542	0	0
EMIH Limited	69	95	19	16
Kingston Chemicals Limited	-	-	-	-
	471	1,699	48	34

## 29. EXPENSE PAYMENTS TO TRUSTEES

In the context of the University as a charity, Trustees are taken as Council members representing the governing body of the University and comprise both University officers and lay members.

The total expenses paid to or on behalf of trustees was £5,957 (2023: £4,166). This represents travel and subsistence expenses incurred in attending Council, meetings and events in their official capacity.









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