



UNIVERSITY OF  
BIRMINGHAM

# Annual Report and Accounts

2024/25



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# Vice-Chancellor's report

Writing the foreword to our annual report and accounts gives me an opportunity to reflect on progress over the past 12 months – a year in which we have much to celebrate.

We continue to make meaningful progress towards our ambition of being one of the world's leading universities by the end of the decade. The 2026 QS World University Rankings saw us rise to 76th globally and, notably, over the past five years, we have improved our position relative to every other UK university in the world top 100.

Other metrics show a similarly positive performance: our income exceeded £1 billion for the first time, reaching £1.1 billion; we secured record volumes of research funding and research awards, surpassing £280 million; and student satisfaction is up, improving in many measures in the national student survey to be ranked seventh in the Russell Group.

Writing the foreword this year is particularly special as it comes during celebrations for our 125th anniversary. Since receiving its Royal Charter from Queen Victoria in 1900, the University of Birmingham has changed the lives of

people in our city and around the world for the better.

Our lecture theatres, laboratories and libraries have long been brought to life by students who have gone on to shape the world in extraordinary ways. From Nobel Prize winners and heads of state to sports people and cultural icons, as well as countless others who quietly shape the world in their own way through their occupation, their community, and their interests, University of Birmingham alumni achieve remarkable things.

From the outset, our researchers have been involved in addressing some of the most important challenges of the time. This year alone, Birmingham researchers helped discover the most massive black hole merger ever observed through gravitational waves and unearthed the biggest dinosaur trackway ever found in Britain.

Academics from Birmingham Law School, in collaboration with legal experts from Ukraine's Constitutional Court and Ivan Franko National University Lviv, created a new English-Ukrainian legal dictionary, removing historic Russian influence

from the definition of constitutional legal terminology.

Recognition for the expertise and leadership of our academics has also been significant. Professor Lisa Webley, who was involved in the legal dictionary project, was appointed as the Law Commissioner for Property, Family and Trusts Law. Professor Karen Guldberg is chairing a new Department for Education Neurodivergence Task and Finish Group for SEND provision in mainstream schools. Professor Lyndsey Stonebridge FBA became Vice President for Public Engagement at the British Academy. Professors Tim Dafforn and Robin May were both appointed as Chief Scientific Advisers – Tim to the Ministry of Defence and Robin to the UKHSA.



Higher education is a global endeavour, and we continue to attract exceptional people to join us. This year, our 125th Anniversary Fellows and Chairs scheme has enabled us to appoint outstanding academics from North America, Europe and Asia. Our impressive track record for recruiting and retaining academic talent led to us being chosen as one of 12 institutions to receive a share of the government's £54 million Global Talent Fund.

Our campus in Edgbaston is a beautiful place to work and study, with impressive architecture and a 'Green Heart' at its centre. This year, we strengthened our commitment to biodiversity and climate action by becoming a Nature Positive University, signing the Climate Action Network for International Educators Accord, and pledging support to the Concordat for the Environmental Sustainability of Research and Practice.

And in June, the Green Heart was filled with students, alumni, staff, and our local community at our Come to Campus festival and Anniversary Concert – the cornerstone of our 125<sup>th</sup> anniversary celebrations. Packed full of activities, the festival included accessible sports, talks and discussions hosted by Professor Alice Roberts, as well as market stalls where academics introduced their research to visitors.

We displayed the University's musical talents with an impressive line-up, including the University Philharmonic Orchestra, Jazz Orchestra, and a host of guest singers. The open-air concert was proudly 'Brummie' and celebrated the city's rich and diverse musical heritage with pieces from Elgar to ELO.

Across the world, we also celebrated our 125th anniversary with alumni and friends through a series of global leadership events. One highlight was a special reception at the Kennedy Center in Washington, D.C. held ahead of a

Birmingham Royal Ballet performance of 'Black Sabbath – The Ballet'.

Carlos Acosta, Director of the Birmingham Royal Ballet, was awarded an honorary degree at our summer graduations, one of many guest speakers, including Baroness Amos and Nobel Prize winner Sir Paul Nurse, to share their inspirational stories with our graduates and their friends and families.

For a second year in a row, we were ranked as the number one university for UK graduate employers ('The Graduate Market'), and we launched a new partnership with the University of Glasgow and leading graduate career support organisation, JOBShaigui. This will support our graduates in China and India as they kick-start their careers after completing their study in the UK.

This year also marked other important milestones. Our Access to Birmingham (A2B) programme celebrated its 25th anniversary, having opened the door to higher education for nearly 7,500 young people who may not have considered

university to be a viable option. Meanwhile, the High Temperature Research Centre, a decade long collaboration with Rolls-Royce, continued to transform the UK aerospace industry, and was recognised with a prestigious Queen's Anniversary Prize.

The value and impact of universities to their communities, nationally in addressing economic and social challenges, and internationally as major exporters and contributors to UK soft power, has never been more important. This year, Birmingham City Council Managing Director and Birmingham alumna Joanne Roney CBE and I signed the Birmingham Civic Agreement. This symbolic moment recommitted the University to its role as a civic institution that is both of and for the city.

We also strengthened ties with two other significant Birmingham institutions: Birmingham City Football Club and Birmingham Botanical Gardens. Together, we are creating opportunities in research,

education and health, and raising aspirations across Birmingham.

As we look to the future, there remain acute challenges for the sector; the outlook is as challenging as I have seen in my career. Global instability, rising costs and further restrictions, like the mooted levy on international students at universities in England, continue to place pressure on universities.

The latest Office for Students report forecasts that 43 per cent of English universities will run a deficit this year and the long-awaited increase in undergraduate tuition fees to £9,535 for 2025/26 will only partly offset the financial strain. We also await further clarity from the government's Post-16 Skills and Higher Education White Paper.

In the meantime, our University remains in a good position. We continue to make careful strategic decisions about how we invest, ensuring we prioritise the student experience and research excellence, and enhancing income generation and cost efficiencies. We have improved on almost

every major measure, including both staff and student satisfaction, and the amount of new research awards won continues to be amongst the highest in the UK.

I would like to thank the whole University community for their continued dedication. And as we face into challenging headwinds, our University Council has signed off a refreshed strategic framework, and with people capable of and committed to delivering it, we are in a strong position for the future.

I have said before, and make no apologies for saying again, the dedication and enthusiasm of our University community is simply exceptional.

**Professor Adam Tickell**  
**Vice-Chancellor and Principal**





# Chief Financial Officer's report

Universities in the UK continue to offer a very wide range of benefits and at the University of Birmingham, through world-class research and education we are helping to create a dynamic economy, stronger communities, a more sustainable world, and a better future for the UK and beyond. We deliver outstanding teaching and learning experiences which enable strong influence within our communities, collaborating with businesses on joint research projects and supplying highly qualified and motivated graduates. We run ancillary services, such as student residences, conferencing and sport, in support of staff and students, which provide additional funds to invest into research and teaching. The University is a complex business which directly employs over 8,500 people and supports thousands of jobs in the UK. The Our Community section of this Annual Report provides more information about the contribution the University is making through its operations.

2024/25 was all about sustainability. Across the sector, with regulators and government, and often in the news, one found advice, guidance, and commentary

about the challenges UK universities are facing. The underlying causes are restrictions on fee increases; project funding awarded for a number of years largely on a fixed basis; and a changing international student market — these are the same for all universities. However, the ways in which they impact each of them are very different. In 2024, we achieved our student intake and population targets which provided a good basis on which to plan the remainder of the financial year and for our future planning. For us, financial sustainability is about ensuring we make medium and long-term decisions and preserve as much cash and reserves as we can to act as a buffer for future turbulence.

Our focus on financial sustainability is not an end goal, rather a means to fulfil our mission and ensure its long term viability. Led by Council, our governing body, supported by its committees, we continue to develop our internal financial reporting and communicate widely about the impact external factors have on this University and its finances. We seek to engage everyone in driving income up and costs down, whilst looking for opportunities to invest for long-term growth. And we do

all of this to enable the education and research to continue, with high quality, impact, and outputs.

In achieving mission sustainability, we want to ensure the impact we have on the world is a positive one, in all aspects. Our risk register includes a sustainability risk, to reflect the importance of keeping it upfront and in all our decision making. The cost of achieving net zero is significant (over £300 million for the estate when last costed) and we continue to embed net zero into our thinking. In 2024/25, we have made significant contributions to the United Nations 17 Sustainable Development Goals (SDGs), as outlined on our website ([birmingham.ac.uk/university/social-responsibility-sustainability/responsible-investment](https://birmingham.ac.uk/university/social-responsibility-sustainability/responsible-investment)) and the Our Community section of our Annual Report.

I am confident that with continued strong financial management we will be able to achieve mission sustainability alongside our contribution to the SDGs for a few more years.





Income

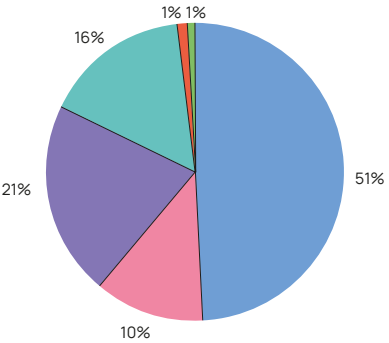
The total consolidated income of the University group was just over £1 billion, up 16 per cent on the prior year (2023/24: £945 million). A significant proportion of our income (over 60 per cent) is fixed or subject to increases that are below the level of inflation, requiring the University to deliver both education and research in more efficient and effective ways.

The UK Higher Education sector has seen a shift from a period of year-on-year growth in international student numbers to a slowing down and more recently a decline, impacting the University at both our Edgbaston and Dubai campuses. In 2024/25, we grew our student intake, both Home and International, whilst being aware this was at a cost to others in the sector. A concerted effort by our staff and partners sold the benefits of a University of Birmingham degree in an environment of heightened competition and increasing costs of acquisition.

Following record years for research awards, we delivered increased activity in 2024/25, with over £228 million of income, representing 20 per cent of total income in the year. The type of funders and the research they fund is very diverse and more details of the impact this has had can be found on our website ([birmingham.ac.uk/research](https://birmingham.ac.uk/research)).

By the end of the first quarter, much of the income for the year is identified, which enables stability in financial planning for the rest of the year and into the future. In 2024/25, we achieved better returns on our investments, despite market volatility, and higher than anticipated donations through campaigns celebrating the University's 125th anniversary. The first-ever University giving day raised over £218,000 in 36 hours and has supported life-changing initiatives.

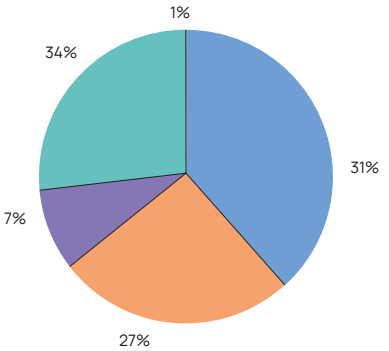
Income analysis



2024/25 total income - £1,092 million

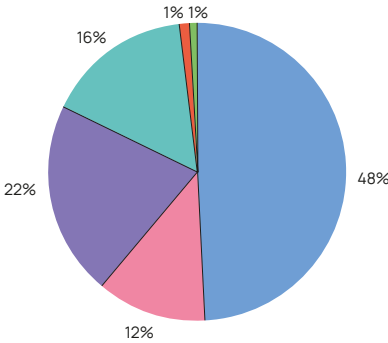
- Tuition fees and education contracts **£551 million (51%)**
- Funding body grants **£111 million (10%)**
- Research grants and contracts **£228 million (21%)**
- Other income **£173 million (16%)**
- Investment income **£16 million (1%)**
- Donations and endowments **£12 million (1%)**

Tuition fee analysis



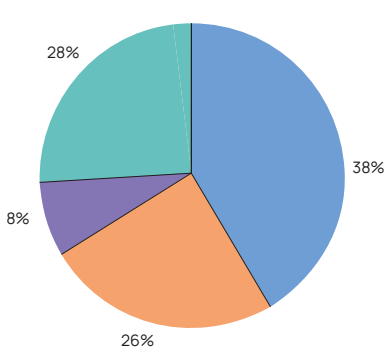
2024/25 tuition fees - £551 million

- Undergraduate tuition - home **£174 million (31%)**
- Undergraduate tuition - other students **£148 million (27%)**
- Postgraduate tuition - home **£36 million (7%)**
- Postgraduate tuition - other students **£187 million (34%)**
- Other courses **£6 million (1%)**



2023/24 total income - £945 million

- Tuition fees and education contracts **£456 million (48%)**
- Funding body grants **£110 million (12%)**
- Research grants and contracts **£205 million (22%)**
- Other income **£151 million (16%)**
- Investment income **£14 million (1%)**
- Donations and endowments **£9 million (1%)**



2023/24 tuition fees - £456 million

- Undergraduate tuition - home **£173 million (38%)**
- Undergraduate tuition - other students **£118 million (26%)**
- Postgraduate tuition - home **£37 million (8%)**
- Postgraduate tuition - other students **£126 million (28%)**
- Other courses **£2 million (0%)**



Expenditure

Given the nature of the University's activities, it is unsurprising that our staff-related costs remain our highest annual expenditure. These costs account for 52 per cent of our total income (excluding pension adjustments) with 2024/25 including £12 million spent on a voluntary leaver scheme (VLS) to reduce costs in future; nearly 250 people left the University under this scheme. We have continued to invest in academic areas, with 22 Anniversary Chairs and Fellows joining in the year and a second phase recruitment underway. The VLS and the Anniversary schemes together are enabling us to rebalance the areas of expertise and market interest that drive our global top 50 ambition.

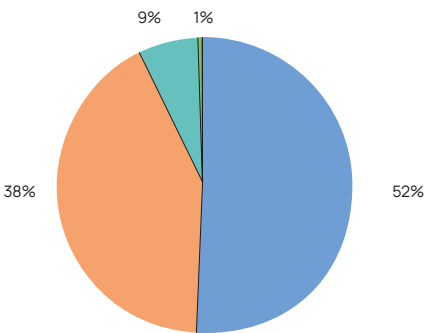
Depreciation, amortisation and impairment was £93 million, compared to £102 million

in the prior year, in part due to less capital spending to conserve cash to respond to future uncertainty. 2024/25 was a year of reflection on the outcomes of the 2045 Campus Vision, considering the short, medium, and long-term expansion needs alongside the consolidation of existing spaces and their maintenance requirements. This work will continue for the next few years.

Student support costs were slightly lower than the prior year at £69 million, compared to £73 million in 2023/24. We continue to provide a blend of support to enable our students to focus on their studies, see our website ([birmingham.ac.uk/study/student-experience/advice-support](https://www.birmingham.ac.uk/study/student-experience/advice-support)) for more detail. The reduction year on year reflects a shift to more internal than external resources to deliver day-to-day support.

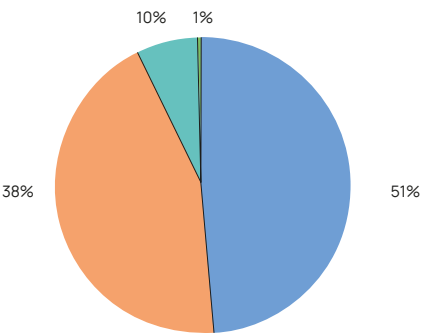
The level of other operating expenses, which is a very large basket for everything else we spend, was £417 million. We continue to see increases in many items where the scale of operations makes volume reductions challenging. We spent £25 million on utilities; £19 million on rent and rates; £9 million on repairs and maintenance; £11 million on books, periodicals and printing; all of which increased compared to the prior year. Spending on student acquisitions which is largely fees paid to agents cost £25 million compared to £13 million in 2023/24. To mitigate the impact of cost increases we engage in supplier engagement, actions to drive volume reductions, hedging and local cost controls.

Expenditure analysis



2024/25 expenditure — £1,090 million

- Staff costs **£572 million (52%)**
- Other operating expenses **£417 million (38%)**
- Depreciation and amortisation **£93 million (9%)**
- Interest and other finance costs **£8 million (1%)**



2023/24 expenditure\* — £1,012 million

- Staff costs **£512 million (51%)**
- Other operating expenses **£382 million (38%)**
- Depreciation and amortisation **£102 million (10%)**
- Interest and other finance costs **£16 million (1%)**

\*excluding USS provision movement



Investing for the future

The University holds approximately. £1.4 billion of fixed assets, of which 90 per cent are freehold land and buildings. Much of this has covenanted interest which restricts the use to education and research purposes, aligned to our core operations, but limiting in terms of potential sale should we need to downsize. In continuing the work of the **2045 Campus Vision** ([birmingham.ac.uk/about/our-campus/2045-campus-vision](https://www.birmingham.ac.uk/about/our-campus/2045-campus-vision)), we have been developing strategies to ensure our maintenance of the existing estate is prioritised and focused on those spaces with longer-term and more flexible uses; as well as enabling achievement of carbon zero. We have also been reviewing the next phase

of our digital strategy, with the refresh due to complete in 2025, delivering the vision for the longer-term alongside short and medium-term projects. The spend on the physical and digital estate this year was £110 million (2023/24: £104 million), reflected in the financial statements as £35 million on maintenance, equipment, and refurbishment expensed in the year; £9 million on student system enhancements; £23 million on other digital developments expensed in the year and £42 million on fixed assets.

In 2024/25, we amended our key performance indicators at University and budget centre level to focus more on the cash generated from operations and asset management, as well as income. This has been embedded in the

year and is being widely used to assess financial contribution. These metrics are presented in each financial report to our governors, reflecting past and in-year performance against budget, forecast and five-year planning horizons. These are supplemented with internal reporting on a more regular basis and supporting information such as weekly cash holdings and cashflows, aged debtor tracking, project income and expenditure, and budget centre EBITDA (earnings before interest, tax, depreciation and amortisation). All of these combined enable us to prepare our responses to opportunities or risks before they arise and form the basis of sound financial management.



Key financial indicators	2024/25	2023/24	2022/23	2021/22 Restated	2020/21
Consolidated	£m	£m	£m	£m	£m
Total income	1,092	945	929	888	786
Surplus/(deficit) before tax*	6	212	20	(171)	59
Earnings before interest, tax, depreciation and amortisation (EBITDA)**	72	35	58	91	86
EBITDA** as a % of income	7%	4%	6%	10%	11%
Cash flow from operations	108	23	24	82	99
Cash flow from operations as a % of income	10%	2%	3%	9%	13%
Cash and cash equivalents	268	196	126	192	173
Capital expenditure	51	46	86	70	91
Net assets	1,344	1,335	1,128	1,136	1,290
Net cash/(debt)	(13)	(45)	(121)	(65)	(94)
Borrowing as a % of income (gearing)	22%	26%	27%	29%	34%

\*Surplus/(deficit) before tax includes the movement on the USS provision. This impacts the result each year as follows: 2024/25 £nil, 2023/24 £268m increase, 2022/23 £55m increase, 2021/22 £203m decrease, 2020/21 £12m increase, 2019/20 £75m increase.

\*\*The EBITDA calculation excludes the movement on the USS provision.

### Cash and investments

The University has several types of cash and investments:

- Endowment gifts, where any investment needs to generate sufficient funds to support the activity for which the funds were provided and the capital secured on a long-term basis such that short-term valuation adjustments are acceptable, the Long-Term Portfolio (LTP).
- Those that represent cash required in the medium-term but not immediately for day-to-day operations, which need to generate a return and not suffer capital losses, the Medium-Term Portfolio (MTP).
- Those required to support short-term operational needs, which are held by investment managers as a portfolio, the Liquidity Portfolio (LP); or in bank deposit, money market and/or current accounts, together known as the Operating Fund (OF).

In a very complex and volatile market, the University is seeking to balance its duties to manage our finances well to support our objectives to provide world-leading education and research. The split of funds enables us to navigate that complexity, with the support of external advisors and our governors. In 2024/25, we have extended our external reporting on our website ([birmingham.ac.uk/university/social-responsibility-sustainability/responsible-investment](https://www.birmingham.ac.uk/university/social-responsibility-sustainability/responsible-investment)) in relation to our investments, providing more transparency and information to interested parties. This work has been informed by best practice, guidance from our governors and student engagement.

The LTP and MTP are overseen by the Investment Sub-Committee, a sub-committee of the Strategy, Planning and Resources Committee (SPRC), based on an outsourced chief investment officer (OCIO) model. The OCIO manages the day-to-day running of the portfolios in line with agreed mandates. The mandates are set in line with the University's policy on

responsible investment, which sets out our commitment to integrating environmental, social and governance matters into all investment decisions.

The average yield of the liquidity funds in the MTP for the year was 4.6 per cent and the LTP return for the year was 6.8 per cent.

The average monthly outlay is £86 million compared to £90 million in 2023/24, reduced due to controls over cash spending and paying to terms rather than early. Year-end cash and cash equivalents is £268 million (2023/24: £196m) and represents three months (2023/24: two months) of expenditure.

In July 2025, we confirmed our intention to repay the Lloyds loan of £36 million, with repayment completed in August 2025. At the same time, we entered into a Revolving Credit Facility of £100 million, which has not been drawn down to date.

### Financial strategy and going concern

The long-term financial strategy of the University is to generate sufficient cash to deliver the ambitions of the 2030 Strategy, enable investment into the physical and digital infrastructure, support staff and student experiences, and to develop and respond to change, to secure its long-term future. In support of this, and to ensure financial sustainability, a five-year planning cycle is in place, comprising a one-year budget and four-year projections which are at University level and on a bottom-up basis with budget centres. All of this is aligned with the overarching strategy through local strategic plans assessed against the Birmingham 2030 strategic framework and its supporting longer term outlook ([birmingham.ac.uk/about/our-strategy](https://www.birmingham.ac.uk/about/our-strategy)).

Using a balanced scorecard of financial metrics we can assess the delivery of both strategic and financial plans across the year to act in the light of those reviews and external factors. The five-year planning process includes the preparation of income and expenditure statements, cash flows, capital plans and summarised balance sheets. Budgets and projections are subjected to sensitivity assessments which flex the key assumptions and enable us to assess the long-term financial sustainability of the University as well as to inform decision making.

The University's Council has determined that the University has adequate resources and undrawn facilities to continue in operational existence throughout the going concern period to 31 July 2027. To support the Council in making this assessment, we have completed a thorough review including stress testing of assumptions and reverse stress testing to confirm appropriate headroom in the event of a plausible downside scenario. Based on this determination, these statements have been prepared on a going concern basis.





Principal risks and uncertainties

The Strategic Risk Register is aligned with the strategy of the University, Birmingham 2030, and continues to provide a view of the internal and external challenges associated with the delivery of the strategy. In 2024/25, three risks were identified as priorities for more regular monitoring by University Executive Board (UEB) and Audit Committee. These related to student recruitment; investment capacity; and academic standards and student experience. This focus has ensured that mitigating actions are in

place and working effectively, as well as leading to risk rating adjustments where necessary. In addition, Council has been provided with a risk appetite statement and tolerance bands for each risk theme, against which all of the detailed risks are mapped. UEB reviews the risk register each quarter, Audit Committee every six months and it is presented to Council for review once a year, most recently in April 2025.

This year, external factors considered in the quarterly Executive Board updates have included the UK-wide position for international student recruitment; external economic factors such as the

geopolitical climate and the conflicts in Gaza and Ukraine; industrial relations; the political climate of the UK; and regulation applicable to the University. An exercise was completed by UEB in the year to consider and develop the University's crisis management in the event of an accumulation of disasters.

The key risks recorded in the Strategic Risk Register and examples of the mitigating actions are set out in the following table:

Area of activity	Description of risk/uncertainty	Examples of mitigating actions
Research	Achieving research quality, scale, income, and reputation required to support the global top 50 ambition.	<ul style="list-style-type: none"><li>▪ Implementing the research funding strategy to enable improved responses to funding calls, support for new funding routes and investment to support activity.</li><li>▪ Realising the benefits of the re-framed Research Strategy and Services Division whilst prioritising the support for researchers at all stages of the process.</li><li>▪ Tracking of key performance indicators at all levels of the University to ensure timely actions where required.</li><li>▪ Utilising new reporting to drive expenditure on targeted projects.</li><li>▪ Continue to drive the principles of purposeful research for widest reach and reputation.</li></ul>
Education	Sustain academic standards, excellent teaching, and student experience.	<ul style="list-style-type: none"><li>▪ Deliver changes for improved effectiveness and student experience in curriculum and associated areas.</li><li>▪ Free up time to enable capacity to be spent on teaching and its support, with investments in locations, processes, and systems.</li><li>▪ Seek opportunities for interdisciplinary delivery to utilise our broad offering effectively.</li><li>▪ Continue to refine and develop programmes to respond to demand.</li><li>▪ Implement employability initiatives to support student outcomes.</li></ul>
	Achieve student recruitment and diversification targets at quality and scale set out in strategic plans.	<ul style="list-style-type: none"><li>▪ Deliver on existing and new business cases for student recruitment and delivery routes.</li><li>▪ Develop new approaches to applicant attraction and conversion and ensure engagement throughout the student lifecycle.</li><li>▪ Build on the initial success of the Dubai campus and partnership locations to deliver growth.</li><li>▪ Continue to respond to student needs for support with funding and activity.</li></ul>
Engagement and impact	Deliver expansion in innovation partnerships with societal benefit.	<ul style="list-style-type: none"><li>▪ Continued focus on global top 50 ambition.</li><li>▪ Development of new partnership and other arrangements to strengthen collaboration and use of our assets, both physical and intellectual.</li><li>▪ Extend academic engagement in public policy and other activities.</li><li>▪ Increase global engagement to deliver enhanced reputation outcomes.</li></ul>

Area of activity	Description of risk/uncertainty	Examples of mitigating actions
Global and local	Strengthen our global reach, influence, impact and reputation through engagement on a national and international basis.	<ul style="list-style-type: none"><li>▪ Identify partnerships to support growth in income and reputation.</li><li>▪ Capitalise on current arrangements within the international strategy.</li><li>▪ Active management of partners and engagement to maximise outputs.</li><li>▪ Enhanced regional focus in key international markets.</li><li>▪ Delivery of the Regional Engagement strategy.</li></ul>
People and culture	Recruit, develop and retain a diverse and high calibre workforce to enable a diverse, collaborative and intellectually stimulating environment to deliver our global top 50 ambitions.	<ul style="list-style-type: none"><li>▪ Delivery of the People and Culture Strategy.</li><li>▪ Embed 125th Anniversary Fellows and Chairs.</li><li>▪ Complete activities to encourage a supportive culture which expects high performance and embeds our values.</li><li>▪ Invest to deliver efficient processes and systems to free up time for other activity.</li><li>▪ Delivery of the 2025-2028 strategy for Equality, Diversity &amp; Inclusion.</li></ul>
Sustainability	Drive our transition to a more sustainable institution, including making progress towards our carbon reduction ambitions.	<ul style="list-style-type: none"><li>▪ Delivery of plans to address scopes 1, 2 and 3 Net Zero.</li><li>▪ Integration of sustainability in teaching and research areas to develop plans to address all relevant sustainability goals.</li><li>▪ Use of our position as a global civic university to create a more sustainable world.</li><li>▪ Continued engagement with students and staff to promote and support sustainable behaviours.</li></ul>
All	Deliver the supporting strategies required to deliver Birmingham 2030 ambitions.	<ul style="list-style-type: none"><li>▪ Development of prioritised investment plans, for growth, change and other strategies.</li><li>▪ Devise new approach to space utilisation and allocation to support strategic aims and improved campus experiences.</li><li>▪ Devise plans for further cost control to driver efficiency and effectiveness in all areas of operation.</li></ul>
	Make adequate and appropriate investment in academic activity and campus infrastructure on a prioritised basis to deliver Birmingham 2030 ambitions.	<ul style="list-style-type: none"><li>▪ Develop and deliver plans for medium and long-term cost saving and income generation opportunities.</li><li>▪ Promote innovation and opportunities for alternative funding.</li><li>▪ Develop a balanced approach for delivering affordable investment plans with improved staff productivity, optimisation of activities and reducing bureaucracy.</li></ul>

In these uncertain times, the University remains committed to maintaining our strategic direction whilst being purposeful in our activities and decisions. We have a legacy of balancing risks and opportunities and I anticipate that we will continue this, responding positively to the challenges facing our sector and securing our mission for the longer-term. In driving for Global top 50, we will continue to act as an anchor

and convener in the region, nationally and globally. It is the day-to-day commitment and activities our staff and students that enable us to deliver resilience, I am grateful to work with such a great team.

Erica Conway  
Chief Financial Officer





# Chair of Council's report

As Pro-Chancellor and Chair of Council, my role is to lead and chair the University's governing body. Council brings together independent lay members, who are in the majority, the University's senior leadership team, and representatives of the academic and student communities. Together, we have the ultimate responsibility for the University's governance, strategy and performance.

This has been another extremely busy and productive year for both Council and the University. It has also been fantastic to join the celebrations of the 125th anniversary of the University throughout the year, including our Community Festival and Concert in June.

Alongside our role in ensuring good governance and scrutinising performance, Council has been working closely with the University's senior leadership team on the key priority areas in which we need to maintain our momentum towards achieving our long-term ambition of reaching the global top 50 of universities.

We dedicated our April 2025 Council Strategy Day to reviewing our Birmingham 2030 Strategic Framework.

At this mid-point of the University's 2030 strategy, this review provided an important opportunity for Council and the University's senior leadership team to reflect on progress to date, the evolving internal and external environment, and to reaffirm our commitment to delivery of our global top 50 ambition.

A key University priority has been to achieve an improved performance in the National Student Survey (NSS) this year. Council has continued to monitor progress on measures to improve the student experience closely and we are delighted that the University has achieved improvements to our percentage score and ranking, benchmarked against the Russell Group, the +94 Group, and the sector, for all but one thematic area of the 2025 NSS.

Work has also continued to progress the 'cornerstone' projects of the Estates and Campus Strategy in terms of prioritisation, sequencing, costing and affordability for report back during the 2025/26 academic year.

Whilst this past year has been tremendously exciting and productive, the higher education sector continues to face significant challenges. These have arisen from factors including continued uncertainty in international student demand, changes in the higher education policy environment, inflation, and the funding model for research. Council has again spent a good proportion of its time this year on work to ensure that the University is well positioned to respond to these challenges.

Finally, I want to thank the University Executive Board and the University's broader leadership and staff community, and my fellow members of Council, for their hard work this year and their commitment to supporting the University and its ambitions for the future, in the service of our students and of society.

**Mervyn Walker**  
Pro-Chancellor and Chair of Council



# Our community

The University is an exempt charity by virtue of Schedule 3 of the Charities Act 2011. The Office for Students (OfS) is the University's principal regulator under the Charities Act 2011. The University's principal place of business is Edgbaston, Birmingham B15 2TT.

The University operates autonomously, having regard to requirements to fulfil its charitable objectives under the Royal Charter (by which it was established in 1900), to the OfS and other regulatory bodies within the sector.

In setting strategy and implementing decisions to enhance our activity, the University's Council has due regard to Charity Commission guidance on public benefit and takes account of this when exercising its powers and duties.

The University's activities are governed by its Charter and Statutes. In accordance with these, the University's objectives are to be a teaching and an examining university, and to further the prosecution of original research.





## Educational benefit

In 2024/25, the University taught almost 43,000 students, offering a high-quality academic experience at both undergraduate and postgraduate level. Our subject range is one of the broadest of any UK university, and our students form part of a vibrant academic community, studying and working alongside some of the finest academic minds in the world.

As one of the first universities to set up a fair access scheme 25 years ago, we have a long-standing commitment to ensuring that students from a diverse range of social and cultural backgrounds can study at the University of Birmingham.

This year, 44 per cent of our home undergraduate students were from a minority ethnic background, 22 per cent declared a disability, 74 per cent were from state schools, and 31 per cent were first generation into higher education.

We are proud of our long-standing approach to widening participation and met our Access and Participation target of at least 10 per cent students coming from the most disadvantaged backgrounds, many from the West Midlands region. The ratio of students from high participation areas to those from low participation areas was 4:1.

We believe that financial worries should not be a barrier to accessing higher education, offering financial support for eligible students through scholarships, our Pathways to Birmingham initiative, and our Student Support fund. We also have a specific programme for care leavers, which includes a £2,000 cash bursary and other support, and are a signatory of Care Leavers' Covenant.

The University of Birmingham is the lead HEI for the Aimhigher West Midlands partnership, an initiative focused on tackling educational inequality across the region. This year, Aimhigher delivered five events as part of the HE4ME programme, designed for learners in care, reaching a total of 54 participants.

In addition, the partnership collaborated with more than 100 schools and colleges across the West Midlands, engaging 12,000 learners through more than 350 activities. These included attainment-boosting programmes, subject-specific masterclasses, mentoring, and residential summer schools.

Aimhigher West Midlands has strong reputation and expertise in evaluating outreach and measuring impact. Through our own research and mixed-methods evaluation, including quantitative tracking, learner feedback, and case studies, we generate robust evidence on what works in widening participation.

Studies show that learners engaged in our programmes are significantly more likely to progress to higher education. Crucially, evaluation is not just about measuring outcomes: we use insights from our research to refine our offer ensuring our programme remains responsive, targeted, and effective in tackling educational inequality.

Birmingham Scholars, our dedicated initiative for improving student access, success and progression, is designed to support students from under-represented backgrounds. More than 3,000 Birmingham Scholars benefited from targeted interventions designed to level access to opportunities through the Study, Fun, Growth and Beyond initiatives, which support widening participation students, post-admission.

Once here, our students access support and enhance their employability through mentoring relationships and engagement in flagship programmes such as the Birmingham Award and the Birmingham Project. Postgraduate Taught Access Scholarships have been awarded to support widening participation students graduating from UK universities to further their postgraduate education at Birmingham.

Towards the end of the academic year, UoB Xtra offered students a wide range of opportunities to go beyond the curriculum. These include academic activities, career enhancing work encompassing advice and

support, group projects, competitions and masterclasses, skills acquisition and a lot of fun.

Many of our students are entrepreneurial, setting up their own business with support from UoB Elevate – an incubator and business growth programme for our students and graduates. According to the most recent (2023/24) HESA data, the University is in the upper quartile of UK universities for student start-ups, top five within the Russell Group ([hesa.ac.uk/data-and-analysis/business-community/ip-and-startups](https://hesa.ac.uk/data-and-analysis/business-community/ip-and-startups)).

Launched in September 2021, UoB Elevate has helped to create 91 new businesses, which have – to date – raised more than £5 million in external investment. One of these, Knowness, is an EdTech and artificial intelligence platform implementing more than 50 years of learning and cognitive neuroscience research to help students learn effectively. This year, 15 schools adopted the platform, with positive early feedback.

Students are also using their skills to benefit local communities. Birmingham Law School students offer free legal advice for victims of fraud. From phone scams and phishing emails to identity theft and bank card cloning, victims will be able to get advice from Birmingham Law School students, supervised by a qualified lawyer.

These educational benefits spill over into the region. Our investment in the University of Birmingham School raises the ambition of, and opportunities for, a diverse range of young people from across the city. After graduation, our students take the training, skills and attributes they have gained with us into a variety of careers and locations.





### Research benefit

For more than a century, research from our University has been changing the way the world works, leaving a lasting impact on lives, culture, industry and society. Working with industry and other funding bodies, we continue to create original and enduring solutions to some of the world's biggest issues.

Research published this year by Birmingham scientists found that a flavanol-rich cocoa drink can protect the body's vasculature against stress even after eating high-fat food, and that therapy delivered through the skull can aid tissue repair after mild traumatic brain injury. This novel method could result in a new treatment option in an area that currently has few, if any, treatment options.

An important report from the University of Birmingham and WWF highlighted the potential health risks of nanoplastics, leading calls to agree legally-binding commitments. Research from the School of Philosophy and Theology outlined why public institutions should recognise a new human right to free internet access and what such a right could look like.

In medicine and health, the University opened the International Centre of

Excellence in the Treatment of Pathological Fractures (FractureFix), alongside the universities of Uppsala and ETH Zurich to address the urgent clinical challenge of pathological fractures, which are expected to rise with an ageing population.

Health researchers also identified the possibility of an increased risk of bladder cancer among Army veteran bomb disposal officers, launched the world's biggest appendicitis study to collate data from more than 2,000 hospitals in 135 countries, and developed a drug-free nasal spray to prevent hay fever.

To coordinate services and deliver a world-class experience for our 3,000-plus postgraduate researchers (PGRs), we launched the University Doctoral School. Led by Director, Professor Jessica Blair, this initiative builds on the foundations laid by the University Graduate School and represents the University's commitment to meeting the evolving needs of PGRs.

It will provide high-quality training and development tailored to PGR needs, enhance community and wellbeing support, and foster a vibrant and inclusive research culture, ensuring seamless support for researchers from induction through to graduation.

22 Black British Researcher Scholarships have been awarded to support underrepresented students in academia, with 12 scholars beginning their PhDs in October 2024. Another 10 have been offered places in the second cohort.

### 125th anniversary

As part of the University's 125th anniversary celebrations, we curated 'Largely in your hands: making and shaping a university'. This exhibition in the Aston Webb building, created in collaboration with staff, students and alumni, explores how the University has grown and changed over time, shaped by the people who study, work, and live around it.

The title comes from a speech by King Edward VII, who opened the University of Birmingham. His words, 'Largely in your hands,' remind us that the University belongs to everyone. Through films, artworks, and museum objects, visitors can discover the University's journey – from its civic roots to today's vibrant community. The exhibition invites everyone to reflect on the University's role in society and how we all contribute to its future.

To celebrate the 125th anniversary of the University, the 'Our City' programme at The



Exchange reflects on the institution's role within, and connection to, Birmingham. For 125 years, the University has been part of the fabric of the city and throughout its history, has tackled issues that shape all our lives – health, money, the environment, youth mental health, and much more.

Installations in the Banking Hall and South Entrance highlight three cutting-edge areas of University of Birmingham research, spanning the past, present, and future. One display celebrates Dame Hilda Lloyd, a University of Birmingham graduate and the first female professor, who transformed maternal care in Birmingham through the introduction of obstetrical flying squads.

Another explores the global challenge of microplastics, revealing the crucial role of tiny water fleas in ecosystems and how the Birmingham Plastics Network is researching smarter solutions for a cleaner future. A third installation examines the impact of smartphone bans in schools on the mental health of young people through the SMART Schools project.

A public programme of activities and events, which were designed and delivered in partnership with University

academics, researchers, and staff as well as external partners and community organisations, ran in parallel to our exhibitions. It explored the themes of our city, our health, our environment, our money and our young people.

The programme has fostered both new and existing partnerships – an event in April saw West Midlands Combined Authority, Birmingham City Council and Birmingham City Football Club come together to answer: 'What Next for Birmingham?' and explore ambitious plans for the city.

Of all visitors surveyed, 95 per cent rated the quality of the programme 4 or 5 out of 5, and 47 per cent of respondents said they had visited because they wanted to learn something new.

### Engaging local and international communities

We are committed to being an exemplary civic and global university – bringing the best to our campuses and taking our best to the world to strengthen research excellence, student experience, and international reputation.

The public and private benefit we attract, and our operational expenditure and







The Islamic Society hosted a Community Iftar, with guests visiting campus to enjoy a meal together. For this year's Holocaust Memorial Day, the Guild of Students invited the son and daughter-in-law of Holocaust survivor Kitty Hart-Moxon OBE to share her story.

Staff Networks continued to deliver a wide range of activities over the past year, including activities for International Women's Day, LGBTQ+ History Month, Black History Month and the University's first South Asian History Month. The EDI Centre continues to work closely with staff networks to best support the demographics they represent and understand their experiences of working at the University.

Also on campus is a huge amount of public art, from architectural gems to sculptures. New digital and physical tools help students, staff, and visitors explore the sculpture collection, which includes 21 pieces across campus. Accessible signage is placed in safe, level areas where visitors can stop and engage comfortably. They are positioned at a height suitable for wheelchair users and include braille, tactile markers, and QR codes that link to interpretation and visual descriptions.

Based in Centenary Square in Birmingham's city centre, The Exchange delivers a public programme of free exhibitions, events and family-friendly activities, inviting people to engage around a key research theme. In the past year, almost 40,000 attendees came to activities and exhibitions at The Exchange.

These include our AI Futures programme, which ran throughout 2024 and asked visitors to engage with questions about how AI affects work, home, and is shaping our world. More than 130 academics participated in the programme, which attracted new visitors to The Exchange – 55 per cent of those attending were first-time visitors.

As part of AI Futures, and in partnership with Ikon and Vivid Projects, we

commissioned a new moving-image installation by Midlands-based artist Exodus Crooks. Titled 'We Need 2 Tik', the work examined public perceptions of AI, alongside media and technology, drawing inspiration from the writings of Jamaican-British academic and cultural theorist Professor Stuart Hall.

October 2024 saw the launch of Booktober, a month-long celebration of reading, writing and all things books. For one month, The Exchange was transformed into a hub for new writing from Birmingham and the Black Country, with writers of all levels of experience invited to contribute to an anthology of new work.

Following its success, Booktober returned in 2025 with an even stronger presence from academics and staff, partnerships with Birmingham Literature Festival, DESiblit South Asian Literature Festival, local bookshops The Heath and How Brave is the Wren, and a book club based on University research themes.

'Unlocking the Vaults' is a one-off project focused on The Exchange's former role as the head offices of Birmingham Municipal Bank (BMB). The project, running for two years from November 2024, is funded by National Lottery Heritage Fund with match funding from the University. It aims to explore and share the history and legacy of BMB.

In its first year, 'Unlocking the Vaults' developed a creative learning collaboration with Birmingham Rep, involving pupils from Christ Church Primary School from Sparkbrook and Nelson School in Ladywood. It helped to develop the skills of more than 1,200 adults and young people, hosted five student placements and contributed 139 hours of in-kind University of Birmingham staff support and 88 volunteer hours.

Looking further afield, University of Birmingham Dubai (UoBD) continued to grow, launching the emirate's first PhD in artificial intelligence (AI), marking

a milestone in the advancement of AI education and research in the region. It also partnered with Alibaba Cloud to introduce an advanced curriculum in cloud computing and AI. As part of this initiative, Alibaba Cloud also launched its first internship programme in the UAE region, with UoBD being the pioneer university for the programme.

Ahead of Brazil hosting the coming COP30 environmental summit, the University of Birmingham Brazil Institute organised 'Engage Amazonia 2025', a multidisciplinary programme designed to build long-term collaborations between Birmingham and Amazonian researchers.

Launched with a Brazilian carnival, 'Celebrate Amazonia' – a four-day event featuring discussions, hands-on activities, film screenings and performances to celebrate Brazilian culture – the programme included a student summer school in Caxiuana, workshops and research funding linked to Amazon challenges.

In Malaysia, the first cohort of teachers graduated from an innovative University of Birmingham programme in Malaysia – designed to equip its graduates with the skills and knowledge to make a meaningful impact in their classrooms and communities. More than 60 students completed the programme, which is supported by the YTL Foundation and Dreams Asia.

Hospitals in the Global South often experience dangerous power failures, with 88 per cent losing power for at least four hours a week on average. At the Research for Greener Surgery Conference 2024, the NIHR Global Health Research Unit on Global Surgery launched a world-wide campaign to raise \$100 million to equip 100 hospitals across the Global South.



The 100-4-100 Project aims to install solar power at 100 hospitals in remote areas in Benin, Ghana, India, Mexico, Nigeria, Rwanda, and South Africa – secure, clean energy that will help them maintain vital health services and save lives.

In Rwanda, new software developed by University of Birmingham academics working with a local software company could save nearly one million lives. The Rwanda Build Program worked with local and international partners to develop the 912Rwanda software, which helps ambulance crews and hospitals coordinate faster care for emergency patients.

A major programme, led by the University and UNEP United for Efficiency, is extending its work in Africa over the next 12 months to speed the transition to 'clean cold' – reducing food loss and improving vaccine and health supply chains. The programme aims to address the urgent need for cold-chain in rural communities and ensure that new cooling solutions are environmentally sustainable and well-integrated.

Campus developments

In October, the Rt Hon Peter Kyle MP, UK Secretary of State for Science, Innovation and Technology, officially opened the University's Molecular Sciences Building. A new home for environmental, chemical and biomedical sciences, the facility is designed to help researchers collaborate to address the biggest scientific challenges of our time.

The building offers state-of-the-art laboratory space to bring together expertise across the Environmental Sciences and Chemistry to investigate challenges such as air pollution, plastics, sustainable manufacturing or biomedical imaging.

In September 2025, we officially opened our Birmingham Health Innovation Campus, home to the Precision Health Technologies Accelerator, which comprises 70,000 square feet of bespoke Cat 2 wet and dry

labs and office space, the Makerspace – a prototyping and small-batch manufacturing facility – and an extensive training suite.

Sustainability

This year, the University's commitment to sustainability and environmental stewardship was recognised in the QS World University Rankings: Sustainability (38th) and People & Planet 2024/25 (68th). With 165 teams winning Green Impact Awards, a record number of staff engaged in the UN-recognised programme, securing six platinum, 128 gold, 30 silver and one bronze award.

The University was a finalist in the Green Gown Awards, while Professor Julie Gilson was named 'Sustainability Hero' runner-up in the Green Impact National Awards 2024 for her dynamic work in education and community engagement on sustainability and climate change.

Edgbaston Park Hotel and Conference Centre also picked up the Excellence in Sustainability Award at the Greater Birmingham Chambers of Commerce Awards.

In related research this year, academics advanced our understanding of air pollution, water quality, biodiversity, microplastics, low-emission shipping and forest regeneration, while eight students travelled to Brazil's Amazon rainforest to explore ways of tackling climate change.

Back in Birmingham, a £2 million NERC-funded project involving the University and the West Midlands Combined Authority will help policymakers better understand how the region can withstand the challenges of global warming.

Heritage buildings, collections and assets

The University holds and maintains historic buildings, collections of art and other valuable items of artistic, scientific and historical importance. The University conserves these assets and occasionally supplements the collections where appropriate. The collections are used for research and teaching purposes, and there are exhibition and event programmes open to the public. These include five accredited museums and collections:

- University Collections – thousands of artefacts that showcase examples of research and discovery across the arts and the sciences. You can see a selection in the current exhibition 'Largely in your hands: making and shaping a university' in the Aston Webb building
- The Barber Institute of Fine Arts – an Old Master and Impressionist gallery of world renown
- Winterbourne House and Garden – an Arts and Crafts house and stunning botanical garden
- The Lapworth Museum of Geology – a specialist geological museum dating back to 1880
- Cadbury Research Library – approximately 120,000 antiquarian books dating from 1471 and three million archives and manuscripts, all of which provide a rich resource for teaching and research

Listed buildings of heritage significance on our Edgbaston campus and in the city centre, include:

- The Aston Webb Building, Great Hall and Joseph Chamberlain Memorial Clock Tower, our Grade II listed building at the heart of the Edgbaston campus
- The Muirhead Tower, a Modernist icon of Brutalist architecture
- The Exchange, located in Centenary Square in Birmingham

Fellowships and scholarships

The University provides scholarships and bursaries on a targeted basis to encourage entry to and continuation of higher education from as wide a cross-section of the community as possible. In 2024/25, financial support amounted to £62 million (2023/24: £59 million). This year, the University invested in supporting students affected by the cost-of-living crisis.

Some of the other scholarships we offer are for certain student types, for example, musicians studying other subjects may be offered music tuition. Sports scholarships and performance awards support students to continue their sporting success alongside their study.

Fundraising

During the year, our alumni and supporters have volunteered their time to support the student experience and graduate employability through mentoring, delivering guest lectures, speaking at events, providing internships and more.

This year, more than 200 alumni have also featured in our 'Built in Birmingham. Forged for the future' campaign, sharing their stories from University and into careers in media, business, sport, medicine, teaching, engineering, law and more.

As part of the 125th anniversary celebrations, and coinciding with our Come to Campus event, we hosted Birmingham Gives. Over 36 hours, thanks to the support of alumni from more than 29 countries, we raised £218,667.

Other fundraising activities included face-to-face meetings, corporate philanthropy, applications to trusts and foundations, legacy stewardship, and direct mail. Over the year, we raised a total of £22 million (2023/24: £22 million).

Generous donations enable us to fulfil our philanthropic and research objectives, helping to turn pioneering research into life-changing solutions, and ensure young people are not held

back by their circumstances. Alumni returned to celebrate 25 years of Access to Birmingham, our outreach programme to ensure that able students, regardless of background, can fulfil their academic potential by studying at university.

By working within OfS regulation and keeping up to date with guidance from other charity governance bodies, we deliver the best service for our supporters, alumni and donors. Clear systems, including robust due diligence, are in place to protect the University's reputation and financial and other assets. The University has received no allegations or investigations from regulatory bodies about our fundraising practice.

The primary responsibility for fundraising at the University is held by the Development and Alumni Relations Office (DARO). The Director of DARO is accountable to Council for fundraising performance. Day-to-day supervision of fundraising is conducted within DARO, and its strategy, targets, resources and risk assessment are clearly set out and approved on an annual basis.

All our supporters are treated fairly and without discrimination and we adhere to the recommendations from the Institute of Fundraising, particularly the protection of vulnerable supporters. Our transparent dialogue with all members of our donor and non-donor communities represents our commitment to a lifelong relationship with all friends of the University.

We deliver a global programme of events and activities, offering our alumni the opportunity to hear from our academics, to continue their personal and professional development and to reunite with their fellow graduates. We encourage everyone to engage in the full range, whether donating, volunteering, attending events or reading the latest academic and alumni news in *Old Joe*: ([oldjoe.co.uk](https://oldjoe.co.uk))

Conclusion

The University was England's first civic university, where students from all backgrounds and regions were accepted on an equal basis and we continue to innovate and engage, responding to the challenges around us to ensure we inspire great minds whatever their background.

We contribute directly to the public benefit through the outcomes of our teaching and research, and our commitment to enhancing our civic and global roles. Our staff and many of our students recognise that wider engagement with our environment and community can deliver significant benefits alongside achieving the requirements of our Charter and Statutes, first introduced in the 1900s, which remain relevant today.



# Corporate governance statement

The University is committed to best practice in all aspects of corporate governance and conducts its business in accordance with:

- (i) the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- (ii) the guidance on corporate governance which has been provided for the sector by the Committee of University Chairs (CUC), including the Higher Education Code of Governance. The University has also supplemented this guidance by publishing its own Code of Practice on Corporate Governance;
- (iii) the public interest governance principles identified by the Office for Students. This includes significant engagement with our stakeholders, particularly students and staff.

## Status of the University

The University is an independent corporation whose legal status derives from its Royal Charter granted in 1900. The University's title, objects, degree awarding powers and framework of governance are set out in the Charter and its supporting Statutes.

The University is an exempt charity and is subject to regulation by the Office for Students (OfS). The members of the University Council are the charity trustees and are responsible for ensuring compliance with charity law.

## Council

The governing body of the University is the Council and is chaired by the Pro-Chancellor, Mervyn Walker. Council consists of 24 lay, academic and student members, the majority of whom are external to the University. The Council continues to take opportunities to broaden the diversity and skills profile of its membership, recognising the benefits to the University of having members from a range of different backgrounds.

The actual powers of the Council are set out in the Charter and Statutes of the University. The primary responsibilities of Council in the CUC Code include:

1. To approve the mission and strategic vision of the University, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
2. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against the strategy, plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
3. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls, risk assessment, value for money arrangements, and procedures for handling internal grievances and for managing conflicts of interest.
4. To delegate authority to the Vice-Chancellor and Principal, as head of the University, for the academic, corporate, financial, estate and human resource management of the University and to keep under regular review how such management functions are undertaken by and under the authority of the Vice-Chancellor and Principal.

5. To safeguard the good name and values of the University.
6. To be the employing authority for all staff in the University and to be accountable for ensuring that an appropriate human resources strategy is established.
7. To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall accountability for the University's assets, property and estate.
8. To be the University's legal authority and, as such, to ensure that systems are in place for meeting all the University's legal obligations, including those arising from contracts and other legal commitments made in the institution's name. This includes

accountability for health, safety and security and for equality, diversity and inclusion.

9. To receive assurance that adequate provision has been made for the general welfare of students.

Council meets five times per year. The formal meetings of Council are supplemented by briefing sessions to explore key issues, strategy days, visits to departments, external speakers on major issues in higher education and attendance at key University events. This ensures that members of Council are part of the wider community of the University and that they are fully briefed on the activities of and challenges facing the University.

Council members also spend time within the wider activities of the University. This can take the form of specific meetings with students and members of staff including mentoring, delivery of and attendance at lectures and events, representing the University in social or business

communities, fundraising, and raising the awareness, profile and excellence of the University within their own networks.

Council undertakes regular reviews of its effectiveness. The most recent effectiveness review of Council and its Committees reported to Council in June 2024. The Effectiveness Review benefitted from external scrutiny and advice provided by Will Spinks, former Registrar, Secretary and Chief Operating Officer at the University of Manchester. The overall conclusion of the Effectiveness Review was that Council could be assured that the University not only had excellent compliance with the CUC Higher Education Code of Governance, but also had many examples of leading-edge practice. An Action Plan was approved by Council to manage implementation of the recommendations arising from the effectiveness review.



**Back row left to right:** Professor Nick Vaughan-Williams, Professor Elizabeth Sapey, Yogesh Patel, Professor Adam Tickell, Rosie Harris, Dr Thomas Waite, Simrah Inamdar, Tim Gardam, Professor Matthew Broome, Richard Swann, Professor Aleksandra Cavoski, Professor Catherine Mangan, Antonia Listrat.

**Front row left to right:** Sarah Lee, Dame Cilla Snowball, Mervyn Walker, Nick Owen, Deborah Cadman.



Senate

The Senate is chaired by the Vice-Chancellor and consists of up to 60 members drawn from the leadership team of the University, academic staff and the student community. It is the principal academic body of the University and is responsible to the Council for regulating and directing the academic work of the University in teaching, examining and research and for award of all Degrees, Diplomas, Certificates and other academic distinctions of the University. Senate oversees quality assurance and standards of the education provided by the University and provides an annual assurance report to Council on academic quality, standards and the student experience. Council also considers a report from each meeting of Senate, covering key aspects of teaching and learning, student experience, and quality matters.

University Executive Board

The University Executive Board is the senior leadership team of the University and a Committee of Council. Its membership consists of the Vice-Chancellor and Principal (Chair), the Provost and Vice-Principal, the Pro-Vice-Chancellors, the Heads of College, the Registrar, Secretary and Chief Operating Officer and the Chief Financial Officer. It normally meets weekly to steer the implementation of strategy and policies under Council’s direction and within the Council’s scheme of delegation. It oversees and makes decisions on major issues relating to the University and monitors institutional performance. It also fosters good communication and inter-collegiate activity in the University.

Committees of Council

There are four other Committees of Council: Strategy, Planning and Resources Committee (SPRC), Audit Committee, Membership Committee and Remuneration Committee. All of these include lay members of the Council. The decisions and recommendations of these Committees are formally reported to Council and their membership and terms of reference are reviewed on an annual basis. The Council operates a Scheme of Delegation which delegates specific matters to University Committees or senior members of staff.

The attendance at meetings of Council and its Committees for 2024/25 is shown in the table on page 32.



	Council membership dates	Council 5 in year	SPRC 5 in year	Audit 4 in year	Remuneration 2 in year	Membership 1 in year
Lay Members appointed by the Council						
Lucy Baldwin		5/5	-	-	-	-
Deborah Cadman OBE		3/5	3/5	-	-	1/1
Lisa Fretwell		5/5	-	3/4	-	-
Tim Gardam CBE		5/5	5/5	-	-	-
Rosemary Harris	Term ended July 2024	4/5	-	3/4	-	-
Dr Clive Hickman OBE	Term ended July 2024	3/5	-	3/4	-	-
Harjinder Kang		2/5	-	-	2/2	-
Mick Laverty		3/5	-	4/4	-	-
Anthony Lilley OBE		4/5	-	-	-	-
Nick Owen CBE, Deputy Pro-Chancellor (Finance)		5/5	5/5	-	2/2	0/1
Dame Cilla Snowball DBE, Deputy Pro-Chancellor		4/5	5/5	-	2/2	0/1
Richard Swann		4/5	5/5	-	-	-
Jacqueline Taylor		4/5	-	3/4	2/2	-
Dr Thomas Waite OBE	Term commenced September 2024	5/5	-	-	-	-
Mervyn Walker, Pro-Chancellor and Chair of Council		5/5	5/5	-	2/2	1/1
Robert J. Jones	Term commenced August 2025	N/A	N/A	N/A	N/A	N/A
Sarah Lee	Term commenced August 2025	N/A	N/A	N/A	N/A	N/A
Yogesh Patel	Term commenced August 2025	N/A	N/A	N/A	N/A	N/A

Appointed by Guild of Students						
Sayed Sadath, President of the Guild of Students	Term ended July 2025	5/5	4/5	-	-	-
Ravikiran Rajashekar, International Officer	Term ended July 2025	5/5	5/5	-	-	-
Antonia Listrat, President of the Guild of Students	Term commenced July 2025	N/A	N/A	N/A	N/A	N/A
Simrah Inamdar, International Officer	Term commenced July 2025	N/A	N/A	N/A	N/A	N/A

Ex-Officio Members						
Professor Adam Tickell, The Vice-Chancellor and Principal		5/5	6/6	-	-	1/1
Professor Stephen Jarvis, The Provost and Vice-Principal	Term ended August 2025	5/5	6/6	-	-	1/1
Professor Nick Vaughan-Williams, The Provost and Vice-Principal	Term commenced August 2025	N/A	N/A	N/A	N/A	N/A

Academic Members appointed by Senate						
Professor Matthew Broome	Term commenced September 2024	4/5	-	-	-	-
Professor Aleksandra Cavoski		5/5	-	-	-	1/1
Professor Catherine Mangan	Term commenced September 2024	4/5	4/5	-	-	-
Professor Elizabeth Sapey	Term commenced September 2024	4/5	-	-	-	-

Secretary to Council	
Lee Sanders, The Registrar and Secretary	Retired September 2025
Nicola Owen, The Registrar and Secretary	Commenced September 2025



Strategy, Planning and Resources Committee

The membership of SPRC comprises the Pro-Chancellor and Chair of Council (Chair), the Deputy Pro-Chancellors, the Vice-Chancellor, the Provost, two academic members of Council, three lay members of Council and the President of the Guild of Students. It met five times during 2024/25.

The key responsibilities of SPRC are:

- a. oversight of the strategic planning of the University, bringing together academic, financial and physical planning;
- b. oversight and development of the University's financial strategy for institutional sustainability. This includes consideration of the University's annual budget and forward look, financial scenarios and long term financial projections and monitoring financial performance. The Committee also recommends the University's Annual Report and Accounts to the Council each November;
- c. oversight, development and implementation of systems of institutional performance monitoring and review of progress towards achievement of institutional targets. The Committee undertakes detailed scrutiny of the University's Key Performance Targets, aligned with the Strategic Framework, to monitor the University's progress against its most important indicators of success and sustainability;
- d. keeping under review the policies of the University as an employer of staff and making recommendations to Council for change in matters of substance or principle.

Audit Committee

The Audit Committee met four times during 2024/25 and consists of five lay members of Council who are not members of SPRC. It also has three external co-opted members (Paul Bird, Steve Connors and Phil Harrold during 2024/25).

The Committee reviews the effectiveness of the University's financial and other internal control systems, satisfies itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness and advises the Council on risk management. It reviews the reports of the External Auditor and the scope and effectiveness of the work of the Internal Auditor and advises the Council on their appointment. It reviews regulatory requirements and the University's annual financial statements and accounting policies. The lay members of the Audit Committee meet with the Internal and External Auditors for independent discussions.

Membership Committee

The Membership Committee considers nominations for vacancies in the membership of Council and its Committees.

Remuneration Committee

The Remuneration Committee is responsible for setting the remuneration of all senior staff, namely the Vice-Chancellor, members of the University Executive Board, Professors and senior professional staff.

The Committee is chaired by a Deputy Pro-Chancellor (Dame Cilla Snowball). The Pro-Chancellor is a member of the Committee, but since he reports to the Committee on the Vice-Chancellor's performance and recommends to the Committee the Vice-Chancellor's remuneration, the University believes it is appropriate that a different senior lay officer chairs the Committee. The Committee is comprised of five lay members of University Council.

The Vice-Chancellor is not a member of the Committee but attends its meetings to discuss the remuneration of other senior staff. The Registrar, Secretary and Chief Operating Officer are also in attendance. The Director of People and Culture advises the Committee and supports the remuneration process. No member of staff, including the Vice-Chancellor and Registrar, Secretary and Chief Operating Officer, is present for discussion of their own remuneration. The Remuneration Committee meets at least twice a year and its terms of reference are:

- a. to agree and oversee the annual remuneration process for senior staff (i.e. grade 10 and above) (noting that performance is assessed for the academic year and the reward payments made in October following the second meeting of the Committee).
- b. to review and agree the University's reward policy for senior staff, designed to support a high performance culture and taking account of pay data, market factors and the financial position of the University and recommend major changes to Council.
- c. to review and determine senior staff remuneration.
- d. to review senior staff equal pay issues.
- e. to review and determine pay and reward for the Vice-Chancellor's direct reports on UEB; review reports on the Vice-Chancellor's objectives and performance, and review and determine the Vice-Chancellor's remuneration.
- f. to receive updates from the Vice-Chancellor on development planning for UEB as a whole and succession planning for members of UEB.
- g. to agree severance packages for staff earning in excess of £100,000 per annum:



- where the severance payment is up to 12 months' salary (and so within the University's long-standing arrangements for Voluntary Severance), the payment will be approved by the Chair on behalf of the Committee and reported to the next meeting of the Committee;
- where the severance payment is above 12 months' salary, the payment will be considered by the Committee, which can be by circulation if the case needs agreement between Committee meetings.
- h. to monitor strategic risks relevant to the work of the Committee as determined by the Strategic Risk Register.
- i. to monitor the extent to which value for money is achieved within the areas under the Committee's oversight.
- j. to monitor relevant Key Performance Targets and to ensure that any concerns with performance against these KPTs are addressed.

The Committee ensures that it complies with the OfS Accounts Direction and other guidance on senior staff remuneration, including the CUC Higher Education Senior Staff Remuneration Code. The annual process for setting senior staff remuneration is as follows:

1. At its first meeting each May, the Remuneration Committee considers and agrees the parameters and principles that will apply to that year's process and the information and market, comparative and other benchmarking data it wishes to consider at its second meeting in October, when it sets senior staff remuneration. The Vice-Chancellor is responsible for overseeing the annual process for senior staff (other than himself, which falls to the Pro-Chancellor) working within the approach agreed by the Committee.
2. In the case of senior academic staff, professors are invited to submit a statement describing their achievements over the previous

12 months, which is reviewed by their Head of School and forms the basis for any recommended change. These are then considered alongside market, comparative, and equality data by their Head of College, who is responsible for ensuring consistency and equality of treatment, and for making recommendations regarding proposed remuneration increases reflecting individuals' performances in their College. The Vice-Chancellor considers these recommendations for consistency across the University, and then confirms the proposals at a formal meeting with the Provost and Vice-Principal and Director of People and Culture; the Provost and Vice-Principal having reviewed recommendations with the thematic Pro-Vice-Chancellors and Heads of College. The Vice-Chancellor then presents the recommendations to the second meeting of Remuneration Committee (October) for consideration and approval.





3. There is a parallel process for senior professional staff, under which the Registrar, Secretary and Chief Operating Officer, recommends remuneration increases reflecting individuals' performance, informed by the appraisal process, and taking account of comparative, market and equality data. The Vice-Chancellor meets with the Registrar, Secretary and Chief Operating Officer to scrutinise these recommendations, determine any changes, and then presents his plan for the remuneration of professional staff to the second meeting of Remuneration Committee for consideration and approval.

4. Those members of University Executive Board who report directly to the Vice-Chancellor agree a series of collective and individual performance objectives at the start of the year, which are reviewed at least twice during the year. This provides the Vice-Chancellor with an assessment of performance, which, along with market, comparative and other relevant inputs, are used by him to prepare proposals for the remuneration of those staff, which he presents to the second meeting of the Remuneration Committee for consideration and for approval.

5. A collective element to the discretionary and non-consolidated performance award of up to 10 per cent of base salary which members of UEB and Senior Officers can currently earn is set at 30 per cent of the performance award (which is in total up to 10 per cent of base salary). The amount of the collective award made will be determined by the Committee each year, having reviewed performance against a small set of indicators drawn from the collective team objectives for UEB and Senior Officers. The remaining 70 per cent is attributed

to performance on individual objectives relevant to the College, thematic or professional services area of the individual concerned.

6. In considering recommendations, review meetings are informed by data relating to equality and to the institutional gender and ethnicity pay gaps.

7. Remuneration Committee takes into account a range of indicators in considering whether reward proposals for senior staff are justified. These include, but are not limited to:

a. performance in support of the University's strategic objectives in areas such as:

i. education (e.g. NSS, student feedback, recruitment and admission, student outcomes and employability, teaching awards, programme leadership etc.);

ii. research (e.g. publications, citations, grants, impact, research leadership, major initiatives including with industry and external partners, contribution to REF etc.);

iii. management and administration (e.g. professional and academic leadership, service enhancement and delivery, policy development and delivery, income generation, improving performance of School or Service etc.);

iv. leadership of staff (e.g. development, performance and retention of staff, quality of hires, diversity and inclusion etc.);

v. student recruitment (in relation to target, international/domestic balance, undergraduate and postgraduate mix);

vi. partnerships and external relations - internationally, nationally and locally (e.g. leadership in external networks and communities, external policy work, business engagement etc.);

and, major initiatives and projects (e.g. international campus, capital projects etc.);

b. the University's objectives in relation to the diversity of the workforce.

8. The Vice-Chancellor's performance objectives are agreed each year with the Pro-Chancellor. These are considered and endorsed by the Remuneration Committee. The Pro-Chancellor undertakes six and twelve-month appraisal discussions with the Vice-Chancellor and obtains feedback from selected individuals both within the University, from other members of Council and the University's external stakeholders and reports these to Remuneration Committee.

9. The Pro-Chancellor makes a recommendation to the Remuneration Committee's Autumn meeting on the Vice-Chancellor's remuneration, informed by his assessment of the Vice-Chancellor's performance and a range of data and comparative information on the Vice-Chancellor's remuneration. In considering the Pro-Chancellor's recommendation to the Committee and whether it is justified, the Committee reviews a range of data and information on the Vice-Chancellor's remuneration, including:

■ the Vice-Chancellor's salary history;

■ how the Vice-Chancellor's remuneration compares to that of other Vice-Chancellors across the Russell Group and the sector more broadly, taking account of the comparative size and complexity of the University and including data collected by Korn Ferry, the Universities and Colleges Employers' Association, and the Committee of University Chairs;



- how the Vice-Chancellor's current salary compares to that of other staff at the University. This includes data on the Vice-Chancellor's remuneration (including pension) as a percentage of turnover (0.04 per cent for 2024/25, compared with 0.13 per cent for the higher education sector\*). It also includes information on the pay multiples of the Vice-Chancellor's basic salary compared with median earnings of the University's whole staff, of academic staff and of professorial staff. The pay ratios are disclosed in Note 7 to the Accounts;
  - the Vice-Chancellor's and the University's performance over the review period.
10. Having considered performance for the previous academic year, the decisions of the Remuneration Committee on reward proposals for senior staff, including the Vice-Chancellor, are taken in the second meeting of the Committee. This means that the remuneration information provided in these Accounts reflects the decisions taken by the Committee in October 2024 (and therefore implemented during the 2024/25 financial year), having considered performance for the 2023/24 academic year.
11. Having considered the range of factors above and the Pro-Chancellor's appraisal of the Vice-Chancellor's performance, the Committee concluded in October 2024 that the Vice-Chancellor had had another excellent year. The University had achieved all the specific targets set at the start of 2023/24 and there was a real sense of momentum towards the University's longer-term objectives. The Pro-Chancellor highlighted in relation to the University as a whole:
- (i) the progress made in the QS 2025 rankings from 84th to 80th and the real sense of ambition, momentum and confidence in the University;
  - (ii) the achievement of a 7 per cent Management Accounts surplus for 2023/24 and the Vice-Chancellor's leadership of the Financial Sustainability Oversight Group, highlighting the equal importance of measures to ensure the long-term financial sustainability of the University;
  - (iii) the highest ever achieved total research awards performance for the University of £261 million and the record total of research grant applications submitted of £983 million.
12. The Vice-Chancellor's total remuneration paid in 2024/25 is disclosed in Note 7 to these Accounts. It comprises of a basic salary and a salary supplement in lieu of pension of 13.7 per cent of salary (this is also paid to other members of senior staff across the University under the current policy of the Remuneration Committee).
13. The Remuneration Committee agreed in September 2022 that the annual increase in pay negotiated nationally in higher education would apply to members of UEB, including the Vice-Chancellor. As a result of the national pay award, the Vice-Chancellor's base pay increased to £352,388 from 1 August 2024 and to £360,275 from 1 March 2025
14. The Vice-Chancellor is eligible for an annual discretionary and non-consolidated performance-related award of up to 10 per cent of base salary as applies to the other members of UEB and Senior Officers. The collective element to the discretionary and non-consolidated performance award introduced for other members

of UEB and Senior Officers also applies to the Vice-Chancellor. This change to the Vice-Chancellor's contract took effect from assessment by the Remuneration Committee of his 2023/24 performance in October 2024. As the Vice-Chancellor's role by its nature involves responsibility for the whole University, the collective element was first set by the Committee at 50 per cent of the performance award (which is in total up to 10 per cent of base salary). The Remuneration Committee in October 2024 revised this split between collective and individual elements of the performance award for the Vice-Chancellor to align it with the other members of UEB (i.e. 30 per cent collective element, 70 per cent individual element). The amount of the collective award made is determined by the Committee each year, having reviewed performance against a small set of indicators drawn from the collective team objectives for UEB and Senior Officers. The remaining 70 per cent is attributed to performance against the Vice-Chancellor's individual objectives which are agreed with the Pro-Chancellor and endorsed by Remuneration Committee.

15. An annual report is presented from Remuneration Committee to Council on completion of this process on the Committee's work during the year, together with the outcomes.

### Annual declarations

Members of Council and its Committees and the University's wider leadership make an annual declarations return which includes declarations of interest and disclosure of related party transactions, noting that conflicts of interest are also declared and managed effectively at meetings as they arise.

### Outside activities

Academic staff are encouraged to undertake relevant activities outside the University and may apply for permission to undertake up to 30 days of such activities in any one financial year. The arrangements for this are set out in the University's Guidelines on Outside Activities.

The Vice-Chancellor declares his outside activities in his Annual Declarations Return. In addition, his outside activities are discussed with and reviewed by the Pro-Chancellor. The Vice-Chancellor makes an annual declaration to Remuneration Committee on his outside activities, including any income earned from these activities and donation of that income to charitable causes associated with the University and education.



\*Data published by HESA for 2023/24



# Statement of internal control

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, in accordance with the responsibilities assigned to the Governing Body in Article 7 of the Charter of Incorporation, Section 9 of the Statutes of the University and the Office for Students Terms and conditions of funding for higher education institutions.

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. The internal control system has been in place for the year ended 31 July 2025 and up to the date of approval of the financial statements, and accords with Office for Students guidance.

The following processes have been established to monitor effectiveness of the internal control system:

- Council meets a minimum of five times a year to consider the plans and strategic direction of the institution.
- Council reviews an annual report on teaching quality and standards (from the Senate, which has responsibility for this under the University's legislation).

- Council receives, as a standing item, a report from each meeting of the Audit Committee concerning internal control, and requires regular reports from managers, either directly or through the SPRC, on the steps they are taking to manage strategic risks in their area of responsibility, including progress reports on key projects.
- Council has requested the Audit Committee to provide oversight of the risk management process. This provides a formal reporting and appraisal mechanism, in addition to the reports noted above.
- The Audit Committee receives regular reports from the Head of Internal Audit, which include an independent opinion on the adequacy and effectiveness of the University's systems of governance, risk management and internal control, together with recommendations for improvement.
- A risk management process has been established which includes a Risk Register that is fully aligned to the University's strategic goals. The risk appetite statement was updated during the year, and priority risks identified by UEB and approved by Council were given particular attention through the year. Heads of Budget Centres seek to manage the risks in their own areas and embed

this within their normal management processes. Audit Committee receives presentations, on a cyclical basis, from the Strategic Framework Pillar Leads, who are typically members of UEB, on risk management for their area to supplement the work of Internal Audit in relation to the effectiveness of risk management.

- A system of key performance indicators has been developed for the risks contained in the Risk Register, and residual risks are monitored against these regularly by UEB, SPRC and Council.
- Regular formal reviews take place to identify, and where necessary, revise and update the record of risks facing the institution.
- Reports are received from budget holders, department heads and project managers on internal control activities via committees of Council i.e. SPRC, Senate and Audit Committee.
- A framework is in place to raise the profile of significant risks throughout the institution in a timely manner outside of the normal risk management cycle.

- Systematic and comprehensive independent peer reviews of Schools and Professional Services report to UEB and are aimed at enhancing performance in line with Birmingham 2030.
- Major investment projects undertaken by the University are subject to rigorous governance procedures, including objective post-investment learning reviews. Specific sub-groups of Council are set-up as appropriate to provide high level governance and oversight of projects of significant strategic or reputational importance.
- The University has an Internal Audit function comprising an in-house team supported by an external co-source arrangement which provides additional expertise and resourcing. Internal Audit delivers a range of audits covering financial, operational, compliance, IT and data risks which constructively challenge management to operate an efficient and effective control environment. Recommendations are made to management where the control environment can be developed, and progress on the completion of agreed actions within agreed timescales is reported to Audit Committee. The most recent external quality assessment of the Internal Audit function found

that it generally conforms with the Institute of Internal Auditor's International Standards, providing the most positive rating available and a strong endorsement of our approach. A self-assessment against the new Global Internal Audit Standards that came into force in January 2025 also provided a positive conclusion as to our alignment. The function is embedding a data analytics capability and this methodology will continue to be developed as the basis of future financial audits.

- Internal Audit works with the Governance team to map the agendas of Council and its key sub-Committees against the objectives of the Value for Money Policy. This visualisation provides assurance that Value for Money principles are integrated within the University management ethos, supported by a culture of continuous improvement. The mapping is presented to and approved by Audit Committee, and is received by SPRC.
- The role of External Audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and report their opinion to Council. The external auditor does this by assessing the risk of material misstatement in

the University's financial statements, understanding the relevant internal controls which mitigate these risks, and devising procedures and tests to enable them to provide their opinion. External Audit also reviews accounting policies, the presentation of financial statements and disclosures to ensure the financial statements are "true and fair". They report their opinion and recommendations on improving the control environment to Audit Committee and this is shared with the Office for Students. The agreed actions in response to their recommendations are tracked by management and reported back to Audit Committee.

- During 2024/25, control weaknesses were identified relating to an element of the compliance activities and oversight framework in one area of the University's operations. These concerns were raised with senior management, and, along with an agreed action plan, were reported to Audit Committee and Council, with regular updates provided over the remedial actions taken.

The above review processes are further informed by external good practice and guidance and the work of the leadership of the institution, who have responsibility for the development and maintenance of the internal control framework.





# Responsibilities of the Council

The University Council is responsible for keeping proper accounting records which 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 Statutes, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions and other relevant accounting standards.

In addition, within the terms and conditions of funding for higher education institutions set by the Office for Students (OfS), the University Council, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institution and of the Group's and parent Institution's income and expenditure, gains and losses and changes in reserves and of the Group's cashflows for the year then ended.

In preparation of the financial statements, the University Council has to ensure that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- it is satisfied that the University has adequate resources to continue in operation throughout the going concern period to 31 July 2027; and
- the going concern basis is appropriate for the preparation of the financial statements.

The University Council has taken reasonable steps to:

- ensure there is no relevant audit information of which the University's auditor is unaware;

- make themselves aware of any relevant audit information and to establish that the University's auditor is aware of that information;
- ensure that funds from the OfS are used only for the purposes for which they have been given and in accordance with the terms and conditions set;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and to prevent and detect fraud; and secure the economical, efficient and effective management of the University's resources and expenditure.

**Mervyn Walker**  
Pro-Chancellor and Chair of Council  
27 November 2025



# Independent auditor's report to the Members of Council of the University of Birmingham

**Opinion**

We have audited the financial statements of University of Birmingham ('the parent institution') and its subsidiaries (the 'group') for the year ended 31 July 2025 which comprise the Consolidated and Institution Statement of Comprehensive Income and Expenditure, Consolidated and Institution Statement of Changes in Reserves, Consolidated and Institution Statement of Financial Position, Consolidated Statement of Cash Flows, and the related notes 1 to 29, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the University of Birmingham's group financial statements and parent institution financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent institution's affairs as at 31 July 2025 and of the group's and of the parent institution's income and expenditure, gains and losses and changes in reserves, and of the group's cash flows for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been properly prepared in accordance with the requirements of the Office for Students' Accounts Direction (OfS 2019.41).

**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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent institution's ability to continue as a going concern for a period to 31 July 2027.

Our responsibilities and the responsibilities of the Council with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

**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 are 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 this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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**

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

- the requirements of the Office for Students accounts direction for the relevant year's financial statements have been met; and

- funds from whatever source administered by University of Birmingham have been properly applied to those purposes and managed in accordance with relevant legislation; and
- funds provided by the Office for Students, UK Research and Innovation (including Research England) and the Department for Education have been applied in accordance with the applicable Terms and conditions attached to them.

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

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

- the parent institution's grant and fee income, as disclosed in note 2a to the financial statements, has been materially misstated; and
- the parent institution's expenditure on access and participation activities for the financial year has been materially misstated.

**Responsibilities of the Council**

As explained more fully in the Responsibilities of the Council set out on page 42, the Council are 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 institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the group or the parent institution or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery

or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are the Office for Students Terms and conditions of funding for higher education institutions, FRS 102 and the Statement of Recommended Practice for Further and Higher Education.
- We understood how the University of Birmingham is complying with those frameworks by understanding the oversight of those charged with governance, the culture of honesty and ethical behaviour, the incentives, opportunities and motives for fraud to occur, and processes for fraud deterrence.
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur by inquiring of management, audit committee

and internal audit concerning actual and potential litigation claims and processes for identifying these.

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the group and institution's policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Our procedures also included discussions amongst the engagement team regarding how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified the potential for fraud in the following

areas: revenue recognition and management override of controls.

In addition to the above, our procedures to respond to the identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Reading minutes of meetings of those charged with governance and the Council;
- In addressing the risk of management override of controls we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately. We reviewed significant accounting estimates for management bias and noted that we did not identify any significant unusual transactions in the financial statements;
- In addressing the risk of improper recognition of revenue we performed procedures to ensure transactions were recorded in the correct financial year. We tested a sample of research

income (including any associated deferred income, expenditure, debtor and creditor balances) to confirm balances were appropriately recorded in the financial statements. For a sample of deferred income items and new capital grant income and non-recurrent funding body grants, we confirmed that income had been recognised in the correct financial year and where relevant recognition was in accordance with any terms and conditions. We also tested a sample of income transactions around the year end to confirm that they had been recorded in the correct financial year, and tested journals specifically raised to move any income between financial years.

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

Use of our report

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

Hayley Clark (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Birmingham

Date: 1 December 2025



# Statement of accounting policies

## 1. Accounting convention and basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 2019: Accounting for Further and Higher Education, Financial Reporting Standard (FRS) 102 and the Office for Students (OfS) Accounts Direction published in October 2019.

The consolidated and University financial statements have been prepared under the historical cost convention modified by the revaluation of certain financial assets and liabilities at fair value.

## 2. Going concern

The University's consolidated financial statements have been prepared on a going concern basis for the year to 31 July 2025. The Council consider this to be appropriate for the following reasons.

At 31 July 2025 the University had net current assets of £79 million, mainly due to high levels of research deferred income, with cash equivalents of £255 million, plus subsidiary cash balances of £13 million. The Institution also had long term loans of £236 million, and all covenants were complied with at the Statement of Financial Position date.

The going concern assessment period for the Annual Accounts is to the end of July 2027. A recent update to the 5-year

financial plan, reflecting the University Strategic Framework, *Birmingham 2030*, has been used as the baseline for cash flow forecasts.

The University's base case scenario shows compliance with all loan covenants to 31 July 2027 and liquidity headroom no lower than £150 million through the going concern assessment period.

Potential down-side scenarios have been run on the base case forecast to stress test the cash position, as well as the ability to remain compliant with covenant restrictions. This included reductions in overseas student growth impacting on student fee income, increases in staff and non-pay costs, and reductions in research contribution levels.

Under the plausible and significant downside scenarios, cash remains above the minimum limit approved by Council of £80 million at all points in the going concern assessment period. The scenarios did not assume any mitigating actions were taken to offset the impact on cash. If necessary, the University has actions it could take, including the introduction of more stringent cost controls and adjustments to capital spending. The University has clearly demonstrated its ability to successfully take rapid mitigating actions in response to financial challenges for example during the pandemic.

The University has considered scenarios to reverse stress test the model under

which it either utilises all cash and cash equivalents or breaches loan covenants. These scenarios would require a significant reduction in forecast income with no mitigating actions. Tuition fee income would need to fall by more than c.£74 million in 2025/26 to breach the Lloyds revolving credit facility covenants or reduce by more than c.14 per cent over the period of the going concern assessment to fully exhaust all cash and cash equivalents.

After reviewing these forecasts, the Council is of the opinion that, based on the current considerable financial resources and the latest cash flow forecasts, the University will have sufficient funds to meet their liabilities as they fall due over the period to 31 July 2027.

## 3. Basis of consolidation

The consolidated financial statements combine the financial statements of the University and its subsidiary undertakings, all of which have 31 July year-ends, except the University of Birmingham School which has a financial year end of 31 August, Guangzhou ABC Education Information Consultancy Limited which has a financial year end of 31 December and Birmingham Global India Private Limited which has a financial year end of 31 March. Intra-group transactions are eliminated on consolidation.

The consolidated financial statements do not include the Guild of Students, as the

University does not exert control or have a dominant influence over policy decisions.

Where necessary, adjustments are made to the subsidiary financial information to align accounting policies.

As permitted under FRS 102 the University has taken advantage of the disclosure exemptions in respect of an institution-only cashflow statement.







4. Income recognition

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

Tuition fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income and Expenditure over the period in which students are studying. Bursaries, scholarships and stipends that are not common practice are accounted for gross as expenditure and not deducted from income.

Bursaries, scholarships and stipends that are common practice in specific markets or geographies in which the University operates are effectively a discount to gross tuition fee income and are debited to income over the period in which the students are studying. Investment income is credited to the Statement of Comprehensive Income and Expenditure on a receivable basis.

Grant funding

Grant funding including OfS block grant, research grants from government sources and grants (including research grants) from non-governmental sources are recognised as income when the University is entitled to the income and performance-related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Statement of Financial Position and released to income as conditions are met.

Donations and endowments

Non-exchange transactions without performance-related conditions are donations and endowments. The University holds the following types of donations:

- i) Restricted donations – the donor has specified that the donation must be used for a particular objective.
- ii) Unrestricted permanent endowments – the donor has specified that the

fund is to be permanently invested and generate an income stream for the general benefit of the University.

- iii) Restricted expendable endowments – the donor has specified a particular objective other than fixed assets and the University has the power to use capital over the medium term.
- iv) Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations and endowments with donor-imposed restrictions are recognised as income on a receivable basis and retained within the restricted reserve until such time they are utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Investment income and appreciation of endowments is recorded as income in the year in which it arises and is either restricted or unrestricted according to

the terms of instruction applied to the individual endowment.

Capital grants

Capital grants are recognised as income when the University is entitled to the funds subject to any performance-related conditions being met. Where grant-funded assets are in the course of construction, the University considers on a case-by-case basis whether their construction constitutes a performance related condition.

5. Accounting for retirement benefits

The principal pension schemes for the University’s staff are the Universities Superannuation Scheme (USS) and for support staff the Group Personal Pension Scheme (GPPS). The University also operates the University of Birmingham Pension and Assurance Scheme (BPAS) for some support staff, which was closed to new members in 2002. The USS is a hybrid plan and BPAS is a defined benefit scheme.

The GPPS is a defined contribution pension scheme. The University additionally participates in the NHS pension schemes (NHSPS) and one of its subsidiaries is in a local government pension scheme (LGPS) and The Teachers Pension Scheme (TPS). The USS, NHSPS, LGPS and TPS are multi-employer schemes.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and has 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.

Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit

plans, the University’s obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne in substance by the University.

The University recognises a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. Should a net defined benefit asset arise, this is not recognised. The calculation is performed by a qualified actuary using the projected unit credit method.



**Multi-employer schemes**

In accordance with section 28 'Employee Benefits' of FRS 102, where the University is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts for the scheme as if it were a defined contribution scheme.

**Hybrid plans**

The USS is a hybrid plan, meaning that it is partly a defined benefit plan and partly a defined contribution plan. Members earn a defined benefit pension on salary up to a certain level and earn defined contribution benefits on salaries above this threshold.

Where a USS valuation determines that the scheme is in deficit on a technical provisions basis, the trustee of the scheme must agree a 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 rise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the Statement of Comprehensive Income and Expenditure. Further information can be found in Note 26.

**6. Employment benefits**

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

**7. Leases**

**Operating leases**

Operating lease costs are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income and Expenditure. Lease premiums or incentives are spread over the lease term.

**Finance leases**

Where assets are financed by leasing arrangements that give rights approximating to ownership or right-of-use, the assets are treated as if they had been purchased outright and the corresponding liability to the lessor is included as an obligation under finance leases. Depreciation on leased assets is charged to the Statement of Comprehensive Income and Expenditure over the lease term. Leasing payments are treated as consisting of capital and interest elements and the interest is charged to the Statement of Comprehensive Income and Expenditure over the period of the lease.

**Subleases**

Where the University enters into sublease arrangements, classification is determined independently from the head lease. If the sublease transfers substantially all risks and rewards to the sublessee, it is classified as a finance lease. In such cases, the University derecognises the relevant right-of-use asset and recognises a lease receivable equal to the present value of future sublease payments. The lease receivable is measured using the effective interest method, with finance income recognised over the sublease term.

**Lease term assumptions**

Where lease agreements include contractual break clauses, management assesses the likelihood of exercising the option. Where it is reasonably certain that the break clause will be exercised, the lease liability and associated lease receivable are measured up to the first break date.

**8. Foreign currency**

Transactions in foreign currencies are translated to sterling at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are translated to sterling at the

foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income and Expenditure.

**9. Tangible fixed assets**

Fixed assets are stated at cost or deemed cost less accumulated depreciation and accumulated impairment losses. Prior to the date of transition to FRS 102, a revaluation process was carried out by an independent valuer, Gerald Eve LLP, and the University revalued the land and buildings at fair value at the date of transition, 1 August 2014, with revised economic useful lives allocated to the individual assets. These values have been adopted as the deemed cost of these assets.

Where factors exist that indicate the residual value, useful life and depreciation method of an asset may have changed since the last reporting date, these are reviewed and revised as necessary.

**Land and Buildings**

Land is not depreciated.

Buildings are depreciated over their economic useful lives on a straight-line basis over a range of one to 76 years. From 1 August 2024, fixtures and fittings and external works associated with significant building projects are depreciated over ten years.

**Major refurbishments**

Major refurbishments are capitalised at cost and depreciated on a straight-line basis over ten years where they substantially add to the total area of the building or prolong its useful life or enhance the economic benefits of the building.

**Equipment**

Equipment purchased prior to 1 August 2024, was capitalised at cost and is depreciated over three years on a





straight-line basis. From 1 August 2024, the University introduced a new policy to provide more flexibility within the asset equipment category, allowing the University to assign a useful life depending on the intended use of the asset.

**IT equipment:** Three-five years. All IT equipment is depreciated over three years except for purchases of more than £1 million, providing a review has taken place to determine that the most appropriate useful life of that individual asset is more than three years in which case four or five years can be applied.

**Project-specific research equipment:** length of contract (assumed to be three years) unless there is a reasonable expectation that the equipment will continue in use beyond that date

**Equipment above £1 million:** individually assessed, up to a maximum of ten years.

**Other:** All other equipment is depreciated over five years unless reasonable to adjust.

The change in accounting estimate has not impacted previously reported information.

**Assets under construction**

Assets under construction are not depreciated until they are ready for use and are represented as costs incurred to date.

**10. Heritage assets**

Heritage assets are works of art and other valuable artefacts, held principally for their contribution to knowledge and culture rather than for the University's operational use. Heritage assets acquired or donated since 1 August 1999 and valued over £25,000 have been capitalised and recognised at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable. Heritage assets acquired before 1 August 1999 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material. The University's practice in accordance with the national accreditation standards, is: to preserve, conserve and manage the objects in its care; to augment the collections where appropriate and within the resources available; to enable and encourage access to and use of the collections for teaching and research; and to enable wide access to and engagement with the collections by members of the public.

**11. Intangible assets**

Intangible assets represent significant software acquisition and development costs for long-term use. Costs relating to the development and implementation of software projects have been capitalised either in full at the time of completion or as specific modules are completed and released. Research phases and associated training costs are expensed as incurred.

Costs are amortised on a straight-line basis over their useful economic life, being between three and ten years, and are subject to periodic impairment reviews as appropriate. For major IT systems, the useful economic life is determined by the terms and duration of system licence contracts.

**12. Investments**

Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income and Expenditure.

**13. Investment properties**

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering activity. Investment properties are measured initially at cost and

subsequently at fair value with movements recognised in the Statement of Comprehensive Income and Expenditure. Properties are not depreciated but are revalued or reviewed annually according to market conditions at 31 July each year.

**14. Stock**

Stock is held at the lower of cost and net realisable value. Consumable items are charged directly to the Statement of Comprehensive Income and Expenditure.

**15. 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.

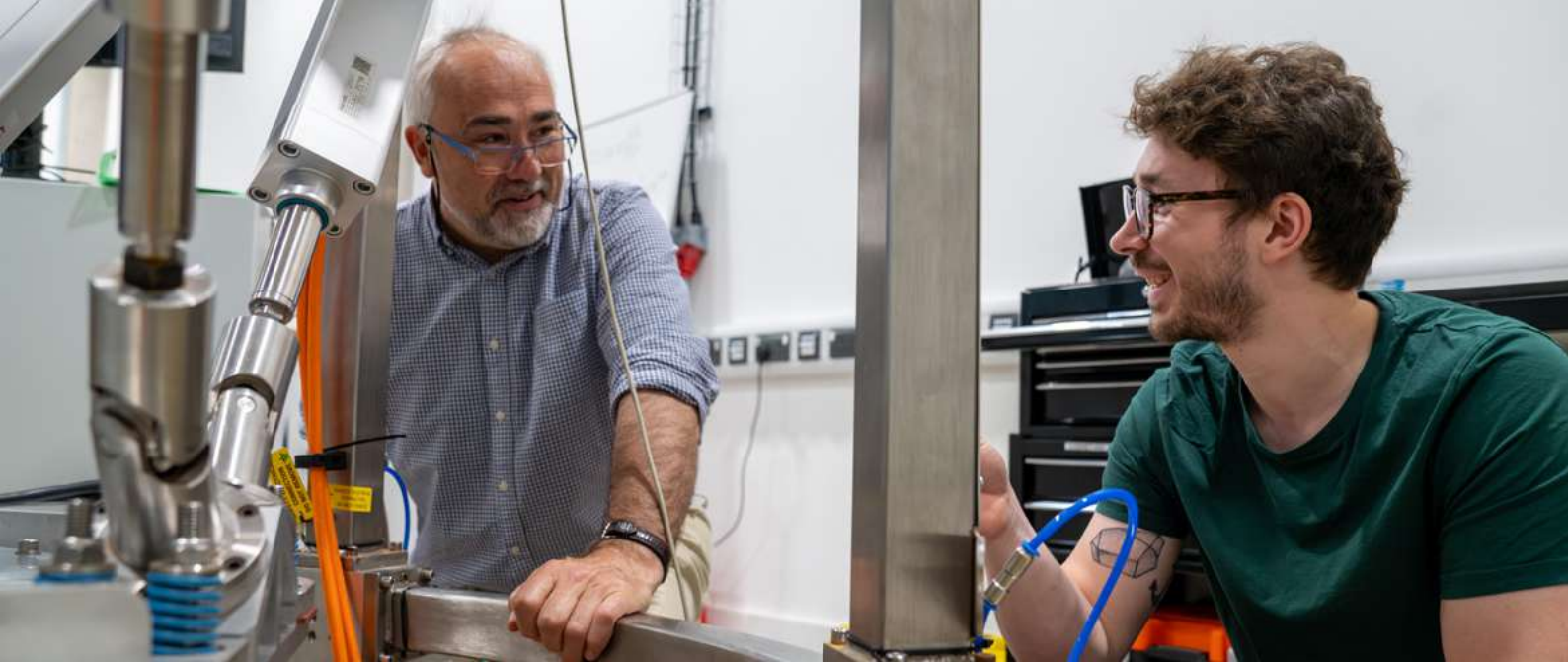
Cash equivalents are short-term, highly liquid investments that are readily convertible (within 90 days) to known amounts of cash with insignificant risk of change in value.

**16. Provisions**

Provisions are recognised in the financial statements when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**17. Taxation**

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is, therefore, a charity within the meaning of Para. 1 of Schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes. The University receives no exemption



in respect of Value Added Tax (VAT). Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT related to fixed assets is included in their cost.

The University's subsidiaries are liable to corporation tax in the same way as any other commercial organisation. Within these subsidiaries, deferred tax is provided in full on timing differences which result in an obligation at the year-end to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised only if they are more likely than not to be recovered. Deferred tax assets and liabilities are not discounted.

**18. Financial instruments**

Financial assets and financial liabilities are recognised when the University becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract

that evidences a residual interest in the assets of the University after deducting all of its liabilities.

**a) Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets and liabilities are only offset in the Statement of Financial Position when there exists a legally enforceable right to set off the recognised amounts and the University intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of being 'basic' financial instruments as defined in FRS 102 are subsequently measured at amortised cost using the effective interest method. Debt

instruments that have no stated interest rate (and do not constitute a financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. With the exception of some hedging instruments, other debt instruments, held for trading, are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment. Financial assets are derecognised when:

- (i) the contractual rights to the cash flows from the financial asset expire or are settled;
- (ii) the University transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- (iii) the University, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.



(b) Investments

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

In the University's Statement of Financial Position, investments in subsidiaries are measured at cost less impairment.

(c) Derivative financial instruments

The University uses derivative financial instruments to reduce exposure to interest rate and exchange rate movements. The University does not hold or issue derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument.

(d) Fair value measurement

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

19. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting date.

Non-financial assets

If events or changes in circumstances indicate that the carrying amount may not be recoverable, a calculation of the impact is completed and arising impairment values charged against the asset and to the Statement of Comprehensive Income and Expenditure. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Financial assets

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

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date. Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an impaired financial asset to the extent that the revised recoverable value does not exceed the carrying value had no impairment been recognised.

20. Reserves

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

has designated a specific purpose and therefore the University is restricted in the use of these funds. Unrestricted reserves are funds that are freely available to spend on any of the University's activities.

21. Agency arrangements

In accordance with section 23 'Revenue' of FRS 102, funds that the University receives and disburses as paying agent on behalf of a funding body (where the University is exposed to minimal risks or enjoys minimal economic benefit related to the transaction) are excluded from income in the Statement of Comprehensive Income and Expenditure.

22. Service concession arrangements

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

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

23. Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the University is required to make estimations and judgements that have a significant impact on the amounts recognised. The estimates and associated judgements are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the

estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Three significant judgements have been identified:

- i) Judgements on the recoverability of aged trade receivables based on the knowledge of the individuals or market. Where conditions suggest the full recoverability is doubtful, a provision will be recognised.
- ii) The amounts recognised in deferred income with regards to the Pritchatts Park design, build and operate project.

In 2021/22, a total consideration of £47.8 million was received on granting a 53-year lease of the Pritchatts Park site to Pritchatts Park Village LLP. The site consisted of land and buildings held by the University at a net book value (NBV) of £23.6 million and £9.9 million respectively. On signing the lease, the University disposed of the buildings from its fixed asset register as the substantial risks and rewards of ownership over their remaining useful economic life had been transferred to the lessee. The land remains an asset on the University's statement of financial position as it has an indefinite useful economic life.

This lease transaction generated a profit of £14.3 million, being the difference between the consideration of £47.8 million and what the University considered to be the fair value of the land and buildings based on an independent valuation by Gerald Eve LLP on 1 August 2014. In the case of the buildings, the fair value was taken to be the depreciated value since the independent valuation.

The profit arising from the lease was recognised in proportion to the relative book values of the University's interests in the land and buildings at the start of the transaction. This resulted in £4.2 million being reflected straight

away as profit in the Statement of Comprehensive Income and £10.1 million being treated as deferred income.

Therefore, in total £33.7 million of the capital consideration was accounted for as deferred income in 2021/22, reflecting the University's land interest. At 31 July 2025, £31.2 million (2023/24: £31.8 million) of the capital consideration is held as deferred income, and a total of £0.6 million (2023/24: £0.6 million) has been recognised in gain/ (loss) on disposal of fixed assets in the year reflecting 1/53rd of the deferred capital consideration.

- iii) The University has entered into a long-term headlease with Birmingham Health Innovation Campus (BHIC) and subsequently granted a sublease of the same premises to its wholly owned subsidiary, PHTA. Management has applied judgement in determining that both the headlease and sublease meet the criteria for classification as finance leases.

In arriving at this conclusion, consideration was given to the economic substance of the agreements, including the transfer of substantially all risks and rewards of use, the duration and non-cancellability of the sublease, and the matching nature of payment terms between the headlease and sublease.

As a result of this assessment, the University derecognised the right-of-use asset associated with the headlease and recognised a lease receivable equal to the present value of future sublease payments. Finance income is recognised using the effective interest method over the term of the sublease.

Management has also exercised judgement in determining the lease term for the headlease which runs until 9 October 2171 with break dates in 2060, 2085, 2115 and 2145. Where contractual break clauses exist, the

lease liability has been measured over the period which the University is reasonably expected to occupy the premises, reflecting relevant economic factors and strategic considerations at the reporting date.

There are two key sources of estimation uncertainty:

- i) Assumptions underlying the calculation of the BPAS pension deficit liability have been informed by independent actuarial assessment. The brought forward provision was £17.4 million. At 31 July 2025 this reduced to a liability of £10.9 million, reflecting changes in assumptions during the year. Further details are provided in Notes 18 and 26.
- ii) In measuring both the lease liability and the lease receivable arising from the two leases with BHIC and the sublease to PHTA, the University has made key estimations relating to future payment profiles.

Specifically, management has applied an inflationary escalation rate of 2.5 per cent per annum to forecast rental increases over the 35-year lease term applied every five years on a compounding basis, in accordance with methodology outlined in the lease agreement. For the Clinical Skills lease, management has applied an inflationary escalation of 2.4 per cent per annum over the 30-year lease period on the same basis.

While this rate is aligned with contractual expectations and current economic outlook, any deviation from this assumption could have a material impact on the measurement of lease-related balances and associated finance income and expense.

The escalation rate applied is subject to periodic review and reflects management's best estimate at the balance sheet date.



# Consolidated and Institution Statement of Comprehensive Income and Expenditure

Year ended 31 July 2025

	Year ended 31 July 2025			Year ended 31 July 2024	
	Notes	Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	551,417	551,417	456,277	456,277
Funding body grants	2	111,236	111,236	109,522	109,522
Research grants and contracts	3	228,461	228,461	205,187	205,187
Other income	4	172,730	153,472	150,809	132,221
Investment income	5	16,271	15,898	13,668	13,438
Total income before endowments and donations		1,080,115	1,060,484	935,463	916,645
Donations and endowments	6	11,850	11,850	9,338	9,338
Total income		1,091,965	1,072,334	944,801	925,983
Expenditure					
Staff costs excluding movement in the USS provision*	7	571,556	556,862	511,741	499,095
USS provision movement	7	-	-	(267,837)	(267,837)
Total staff costs	7	571,556	556,862	243,904	231,258
Other operating expenses		417,438	411,001	381,545	378,833
Depreciation and amortisation	11,12	92,531	91,259	98,998	97,380
Impairment		-	-	2,641	2,641
Interest and other finance costs	8	8,512	8,440	16,397	16,397
Total expenditure	9a	1,090,037	1,067,562	743,485	726,509
Surplus before other gains and losses		1,928	4,772	201,316	199,474
Gain on disposal of fixed assets		566	566	324	324
Gain on investments		3,816	3,816	10,240	10,240
Surplus before tax		6,310	9,154	211,880	210,038
Corporation tax	10	-	-	-	-
Surplus for the year		6,310	9,154	211,880	210,038

	Notes	Year ended 31 July 2025		Year ended 31 July 2024	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Actuarial loss in respect of pension schemes	26	2,713	2,800	(5,597)	(6,000)
<b>Total comprehensive income for the year</b>		<b>9,023</b>	<b>11,954</b>	<b>206,283</b>	<b>204,038</b>
Represented by:					
Endowment comprehensive income for the year		6,213	6,213	13,290	13,290
Restricted comprehensive income/ (expenditure) for the year		600	1,529	(643)	108
Unrestricted comprehensive income for the year		2,210	4,212	193,636	190,640
<b>Total comprehensive income for the year</b>		<b>9,023</b>	<b>11,954</b>	<b>206,283</b>	<b>204,038</b>

\* The Universities Superannuation Scheme (USS) provides defined benefits for members and the University contributes through a scheme-wide contribution rate. When the scheme is in deficit the University recognises a liability. The deficit provision was derecognised in the prior year resulting in a credit to staff costs of £268 million. Further details are included in Note 26.

All items of income and expenditure relate to continuing activities. The notes on pages 66 to 106 form part of these financial statements.



# Consolidated and Institution Statement of Changes in Reserves

Year ended 31 July 2025

Consolidated

	Notes	Income and Expenditure account			Total
		Endowment	Restricted	Unrestricted	
		£'000	£'000	£'000	£'000
Balance at 1 August 2023		142,487	28,950	956,972	1,128,409
Surplus for the year		16,084	17,840	177,956	211,880
Other comprehensive expenditure		-	-	(5,597)	(5,597)
Release of restricted funds spent in year	21,22	(2,794)	(18,483)	21,277	-
Total comprehensive income/ (expenditure) for the year		13,290	(643)	193,636	206,283
Other movements	21,22	-	16	(16)	-
Balance at 31 July 2024		155,777	28,323	1,150,592	1,334,692
Surplus/(deficit) for the year		9,796	15,946	(19,432)	6,310
Other comprehensive income		-	-	2,713	2,713
Release of restricted funds spent in year	21,22	(3,583)	(15,346)	18,929	-
Total comprehensive income for the year		6,213	600	2,210	9,023
Other movements	21,22	(8,280)	(4,698)	12,978	-
Balance at 31 July 2025		153,710	24,225	1,165,780	1,343,715

Institution

	Notes	Income and Expenditure account			Total
		Endowment	Restricted	Unrestricted	
		£'000	£'000	£'000	£'000
Balance at 1 August 2023		142,487	11,667	951,467	1,105,621
Surplus for the year		16,084	8,896	185,058	210,038
Other comprehensive expenditure		-	-	(6,000)	(6,000)
Release of restricted funds spent in year	21,22	(2,794)	(8,788)	11,582	-
Total comprehensive income for the year		13,290	108	190,640	204,038
Other movements	21,22	-	16	(16)	-
Balance at 31 July 2024		155,777	11,791	1,142,091	1,309,659
Surplus/(deficit) for the year		9,796	6,096	(6,738)	9,154
Other comprehensive income		-	-	2,800	2,800
Release of restricted funds spent in year	21,22	(3,583)	(4,567)	8,150	-
Total comprehensive income for the year		6,213	1,529	4,212	11,954
Other movements	21,22	(8,280)	(4,698)	12,978	-
Balance at 31 July 2025		153,710	8,622	1,159,281	1,321,613



# Consolidated and Institution Statement of Financial Position

Year ended 31 July 2025

		Year ended 31 July 2025		As at 31 July 2024	
	Notes	Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Non-current assets					
Intangible assets	11	30,505	30,500	23,531	23,526
Fixed assets	12	1,423,413	1,375,157	1,415,922	1,388,612
Heritage assets	12a	549	549	549	549
Investments	13	136,773	140,876	144,204	148,307
		1,591,240	1,547,082	1,584,206	1,560,994
Current assets					
Stocks for resale		269	217	247	197
Trade and other receivables	14	171,923	199,395	187,866	190,974
Cash and cash equivalents		268,267	255,448	196,303	183,734
		440,459	455,060	384,416	374,905
Creditors					
Amounts falling due within one year	15	(361,939)	(354,484)	(344,778)	(337,088)
Net current assets		78,520	100,576	39,638	37,817
Total assets less current liabilities		1,669,760	1,647,658	1,623,844	1,598,811
Creditors: amounts falling due after more than one year	16	(315,116)	(315,116)	(271,752)	(271,752)
Provisions					
Pension provisions	18	(10,929)	(10,929)	(17,400)	(17,400)
Total net assets		1,343,715	1,321,613	1,334,692	1,309,659

		Year ended 31 July 2025		As at 31 July 2024	
	Notes	Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Restricted reserves					
Income and expenditure reserve – endowment reserves	21	153,710	153,710	155,777	155,777
Income and expenditure reserve – restricted	22	24,225	8,622	28,323	11,791
Unrestricted reserves					
Income and expenditure reserve		1,165,780	1,159,281	1,150,592	1,142,091
Total reserves		1,343,715	1,321,613	1,334,692	1,309,659

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

Professor Adam Tickell, Vice-Chancellor and Principal

Mr Mervyn Walker, Chair

The notes on pages 66 to 106 form part of these financial statements.



# Consolidated Statement of Cash Flows

Year ended 31 July 2025

	Notes	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
<b>Cash flow from operating activities</b>			
Surplus for the year		6,310	211,880
<b>Adjustment for non-cash items</b>			
Depreciation and amortisation	11,12	92,531	98,998
Impairment		-	2,641
Gain on investments		(3,816)	(10,240)
(Increase)/decrease in stock		(22)	116
Decrease in debtors		15,943	10,022
Increase in creditors		16,618	1,509
Increase in long term creditors		4,218	287
Decrease in pension provision		(4,358)	(284,844)
Increase/(decrease) in capital provisions		10,987	(593)
Investment income	5	(16,271)	(13,668)
Interest payable	8	8,512	16,397
Endowment income	21	(899)	(735)
Gain on the disposal of fixed assets		(566)	(324)
Capital grant income		(20,706)	(8,103)
<b>Net cash inflow from operating activities</b>		<b>108,481</b>	<b>23,343</b>

<b>Cash flows from investing activities</b>			
Capital grants receipts		8,047	8,103
Disposal of non-current asset investments	13	12,630	192,763
Investment income		16,271	13,668
Payments made to acquire fixed assets		(41,863)	(36,367)
Payments made to acquire intangible assets	11	(9,254)	(9,396)
New non-current asset investments	13	(2,280)	(103,986)
<b>Net cash (outflow)/inflow from investing activities</b>		<b>(16,449)</b>	<b>64,785</b>

	Notes	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
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<b>Cash flows from financing activities</b>			
Interest paid		(7,614)	(7,801)
Endowment cash received		899	735
Repayments of amounts borrowed		(4,849)	(4,242)
Capital element service concession payments		(8,504)	(6,626)
<b>Net cash outflow from financing activities</b>		<b>(20,068)</b>	<b>(17,934)</b>

<b>Increase in cash and cash equivalents in the year</b>	<b>71,964</b>	70,194
Cash and cash equivalents at beginning of the year	196,303	126,109
<b>Cash and cash equivalents at end of the year</b>	<b>268,267</b>	<b>196,303</b>

<b>Consolidated reconciliation of net debt</b>		<b>£'000</b>
<b>Net debt 1 August 2024</b>		<b>(45,075)</b>
Movement in cash and cash equivalents		71,964
Other non-cash changes		(40,000)
Changes in market value		(49)
<b>Net debt 31 July 2025</b>		<b>(13,160)</b>
<b>Change in net debt</b>		<b>31,915</b>

<b>Analysis of net debt</b>		
Cash and cash equivalents	268,267	196,303
<b>Borrowings: amounts falling due within one year</b>		
Unsecured loans	(4,083)	(4,083)
Derivatives	(395)	(346)
Obligations under finance leases	(218)	-
<b>Borrowings: amounts falling due after more than one year</b>		
Unsecured loans	(232,153)	(236,949)
Obligations under finance leases	(44,578)	-
<b>Net debt</b>	<b>(13,160)</b>	<b>(45,075)</b>





# Notes to the financial statements

for the year ended 31 July 2025

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
<b>1. Tuition fees and education contracts</b>				
Undergraduate tuition – home students	173,952	173,952	172,957	172,957
Undergraduate tuition – other students	147,617	147,617	118,312	118,312
Postgraduate tuition – home students	36,136	36,136	37,393	37,393
Postgraduate tuition – other students	187,513	187,513	125,695	125,695
Other courses	6,199	6,199	1,920	1,920
	551,417	551,417	456,277	456,277
<b>2. Funding body grants</b>				
Recurrent grants:				
Office for Students (OfS)	34,792	34,792	34,084	34,084
Research England	56,006	56,006	55,323	55,323
OfS Capital grant	-	-	50	50
Research England Capital grant	8,207	8,207	7,394	7,394
Specific grants:				
Higher Education Innovation Fund	6,308	6,308	6,358	6,358
Department for Education	2,812	2,812	17	17
OfS other	3,103	3,103	685	685
Research England other	8	8	5,611	5,611
	111,236	111,236	109,522	109,522
<b>2a. Grant and Fee Income</b>				
The source of grant and fee income, included in Notes 1 and 2 is as follows:				
Grant income from the OfS	37,895	37,895	34,819	34,819
Grant income from other bodies	73,341	73,341	74,703	74,703
Fee income for taught awards (exclusive of VAT)	545,218	545,218	454,357	454,357
Fee income from non-qualifying courses (exclusive of VAT)	6,199	6,199	1,920	1,920
	662,653	662,653	565,799	565,799



	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
<b>3. Research grants and contracts</b>				
Research Councils	82,841	82,841	74,277	74,277
UK-based charities	33,392	33,392	32,442	32,442
UK central/local government, health and hospital authorities	62,776	62,776	48,279	48,279
UK industry, commerce and public corporations	17,779	17,779	15,623	15,623
EU government bodies	5,067	5,067	7,232	7,232
EU other	5,590	5,590	5,578	5,578
Other overseas	19,780	19,780	20,060	20,060
Other sources	1,236	1,236	1,696	1,696
	228,461	228,461	205,187	205,187
<b>4. Other income</b>				
Residences, catering and conferences	61,727	53,059	62,693	51,478
Other services rendered	10,794	8,982	12,120	8,161
Health Authority-funded external posts	19,912	19,912	16,650	16,650
Other capital grants	12,499	12,499	659	659
Student support	16,606	16,606	12,558	12,558
Sport	7,314	7,314	6,617	6,617
External funding	18,527	9,087	15,359	6,448
Day nurseries	4,114	4,114	3,403	3,403
Other income	21,237	21,899	20,750	26,247
	172,730	153,472	150,809	132,221
<b>5. Investment income</b>				
Investment income on endowments	5,727	5,727	5,165	5,165
Other investment income	10,544	10,037	8,503	8,273
Finance income on net investment in lease	-	134	-	-
	16,271	15,898	13,668	13,438
<b>6. Donations and endowments</b>				
New endowments	899	899	735	735
Donations with restrictions	4,524	4,524	4,497	4,497
Unrestricted donations	6,427	6,427	4,106	4,106
	11,850	11,850	9,338	9,338





	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
7. Staff costs				
Salaries	464,670	452,805	409,530	399,171
Social security costs	50,593	49,368	41,192	40,208
Movement on USS pension provision	-	-	(267,837)	(267,837)
Other pension costs	56,293	54,689	61,019	59,716
	571,556	556,862	243,904	231,258

In the current year, the University launched a Voluntary Leaver Scheme (VLS) as a means of achieving a reduction in the University's cost base and aligning available finances to meet University strategic objectives and protect against the sector's financial pressures. The VLS was an entirely voluntary scheme advertised to all staff across the University. The University decided which volunteers would and would not be given the VLS terms entirely at its discretion applying factors such as cost savings, impact on service delivery, student experience and staff wellbeing. This total cost of the VLS scheme in the year was £11.1 million and related to 238 members of staff.

Total compensation for loss of office, including the Voluntary Leavers Scheme, of £12.4 million was paid in 2024/25 (2023/24: £1.8 million) and this relates to 286 employees (2023/24: 58).

	2025 Professor Adam Tickell	2024 Professor Adam Tickell
Emoluments of the Vice-Chancellor:	£'000	£'000
Salary	356	351
Payments in lieu of pension	49	48
Taxable benefits	20	17
Performance-related pay	28	-
	453	416

The University made no deficit contributions to the USS pension scheme in 2024/25 (2023/24: £9,000) in relation to the Vice Chancellor's enhanced opt-out arrangement.

Included within taxable benefits is an amount of £3,032 (2023/24: £nil) relating to a vehicle provided through the University's salary sacrifice scheme.

The process of Remuneration Committee to determine the remuneration of the Vice-Chancellor is set out in the Corporate Governance Statement.

The Vice-Chancellor's basic salary is 7.8 times the median pay of staff (2023/24: 7.9 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The Vice-Chancellor's total remuneration is 8.7 times (2023/24: 8 times) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University of its staff.

In calculating the pay multiples, only staff included in real-time reporting to HMRC are considered, all funding received as part of external funding agreements are excluded from the calculation, as are those not in receipt of a basic salary payment. Agency paid staff are excluded.

Staff full-time equivalents (FTE) numbers by major category:	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	FTEs	FTEs	FTEs	FTEs
Academic, clinical academic and administrative	6,505	6,437	6,199	6,124
Other, including technical, clerical and manual	2,370	2,115	2,340	2,118
	8,875	8,552	8,539	8,242

The increase in staff in the year relates to additional research activity.

Trustees

The total expenses paid to or on behalf of 14 (2023/24: 13) Council members was £5,901 (2023/24: £5,621). This represents travel and subsistence expenses incurred in attending Council committee meetings and events in their official capacity as Council members. No payments or other benefits have been received by Council members in respect of their services.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University and are represented as the University Executive Board (UEB).

In the year, UEB consisted of the Vice-Chancellor and Principal, Registrar and Secretary and Chief Operating Officer, Provost and Vice-Principal, Chief Financial Officer, Pro-Vice-Chancellor (Education), Pro-Vice-Chancellor (International), Pro-Vice-Chancellor (Research), Pro-Vice-Chancellor and Head of College (Life and Environmental Sciences), Pro-Vice-Chancellor and Head of College (Arts and Law), Pro-Vice-Chancellor and Head of College (Engineering and Physical Sciences), Pro-Vice-Chancellor and Head of College (College of Medicine and Health) and the Pro-Vice-Chancellor and Head of College (Social Sciences).

Institution

	Year ended 31 July 2025	Year ended 31 July 2024
	£'000	£'000
Key management personnel compensation	2,459	2,610

Other higher-paid staff

Remuneration of higher-paid staff other than the Vice-Chancellor (including members of UEB) accounted for in the Comprehensive Statement of Income and Expenditure is set out on page 71. This includes staff on clinical pay scales who received NHS pay awards in both years.

Some staff, who are not in the USS pension scheme and do not therefore receive the employer's contribution, receive instead as part of their salary a 13.7 per cent cash payment in lieu of pension. The remuneration figures below are presented in line with the requirements of Accounting Standards and therefore do not include any employer pension contributions, but do include cash payments in lieu of pension. To make a meaningful comparison, approximately 14.5 per cent (2023/24: approximately 17.5 per cent) would need to be added to those staff for whom the University is making pension contributions and comparison figures adjusted for those staff who have opted out of pension schemes.

The number of higher-paid staff members has increased by 79 (2023/24: 62). A total of 71 (2023/24: 44) members of staff were included in the disclosure for this first time. This is the result of a number of factors including recruitment of new roles, for example through our 125th Anniversary Fellows and Chairs scheme, recruitment of roles part way through the year that have entered the disclosure for the first time this year, and through the annual pay award or promotion and progression within the salary scale as a result of time served in their current role.



	Year ended 31 July 2025	Year ended 31 July 2024
	No.	No.
£100,000.00 to £104,999.99	54	55
£105,000.00 to £109,999.99	54	29
£110,000.00 to £114,999.99	41	44
£115,000.00 to £119,999.99	44	20
£120,000.00 to £124,999.99	19	21
£125,000.00 to £129,999.99	17	28
£130,000.00 to £134,999.99	20	13
£135,000.00 to £139,999.99	16	8
£140,000.00 to £144,999.99	6	6
£145,000.00 to £149,999.99	29	2
£150,000.00 to £154,999.99	5	9
£155,000.00 to £159,999.99	11	8
£160,000.00 to £164,999.99	3	4
£165,000.00 to £169,999.99	4	1
£170,000.00 to £174,999.99	1	1
£175,000.00 to £179,999.99	1	2
£180,000.00 to £184,999.99	2	1
£185,000.00 to £189,999.99	2	-
£190,000.00 to £194,999.99	-	1
£195,000.00 to £199,999.99	1	-
£200,000.00 to £204,999.99	-	1
£205,000.00 to £209,999.99	1	1
£210,000.00 to £214,999.99	1	-
£225,000.00 to £229,999.99	1	-
£235,000.00 to £239,999.99	-	2
£240,000.00 to £244,999.99	2	-
£245,000.00 to £249,999.99	1	-
£250,000.00 to £254,999.99	-	1
£260,000.00 to £264,999.99	1	-
	337	258

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
8. Interest and other finance costs				
Loan interest	7,516	7,444	7,680	7,680
Increase in fair value of derivatives	101	101	1,546	1,546
Finance lease interest	197	197	-	-
BPAS interest charge	600	600	900	900
USS interest charge	-	-	6,150	6,150
Investment fees	98	98	121	121
	8,512	8,440	16,397	16,397
9a. Analysis of total expenditure by activity				
Academic and related expenditure	378,834	378,834	344,576	344,576
Administration and central services	237,038	223,093	216,523	204,448
Premises	87,309	86,037	106,009	104,391
Residences, catering and conferences	37,095	32,894	37,645	32,905
Research grants and contracts	244,930	244,930	222,294	222,294
Other operating expenses	104,831	101,774	84,275	85,732
USS pension movement	-	-	(267,837)	(267,837)
	1,090,037	1,067,562	743,485	726,509
Other operating expenses include:				
External auditor's remuneration in respect of audit services	868	642	1,045	717
External auditor's remuneration in respect of non-audit services	48	42	37	34
Operating lease payments	15,982	14,830	15,306	15,306

The consolidated external auditor's remuneration in respect of audit services includes £642,000 (2023/24: £777,000) fees payable to Ernst & Young LLP and £226,000 (2023/24: £268,000) payable to other auditing firms for subsidiary engagements.



9b. Access and Participation	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Access investment	2,210	2,210	2,264	2,264
Financial support	10,233	10,233	10,398	10,398
Disability support	1,229	1,229	1,144	1,144
Research and evaluation	562	562	612	612
	14,234	14,234	14,418	14,418

The costs for access and participation relate to the agreed OfS Access and Participation plan (available at [www.officeforstudents.org.uk/for-providers/regulatory-resources/search-for-access-and-participation-plans](http://www.officeforstudents.org.uk/for-providers/regulatory-resources/search-for-access-and-participation-plans)) which enables the University to charge higher fees for UK student undergraduate courses. The plan commenced in 2020/21 and concluded in 2024/25. The new plan commencing in 2025/26 is also available at the above link.

Access investment comprises activities funded through higher fee income and other sources, primarily supporting outreach initiatives. In line with the approved plan, 20 per cent of student recruitment and admissions costs have been attributed to access investment.

Financial support includes financial aid packages, funded by higher fee income, and hardship funds, supported by the OfS student premium. Disability support is delivered through a combination of higher fee income and OfS student premium funding.

Research and evaluation activities, funded by higher fee income, are undertaken to assess the effectiveness and impact of access and participation activities.

Expenditure includes staff costs of £2.6 million (2023/24: £2.7 million), which are reported in Note 7. These costs supported plan activities as follows:

- Access investment £1.5 million (2023/24: £1.6 million);
- Disability support £0.5 million (2023/24: £0.5 million); and
- Research and evaluation £0.6 million (2023/24: £0.6 million).

10. Taxation

There are no tax charges for the University of Birmingham in 2024/25 (2023/24: £nil).

11. Intangible assets	Assets in the course of construction	Intangible assets	Total
Consolidated	£'000	£'000	£'000
Cost or valuation			
At 1 August 2024	16,587	44,252	60,839
Additions	9,254	-	9,254
Transfers	(3,559)	3,559	-
At 31 July 2025	22,282	47,811	70,093
Amortisation			
At 1 August 2024	-	37,308	37,308
Charge for the year	-	2,282	2,282
Other movements	-	(2)	(2)
At 31 July 2025	-	39,588	39,588
Carrying amount			
At 31 July 2025	22,282	8,223	30,505
At 31 July 2024	16,587	6,944	23,531

Institution

Cost or valuation			
At 1 August 2024	16,587	44,240	60,827
Additions	9,254	-	9,254
Transfers	(3,559)	3,559	-
At 31 July 2025	22,282	47,799	70,081
Amortisation			
At 1 August 2024	-	37,301	37,301
Charge for the year	-	2,280	2,280
At 31 July 2025	-	39,581	39,581
Carrying amount			
At 31 July 2025	22,282	8,218	30,500
At 31 July 2024	16,587	6,939	23,526

Intangible assets relate to expenditure on Core, a cloud-based system that transformed finance, HR, payroll, and research grant processes; the early phases of upgrading the student records system (StARS); and the student recruitment platform (TSAP). Assets under construction relate to the ongoing phases of the StARS and TSAP projects.



12. Fixed Assets	Freehold land and buildings	Leasehold land and buildings	Major refurbishment	Equipment	Assets in the course of construction	Total
Consolidated	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 August 2024	1,552,441	54,821	165,797	114,096	40,356	1,927,511
Additions	268	76,433	25	4,679	39,660	121,065
Transfers	3,530	19,266	9,156	5,251	(37,203)	-
Other movements	(596)	71	-	(14)	(1,441)	(1,980)
Disposals	(76)	(34,523)	(1,185)	(1,596)	-	(37,380)
At 31 July 2025	1,555,567	116,068	173,793	122,416	41,372	2,009,216
Depreciation						
At 1 August 2024	311,859	24,055	106,939	68,736	-	511,589
Charge for the year	38,807	9,160	14,599	27,683	-	90,249
Other movements	200	(672)	1	-	-	(471)
Disposals	(26)	(12,766)	(1,184)	(1,588)	-	(15,564)
At 31 July 2025	350,840	19,777	120,355	94,831	-	585,803
Net book value						
At 31 July 2025	1,204,727	96,291	53,438	27,585	41,372	1,423,413
At 31 July 2024	1,240,582	30,766	58,858	45,360	40,356	1,415,922

At 31 July 2025, freehold land and buildings included £216.7 million (2023/24: £216.7 million) in respect of freehold land which is not depreciated.

Pritchatts Park Student Village

In December 2021, the University entered into a design, build, finance and operate arrangement (DBFO) with an experienced developer to provide student accommodation and a car park at the current site on Pritchatts Road. The developer will lease, maintain and operate the student village, Pritchatts Park, for a period of 53 years. A special purpose vehicle was set up to procure the development and maintenance of the project, in which the University has a ten per cent equity stake. Leasehold additions of £9.4 million were recognised in the year reflecting rooms the University has nominated for the period to 31 July 2026. The net book value included in leasehold land and buildings at 31 July 2025 is £9.4 million (2023/24: £9.1 million).

Birmingham Health Innovation Campus

During the year, the University entered into a long-term headlease agreement with Birmingham Health Innovation Campus (BHIC) for the occupation of newly developed premises. The lease commenced on 16 June 2025 and has been classified as a finance lease and a right-of-use asset was recognised equal to the present value of future lease payments.

Subsequently, the University entered into a matching sublease arrangement with its wholly owned subsidiary, PHTA Limited, granting exclusive occupancy of the leased space under equivalent terms. The sublease also meets the criteria for a finance lease, resulting in a derecognition of the associated right-of-use asset and recognition of a lease receivable. The carrying value of the leasehold right-of-use asset derecognised during the year was £21.8 million.

The University continues to recognise the lease liability associated with the headlease, and interest is accrued using the effective interest method. The lease receivable is recognised within debtors and is unwound over the sublease term, with finance income recognised on a systematic basis.

As the sublease is between consolidated group entities, the lease receivable, corresponding lease liability, right-of-use asset, and related finance income and expense are eliminated on consolidation and do not impact the consolidated financial statements.

Birmingham Health Innovation Campus: Clinical Skills area

A second lease, specific to the lower floors of the building, commenced on 11 July 2025 and a leasehold right-of-use asset was recognised equal to the present value of future lease payments. The carrying value of the right-of-use asset at year-end was £22.8 million.

	Freehold land and buildings	Leasehold land and buildings	Major refurbishment	Equipment	Assets in the course of construction	Total
Institution	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 August 2024	1,514,618	55,041	165,468	111,824	40,356	1,887,307
Additions	-	54,676	-	4,509	39,660	98,845
Transfers	3,530	19,266	9,156	5,251	(37,203)	-
Other movements	150	(149)	-	2	(1,441)	(1,438)
Disposals	(76)	(34,523)	(1,185)	(1,601)	-	(37,385)
At 31 July 2025	1,518,222	94,311	173,439	119,985	41,372	1,947,329
Depreciation						
At 1 August 2024	301,531	23,417	106,933	66,814	-	498,695
Charge for the year	37,680	9,160	14,566	27,573	-	88,979
Other movements	89	(34)	2	-	-	57
Disposals	(26)	(12,766)	(1,179)	(1,588)	-	(15,559)
At 31 July 2025	339,274	19,777	120,322	92,799	-	572,172
Net book value						
At 31 July 2025	1,178,948	74,534	53,117	27,186	41,372	1,375,157
At 31 July 2024	1,213,087	31,624	58,535	45,010	40,356	1,388,612

12a. Heritage assets	31 July 2025	31 July 2024
Consolidated and Institution	£'000	£'000
At 1 August	549	549
Acquisition	-	-
Disposals	-	-
At 31 July	549	549

As stated in the Statement of Accounting Policies, heritage assets acquired or donated since 1 August 1999 have been capitalised. Heritage assets acquired prior to this have not been capitalised as reliable estimates of cost or valuation are not available on a cost-benefit basis.



13. Investments

	Subsidiary companies	Investment in spinouts	Other non- current asset investments	Endowment asset investments	Total
	£'000	£'000	£'000	£'000	£'000
Consolidated					
At 1 August 2024	-	2,997	15,071	126,136	144,204
Additions	-	75	-	2,205	2,280
Disposals	-	-	(11,165)	(1,465)	(12,630)
Revaluation	-	(479)	(123)	3,521	2,919
At 31 July 2025	-	2,593	3,783	130,397	136,773
Institution					
At 1 August 2024	5,530	2,997	13,644	126,136	148,307
Additions	-	75	-	2,205	2,280
Disposals	-	-	(11,165)	(1,465)	(12,630)
Revaluation	-	(479)	(123)	3,521	2,919
At 31 July 2025	5,530	2,593	2,356	130,397	140,876

Other non-current asset investments include University holdings in a number of investment funds and companies which are held at fair value. In the endowment asset investment class, the University holds a number of investments which are held at fair value.

14. Trade and other receivables

	31 July 2025		31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Research grants receivables	95,202	95,202	102,762	102,762
Other trade receivables	30,634	29,506	46,598	45,246
Other receivables	1,710	1,507	1,996	1,764
Prepayments and accrued income	43,902	42,932	36,035	36,957
Intercompany finance lease receivable	-	218	-	-
Amounts due from subsidiary companies	-	4,982	-	1,870
	171,448	174,347	187,391	188,599
Amounts falling due after one year:				
Other debtors and prepayments	475	475	475	475
Intercompany finance lease receivable	-	21,673	-	-
Amounts receivable from subsidiary companies	-	2,900	-	1,900
	171,923	199,395	187,866	190,974

Intercompany finance lease receivable

As detailed in Note 12, at the balance sheet date, the University has recognised a finance lease receivable arising from a sublease agreement entered into with its wholly owned subsidiary, PHTA Limited. The lease commenced on 16 June 2025 and matches the terms and non-cancellable duration of the headlease with Birmingham Health Innovation Campus (BHIC).

The lease receivable has been recognised in full at 31 July 2025, reflecting the University's contractual entitlement to future sublease payments. The receivable represents the net investment in the lease and has been measured at the present value of expected future lease payments, discounted using the University's effective interest rate.

15. Creditors: amounts falling due within one year

	31 July 2025		31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Research grants received on account	149,795	149,795	150,709	150,709
Unsecured loans	4,083	4,083	4,083	4,083
Obligations under finance leases	218	218	-	-
Service concession liabilities	9,406	9,406	9,130	9,130
Trade payables	82,768	81,767	75,955	74,492
Social security and other taxation payable	15,674	14,856	11,894	11,099
Accruals	49,572	44,675	31,601	28,780
Deferred income	41,056	40,341	48,972	48,769
Derivatives	395	395	346	346
Other creditors	8,972	8,229	12,088	9,308
Amounts due to subsidiary companies	-	719	-	372
	361,939	354,484	344,778	337,088



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

Notes	31 July 2025		31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Research grants and contracts in advance	7,870	7,870	3,652	3,652
Obligations under finance leases	44,578	44,578	-	-
Unsecured loans	232,153	232,153	236,949	236,949
Deferred income	30,515	30,515	31,151	31,151
	315,116	315,116	271,752	271,752

Analysis of unsecured loans:

Due within one year or on demand	15	4,083	4,083	4,083	4,083
Due between one and two years		4,083	4,083	4,083	4,083
Due between two and five years		11,250	11,250	11,583	11,583
Due in five years or more		216,820	216,820	221,283	221,283
Due after more than one year		232,153	232,153	236,949	236,949
Total unsecured loans		236,236	236,236	241,032	241,032

Included in loans are the following:

Lender	2025	2024	Date of commitment	Maturity	Interest rate %	Borrower
	Amount £'000	Amount £'000				
Private Placement - Barings	25,700	25,700	July 2017	2042/43	2.64	University
Private Placement - BAE	40,000	40,000	July 2017	2050/51	2.58	University
Private Placement - Aviva	20,000	20,000	July 2017	2057/58	2.51	University
Private Placement - PIC	20,000	20,000	July 2017	2044/45	2.67	University
Private Placement - PIC	90,000	90,000	July 2017	2057/58	2.51	University
Private Placement - Great-West Life	4,300	4,300	July 2017	2042/43	2.64	University
Lloyds	35,570	39,267	December 2021	2034/35	3.95	University
HEFCE Revolving Green Fund	666	1,765	February 2009	2026/27	NIL	University
	236,236	241,032				

The Lloyds loan balance contains a contractually connected interest rate swap valued at £1 million debit at year-end (2023/24: £1 million debit). The swap fixes the interest rate paid on the term loan at 3.95 per cent as the term loan SONIA payment and the swap SONIA receipt offset each other.

Prior to the year-end, on 24 July 2025, the University entered into an agreement with Lloyds Bank, under which the existing £36 million loan facility would be repaid early and replaced with a £100 million revolving credit facility. The agreement was conditional upon the repayment of the existing loan and termination of the interest rate swap, which occurred on 7 August 2025, after the year-end. The revolving credit facility is currently unutilised.

Lease liability

As detailed in Note 12, at the balance sheet date, the University has recognised a lease liability in respect of premises leased from Birmingham Health Innovation Campus (BHIC) which commenced on 16 June 2025. A second lease, specific to the Clinical Skills area as outlined in Note 12, commenced on 11 July 2025. The liability reflects the University's contractual obligation over the full lease term and has been measured at the present value of future payments using a discount rate of 5.04 per cent.

Interest will be charged on the lease liability using the effective interest method from the commencement of the lease.

17. Financial instruments

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

		31 July 2025		31 July 2024	
		Consolidated	Institution	Consolidated	Institution
	Notes	£'000	£'000	£'000	£'000
Financial assets					
Measured fair value through income and expenditure					
Investments in common investment funds	13	130,397	130,397	137,380	137,380
Debt instruments measured at amortised cost					
Cash and cash equivalents		268,267	255,448	196,303	183,734
Long-term loans receivable	14	475	3,375	475	2,375
Finance lease receivable	14	-	21,891	-	-
Measured at undiscounted amount receivable					
Trade and other receivables		150,443	153,341	170,673	171,881
Equity instruments measured at cost less impairment					
Non-current asset investments in utilised equity instruments	13	6,376	10,479	6,824	10,927
		555,958	574,931	511,655	506,297

Financial liabilities

Measured at fair value through income and expenditure					
Derivative financial liabilities	15	395	395	346	346
Measured at amortised cost					
Loans payable	16	236,236	236,236	241,032	241,032
Obligations under finance leases	16	44,796	44,796	-	-
Measured at undiscounted amount receivable					
Trade and other creditors		141,312	134,671	119,644	112,580
		422,739	416,098	361,022	353,958



The derivative financial liability relates to an interest rate swap, with notional value of £5 million, carried at fair value. The swap gives a fixed rate of 4.89 per cent compared to the variable three months LIBOR rate payable on the loan. The swap is held with Yorkshire Bank and expires in 2026. It is settled quarterly, with the difference between the fixed and floating interest rate settled on a net basis.

The loans payable liability includes a Lloyds Bank facility with an associated interest rate swap. The swap had an initial valuation in December 2020 of £9.8 million and at 31 July 2025 is carried at fair value within the loan balance at £1 million debit (2023/24: £1 million debit). As detailed in Note 16, the loan was repaid and the swap terminated in August 2025.

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

	Notes	31 July 2025		31 July 2024	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Interest income and (expense)					
Total interest income for financial assets at amortised cost	5	16,271	15,898	13,668	13,438
Total interest expense for financial liabilities at amortised cost	8	(7,713)	(7,641)	(7,680)	(7,680)
		8,558	8,257	5,988	5,758
Fair value gains and (losses)					
On financial assets measured at fair value through income and expenditure	SOCI	3,816	3,816	10,240	10,240
On derivative financial liabilities		(49)	(49)	213	213
		3,767	3,767	10,453	10,453

18. Pension provisions

	Defined benefit obligation on BPAS pension	Total pension provisions
Consolidated	£'000	£'000
At 1 August 2024	17,400	17,400
Utilised during the year	(7,771)	(7,771)
Charged to the Statement of Comprehensive Income and Expenditure	1,300	1,300
At 31 July 2025	10,929	10,929

BPAS pension

The University operates the University of Birmingham Pension and Assurance Scheme (BPAS) for the University’s qualifying support staff. The scheme is a funded scheme. The latest actuarial valuation of the scheme was at 31 March 2022 and revealed a funding shortfall. The Trustees have put a Recovery Plan in place to address the deficit as detailed in Note 26.

Sensitivity analysis

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the BPAS deficit. The sensitivity of the principal assumptions used to measure the BPAS deficit provision are set out below:

Changes in assumptions at 31 July 2025	Approximate impact
	£ million
0.1% increase in discount rate	(3.5)
0.1% increase in RPI	2.3
Decrease mortality base table multipliers by 5%	3.5
Increase mortality future improvements by 0.25%	1.4





19. Events after the reporting period

Prior to the year-end, on 24 July 2025, the University entered into an agreement with Lloyds Bank, under which the existing £36 million loan facility would be repaid early and replaced with a £100 million revolving credit facility. The agreement was conditional upon the repayment of the existing loan and termination of the interest rate swap, which occurred on 7 August 2025, after the year-end. The revolving credit facility is currently unutilised.

As the arrangement was conditional at the reporting date, it is considered a non-adjusting event. Accordingly, the existing loan facility is presented in both current and non-current liabilities, reflecting the repayment schedule under the original loan agreement.

20. Lease commitments

The total of future minimum lease payments, excluding VAT, under non-cancellable operating leases is as follows:

	2025 £'000	2024 £'000
Not later than 1 year	15,204	14,880
Later than 1 year and not later than 5 years	51,628	62,789
Later than 5 years	-	5,513
<b>Total lease payments due</b>	<b>66,832</b>	<b>83,182</b>

In 2019/20, the University entered into an agreement with Unite Students to rent 348 students rooms in the property known as Battery Park, Bristol Road, Birmingham at a total annual cost, excluding VAT, of £2.2 million. This agreement covers the academic years 2019/20 to 2031/32.

Void rent is payable by the University to Unite Students to the extent that nominees are not referred to Unite Students for reserved rooms. The void rent is calculated as total rent if 98 per cent of the rooms are let less rent due from referred nominees. The University has committed to nominate an agreed number of rooms each academic year for the lease term which enables students to commit for a one-year term whilst also enabling the University to review the scale of any void liability on an annual basis, rather than over the full lease term. The University manages its total available number of rooms in such a way as to ensure any void liability is minimised.

Due to the high levels of demand for student accommodation, the University is able to nominate all rooms covered by the lease agreement and therefore does not consider it necessary to carry a liability for void rent at 31 July 2025, having considered both the nominations for the forthcoming academic year and based on subsequent events.



21. Endowment reserves

Consolidated and Institution	Restricted permanent endowments	Unrestricted permanent endowments	Expendable endowments	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000
Balances at 1 August					
Capital	84,654	38,795	10,856	134,305	126,931
Accumulated income	18,721	2,257	494	21,472	15,556
	103,375	41,052	11,350	155,777	142,487
New endowments	10	-	889	899	735
Investment income	1,703	3,196	476	5,375	8,710
Expenditure	(2,152)	(981)	(450)	(3,583)	(2,794)
Increase in market value of investments	2,243	1,003	276	3,522	6,639
Total movement for the year	1,804	3,218	1,191	6,213	13,290
Transfer from general reserves	(8,280)	-	-	(8,280)	-
At 31 July	96,899	44,270	12,541	153,710	155,777

Represented by:

Capital	86,907	39,798	12,021	138,726	134,305
Accumulated income	9,992	4,472	520	14,984	21,472
	96,899	44,270	12,541	153,710	155,777

Analysis by type of purpose:

Funded posts	29,364	915	2,351	32,630	28,488
General	11,866	27,824	5,774	45,464	55,235
Lectureships	14,203	583	3,245	18,031	15,247
Prize funds	5,012	1,514	251	6,777	6,199
Research support	7,731	3,681	583	11,995	11,924
Scholarships and bursaries	28,723	9,753	337	38,813	38,684
	96,899	44,270	12,541	153,710	155,777

Analysis by asset:

Non-current asset investments	130,397	126,136
Cash and cash equivalents	23,313	29,641
	153,710	155,777

Consolidated and Institution

	2025 Total	2024 Total
Represented by:	£'000	£'000
Equity	54,265	51,183
Fixed income and bonds	32,265	32,629
Infrastructure	18,885	18,432
Private credit	15,755	16,411
Private equity	6,250	5,360
Property	35	35
Other	2,942	2,086
Cash and cash equivalents	23,313	29,641
	153,710	155,777



22. Restricted reserves

Consolidated

	2025 Total	2024 Total
		£'000
Balances at 1 August	28,323	28,950
Income	15,946	17,840
Expenditure	(15,346)	(18,483)
Total restricted comprehensive income/ (expenditure) for the year	600	(643)
Transfer (to)/from unrestricted reserves	(4,698)	16
At 31 July	24,225	28,323

Institution

	2025 Total	2024 Total
	£'000	£'000
Balances at 1 August	11,791	11,667
Income	6,096	8,896
Expenditure	(4,567)	(8,788)
Total restricted comprehensive expenditure for the year	1,529	108
Transfer (to)/from unrestricted reserves	(4,698)	16
At 31 July	8,622	11,791

	2025 Consolidated	2025 Institution	2024 Consolidated	2024 Institution
Analysis of other restricted funds/donations by type of purpose:	£'000	£'000	£'000	£'000
Funded posts	312	312	496	496
General	19,463	3,860	23,457	6,925
Outreach	113	113	281	281
Prize funds	143	143	117	117
Research support	942	942	2,882	2,882
Scholarships and bursaries	3,252	3,252	1,090	1,090
	24,225	8,622	28,323	11,791

23. Capital and other commitments

The group had the following capital commitments at year end:

	31 July 2025		31 July 2024	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
Commitments contracted for	31,397	31,397	9,984	9,984

Within commitments £2.9 million relates to intangible assets (2023/4: £4.7 million) and £24.5 million relates to to developments at the Birmingham Health Innovation Campus (2023/24: £1.9 million).







24. Subsidiary undertakings

The subsidiaries are all wholly owned or effectively controlled by the University and incorporated in and operate in Great Britain except Alta Birmingham China Limited and Birmingham Global Limited which are incorporated in the UK but operate in the UK and China/India respectively.

Guangzhou ABC Education Information Consultancy Limited, incorporated and operating within China, is a 100 per cent subsidiary of Alta Birmingham China Limited. Birmingham Global India Private Limited, incorporated and operating within India, is a 100 per cent subsidiary of Birmingham Global Limited.

Name of company	Percentage holding		Nature of business
	Consolidated	University	
Alta Birmingham China Limited	100%	100%	Management of activities in China
Guangzhou ABC Education Information Consultancy Limited	100%	0%	Consulting services on education, trade, investment, enterprise management, convention and exhibition services in China
Alta Cyclotron Services Limited	100%	100%	Preparation and sale of chemicals for clinical use
Birmingham Global Limited	100%	100%	Management of activities in India
Birmingham Global India Private Limited	100%	0%	Management of education and research opportunities in India
BPAS Trustee Limited	100%	100%	Incorporated 28 July 2025. Management of the University of Birmingham Pension and Assurance Scheme (BPAS)
Edgbaston Park Hotel and Conference Centre Limited	100%	100%	Hotel and conference centre
Precision Health Technologies Accelerator Limited (PHTA Limited)	100%	100%	Provision of life sciences incubation. Diagnostic and translational medicine services
Pritchatts Park Investment Company Limited	100%	0%	Holds an investment in a special purpose vehicle undertaking a design, build, finance and operate contract in respect of Pritchatts Park halls of residence
Pritchatts Park Holding Company Limited	100%	100%	Holding company of Pritchatts Park Investment Company Limited
University of Birmingham Enterprise Limited	100%	100%	Technology transfer and provision of both accommodation and services to high technology companies
University of Birmingham School (Company Limited by Guarantee)	Member	Member	Running the University School and Sixth Form
University of Birmingham Selly Oak Educational Trust (UoBSOET)	100%	100%	Management of land and buildings on the Selly Oak campus
National College for Advanced Transport and Infrastructure (NCATI) (Company Limited by Guarantee)	100%	Member	In liquidation
National College for High Speed Rail Limited (NHSR)	100%	0%	In liquidation



25. Connected charitable institutions

A number of charitable institutions are administered by or on behalf of the University and have been established for its general or special purposes. As a result, under paragraph 28 of Schedule 3 to the Charities Act 2011, these connected organisations are exempt from registration with the Charity Commission. One of the connected charities, University of Birmingham Selly Oak Educational Trust, is included as a subsidiary undertaking in these consolidated financial statements. The others are not included in the consolidation as the University does not have control over their activities.

The movements in the year on the total funds of University of Birmingham Selly Oak Educational Trust are:

	Opening balance	Income	Expenditure	Closing balance
	£'000	£'000	£'000	£'000
University of Birmingham Selly Oak Educational Trust	5,061	10	(231)	4,840

Not consolidated

Included within the Statement of Financial Position, held in other non-current investments, is £2.2 million (2023/24: £2.2 million) which represents the University's shareholding, via the Samuel Hanson Rowbotham Trust, which holds a minority shareholding of Waterloo House, a private limited company.

The University owns the Barber Institute of Fine Arts, which hosts one of the finest small collections of European Art in the United Kingdom. The collection belongs to the Trustees of the Henry Barber Trust. During the year, the University commenced the second phase of a £10 million improvement programme within the Grade-I listed building.

There are a number of charities which have been established to undertake activity closely affiliated to the University's charitable objectives. These are registered at University premises and conduct their activities on campus. The University does not control or manage any of these and they are not consolidated in the financial statements:

- The Holdsworth Club of the Students of the Faculty of Law in the University of Birmingham
- The Britain-Nepal Academic Council
- The Micropaleontological Society
- The Anglican Chaplaincy Trust
- The Platelet Society
- HaemSTAR: Haematology Speciality Training, Audit and Research
- The Anglo-Catalan Society
- The Society of Caribbean Studies
- UK Association for Public Administration

No transactions or balances are included in the financial statements in relation to any of these entities.

26. Pension schemes

The four principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS); the University of Birmingham Pension and Assurance Scheme (BPAS); the Group Personal Pension Scheme (GPPS) and the NHS Pension Scheme (NHSPS).

The subsidiary University of Birmingham School is a member of the the Teacher's Pension Scheme (TPS) and a Local Government Pension Scheme (LGPS).

(i) Universities Superannuation Scheme

The University participates in the Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. It is a hybrid pension scheme, providing defined benefit 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. Further details are provided in the Statement of Accounting Policies. In 2024/25 the Institution made employer contribution payments to the Scheme of £44.6 million (2023/24: £49.8 million).

Pension scheme funding position

A deficit recovery plan was put in place as part of the 2020 valuation. It required payment of 6.2 per cent of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3 per cent. 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 Statement of Comprehensive Income and Expenditure in the prior year.

The latest available complete actuarial valuation of the Retirement Income Builder, the defined benefit part of the scheme, is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

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

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

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles ([uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles](https://uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles)).

Price inflation – Consumer Prices Index (CPI)	3.0 per cent pa (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/CPI gap	1.0 per cent pa to 2030, reducing to 0.1 per cent pa from 2030
Discount rate	Fixed interest gilt yield curve plus: Pre-retirement: 2.5 per cent pa Post-retirement: 0.9 per cent pa
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a 'soft cap' of 5 per cent (providing inflationary increases up to 5 per cent, and half of any excess inflation over 5 per cent up to a maximum of 10 per cent): CPI assumptions minus 3bps

The main demographic assumption used relates 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 per cent of S2PMA 'light' for males and 95 per cent of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4 per cent pa, 10 per cent w2020 and w2021 parameters, and a long term improvement rate of 1.8 per cent pa for males and 1.6 per cent pa for females



The current life expectancies at age 65 are:

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

(ii) University of Birmingham Pension and Assurance Scheme (BPAS)

The University operates the BPAS defined benefit pension scheme which was closed to new members in July 2002. BPAS is contracted out of the State Second Pension (S2P) and management of the scheme’s investments is undertaken by a team of investment managers.

Actuarial valuation

The latest actuarial valuation of the scheme was at 31 March 2022 and it revealed a funding shortfall (technical provisions minus value of assets) of £64.8 million. The valuation was carried out using the projected unit method. The next valuation, as at 31 March 2025, is currently underway.

The Trustees of the scheme have put a recovery plan in place to address the shortfall. The recovery plan requires the University to make contributions to the scheme for both future accrual and deficit of £7.3 million in the scheme year commencing April 2023 and increasing each year indexed by CPI, up to a maximum of 5 per cent in any given year, to 2034.

An accounting valuation has been completed by the scheme actuary at 31 July 2025 for the purpose of this disclosure. In 2024/25, the Institution made employer contribution payments to the Scheme of £7.8 million (2023/24: £12.9 million) comprising of contributions in respect of future accrual of £0.9 million (2023/24: £1.1 million) and a deficit recovery contribution of £6.9 million (2023/24: £11.8 million).

Matters with the potential to impact the actuarial valuation

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023, considered the implications of section 37 of the Pension Schemes Act 1993 and was subject to a failed appeal in June 2024. It was confirmed that amendments to the rules of a scheme that related to Section 9(2B) rights were rendered void if a rule change was introduced without written actuarial confirmation that the reference scheme test would continue to be met. The courts agreed that in respect of the amendments made between 6 April 1997 and 5 April 2013, Section 9(2B) rights included both past service rights and future service rights. The High Court also ruled that actuarial confirmation was required even if the amendment resulted in a benefit improvement. However, on 5 June 2025 the government confirmed that legislation will be introduced to allow affected schemes to have the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards at the time. At the June meeting of the Trustees, it was advised that no further action be taken in this regard until the final wording of the legislation is made available. As a result of recent developments, the University does not believe this will have any significant impact on the pension scheme.

Assumptions

The financial assumptions used to calculate scheme liabilities under FRS 102 are:	At 31 July 2025	At 31 July 2024
	% pa	% pa
Discount rate	5.60%	4.95%
Price Inflation (RPI)	3.20%	3.35%
Price Inflation (CPI)	2.85%	3.00%
Rate of salary increase	4.00%	5.00%
Pension increases for in-payment benefits	2.1% to 3.2%	2.1% to 3.35%
Pension increases for deferred benefits	2.58%	3.00%

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

The assets in the scheme were:

	Fair value as at 31 July 2025	Fair value as at 31 July 2024
	£ million	£ million
Equities	42.5	37.7
Credit	111.7	112.6
Multi-asset growth	34.4	40.1
Liability-driven investments	67.0	81.8
Other	29.1	31.8
<b>Total</b>	<b>284.7</b>	<b>304</b>

Analysis of the provision included in the Statement of Financial Position	Assets	Liabilities	Total
	£ million	£ million	£ million
At 1 August 2024	304.0	(321.4)	(17.4)
Employer contributions	7.8	-	7.8
Current service cost	-	(1.4)	(1.4)
Past service cost – curtailments	-	(0.1)	(0.1)
Administration cost	-	(2.0)	(2.0)
Interest income/(expense)	14.8	(15.4)	(0.6)
Benefits paid from scheme	(18.8)	18.8	-
Actuarial gains and losses	-	25.9	25.9
Return on plan assets	(23.1)	-	(23.1)
<b>Total at 31 July 2025</b>	<b>284.7</b>	<b>(295.6)</b>	<b>(10.9)</b>



Analysis of the amounts included in the Statement of Comprehensive Income and Expenditure:

	2025	2024
	£ million	£ million
Service cost	(1.5)	(1.2)
Administration cost	(2.0)	(1.6)
Interest expense	(0.6)	(0.9)
Amounts recognised in surplus for the year	(4.1)	(3.7)
Actuarial gain/(loss) on pension scheme	2.8	(6.0)
Amounts recognised in other comprehensive income and expenditure	(1.3)	(9.7)

(iii) Group Personal Pension Scheme (GPPS)

The University introduced from 1 April 2008 a defined contribution pension scheme for its support staff who are not members of BPAS. The scheme enables staff to build a fund that can be used to provide a pension on retirement in addition to the normal state pension. The University contributes 10 per cent in addition to an agreed percentage paid by the individual. The scheme operates as a Group Personal Pension Scheme and is run on the University’s behalf by Legal and General. The value of employer contributions for the year ending 31 July 2025 was £5.8 million (2023/24: £5.2 million).

(iv) NHS Pension Scheme (NHSPS)

The University participates in the NHSPS. The notional assets of NHSPS are assessed by the Government Actuary and the benefits are underwritten by the government.

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

The scheme is not designed to be run in a way that would enable members to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In the event of the withdrawal of a participating employer the remaining participating employers will assume responsibility for any increased contributions arising.

The value of employer contributions for the year ended 31 July 2025 was £3.1 million (2023/24: £2.8 million).

(v) University of Birmingham School

The University of Birmingham School operates two pension schemes for its employees: the Teachers’ Pension Scheme England and Wales for teaching staff and the Local Government Pension Scheme for non-teaching staff, which is managed by the West Midlands Pension Fund. Both are multi-employer defined benefit schemes. The Consolidated Statement of Comprehensive Income and Expenditure includes an actuarial loss of £0.1 million (2023/24: £0.4 million gain) in relation to the schemes.







27. Guild of Students

The University has not consolidated the financial statements of the Guild of Students because the University has no control or dominant influence. The summarised statement of financial position and results for the year are as follows:

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Tangible fixed assets	357	180
Current assets	4,386	4,525
Creditors	(972)	(917)
Pension provision	(3,445)	(3,711)
<b>Reserves</b>	<b>326</b>	<b>77</b>
<b>Surplus for the year</b>	<b>240</b>	<b>246</b>

The prior year comparative reflects the final audited results for the Guild of Students for 2023/24. The 2024/25 figures are unaudited. The University's Statement of Comprehensive Income and Expenditure includes a payment to the Guild of Students of a block grant of £4.1 million (2023/24: £4.0 million).



28. Related party transactions

Due to the nature of the University's operations and the composition of the Council (with members drawn from local, public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of Council may have an interest. All members of Council are required to declare any such relationships on an annual basis. To capture information on related party transactions members of Council, Audit Committee, Strategy, Planning and Resources Committee and University Executive Board have submitted returns.

The organisations in which members of Council have an interest in and with which the University has had transactions during the financial year ended 31 July 2025 are set out in the table below. The University has taken advantage of the FRS 102 exemption from disclosing transactions and balances with wholly owned subsidiaries.

Related Party	Relationship	2024/25		2024/25 Outstanding Balances		2023/24		2023/24 Outstanding Balances	
		Income	Expenditure	Balance due to the Institution	Balance due from the Institution	Income	Expenditure	Balance due to the Institution	Balance due from the Institution
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Academy of Social Sciences	A UEB Member is a Forum Chair	-	13	-	-	-	7	-	-
Arts and Humanities Research Council	A Council Member is a Member A UEB Member is an Advisory Member	959	-	-	712	2,326	-	-	12
Astra Zeneca	Related party in the prior year	-	-	-	-	2,681	-	1,029	-
Bayer AG	Related party in the prior year	-	-	-	-	1,020	-	104	-
Birmingham City Council	Related party in the prior year	-	-	-	-	1,384	3,023	130	1,423
BNP Paribas	A Council Member is a Managing Director	-	232	-	51	-	330	1	51
Bone Cancer Research Trust	Related party in the prior year	-	-	-	-	25	-	-	-
Cancer Research UK	Related party in the prior year	-	-	-	-	6,648	-	147	-
CERN Switzerland	A UEB Member was on the Advisory Board during the year	-	57	-	-	-	62	-	-
Children with Cancer	Related party in the prior year	-	-	-	-	-	-	9	-
City University of London	Vice-Chancellor holds an Honorary Fellowship	7	1	-	-	1	987	-	-
Commonwealth Scholarship Commission	A UEB Member is Chair	223	-	-	2	424	-	6	-
Dentons LLP	A Council Member is a Board Advisor	1	-	-	-	-	-	-	-
Department of Health and Social Care	A Council Member is an employee A Council Member has a family member employed	1,663	-	253	-	1,832	-	513	-
ExtraCare Charitable Trust	A Council Member is Chief Executive	-	22	-	-	-	46	-	-
Faraday Institution	A UEB Member is a Trustee	2,854	127	-	45	-	-	-	-
Great Ormond Street Hospital	Related party in the prior year	-	-	-	-	57	4	56	-
Halesowen College	Related party in the prior year	-	-	-	-	-	33	-	-
Henry Barber Trust	Vice-Chancellor is a Trustee	160	14	22	14	-	-	-	-
Institute of Chartered Accountants in England and Wales	A Member of Audit Committee is a Council Member	-	-	-	-	4	-	-	-
Institution of Mechanical Engineers	A Council Member is a Trustee	4	-	-	4	-	-	-	-
King Edward VI Schools in Birmingham Foundation	A UEB Member is a Governor	26	18	-	5	18	8	-	9
Kings Norton Girls School	A UEB Member was a Governor during the year	-	-	-	-	-	4	-	-



Manufacturing Technology Centre Group	A UEB Member is an Audit Committee Member A Council Member was a Director during the year	382	3,531	486	17	352	3,288	526	275
Midlands Mindforge Limited	A Council Member is a Director A UEB Member is a Director	-	180	-	-	-	-	-	-
Ministry of Defence	A UEB Member is on the Advisory Register	4,294	-	4,183	5	794	-	3	-
Natural Environment Research Council	Related party in the prior year	-	-	-	-	3,838	38	386	3
Nesta	Related party in the prior year	-	-	-	-	-	11	-	11
Nuffield Foundation	A Council Member was Chief Executive during the year	140	17	-	-	423	-	63	-
Nuffield Health	Related party in the prior year	-	-	-	-	8	-	2	-
Office for National Statistics	A UEB Member has a family member employed	1	-	1	-	-	-	-	-
Office for Students	A Council Member has a family member employed	22	223	-	-	-	214	-	-
Russell Group	Vice-Chancellor is on the Board	-	96	-	-	-	93	-	-
Sandwell & West Birmingham NHS Trust	A Council Member was a Non-Executive Director during the year	1,685	96	169	8	1,502	156	439	4
Santander UK Plc	A Council Member is on the Audit and Risk Committee	40	-	-	-	40	-	-	-
Society of Local Authority Chief Executives and Senior Managers (Solace Group) Limited	Related party in the prior year	-	-	-	-	106	-	16	-
Standard Life	A Council Member is a Board Member	-	-	-	-	-	27	-	-
Teach First	A Council Member is a Trustee and Vice-Chair	3	-	-	-	1	-	-	-
Ulster University	A Council Member is a Professor	-	169	-	-	-	179	-	53
UK Research Institute (Science and Technology Facilities Council)	A Council Member was an Advisory Board Member during the year	5,841	342	37	185	517	86	50	-
United Learning Trust	A Member of Audit Committee is an Audit Committee Member	4	1	-	1	-	-	-	-
Universitas 21	Vice-Chancellor is a Trustee	505	50	-	4	-	-	-	-
Universities and Colleges Employers' Association (UCEA)	Related party in the prior year	-	-	-	-	-	24	-	1
University Hospitals Birmingham NHS Trust	A UEB Member has an honorary contract	15,164	4,781	9,290	733	16,372	5,430	10,552	881
University of Birmingham Guild of Students	A Council Member is a Trustee A UEB Member is a Trustee	943	5,163	135	32	902	4,976	136	72
University of Birmingham Pension and Assurance Scheme (BPAS)	A Council Member is a Trustee	174	-	-	-	122	-	122	-
University of Manchester	A UEB Member has an honorary contract	1,769	1,406	165	180	1,566	1,314	153	107
University of Southampton	A UEB Member is an Honorary Professor and has a family member employed	472	418	102	4	351	476	120	6
University of Warwick	A UEB Member is an Honorary Professor and has a family member employed	2,980	1,984	692	872	2,722	599	874	58
Universities UK	Vice-Chancellor was on the Board during the year	49	93	48	78	1	179	-	74
Wellcome Trust	A Council Member is a Governor A UEB Member is Chair of Grant Panel	5,373	13	475	-	4,947	5	1,038	-
Welsh Government	Related party in the prior year	-	-	-	-	-	-	7	-
Wessex Water Services Limited	A Council Member is a Non-Executive Director	-	-	-	-	4	-	-	-
West Midlands Growth Company	Vice-Chancellor was a Director during the year	-	84	-	-	-	42	-	-

The Vice-Chancellor is a Non-Executive Director of the USS pension scheme. As the economic benefits arising from the scheme are reserved for the members, contributions to the scheme are not disclosed as a related party transaction. Details of the USS pension scheme are found in Note 26.

Two Council Members have declared an interest in the Office for Students (OfS) and UK Research Institute (UKRI) respectively. The funding body grants detailed in Note 2 are not disclosed as related party transactions.



29. US Department of Education  
Financial Responsibility Supplemental  
Schedule

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

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets;
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition); and

- presented in pounds sterling

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio

		Year ended 31 July 2025		Year ended 31 July 2024	
Note		Expendable Net Assets:	£'000	£'000	£'000
CSoFP, line 19 less row below	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions	-	1,222,591	-
CY: 21, line 10 (restricted) plus 22, line 6 PY: 21, line 3 (restricted) plus 22, line 6	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions	-	121,124	-
28, total balance due to the Institution	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	11,930	-	19,684
28, total balance due to the Institution	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable	-	11,930	-
CY: 12, line 11 (exc. leasehold) PY 12, line 12 (exc. leasehold)	Statement of Financial Position - Property, Plant and Equipment, net	Property, Plant and Equipment, net (includes Construction in progress)	1,327,122	-	1,385,157
	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment - pre-implementation	Property, Plant and Equipment – pre-implementation	-	-	-
	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment - post implementation with outstanding debt for original purchase	Property, Plant and Equipment – post-implementation with outstanding debt for original purchase	-	-	-
CY: 12, line 11 (exc. leasehold and AUC) PY: 12, line 12 (exc. leasehold and AUC)	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment - post implementation without outstanding debt for original purchase	Property, Plant and Equipment – post-implementation without outstanding debt for original purchase	-	1,285,750	-
CY: 12, line 11 (AUC) PY: 12, line 12 (AUC)	Note of the Financial Statements - Statement of Financial Position - Construction in process	Construction in process	-	41,372	-
CY: 12, line 11 (leasehold) PY: 12, line 12 (leasehold)	Statement of Financial Position - Lease right-of-use assets, net	Lease right-of-use asset, net	96,291	-	30,766
CY: 12, line 11 (leasehold) PY: 12, line 12 (leasehold)	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation	-	51,495	-
	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset post-implementation	Lease right-of-use asset post-implementation	-	44,796	-
	Statement of Financial Position - Goodwill	Intangible assets	-	-	-
18, total	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities	-	10,929	-
16, total loans	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt – for long term purposes	236,236	-	241,032
16, total loans less row below	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt – for long term purposes pre-implementation	-	200,666	-
16, line 18	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt – for long term purposes post-implementation	-	35,570	-



	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Line of Credit for Construction in process	-	-	-	-
15, line 3 plus 16, line 2	Statement of Financial Position - Lease right-of-use asset liability	Lease right-of-use asset liability	44,796	-	-	-
	Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases	-	-	-	-
15, line 3 plus 16, line 2	Statement of Financial Position - Lease right-of-use asset liability post-implementation	Post-implementation right-of-use leases	-	44,796	-	-
	Statement of Financial Position - Annuities	Annuities with donor restrictions	-	-	-	-
	Statement of Financial Position - Term Endowments	Term endowments with donor restrictions	-	-	-	-
	Statement of Financial Position - Life Income Funds	Life income funds with donor restrictions	-	-	-	-
CY: 21, line 10 (restricted) plus 22, line 6 PY: 21, line 3 (restricted) plus 22, line 6	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity	-	121,124	-	131,698
		<b>Total Expenses and Losses:</b>				
CSoCI, line 16 less 21, line 6 less 22, line 3	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities	-	1,071,108	-	722,208
CSoCI lines 5, 19 & 23	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)	-	(22,800)	-	(18,311)
CSoCI, lines 5 & 19	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Net investment losses	-	(20,087)	-	(23,908)
	Statement of Activities - Pension-related changes other than periodic pension	Pension-related changes other than net periodic costs	-	-	-	-
<b>Equity Ratio Note</b>		<b>Modified Net Assets:</b>				
CSoFP, line 19 less row below	Statement of Financial Position - Net Assets without Donor Restrictions	Net assets without donor restrictions	-	1,222,591	-	1,202,994
CY: 21, line 10 (restricted) plus 22, line 6 PY: 21, line 3 (restricted) plus 22, line 6	Statement of Financial Position - Total Net Assets with Donor Restrictions	Net assets with donor restrictions	-	121,124	-	131,698
	Statement of Financial Position - Goodwill	Intangible assets	-	-	-	-
28, total balance due to the Institution	Statement of Financial Position - Related Party receivable and Related party note disclosure	Secured and Unsecured related party receivable	11,930	-	19,684	-
28, total balance due to the Institution	Statement of Financial Position - Related Party receivable and Related party note disclosure	Unsecured related party receivables	-	11,930	-	19,684
		<b>Modified Assets:</b>				
CSoFP, lines 5 & 9	Statement of Financial Position - Total assets	Total assets	-	2,031,699	-	1,968,622
CY: 12, line 11 (leasehold) PY: 12, line 12 (leasehold)	Note of Financial Statement - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation	-	51,495	-	30,766
	Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use-leases	-	-	-	-
	Statement of Financial Position - Goodwill	Intangible assets	-	-	-	-
28, total balance due to the Institution	Statement of Financial Position - Related Party receivable and Related party note disclosure	Secured and Unsecured related party receivable	11,930	-	19,684	-
28, total balance due to the Institution	Statement of Financial Position - Related Party receivable and Related party note disclosure	Unsecured related party receivables	-	11,930	-	19,684
<b>Net Income Ratio Note</b>		<b>Net Income Ratio:</b>				
CY: CSCR, line 13 less line 7 (unrestricted) PY: CSCR, line 7 less line 1 (unrestricted)	Statement of Activities - Change in Net Assets Without Donor Restrictions	Change in Net Assets Without Donor Restrictions	-	15,188	-	193,620
CSoCI, line 8 less line 5 plus 22, line 5	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenues and Gains	-	1,070,996	-	931,149







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