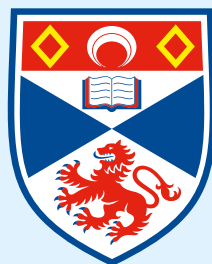


Reports and Financial Statements of the University Court

for the year to 31 July 2025



University of
St Andrews

FOUNDED
1413



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Strategic Report



Vision

Our goal is to attract and nurture the best staff and the most promising students from around the world and provide an environment in which they can produce their best work for maximum benefit to society.

Strategy at a glance

The objectives of the [University Strategy 2022-2027](#) are grouped under five themes – **World-leading, Diverse, Digital, Sustainable, and Entrepreneurial** – and are underpinned by our commitment to social responsibility and can be summarised as follows:

- We will be a world-leading university, advancing knowledge to address global challenges in socially responsible ways.
- We will share and grow our research, education, and impact through connecting disciplines and collaboration with influential global partners.
- We will make strategic appointments and create development opportunities for those who want to lead.
- We will foster an inclusive and compassionate culture where all feel able to be their authentic selves.
- We will build greater diversity across our student and staff communities and make real progress in addressing inequalities.
- We will extend our influence and reach through a new online education model and grow the reach and reputation of our research in a digital context.
- We will embed digital, entrepreneurial, and sustainable opportunities and skills development in our curriculum and culture to prepare us all for the future.
- We will ensure our governance and processes accelerate our transition to becoming a more sustainable institution.
- We will decarbonise our energy systems as we develop our estate responsibly.
- We will cultivate a culture of innovation and offer support, space, and funding to enable staff and students to progress their ideas.
- We will be a role model for how people and ideas can move smoothly between universities, industry, and the wider world.
- We will respect, nurture and promote our local community and environment.

Our University Strategy steers us through the many challenges in today's landscape and guides our choices.

In the current operating environment, the need to balance financial stability with continued academic excellence and relevance to society's needs presents a significant challenge. Contributing factors include:

persistent, structurally embedded high inflation; increased competition for funding through all sources; additional compliance requirements; pressures to provide enhanced services for student mental health support; the need to invest in digital transformation; sustainability; the quality of research; and the student experience — all amid reducing funding from established sources.

While the sector as a whole is showing visible signs of financial pressures, we firmly believe that our Strategy, as well as our focus on financial performance, underpinned by our values and unwavering determination, will continue to provide a sustainable path forward. While not immune or complacent, St Andrews's global convening power, established credibility for an outstanding student experience, and excellence in research and research-led teaching put the University in a stronger position than that of many other universities in the UK. Following the publication of the Gillies Report issued earlier this year, the University took the opportunity to reflect on its findings and critically examine its own governance arrangements. Whilst the analysis did not identify any areas of deficiency, the University recognises that there is no room for complacency. In 2024/25 we strengthened the portfolio of our digital education provision and launched our Business School.

We will continue to stay true to our values and the Homeric motto that expresses our determination to move forward with purpose, integrity, and success: Ever to Excel.

Preparation of the financial statements

The financial statements for the year to 31 July 2025 have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (SORP 2019) and the Scottish Funding Council's (SFC) annual Accounts Direction.

As noted in the Statement of Principal Accounting Policies on page 45, the financial statements have been prepared on a historical cost basis as modified to include investments and financial instruments at their market value.

Foreword

It is with great sadness that we acknowledge the death of The Right Honourable Lord Campbell of Pittenweem

CH CBE KC FRSE, our Chancellor, constant friend and champion of this University, and one of the great political figures of the modern age. Lord Campbell died in London, at the age of 84. He dedicated his time and expertise to the University with great generosity and regularly represented the University dutifully at home and abroad. Our thoughts and deepest sympathies are with Ming's family, friends and colleagues.

The academic year 2024/25 continued to present a challenging financial environment for the Higher Education sector with geo-political instability, conflict, inflationary pressures, and the stagnation of funding. Whilst we are geographically located in a beautiful and protected corner of North-East Fife in Scotland, we are alive to and impacted by these pressures.

The University of St Andrews has reaffirmed its position as a leader in UK higher education, maintaining its reputation for outstanding student experience, learning, and teaching. In both *The Times and Sunday Times Good University Guide 2026* and *The Guardian University Guide 2026*, St Andrews was ranked the top university in Scotland and second in the UK, reflecting its continued excellence across key academic and student satisfaction metrics. St Andrews once again ranked above Oxbridge in *The Times and Sunday Times Guide*.

Subject rankings further highlight this success: in *The Times Guide*, eight subjects were ranked top in the UK; Art History, Chemistry, English (joint top with Oxford), French, History, International Relations, Physics, and Social Anthropology. In *The Guardian Guide*, St Andrews led the UK in Maths, History, Art History, and International Relations, with 17 additional subjects placed in the national top 10. The University was also named Scottish University of the Year in *The Daily Mail University Guide 2026*, further cementing its position as one of the UK's most distinguished institutions.

The University is seeking to improve its QS rankings through targeted actions including enhancing academic reputation, boosting research visibility, and strengthening global partnerships.

We look forward positively towards 2025/26 and beyond. More detail of our awards and position in ranking tables is given below.

The UK and Scottish Government funding for teaching and research continues to fall behind inflationary increases intensifying reliance on other sources of income to subsidise shortfalls for Scottish and rest of the UK student tuition fees, as well as for Government and charity funded research.

The UK's attractiveness to international students is impacted by the tightening of immigration rules, increased cost of visas and compulsory charges, which has been evident particularly in the overseas Postgraduate Masters student cohort across the UK. Despite this, we have worked hard to deliver a solid financial outturn for 2024/25.

We are cognisant of the issues some of our neighbouring universities are having and have looked closely at the report commissioned by the Scottish Funding Council from Professor Pamela Gillies on the issues in the University of Dundee which have led to the financial precarity it is facing. Following a review internally on the implications of the Gillies report we are confident in our controls, reporting, and relationship with our Governing Body, and will continue to ensure we are transparent in our assumptions and decision-making.

Our Undergraduate recruitment and retention have remained strong. We will not rest on our laurels and will continue to ensure the quality of our teaching and student experience is maintained despite the difficult financial environment. Our PGT recruitment has stabilised despite a shrinking and hugely competitive market. Our work to develop our digital education offerings, through a range of postgraduate courses and microcredentials, is beginning to get more traction in a previously untapped market for this University. Our new globally oriented Business School continues to make strong progress in Executive Education, designing courses that appeal to individuals in the global market and developing bespoke programmes for world leading organisations. These advancements are being made ahead of their physical relocation into the New College together with the School of International Relations, planned for 2028.

Our research applications have risen to our highest ever recorded level as we look to enhance the quantity and quality of our externally funded research across all parts of the University. Whilst applications show positive growth, we have yet to see significant improvements to awards levels.

The University recognises the need to be in control of its own destiny, on behalf of our alumni, students, future graduates, and staff. This requires a financially sustainable operating model while preserving the attractiveness and relevance of the University. We must redesign our approach to delivering research and teaching to become more efficient and be agile and open to opportunities as they arise to grow our income. We have started this journey by delivering a stable financial outturn for 2024/25 and a Financial Vision which will invest in our staff, students and estate to deliver a sustainable future.

Results for the year

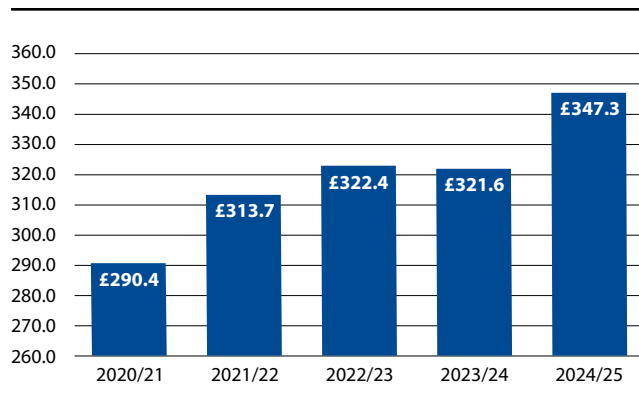
Overview

Our financial statements for the 2024/25 academic year reflect a challenging yet ultimately constructive financial year. Through disciplined cost management and targeted operational efficiencies, the University has achieved a modest underlying surplus, excluding core capital grants, donations and other non-material items as shown in the reconciliation to underlying profit below. It has also strengthened its cash position. These results reflect the

effectiveness of early interventions and the University's capacity to adapt to sector-wide headwinds, including increased employer costs arising from the uplift in employers' national insurance contributions from April 2025. Our financial performance, delivering a small surplus in year, underscores a commitment to long-term financial sustainability, enabling continued investment in strategic priorities and safeguarding institutional resilience.

The headline financial performance for the year is positive, with the University's total income showing a healthy growth of 8.0%, to £347.3m (compared to a decrease of 0.3% in 2023/24) and total comprehensive income of £25.9m (down from £72.3m in 2023/24, a figure that was principally driven by a fall in USS pension liabilities). With increasing cost pressures, it is essential income continues to grow.

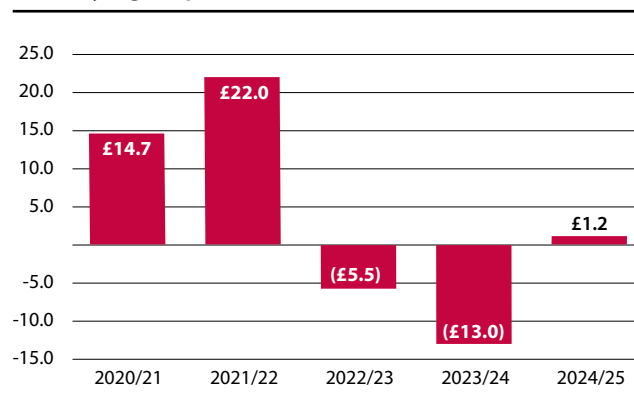
Total income (£m)



Historically the total comprehensive income has been used as the key financial metric when explaining our

financial performance. However, as the complexity of the University's operations has continued to grow, along with the developments in accounting standards, we now believe a more appropriate measure for our financial performance is the underlying deficit/surplus, shown in the table below. It shows the total comprehensive income through to underlying surplus for the year and represents normal operating activities, excluding income that does not contribute to operating costs.

Underlying surplus (£m)



The current year results represent a much-improved underlying position from the previous two years, with an underlying surplus of £1.2m achieved, (2023/24: £13.0m deficit) aligned with the University's commitment to achieving a small surplus in year. Early interventions, particularly around casual salary pressure, core staffing and managing 'other operating costs' delivered tangible results in year. Unbudgeted increases in the post Financial Plan UK national insurance contributions in year had to be mitigated as part of the savings targets in year. These



efforts have not only stabilised the financial position but have also laid the groundwork for financial sustainability into 2025/26 and beyond as the University embeds work on growing income streams and delivering an efficient operating model, in line with our long-term financial strategy.

The University continues to have a £35m Revolving Credit Facility (RCF) as part of its approach to strategic treasury management, with the full amount remaining available at the end of the year. During the year the

University repaid £12m of the Revolving Credit Facility which was outstanding at the end of 2023/24. The existing facility is in place until July 2028. This has a strategic role in the University's treasury management approach, offering liquidity, security, and flexibility against any unknown future challenges. The University comfortably met all lender financial covenants at the year-end and is forecast to meet all lender covenants throughout the approved financial plan.

Reconciliation to underlying deficit

	Note	Consolidated Period ended 31 July 2025 £000	Consolidated Period ended 31 July 2024 £000
Total Comprehensive Income for the year	SOCI	25,883	72,289
Less material non-recurring items:			
i) Impact of pension gain	(a)	971	74,674
ii) Capital donations	4	11,067	2,852
iii) New endowments	24	7,905	3,289
iv) Other gains/(losses)	SOCI	5,684	5,864
v) Actuarial (loss)/gain	SOCI	(971)	414
vi) Impairment	SOCI	-	(1,792)
Underlying operating surplus/(deficit) for the year		1,227	(13,012)
a) Impact of pension costs:			
i) USS Pension release	7	-	74,717
ii) USS Pension net finance costs	8	-	(1,680)
iii) S&LAS net pension charge	(b)	868	1,622
iv) S&LAS Pension net finance gain	8	103	15
Pension gain		971	74,674
b) S&LAS pension costs charged to statement of consolidated income:			
i) Total operating charge	32	(4,962)	(4,122)
ii) Employer contributions	32	5,830	5,744
		868	1,622

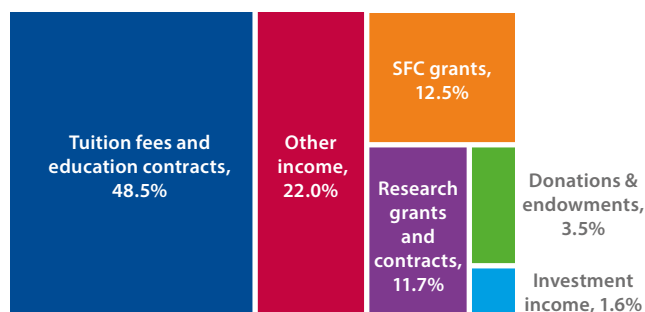
The Financial Plan for 2025/26 is set against a backdrop of global geopolitical disruption, economic uncertainty, and persistent financial pressures that continue to challenge the UK Higher Education sector. These pressures include embedded inflation, constrained public funding and instability in postgraduate recruitment following the impact of UK Government immigration policy. The Scottish Government's funding model remains fundamentally misaligned with the true cost of delivering high-quality research and teaching, despite the small increase in teaching grant in 25/26, placing further strain on institutional sustainability.

In response to these challenges, the University has taken proactive steps to reshape its operating model, embed efficiencies, and diversify income streams. The emerging long term financial strategy sets out a pathway to achieve this, reaffirming our commitment to remain a high-quality, broad-based, research-intensive institution. It outlines how we will modernise and adapt, including the development of digital education, initially focussed on Postgraduate Taught (PGT) courses, expansion into non-core markets, and strategic capital investment, supported by a flexible approach to debt funding and philanthropy. Our investment in future carbon credits at a Scottish Highland estate is just one way the University has demonstrated its commitment towards net zero emissions, as well as providing an exclusive field research laboratory for staff and students.

Income

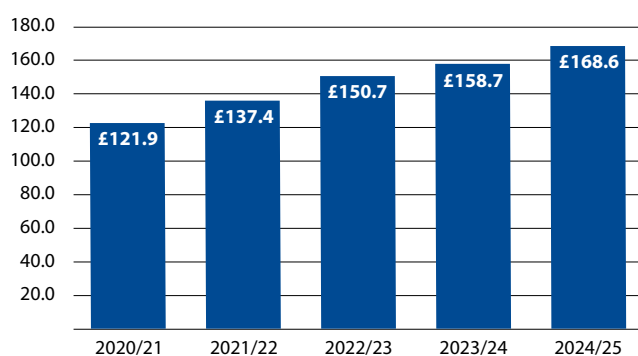
Total income increased 8.0% to £347.3m

Sources of income



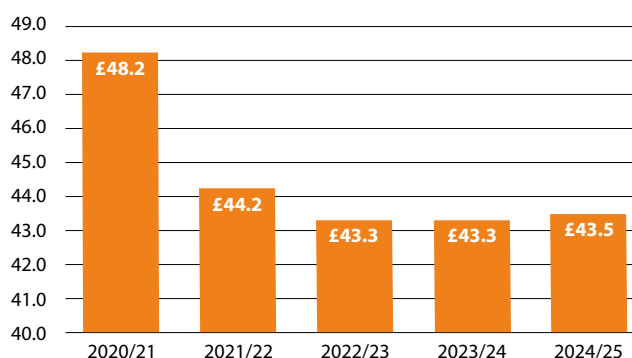
Refer to Consolidated statement of comprehensive income, page 52

Tuition fees and education contracts (£m)



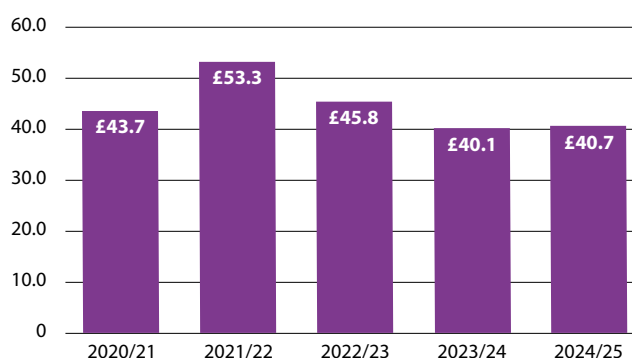
Tuition fee income rose by 6.2% to £168.6m (2023/24: £158.7m), driven primarily by growth in overseas undergraduate tuition fees. While overseas postgraduate Masters' income also increased year on year, it fell short of target levels, reflecting the increasingly competitive and challenging market conditions facing postgraduate recruitment. This does, however, remain a small portion of our overall student cohort. The forthcoming uplift in the rest of the UK (RUK) fees for 2025/26, whilst welcome, still leaves the relevant income versus cost significantly below inflationary impacts. Application levels from high quality overseas students remain strong with applicant numbers higher than last year noting that the competition to attract these students remains very high. In response to this, the University's strategy is to maintain its excellent standards and reputation for world leading research-led teaching whilst looking to diversify and grow its market through digital means.

Funding body grants (£m)



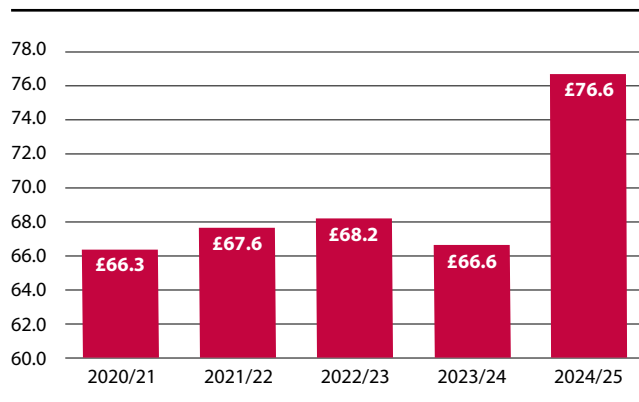
Funding body grants totalled £43.5m (2023/24: £43.3m), reflecting a relatively flat Scottish Government investment year on year (noting the exceptional Covid funding in 2020/21). In 2024/25 a reduced teaching grant, in the area of strategically important subjects, has been offset by an increase in research excellence grant and non-recurring funding for specific purposes such as disabled students. This static grant settlement represents a major constraint of the existing Scottish Government funding model, with no recognition of yearly and cumulative inflationary pressures resulting in a significant reduction of real-term funding. The forthcoming funding allocation uplift from Scottish Government and SFC of 3% in 2025/26 is welcome but similarly is insufficient when including the additional costs from the employers' National Insurance Contribution increase this year, and does not address the cumulative impact of real-terms funding reductions in previous years due to inflation and static grant levels. This failure to keep track with inflation increases reliance on income growth from other sources and is identified as one of the key risks for the University.

Research grants and contracts (£m)



Research income for the year increased by 1.7% to £40.7m, up slightly from £40.1m the previous year and has stabilised the last few years of declining research income. The outlook for research activity is strong, underpinned by a significant uplift in application volumes across key funding streams. At the end of 2024/25 total research applications reached £253.0 million, a 23% increase on the prior three-year average. This growth reflects broad momentum, with notable increases in applications to Research Councils, UK Charitable Bodies, and the European Union. The scale and diversity of applications, including a high number of strategic and collaborative bids, provide a positive indicator of future research performance and income potential.

Other income (£m)



Other income increased by 15.0% year on year to £76.6m compared to £66.6m in the previous year. Adjusting for capital grants, which does not support our operational activities, removing £2.9m received in the prior year and £11.1m in the current year, the underlying increase in other income was £1.8m reaching £65.5m. This reflected a mix of strong and weak performing areas. The main driver of growth was the improved uptake in student accommodation, which led to higher occupancy levels and generated an additional £3.0m of income. Further gains came from increased school related service income and improved summer accommodation, supported by the Ladies Open Golf Championship which was hosted in St Andrews during Summer 2024. These positive results were partially offset by underperformance in other areas. Notably our subsidiary, St Andrews Innovation, undertook less activity this year, resulting in a £3.0m reduction in income, though this was balanced by corresponding cost savings.

Investment income, primarily generated from the University's endowment fund, continues to play a vital role in assisting key academic positions along with scholarships across the University, supporting widening access initiatives, and providing financial assistance through student bursaries for accommodation and living

costs. This income remained broadly stable at £5.6m compared to the prior year. Returns on cash deposits remain positive, supported by persistently high interest rates, although slightly lower than the previous year due to a reduced average base rate over the period.

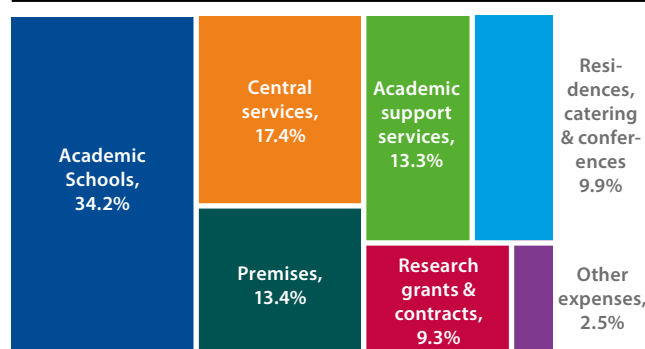
Income from donations and other grant income rose significantly during the year, increasing by £5.1m to a total of £12.3m, compared to £7.2m in the previous year. This growth was driven primarily by the exceptional response to the Making Waves campaign, which resulted in a substantial increase in permanent endowments. Of the total, £7.5m was received as new permanent endowments, generously given to support scholarships across our academic faculties. An additional £0.4m in expendable endowments was designated for the New College art collection, to be utilised upon completion of this key strategic development. The remaining £4.4m was donated mainly for restricted purposes, reflecting the diverse and targeted support of our donor community. Notably this year we received a transformative gift of £3.0m to establish a chair in Earth and Environmental Sciences. Further contributions included the Peter A Carpenter Scholarship, supporting undergraduates in science and medicine, and £1.0m for the David Ensor Postgraduate Scholarship, aimed at students pursuing mathematics and other sciences. Additional donations supported a range of scholarships and initiatives across the University helping academically talented students overcome any financial barriers to study at St Andrews.

We extend our deepest gratitude to our generous donors.

Expenditure

Total expenditure excluding pension deficit adjustments decreased 1.1% to £326.3m.

Analysis of total expenditure by activity (excluding pension adjustments)



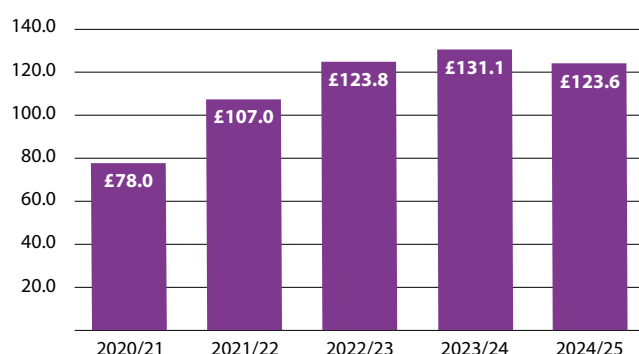
Refer to Note 9, Analysis of expenditure by activity, page 67

Although total headline expenditure for the year was £326.3m, representing an increase of £70.9m (27.8%)

compared to the prior year this increase is primarily driven by pension accounting adjustments in the prior year related to the unwinding USS and S&LAS pension deficits, as outlined in the staff costs reconciliation table below.

Excluding these pension adjustments, underlying expenditure decreased by £3.7m year-on-year, from £330.0m in 2023/24 to £326.3m in 2024/25. This reduction reflects the successful delivery of our in-year savings plan targeting specific cost reductions from identified areas across the University, supporting the delivery of a small surplus in year.

Other operating expenditure (£m)

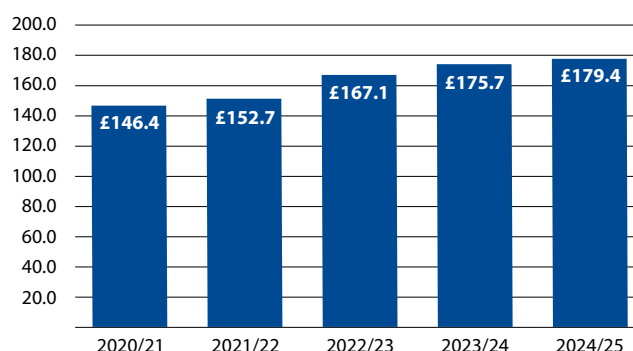


Other operating expenditure decreased by £7.5m. This included an impairment movement of £1.6m. Excluding the impairment movement, the underlying other operating expenditure decreased by £5.9m, a reduction of 4.5% year on year. The University set out to reduce expenditure through targeted efficiencies and deliver a small surplus in line with its financial plan, this was achieved with an underspend of £6.0m against budget. Savings were realised across Estates, Business, Library, Student Services, and Registry. This result confirms that the cost saving targets put in place were effective and that the University delivered on its commitment to disciplined cost management.

Reconciliation to underlying staff costs

	Note	31 July 2025 £000	31 July 2024 £000
Total staff costs	7	178,534	99,323
Pension adjustments:			
– USS pension adjustment	7	-	74,717
– S&LAS net pension charge	(b)	868	1,622
		868	76,339
Underlying staff costs		179,402	175,662

Staff costs (£m)



Underlying staff costs, excluding the impact of non-cash pension adjustments of £76.3m in 2023/24, increased by £3.7m year-on-year (2.1%) to £179.4m and reflected further successful cost management in this area. Staff costs were below the level set out in the Financial Plan. These also included the increases following the UCEA pay negotiations for 2024/25 resulting in a staggered pay award of between 2.5% and 5.7% (depending on spine point) with annual salaries uplifted by £900 for those on Spinal Column Point 13 and above implemented in August 2024 with the remainder of the uplift in March 2025. For salaries below Spinal Column Point 13 these were uplifted in line with the Voluntary Living Wage.

Strategic staffing levels are reviewed by the Workforce Planning Group to ensure the quality and level of our teaching and research remain consistently high, and our professional services efficient and effective, within the tight financial constraints the University operates in.

Depreciation rose by £0.8m year on year to £20.0m. This increase is the result of earlier capitalisation of a new High Performance Computing (HPC) facility, as well as investment in strategic equipment to support schools, which has a quicker depreciation rate, but directly contributes to the enhancement of our teaching and research capabilities.

Interest and other finance costs also improved by £1.5m year on year to £4.1m. This is due to the conclusion of the USS pension deficit provision in the prior year, resulting in no associated net finance charges for the USS scheme in the current year. Interest payable on long-term debt remains similar to the prior year at £4.2m (2023/24 £4.0m).

Non-operational income and spend

Disposal of Assets

During the year, the University sold land resulting in a reported loss of £0.2m. These land sales relate to a development site that forms part of the St Andrews West development agreement, which will support a major expansion of the University's footprint over the next

decade. As part of this transaction, the University's share of profit from St Andrews West Properties was £0.5m recorded in other income.

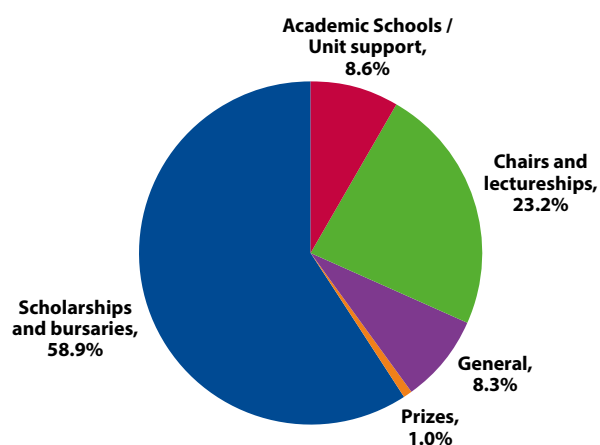
Assets held for investment are revalued each year, in line with accounting policy resulting in a £0.3m decrease in value.

Endowment Investments

The endowment investment portfolio experienced generally positive performance over the year, increasing by 6.31% (£7.4m) for the year with a fund value of £125.3m at 31 July 2025 (up from £117.9m in 2023/24) and reflects a mixture of £8.6m increase in the value of investments along with disposals and cash movements within the funds. This was supported by improving investor sentiment and easing macroeconomic pressures. While some volatility persisted, overall conditions were favourable for long-term investment strategies, like ours, contributing to a stable environment for endowment growth.

The University recorded a net gain on investments of £6.2m which includes a £0.1m gain on sale of a spin-out company, Xelect Limited. Excluding this, the University recorded a net gain of £6.1m on investments during the year. This reflects an overall increase of £8.6m in the value of the endowment investments, less £2.7m of capital appreciation released to revenue, plus a £0.2m uplift in investment property values following annual revaluation. Combined with dividend income, interest earned, and new endowments received during the year, the total endowment holding now stands at £139.9m (2023/24: £125.9m). Over the year the fund continued to support endowment spend of £4.6m (2023/24: £4.2m) towards scholarships, chairs, lectureships, prizes and other specific areas of expenditure.

Endowment spend profile



Gain on sale of associate

During the year the University disposed of a minority holding from a spin out company specialising in genetic services for aquaculture, resulting in a small gain of £0.1m.

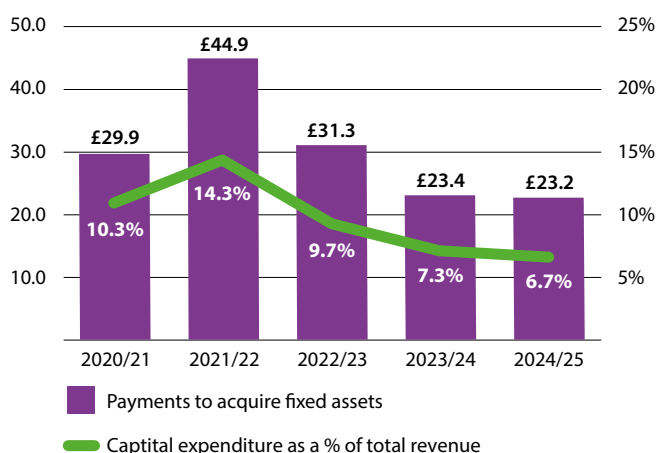
S&LAS Local Defined Benefit Pension Scheme

The S&LAS pension scheme is currently in an asset position. Actuarial changes to the S&LAS pension scheme have increased scheme assets by £7.9m and reduced scheme liabilities by £4.6m, primarily due to an increase in corporate bond yields and an increase in the discount rate since last year. However, any recognition of this asset has been limited to nil. The University assesses that it does not have an unconditional right to a refund of any surplus on wind-up of the Scheme, nor is there a possibility of reducing future contributions due to the surplus. The University's contributions exceed the current service cost during the year, and as such, no economic benefit is currently available to the University in the form of reductions in future contributions. Consequently, the surplus in the scheme has been restricted to zero in accounting terms.

Balance Sheet

Total net assets experienced a substantial increase of £25.9m, reaching £538.9m at the end of the year. The primary driver of this increase is an £11.3m growth in fixed assets which includes £7.4m growth in investments, as mentioned above, an increase in fixed assets of £2.2m and the recognition of new intangible assets of £1.6m. The new intangible asset has been created following the University's investment in future carbon credits at a Scottish Highland estate, continuing our long-term investment towards net zero emissions. In addition to this the University also experienced growth in its underlying cash position in year. Cash generation has been supported by the delivery of a positive year-end outcome, significant improvements in philanthropy and the slowing of capital investment in year. As a result we were able to repay the outstanding £12m RCF improving our net current liability position.

Capital expenditure to total income (£m)



The University continued to invest in its estate and infrastructure however, it took action to reduce the

planned level of capital investment by £19.3m in year, in response to the challenging operating environment and proactive cash management plans. This has strengthened our cash position and resulted in a sustainable level of investment for the year of £24.8m including intangible additions in the year (2023/24: £22.4m). Investment properties held at year-end were also revalued resulting in a small reduction of £0.3m for the year. The slowing of capital investment as a proportion of income is shown in the above graph.

Pressure on the cost of capital investment has been a major challenge for the sector. Construction inflation is still prevalent in some areas of capital works, particularly in mechanical and electrical services, infrastructure services and cladding however other areas have stabilised to a more normal level. This external pressure inevitably impacts on the affordability of capital works, meaning careful planning is undertaken to ensure we remain within affordability levels.

Preliminary works have been started as the design for the New College has been finalised. This is a significant moment in this key strategic investment for the University. New College will house the new Business School, combining the departments of Economics and Finance along with Management, alongside the School of International Relations. Asbestos removal and demolitions relating to the historic building element have been completed, with the University enlisting the expertise of the award-winning architect WilkinsonEyre to design this significant investment. Pre-application consultations with the public, which are required by planning, have been held over the last year with the formal application submitted to Fife Council in July 2025. Historic parts of the building including the Quad have been safeguarded and will be incorporated into a new, sustainable design. It is expected that work will proceed with an advanced conservation package in 2025/26 safeguarding the existing listed building structure. The Full Business Case is expected to be submitted to the University Court in 2025/26, seeking approval to deliver the £141.8m scheme subject to the necessary funding arrangements and philanthropic contributions being in place. Works onsite are currently expected to conclude by summer 2028.

The University is also investing in the development of the Digital Nexus building, a £63.6m project at the North Haugh campus that will become the new home of Scotland's leading School of Computer Science. Designed to foster world-class interdisciplinary research – spanning fields such as Medicine and Computer Science – the building will offer state-of-the-art laboratories, collaborative spaces, and a vibrant social hub for students and staff. It will support the growth of the School, provide space for learners from undergraduate to postgraduate level, and showcase cutting-edge research. The Full Business Case is expected to be submitted to the University Court in summer 2026, with completion

currently planned in late 2028, subject to planning and funding approval.

In addition to the above two projects, the University is in progress to deliver a specialist building, Power-to-X, at our Eden Campus which will create and deliver affordable production and storage of green hydrogen. Further details are provided below.

Other smaller areas of capital investment include the development of a second data centre, expansion of solar infrastructure to generate our own green energy, strategic equipment for Schools, as well as various estate wide projects aimed at reducing our carbon footprint whilst enhancing operational efficiencies.

Importantly, two proposed schemes, housing research service laboratories for a subsidiary company and entrepreneurial space for start-ups were not progressed following thorough evaluation. This project was to be funded by external funding streams; however, following delays with funding, the University paused these developments. This reflects our disciplined approach to capital investment ensuring projects that proceed meet strategic priorities within our financial constraints. With increasing competition for capital investment and continued focus on strengthening and safeguarding cash reserves, our investment decisions will remain strategic and focused.

The Eden Campus

The Tay Cities Deal has been instrumental in advancing the redevelopment of Eden Campus, with the allocated initial capital investment reaching completion in the 2023/24 fiscal year. Over the subsequent years, Eden Campus has plans to expand and develop the site through various capital projects.

- **Innovation Yard:** A vibrant space for sustainable business development supported by Scottish Enterprise, the site will host modular pop-up units tailored for incubators, start-ups, and innovators and was opened on 16 September 2025.
- **Enterprise Hub:** Designed to foster growth for start-ups and spin-offs.
- **Wet Innovation Labs:** Developed for tenant use, these labs provide essential resources for innovative research & development.
- **Secondary Data Centre:** This facility enhances the resilience and recovery capabilities of business-critical services and ensures data security for the University.

Additionally, the University has secured further investments from the Wolfson Foundation, EPSRC, and Angel Trains towards the new Power-to-X facility. This phase 1 discovery-stage, industry-facing academic facility will offer:

- **R&D Space and Infrastructure:** Supporting research into green hydrogen production, carbon capture, and utilisation.

- **Power-to-X Concepts:** Focused on converting renewable energy into sustainable chemicals derived from biogenic carbon dioxide and water.

Eden Campus also hosts a diverse range of tenants who continue to grow their businesses. Plans for further expansion of premises are underway to accommodate their growth needs as well as creating space for further external partners, subject to funding availability.

Net Current Liabilities

Net current liabilities have decreased by £14.3m this year, totalling £15.0m. This decrease is primarily attributed to the growth in our underlying cash position through the delivery of a positive year-end outcome and the slowing of capital investment in year. As a result we were able to repay the outstanding £12m RCF improving our net current liability position. As of 31 July 2025, the University’s liquidity headroom remains healthy at £57.9m (£22.9m in cash and investments, plus £35m RCF), reflecting a stable financial position. As the University moves forward with strategically significant capital investments like New College and Digital Nexus, new long-term debt is anticipated in Summer 2026, alongside substantial philanthropic contributions. Further details are outlined in the going concern assessment on pages 45-46.

Creditors: amounts falling due after one year

Long term creditors have decreased by £1.3m during the year to £102.0m, comprised wholly of borrowing. The decrease relates to the capital repayments towards existing SFC Carbon Reduction and Solar loans in year.

Other Provisions

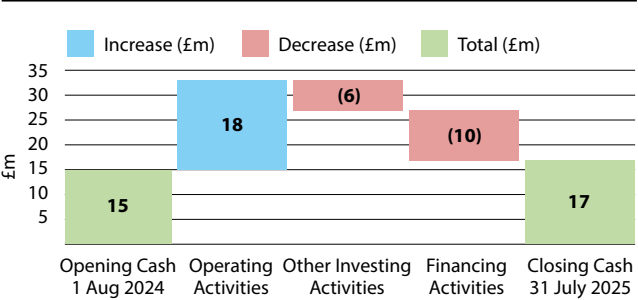
Other provisions have increased by £1.0m during the year to £1.9m. This is predominantly due to the recognition of a VAT provision following a late challenge from HMRC regarding VAT recovered on energy costs. While we intend to contest the technical basis of HMRC’s challenge, the outcome remains uncertain. Accordingly, the full liability of the assessment has been recognised.

Cashflow and financing

Despite the modest year on year increase of £2.7m, bringing cash and cash equivalents and investments to £22.9m, the year-end position is a substantial achievement. The closing balance is £21.6m above the original forecast at the start of the year and is clear evidence of the strong management the University demonstrated on maintaining cash levels as part of its financial sustainability plan. This outcome reflects disciplined capital management and deliberate slowdown in spending, ensuring liquidity is safeguarded while still delivering a small operational surplus. It is a testament to the scale and effectiveness of the work delivered this year.

Along with the small capital repayment towards existing SFC solar and carbon reduction loans of £1.3m, a £12m repayment of the RCF was made in September 2024 resulting in the full balance now being available to use. It is not anticipated or planned that the RCF will be utilised during 2025/26. The establishment of the RCF continues to underpin medium term cash resilience of the University, whilst we operate through a period of high inflation interest rates, and challenging economic conditions.

Cashflow Statement 2024/2025



Refer to Consolidated statement of cash flows, page 58

The cashflow statement above, which reflects cash and cash equivalents only (not short term investments), shows our operating activities generated a cash inflow of £17.7m (2023/24: £6.5m) with £6.4m spent on investing activities, and £9.6m on financing activities. The overall net group cash inflow for the year was £1.7m, compared with a £5.4m outflow in the prior year, resulting in an improved closing cash balance of £16.5m for the year.

- Investing activities includes payments of £24.8m towards capital and a further £0.9m towards the Grange Housing development; this is offset by £13.5m capital grant receipts and £5.6m investment income along with other small capital receipts in year.
- Financing activities include the repayment of the £12m RCF in year, along with £1.3m loan capital repayments as mentioned above, together with interest payable. This is reduced by new endowments for investment of £7.9m.

The University comfortably met all lender financial covenants at the year end and is forecast to meet all lender covenants throughout the approved financial plan period.

Key Performance Indicators

The University measures its performance against a number of Key Performance Indicators (KPI’s) that are reported within five main headings aligning to the newly refreshed University Strategy 2022-27: World-Leading; Diverse; Digital; Sustainable and Entrepreneurial as well as a general Resources and Finance heading. Performance against target for each of the KPIs is reported via the Planning and Resources Committee (PARC) to Court on a quarterly basis using a Red, Amber, Green (RAG) system

which allows Court members to focus on areas of concern. We present the risks and mitigations associated with the KPI framework within our Risk Management framework. Following the adoption of the new University Strategy 2022-2027 a new set of Key Performance Indicators were developed and are regularly updated. A summary of the relevant status is set out below.

World-Leading

Overall, this theme presents as amber, the same status as in the prior year. Performance under the World-Leading theme reflects a mixed picture across research, reputation, and student outcomes. Student experience remains a standout strength, supported by consistently high NSS scores and strong graduate outcomes.

Global rankings continue to be competitive. The University remains just outside the QS Top 100 and has improved its position in the Times Higher Education (THE) World Rankings. Notably, it entered the 101–150 band in the THE Reputation Rankings, aligning with peer institutions such as the University of Glasgow.

Research performance shows encouraging signs, including increased application values, a more diversified funding base, and improved financial efficiency. Strategic initiatives such as REF2029 preparations and the launch of a new Research and Innovation Strategy are underway to enhance focus and global visibility.

Diverse

Performance under the Diverse theme remains amber, the same status as in the prior year, reflecting both steady progress and areas requiring continued focus.

The University maintains strong international diversity and has increased SIMD20 entrant numbers, though proportional representation has declined. Staff wellbeing has improved, and external recognition through Athena Swan and Race Equality Charter awards remains strong. Targeted actions are underway to address attainment gaps and representation disparities, particularly for male, disabled, and BAME students and staff.

Progress on pay gaps is mixed, with improvements in the mean gender pay gap and challenges in the median. These factors are being addressed through institutional EDI frameworks and action plans.

Digital

Overall, this theme presents as amber, the same status as in the prior year. The delivery of our Digital theme and underpinning actions is key to the long-term financial sustainability of the institution.

The Digital theme continues to show positive momentum, particularly in education and infrastructure. Postgraduate and short course enrolments have seen continued growth, attracting a diverse learner profile and contributing to rising fee income. Staff engagement with

digital training is evolving, with increased participation in internal programmes. While some metrics are still being developed, the overall direction reflects steady progress and expanding digital capabilities.

Sustainable

Overall, this theme presents as red, the same status as in the prior year. There is a significant volume of activity underway which seeks to make an impact on the climate emergency we are facing.

The Sustainability theme reflects strong institutional commitment and foundational progress. Sustainability is well integrated into the curriculum, with over 220 modules embedding relevant outcomes, whilst research awards in climate and energy continue to grow. Operationally, the University is advancing its emissions reduction strategy, with Scope 1 and 2 emissions ahead of target. However, Scope 3 emissions continue to exceed targets due primarily to travel and procurement with carbon measurement tied to expenditure levels which are impacted by inflation, alongside a lack of clarity and consistency across sector bodies on reporting methodologies.

Biodiversity monitoring and reporting frameworks are being developed to enhance transparency and impact measurement. Continued efforts are focused on improving data consistency and sector-wide collaboration.

Entrepreneurial

Overall, this theme presents as amber, the same status as in the prior year. While entrepreneurial activity is expanding, the performance is uneven across income streams and innovation metrics holding the theme's status at amber.

The expanding entrepreneurial activity is supported by strong engagement with consultancy, CPD, and entrepreneurship programmes. Licensing of existing technologies has improved, with St Andrews Innovation delivering a year-end surplus, reflecting effective cost management. While some innovation metrics show variability, strategic developments at the Eden Campus and targeted support are expected to strengthen future performance. The amber status reflects both solid infrastructure and the need for continued diversification of income streams.

Resources and Finance Overview

Overall, this area presents as amber, the same status as in the prior year. The Resources and Finance theme shows stabilisation, supported by a notable financial turnaround and strong undergraduate recruitment. The University undertook and delivered a savings plan to achieve a modest surplus at year end, reflecting effective financial management amid sector-wide pressures such as inflation and competition in the postgraduate market.

Research application values have increased, though award values and income per academic staff remain areas

for growth. Staffing costs continue to be a challenge, but targeted actions have helped manage their proportion relative to income.

Financial planning is focused on embedding savings, diversifying income, and aligning workforce costs with strategic goals. Continued efforts are underway to strengthen resilience and support long-term sustainability.

Reputation and achievements

Founded in the 15th century, St Andrews is Scotland's first university and the third oldest in the English-speaking world. The University of St Andrews is one of Europe's research-intensive seats of learning, renowned for its research-led teaching quality, and outstanding student experience.

St Andrews flourishes because it combines a commitment to academic excellence with an inherent dynamism.

We continue to attract highly skilled students and staff from more than 135 countries to Scotland. Our remarkable students and staff are the lifeblood of St Andrews, and our future relies on developing a University which allows them to use their talents to best effect. This section outlines some of our key achievements and areas in which we have been recognised during the academic year:

- The University of St Andrews has retained its position as the top university in Scotland and second in the UK in both *The Times and Sunday Times Good University Guide 2026* and *The Guardian University Guide 2026*.
- The University of St Andrews excelled in subject rankings across both major UK university guides for 2026. In *The Times and Sunday Times Good University Guide*, eight subjects were ranked top in the UK: Art History, Chemistry, English (joint top with Oxford), French, History, International Relations, Physics, and Social Anthropology.
- In *The Guardian University Guide*, St Andrews led the UK in Maths, History, Art History and International Relations, with 17 additional subjects placed in the top 10 nationally, including Modern Languages, Economics, Film Studies, Psychology, Business and Management, Chemistry, Geography, Philosophy, Physics, Anthropology, Classics, Computer Science, Earth Science, English, Medicine, Neuroscience and Biology.
- *The Daily Mail*, published in August 2025, named St Andrews Scottish University of the Year following last year's award for UK University of the Year for Teaching Quality.
- The University also claimed the top spot in Scotland and secured its place among the UK's leading higher education institutions, ranking in the top four nationally in *The Complete University Guide 2026*. St Andrews leads in student satisfaction, ranking first in the UK, highlighting its commitment to helping prospective students make confident, informed choices about their future.

In the 2025 King's Birthday Honours, announced in June 2025, Professor Frances Andrews, from the School of History, received an MBE for her services to Higher Education. Additionally, Professor Ursula Martin, an Honorary Professor in the School of Mathematics and Statistics and a distinguished mathematician and computer scientist, was appointed Dame Commander (DBE) for her contributions to science and education.

Other staff honours and celebrations include:

- Dr Peter Mackay, a Senior Lecturer in the School of English at the University of St Andrews, has been named Scotland's new Makar – the National Poet for Scotland. The announcement was made at Bute House by First Minister John Swinney. Dr Mackay's appointment marks a historic milestone as he becomes the first Makar to primarily write in Gaelic. Hailing from the Isle of Lewis, Dr Mackay brings a deep connection to Scotland's linguistic and cultural heritage.
- The role of Makar, a three-year tenure supported by the Scottish Government and the Scottish Poetry Library, is a prestigious literary position dedicated to championing poetry across Scotland. The Makar is tasked with producing work reflecting significant national events and fostering a deeper appreciation of poetry throughout the country.
- Director of Music Michael Downes was awarded an OBE in the 2025 King's Birthday Honours for services to music and education.
- A bay in the Antarctic has been named after a University of St Andrews professor who passed away in February 2024. Brierley Bay, located on the southern coast of Coronation Island, South Orkney Islands, is named after Professor Andrew Brierley. The naming of any geographic feature is a thorough process. The UK Antarctic Place-names Committee considers proposals and makes recommendations for place names within the British Antarctic Territory, which are then passed to the Commissioner of the British Antarctic Territory for endorsement.

The naming of features after individuals requires demonstrable evidence of significant and exceptional contribution to scientific understanding and/or life in the Antarctic; major contributions to Antarctic matters; contribution to government and policymaking with direct relevance to Antarctica; and an association of the person with the proposed feature. The committee decided that Brierley Bay was a worthy and fitting name.

Amid the significant financial headwinds facing UK higher education, and ongoing geopolitical uncertainties, in 2025 St Andrews continues to uphold its reputation for excellence in teaching, research, and global collaboration.

- 10,234 students from 135 countries
- 8,388 undergraduates
- 1,846 postgraduates
- 2,906 staff
- 4 faculties with 18 schools

Graduation celebrations

More than 2,200 Class of 2025 students, from 88 different countries received their academic awards in the town's Younger Hall this summer.

The summer graduation ceremony season also celebrated nine distinguished individuals honoured for their contributions to sport, politics, science and the arts, including award-winning Scottish actor, writer and presenter Alan Cumming, and the BBC's security correspondent Frank Gardner. Other honorary graduates included leading sustainability campaigner Sara Parkin, US golfer Judy Rankin, and Russian-American scientist Eugene Koonin.

St Andrews celebrated its internationally Scottish links with the graduation of the 50th McEuen Scholar in June. Established in 1974, the McEuen Scholarship was designed to foster lasting connections between Scotland and Canada, providing Canadian students with the opportunity to study at St Andrews.

At winter graduation in December 2024, students celebrated with honorands including a Fife-based former Royal Marine seriously injured in action in Afghanistan who went on to become a TV sports presenter. Strictly Come Dancing star JJ Chalmers joined veteran sports presenter and recent BAFTA Scotland award-winner Hazel Irvine; former Chief Scientific Adviser for Scotland, Professor Dame Anne Glover; and one of the UK's foremost theorists of race and racism, Professor Paul Gilroy, in being awarded Honorary degrees.

Socially responsible St Andrews

At St Andrews, our commitment to social responsibility remains as strong as when we first placed it at the heart of our refreshed 2022-2027 Strategy. Socially responsible actions and objectives underpin all our strategic themes; World Leading, Diverse, Digital, Sustainable, and Entrepreneurial, and drive forward our decision-making. We are committed to making a difference, whether that is globally, in the way our learning and teaching respond to global crises including the climate emergency, or locally, by forging local partnerships, widening access to education, or investing in the University estate to ensure it is fit for the future. St Andrews has responded to many changes and challenges throughout its 600-year history and proper consideration must be given to those that lie ahead. That is why sustainable, socially responsible policies and practices will remain central to all that we do.

Social Responsibility at the University of St Andrews is reflected in a wide-ranging commitment to societal impact through research, sustainability, and community

engagement, addressing both local needs and global challenges.

One such initiative is Golf for Health, launched in 2023 in partnership with NHS Fife and expanded in 2024. This pioneering programme integrates golf into primary care through social prescribing, supporting physical and mental well-being. Participants benefit from both the exercise and the social interaction the sport encourages. Dr Sam Warne (School of Medicine) shared findings from the pilot study at the 'Golf, Health and Performance' conference, contributing global insights to the programme's future development.

Environmental sustainability remains a key focus. The University continued work on coastal habitat restoration across 30 sites along the Fife coast, supported by the Scottish Government's Nature Restoration Fund. Activities such as tree planting, wetland creation, and conservation grazing form part of this initiative. The project was among 27 to receive part of a £4.1 million grant fund.

Students have also led impactful community efforts. In April, the Spare Spoon Initiative was launched to tackle food waste and local hunger. By offering free leftover meals from the Rector's Café, the initiative served over 250 meals in its first week and continued throughout the year. Meal updates shared via Instagram helped turn the café into a welcoming community hub.

The University Community Fund, now in its fourth year, continues to support local projects. In 2024, it awarded £46,535 across 38 initiatives. Grants included £1,000 for new equipment at Quinns Boxing Club (Springfield), £1,500 for electric heaters at Freuchie Scout Hall to improve energy efficiency, and £3,000 to Richmond's Hope, a bereavement support charity for children, to enhance their services in Methil.

Internationally, St Andrews extended support to three Afghan medical students who were barred from completing their education in Afghanistan. With support from the Linda Norgrove Foundation and the Scottish Government, the students are now continuing their studies in St Andrews with full tuition and living costs covered.

In 2024, the University hosted 16 summer schools, including the 'Global Citizens Initiative' and 'Scozia' for Ukrainian students, broadening access to academic opportunities. The Students' Association's Charities Campaign raised over £32,000 through its Race2 event for three student-nominated charities: The Wave Project, Smartworks Scotland, and Emergency UK.

Further initiatives included the rollout of accessibility training and resources to better support disabled students, while over 30 staff and friends took part in an International Women's Day dook, raising nearly £800 for Fife Women's Aid.

Through its growing portfolio of sustainability projects, inclusive outreach, and socially conscious research, the University of St Andrews continues to lead in creating positive change both locally and around the world.

Diverse St Andrews

Our commitment to making St Andrews a diverse place to work and study was underlined by achieving an institutional Silver Athena Swan award in recognition of our continued efforts to advance gender equality across the University; and a Race Equality Charter Bronze Award for our ongoing work to advance race equality.

Our successful application included a detailed self-assessment of our staff and student experience, curriculum, and culture, leading to a comprehensive plan setting out a suite of actions to advance race equality, including strengthening race equality leadership, reforming recruitment, and bolstering antiracist pedagogy.

Meanwhile, Athena Swan awards recognised our progress in advancing gender equality across the University and plans for further progress focused on several priorities including increasing representation of women in senior roles, and addressing the gender pay gap. Among the progress highlighted in our application and acknowledged by the assessment panel was the work to address gender-based violence, including St Andrews becoming the first University to be awarded the EmilyTest Charter in 2023.

We launched our revamped Diversity and Inclusion Calendar webpages, drawing together information and events around key themes with initial pages focused on accessibility, gender equality, race equality, and health and wellbeing.

The pages are designed to bring together and promote diversity initiatives and resources from across the University, helping foster a culture of understanding and inclusion.

Recognising their important role in supporting belonging in St Andrews, and following a period of review and enhancement, our newly strengthened staff networks were relaunched in October. Members of our BAME Staff Network, Staff with Disabilities and Neurodivergence Network, LGBTQI+ Employee Network, and the Parents and Carers Network featured in a suite of new videos to promote the networks to new members.

World-leading St Andrews

The breadth of St Andrews' world-leading research is reflective of our academic expertise across four faculties – Arts, Divinity, Medicine, and Science.

Research at St Andrews is defined by its commitment to interdisciplinary collaboration, digital innovation, and societal impact. R&D efforts span the sciences, humanities, and social sciences, integrating digital tools and emerging technologies to enhance both research excellence and practical applications.

In March, following the University regaining its medical degree awarding powers, a major new partnership between the University and NHS Fife was announced, meaning students studying medicine at

St Andrews are now able to undertake all their clinical training and complete their primary medical qualification in Fife. The new medical degree programme will benefit patient care and medical research in Fife, while boosting Scotland's overall training provision for new doctors. Students will undertake their medical training with clinical teams across NHS Fife in a range of healthcare settings, including a network of healthcare innovation hubs within Fife's community hospitals. The first cohort of students to start the new programme joined the University in September 2025.

In September 2024 we officially launched our ambitious £300 million fundraising campaign in support of our world-leading ambitions.

Making Waves is a visionary campaign launched at a critical time when the role of universities, funding, and their positive impact on society are under significant scrutiny. This campaign showcases St Andrews' unwavering commitment to advancing research, nurturing future leaders, and affirming the transformative power of higher education.

The Making Waves campaign is more than a fundraising initiative; it is fundamentally about the restless power of ideas, the people who have them, and the environment in which we shape and challenge the brightest minds.

It is a transformative movement for the future of St Andrews and the world. It encapsulates our vision to break boundaries, foster innovation, and attract the brightest minds to our University.

Making Waves will help create 'New College' the first college to be built in St Andrews in 300 years, which will house our new Business School and the School of International Relations, educating the global leaders of the future.

By investing in critical projects such as the New College and Digital Nexus, we are creating spaces where interdisciplinary research and teaching can thrive.

These new developments will enable us to address some of the most pressing challenges of our time, from sustainability to global health.

A central goal of Making Waves is to enhance accessibility through increased funding for scholarships and bursaries and this is evidenced by the increase of new scholarships received this financial year. This initiative aims to attract top-tier talent and ensure that financial constraints do not hinder students from pursuing their studies at St Andrews. By providing financial support, the University seeks to cultivate a diverse and inclusive academic community.

At the heart of our world-leading theme is achieving global excellence in research. Among the successful and impactful research released in 2024 were studies in the communication of chimpanzees and elephants; interdisciplinary research on organic light-emitting diodes that use less power; a trial artificial nest project in the Cairngorms that led to an increase of 83% in capercaillie

nest survival; and the discovery that ethnic groups in Scotland were over two times more likely to experience the death of someone close to them during Covid-19 than the white population.

We appointed a new Executive Director of Research Support Services as part of our ongoing enhancement of our research support and communications ecosystem, with focus on long-term academic performance, impact, influence, reputation development, increased funding revenue, and preparations for Research Excellence Framework 2029.

Sustainable St Andrews

The University continues to advance its leadership on sustainability through education, research and operations.

Recognising the urgency of the global climate and natural emergencies, St Andrews has established three pathways to lead real and inclusive change:

- Sustainability Positive – our commitment to society that our research, education, impact, and entrepreneurship will improve the environment;
- Carbon Net Zero – our commitment to reduce carbon dioxide and greenhouse gas emissions dramatically across the full extent of the University's activities, and manage unavoidable emissions responsibly;
- Climate Adaptive – our approach to sustaining the University's ability to operate in an irrevocably changing climate.

The University of St Andrews has a target to reach net zero carbon emissions by 2035. This is 10 years ahead of Scotland's own target date of 2045 and represents our desire to be a leader for change in this area.

Emblematic of this was a landmark decision to invest in nature-based solutions with a highland estate in 2024. The innovative 100-year partnership between the University and Corrour, near Fort William, will focus on nature-based solutions to the climate crisis, supporting data-driven, regenerative land management strategies and peatland restoration.

The University's Annual [Sustainability Report](#) was released in January, illustrating our strong engagement across the UN Sustainable Development Goals. The report also sets out the University's carbon emissions for AY 2023-24, as submitted under the Scottish Public Bodies Climate Change Duty (PBCCD), which has shown an overall reduction across scope 1, 2 and 3 emissions.

Partnerships with local organisations to explore opportunities for sustainability have also progressed, namely with Fife Council, Fife Coast and Countryside Trust, and the St Andrews Botanic Gardens.

The University continues to partner with Stagecoach East Scotland and Moffat & Williamson, offering 75% discount on bus travel, supporting staff and student commuting.

Dr Lydia Cole, School of International Relations, was appointed a member of the oversight group for the Environmental Sustainability Concordat established by the Wellcome Trust.

Dr Maria Chiara Iannino has been appointed as the co-lead for the Finance theme of Scotland Beyond Net Zero the cross-sector programme designed to advance research collaboration and inform policymaking in Scotland to reach our ambitious climate targets.

Dr Ife Okafor-Yarwood has been appointed as a member of the 2nd African Ocean Decade Taskforce by the Intergovernmental Oceanographic Commission of UNESCO (IOC-UNESCO), as part of the ongoing implementation of the UN Decade of Ocean Science for Sustainable Development (2021–2030).

The university signed the Nature Positive pledge in June 2025, evidencing our commitment to biodiversity.

Four of our laboratories have completed LEAF accreditation, the new standard for sustainable labs through Wellcome Trust. One gold and three silver awards have been achieved to date, and work continues to ensure all labs requiring accreditation are supported.

An Environmental Humanities Network has been established to bring together researchers, students, and practitioners with the aim of fostering interdisciplinary research and teaching across the Arts and Humanities.

A new Global Research Centre will be launched under Dr James Rae, School of Environmental and Earth Sciences. The St Andrews Global Research Centre in Climate Change will leverage insights from climate change past and present, spanning science and society, to better understand the diverse array of challenges posed by a changing climate, and the solutions required to address them.

The Sustainable St Andrews Academic Network has been enhanced, bringing together academic representatives from each school with a formal remit to support embedding sustainability in the operations of their respective academic schools.

The University has invested in renewable energy projects in the past year, with our solar panels project being highlighted by Mr Arnold Schwarzenegger at the World Summit held in Austria in June.

The University ran Sustainability Week in November 2024, bringing together staff and students to promote work ongoing across the University and highlight opportunities for staff and students to get involved. This also incorporated the award of the St Andrews Prize for the Environment.

Digital St Andrews

We enhanced our digital education portfolio of online courses for postgraduate study and expanded our offering by introducing a range of professional skills short courses. Our first cohorts joined us in 2024 for these self-paced

courses in high-demand fields such as Data Science, Artificial Intelligence, and Machine Learning.

We continue to expand and enhance our digital education portfolio, with postgraduate courses delivered fully online as well as short courses aimed at helping people develop professional skills.

Our specialised online postgraduate courses provide students with a choice of entry points and the flexibility to study from anywhere in the world while becoming part of our diverse and international student community. With study options ranging from one to three years, this year we added 'Digital Art History' and 'Global Digital Humanities' to the course list, adding to 'Data Science' and 'Data Literacy for Justice', launched in 2023.

Our first cohorts for online short courses joined us in October 2023 and the offerings continued to develop throughout 2024. These self-paced, fully online courses provide in-depth learning in high-demand fields such as Data Science, FinTech, Artificial Intelligence and Machine Learning, with four intakes across the year. Delivered through a combination of pre-recorded content and interactive activities, these short courses focus on industry-relevant skills to help learners stay ahead in a rapidly changing professional landscape.

Lifelong learning is also at the heart of our online short course programme, with new Personal Development courses covering topics from modernist art to language studies and international relations. Whether exploring new passions or refining existing talents, these courses offer an enriching learning experience, available to everyone who has an enquiring mind and a wish to self-develop. A prioritised roadmap will deliver a further 14 new online short courses over the next 12 months.

New credit-bearing online micro-credentials will also be delivered from next year onwards. These stackable awards will be developed through leveraging our existing Digital portfolio and co-design with industry partners and funders, such as the Scottish Government and Tay Cities Deal.

Beyond education, we are leveraging digital methods and data to improve University operations. The data pipelines and store (DPaS) project – spanning Admissions, Planning, Estates, and Residential and Business Services – has made progress towards a well-integrated, well-governed data infrastructure to strengthen management reporting and facilitate evidence-based decision-making across the institution.

Our investment in digital innovation, for example by creating new digital media studios and production expertise, is creating new opportunities for both organisational growth and academic excellence, offering training and upskilling to academic staff on the latest digital design and build techniques. The Digital team is now supporting an increasing number of programmes beyond the Digital Education Innovation Scheme, ensuring all online courses benefit from cutting-edge digital approaches.

A key Digital development is our new high-performance computing facility, designed in collaboration with researchers and installed this year. This state-of-the-art system significantly enhances computing power, enabling advanced simulations, and opening new frontiers in artificial intelligence and machine learning research.

Entrepreneurial St Andrews

In January, the EdenTay Founders Community brought together entrepreneurs, students, and alumni from the Tay Cities universities to share ideas and build connections. The event featured speakers such as Keith Millican (Director of Enterprise), Dr Ross Gillanders (Founder of Lightwater Sensors), and representatives from the universities of Dundee, Abertay, and St Andrews, as well as TechScaler.

Also in January, staff from St Andrews Innovation (SI) hosted a roadshow in collaboration with the School of Psychology and Neuroscience. Open to all staff, researchers, and PhD students, the event highlighted the wide range of support available from SI, including the Entrepreneurship Centre, Technology Transfer Centre, Research Business Development, and the Rapid Prototyping Centre.

The Entrepreneurship Centre (EC) continues to offer practical entrepreneurial training, start-up and spin-out opportunities, and a dynamic calendar of events open to both the University community and the wider public. Over the past year, the Centre has supported 16 student-led start-ups, including two launched by EC programme graduates.

Among them is 'Harlyy', a time-tracking and management software company targeting the Indian market, co-founded by James McCorkindale (School of Computer Science) and Zeeshan Abbas (Business School). The team won £10,000 in the Scottish Young EDGE competition.

Another EC-supported start-up, 'Out N About', is an event-tracking platform aimed at fostering real-life connections on university campuses to reduce social isolation. Co-founded by Annabella Cuenca Goddard (School of Management) and Chukwudike Bryan Uwanaka (School of Computer Science), the project also received £10,000 through Scottish Young EDGE.

Recent Maths graduate and Principal's Medal recipient, Simone Korsgaard Jensen, secured a \$250,000 investment through Entrepreneur First for her startup 'Radical'. The company is pioneering personalised dosing in radiotherapy and exploring treatment reduction for pancreatic cancer. Simone's success highlights the vital role of the Entrepreneurship Centre and broader support networks in nurturing groundbreaking ideas.

In April, the University collaborated with NHS Fife to host Imagining the Future of Healthcare – a forum for healthcare professionals, researchers, and industry

leaders to explore digital health solutions, policy innovation, and improvements in patient care. Key challenges identified during the discussions are now being developed into projects by NHS Fife Innovation.

In May, the Entrepreneurship Centre and Research Business Development team hosted a life sciences summit on brain health in collaboration with Scottish Brain Sciences (SBS). The summit brought together experts to explore new directions in neuroscience and health innovation.

Innovation Week 2024, held in October, brought students, staff, alumni, and the wider community together to celebrate entrepreneurship. Organised by the Entrepreneurship Centre, the week featured speaker sessions, hands-on workshops, networking events, and competitions – providing direct access to industry leaders and reinforcing the University's growing reputation as a hub for entrepreneurial thinking.

At St Andrews, we are proud to shape future leaders, expand the frontiers of knowledge, and partner across borders to address shared challenges. We are confident that, with resilience and creativity, we will continue to serve Scotland, the world, and the generations to come.

Equality and diversity

The University Strategy sets out an ambitious vision to make St Andrews a beacon of inclusivity, placing diversity and equality at the centre of everything we do and creating an environment in which all can flourish and realise their potential. The Diverse Action Plan outlines how this vision will be achieved focussing on several key themes including: behaviours, visibility, addressing inequalities and enhancing the use of data.

All Schools have now achieved Athena Swan status (nine at Bronze level, seven at Silver and two at Gold) and the University was awarded an Athena Swan Institutional Silver Award in March 2024 recognising the progress made in advancing gender equality. The Athena Swan institutional action plan identifies a number of priorities for future focus including increasing representation of women in the professoriate and senior roles, supporting professional services staff career pathways, and addressing intersectional inequalities.

In September 2024, the University obtained a Bronze Race Equality Charter Award. This represents the culmination of a detailed self-assessment, with the REC action plan identifying a number of priorities for attention including strengthening race equality leadership, reforming recruitment and bolstering antiracist pedagogy. The University also holds the Carer Positive Employer award at the highest 'Exemplary' level, is a signatory to the Business in the Community Race at Work Charter. We are also a member of the Higher Education LGBTQ Benchmarking Forum whose aim is to establish an LGBTQ planning and delivery framework.

The University's Equality, Diversity and Inclusion Policy applies to all staff, students, contractors and visitors, taking into account the provisions of the Equality Act (2010) and the Scottish Specific Duties (2012). The Policy objectives are that all individuals will be treated with respect, that they will not be subject to unfair discrimination in any aspect of university life, and to achieve an environment in which everyone has the opportunity to develop to their full potential.

In May 2024 we published our British Sign Language Plan, as one component of a broader Disability Plan whose development will be completed in December 2025. An updated version of the Staff Disability Policy was published in June 2023, following consultation with the trade unions and staff (including the Staff with Disabilities and Neurodiversity Network). As at August 2023 5.98% of current salaried staff at the University had declared a disability.

In compliance with equalities legislation, the University published its Equality Mainstreaming Report in April 2025. This reported progress achieved in pursuit of actions in the Equality Outcomes Action Plan for the period 2021-2025 and contains a report on staff and student data trends. The Equality Mainstreaming Report also contains a plan for achieving objectives that align to the National Equality Outcomes. The plan covers the 2025-2029 period.

Progress on the Gender Pay Gap (GPG) has been published by the University since 2018, using the framework provided by the UK Government with an accompanying report published on our website. In 2024 our mean GPG was 16.9% falling from 17.6% in 2023. The median GPG was 15.0% an increase from 12.9% in 2023 (returning to the median gap in 2022). The University has identified closing the GPG as a key priority in its Athena Swan Action Plan.

We have also undertaken an analysis of the Ethnicity Pay Gap (EPG). In 2024 our mean EPG was -0.02% falling from 0.01% whilst our median ethnicity pay gap was -3.4%, a decrease of 2.8 percentage points from -6.2%. The negative pay gap is indicative of the fact that at the University of St Andrews, ethnic minority staff are concentrated in academic positions which typically have higher remuneration levels. However, there remains a marked EPG for academic staff which is addressed within the Race Equality Charter action plan.

The University is committed to Fair Work practices. This includes working collaboratively and consultatively with the recognised trade unions to discuss staff related issues as part of our wider Recognition Agreement, and engagement with relevant staff networks on specific matters. The University published its Fair Work Statement in 2025 confirming the actions being taken to align to the Scottish Government's Fair Work principles. The People Strategy 2023-27 identifies a number of priorities to support a high-quality staff experience including a

series of actions to support staff engagement – such as development of new engagement mechanisms – and staff development. The latter builds on existing learning provision including an open training programme accessible to all staff, access to the online learning platform, LinkedIn Learning, and several mentoring programmes designed to support different career stages and profiles.

The University is committed to supporting its employees and their ability to work. We introduced the day one right to request flexible working in August 2023 in advance of it being a legal requirement. In addition, we have enhanced family friendly policies in 2023/24 by increasing maternity and paternity leave and carers provision.

In terms of pay, the University has no zero-hour contracts but does, to meet peak work demands, employ hourly paid staff. These individuals are engaged for specific, limited periods and, as such, do not experience intervals of employment with no assigned working hours. In addition, the University has, since 2016, ensured we keep pace with the Real Living Wage and we have made a commitment to continue to do so, ensuring it is implemented from the date it is effective. In line with the requirements of the Public Sector Duty, Scottish Specific Duties we publish a General Equal Pay Statement and Disability, Ethnicity and Gender Equal Pay statements every four years.

The University has never operated fire and rehire policies and opposes their use.

Principal risks and uncertainties

In pursuing its key strategic aims and objectives to achieve excellence in World Leading, Diverse, Digital, Sustainable and Entrepreneurial, the University will inevitably undertake activities which incur a level of risk. The way in which these risks are managed, through an effective risk management function, is fundamental to our success. Effective risk management will both reduce the likelihood that risks are realised, and their impact in the event that they are. The management of risk at the University of St Andrews is overseen by the Risk Management Group which reports through the Audit and Risk Committee to the University Court which retains ultimate responsibility. The Risk Management Group is part of the wider institutional corporate governance structure and more information can be found on page 26.

Our risk profile has remained consistent over the last year with no significant changes. Risks which have been highest included:

- Cyber security risks remain at the highest threat level because of the potential to inflict sudden and lasting catastrophic damage. There is no evidence that this risk is reducing for the HE sector or UK industry more broadly.
- Financial sustainability remains a high risk, due to consistent government under-funding for both teaching and research over a number of years coupled with persistent inflationary pressures in certain areas.
- Concerns over estate space constraints are reflected in our risks relating to teaching and research capacity, and also resilience.
- Student wellbeing and the student experience are critical to the University and our risks reflect our own high expectations in these areas, whether directly experienced by students or indirectly reflected in league tables.
- A variety of sector-wide issues impact student recruitment, in recognition of which we have delivered improvements to capabilities with regard to both systems and engagement.
- Residential income and capacity also remain a perennial issue. However, as with student recruitment, the 2024/25 cycle has been characterised by improvements to systems and engagement.
- A new risk has been identified relative to governance and specifically the ability of the University Court to provide effective oversight, which recognises both the critical importance of robust governance and the ambiguities and contradictions within the statutory framework.

Framework

Risk scoring is undertaken on a five-by-five matrix basis, using likelihood and severity on each axis. This is on a net risk basis after controls have been applied. All 'Red' risks (i.e. those with a score of 15 or higher) are reported to the Audit and Risk Committee (ARC) each quarter. Red risks are also reviewed by the Risk Management Group (RMG) and Principal's Office (PO) on a quarterly basis. Attaching to the 13 current 'Red' risks are 148 'Key Risk Indicators' (KRI) on the full risk register which discuss exposure, controls and give a measure of residual risk / control confidence for each KRI. Those exposures and controls are then used to inform the risk assessment and guide actions. All KRIs with a high residual risk are disclosed in detail to Audit and Risk Committee, and all KRIs with Moderate or Low residual risk are presented to ARC in summary format. This is beneficial, firstly to ensure that the implications of each risk have been considered by a range of stakeholders, and secondly to focus attention on areas of particular concern or where we could improve performance.

Risk Area:
Cyber attack
Rating: 25 [Red]

Narrative:

Cybersecurity remains an existential risk to organisations. Threat actors have become more sophisticated and well-funded, with considerable risk of operational disruption, loss of revenue and data, reputational damage, litigation, and substantial management costs to recover. These threats typically arise from criminal or espionage activity and include social engineering (e.g. phishing), distributed denial of service (DDoS), malware, spyware, and ransomware at a time when we are more reliant than ever on IT systems for the delivery of teaching, assessment and hybrid or home working.

Risk Area:
Research processes and income
Rating: 20 [Red]

Narrative:

Research income and research excellence are linked and mutually reinforcing, providing not only funded research and our Research Excellence Grant, but building global reputation, attracting talented staff and students, as well as forming a vital component of the University's strategy. The majority of our research funding comes through UKRI which is vulnerable to changing priorities and budget decisions made by government. In relation to research income from the EU, whilst we can now associate to the Horizon Europe programme, it has taken time to regenerate the networks and collaborative research that remain crucial for success.

Risk Area:
Insufficient UG and PGT income
Rating: 20 [Red]

Narrative:

The University sets targets to balance student numbers and diversity, estate capacity, entrant quality and the demands of financial sustainability. RUK, and especially Home, UG fees do not cover the full cost of teaching but have been a reliable source of income with an important role in increasing the diversity of our student cohorts, particularly in terms of widening participation. Overseas UG and PGT students, while adding to the diversity of the student body, are a key source of income. PGT recruitment faces sector-wide challenges, including increased competition (both intra-UK and global), changes to visa regulations and increasing regulated costs coupled with increased costs-of-living.

Risk Area:
Financial sustainability
Rating: 20 [Red]

Narrative:

Government grants for teaching, research and capital have failed to address the impact of inflation and we have experienced multiple years of below inflation increases in funding, which is driving a compound and, therefore, increasing gap between funding and costs. Based on the Scottish Government's 2025-26 Budget and subsequent funding allocations by the SFC, St Andrews' overall funding settlement represents an increase of 3% from 2024-25. This is higher than the sectoral average increase of 1.7% but nonetheless fails to fully address inflationary pressures. The uplift to RUK fees at just over 3% similarly falls below in-year and compounded inflation. These increases are insufficient to cover the additional costs resulting from the employer's National Insurance Contribution increase introduced earlier this year. Delivery of a small surplus has been contingent on management action and efficiencies, which will be embedded to ensure these measures deliver recurring benefit.

Risk Area:
Governance frameworks
Rating: 20 [Red]

Narrative:

The Gillies report relating to the financial crisis at the University of Dundee has highlighted the importance of Court exercising effective governance and oversight. As an Ancient University, St Andrews does not have charter and statute, but is required to comply with the Universities (Scotland) Acts of 1858, 1889, 1966 and the Scottish Government's Higher Education (Governance) Act 2016, together with associated Ordinances; and with separate law relating to charities. Ambiguities and contradictions in this governance framework carry financial, legal and reputational risks, as well as to the effective conduct of Court business.

Risk Area:
Residential accommodation
Rating: 16 [Red]

Narrative:

We rely largely on University-owned and maintained residential accommodation to house our entrant student population, the new guarantee to International PG students and contribute to student satisfaction by offering space to returning students where possible. Adequacy of residential capacity, whether in the University or the private sector, is important to attracting students, and thereby has the potential to not only affect University finance in terms of student recruitment, but also student satisfaction for returning students. This is, therefore, a key risk to the University and is addressed through maintaining adequate bed spaces, with a proportion of lower cost accommodation options, and reliable data modelling.

Risk Area:
IT outage
Rating: 16 [Red]

Narrative:

Information technology (ICT) is critical to the successful functioning of University activities, hence we have a low tolerance to loss. Over the last ten years, tolerance to IT downtime has reduced significantly, exacerbated by the widespread demise of practicable manual workarounds. We see this trend not merely continuing but increasing as ICT becomes ever more pivotal to quality and productivity. An outage of a core system, or systems, has the potential to impair teaching, research and key administrative functions. We use a measure known as 'Recovery Time Objective' (RTO) which enables us to prioritise system recovery and to use the concept of RTOs to plan resilience into system design.

Risk Area:
Estate capacity
Rating: 16 [Red]

Narrative:

Money, land and existing buildings create constraints on what can be built, refurbished or developed, yet changing expectations and activities mean that we need to continually adapt. Demand is exceptionally high for good-quality teaching space, lab space, student study places, academic offices, and professional spaces for student-facing Units. Recent refurbishments have somewhat attenuated this risk but student numbers will continue to place pressure on facilities until developments on the North Haugh and the old Madras College site unlock a series of moves that will further mitigate this risk.

Risk Area:
Student wellbeing
Rating: 16 [Red]

Narrative:

In a trend which is consistent with other major institutions across the UK, disclosures of mental health disability and presentations of mental ill-health have increased within our student community, which is only partly attributable to increasing student numbers. Key to meeting expectations is the University's resourcing, response to incidents and liaison with the Police and NHS, whether that is through the local Health and Social Care partnership or Ambulance Service. Access to NHS and other statutory support resources are challenging, but the University continues to invest in resource for mental health, counselling and disability.

Risk Area:
International league tables
Rating: 16 [Red]

Narrative:

International league tables influence brand reputation, student recruitment, staff recruitment, and access to funding streams. Whereas domestic league tables are focused on student satisfaction and teaching, international league tables are dependent to a greater extent on: reputation, citations, research productivity and collaboration; the composition of the student and staff body; internationalisation; and income. Fluctuations can be expected as a result of methodological changes and genuine variation in performance.

Risk Area:
Health and Safety (H&S) management system
Rating: 16 [Red]

Narrative:

With a diverse and complex estate, H&S at the University has inherent challenges and involves a wide variety of compliance requirements, stakeholders, and activities. Our key priorities in 2024/25 have been to develop a more systematic approach to communicating policies and standards, to implement a streamlined governance and performance management framework, and to deliver greater online capability to improve both quality and efficiency. This will provide better support and guidance to those responsible for the delivery of H&S and clearer lines of accountability.

Risk Area:
Estate asset management

Rating: 16 [Red]

Narrative:

The University is engaged in a concerted drive to modernise our approach to facilities management, and in particular to use asset data to improve effectiveness. This is in part driven by the challenging scale of our estate which encompasses a significant number of buildings, assets and asset types. We are seeing improvements through better servicing and management, event detection, and intervention, often without any disruption experienced by end users, and a significant lowering of major event frequency. This has been evidenced by only nominal spend now on, for example, emergency boilers and other service continuity measures compared with previous requirements.

Risk Area:
Business continuity

Rating: 15 [Red]

Narrative:

Organisational tolerance for loss is low and we fully understand the severe implications of a major loss where resilience is stretched. We are reliant on online capability to mitigate certain losses but that capability is far from a silver bullet with which to achieve effective business continuity because workspace recovery remains challenging for lecture theatres, research labs and teaching labs in particular. Although future estate development may increase resilience by addition of extra space, refurbishment programmes may serve in the short-term to temporarily increase vulnerabilities due to necessary decant requirements.

Looking forward

The demand from Undergraduate students to study at the University of St Andrews is strong, with the University remaining one based on selection rather than recruitment. Demand continues to far exceed supply opportunity for Undergraduates.

The Postgraduate market is extremely competitive. The attractiveness of the UK for high quality education, is being impacted by immigration control measures introduced by the UK Government. We will continue to strive to deliver high quality, value add education to our global community, both in the unique setting of St Andrews and digitally.

We are turning the financial challenges we face into opportunities. Embracing new ways of working, adopting Artificial Intelligence supported automation, developing new courses to meet modern demands and reach new learner markets, and capitalising on our new Business School and Executive Education portfolio. These collectively create a vibrant and sustainable approach to supporting research and teaching to answer global challenges.

Our capital investment ambitions are focused on delivering new, modern, and flexible facilities to support the University into the next decade, whilst creating capacity to support the on-going refresh and refurbishment of older parts of our estate. Our Making Waves Campaign, launched in September 2024, aims to support our capital investment plans along with new scholarships and staff positions, all targeted at supporting the University continue in a sustainable and successful way for future generations.

We are custodians of history, stewards of the present and architects of our future.

Andy Goor
Chief Financial Officer
17 October 2025

The University of St Andrews is a charity
registered in Scotland: No. SC013532

Corporate Governance



Introduction

The University is committed to best practice in all aspects of corporate governance. The University bases its approach and standards on the 2023 Scottish Code of Good HE Governance, but also takes account of good practice guidance elsewhere, including that produced by the [UK Committee of University Chairs](#).

Under statute, Court is the supreme governing body of the University and such has ultimate responsibility for its good governance. Court members are reminded regularly of their collective and individual responsibilities under the Court Code of Conduct and as Charity Trustees, including putting the interests of the institution ahead of those of any particular constituency they may represent.

Compliance with relevant legislation

The University reports regularly on compliance with relevant legislation and regulation to its Audit & Risk Committee and Remuneration Committee, in particular where significant changes to the legislative environment occur. The University is compliant with the requirements of the Trade Union (Facility Time Publications Requirements) Regulations 2017. Data on facility time is submitted on an annual basis to the relevant government website and is published on the [gov.uk website](#). In addition, the information is published at www.st-andrews.ac.uk/media/human-resources/tradeunions/24-25_Facility%20Time%20Submission.pdf

Compliance with the Scottish Code of Good Governance

In the opinion of Court, the University complied with the principles and provisions of the 2023 Scottish Code of Good HE Governance (the Code) throughout the year 2024-2025.

The University has adopted the 'comply or explain' approach in relation to the Code's recommendation that the membership of the Nominations Committee should have a lay member majority.¹ From 2018 the Governance and Nominations Committee has had two elected staff members, representing both academic and non-academic staff rather than the minimum of one stipulated in the Code. Other members include the Senior Lay Member, Principal, a student member of Court and two lay members of Court, one of whom is Convener. Court considers that this is consistent with Main Principle 7 of the Code, which states that the nominations committee must have 'a suitably inclusive membership to oversee the appointment of new members to the governing body'.

¹ This Code recommendation is at the lowest category of requirement, 'should' in the Code which recognises 'that there may be situations in which a departure can be justified, or it would be reasonable and acceptable to meet the principles of good governance in alternative ways'.

The Rector

Following the Rector's appeal to the Chancellor against Court's decision on 29 July 2024 to remove her as a member of Court and as a charity trustee, the Senior Lay Member, on behalf of Court, wrote to the Rector welcoming her back to full membership. In order to fulfil Court's obligations under the SFC Financial Memorandum and the 2005 Charities Act, his correspondence reminded the Rector of her obligations under the Court Code of Conduct, the Principles of Ethical Standards in Public Life, and Charities legislation, and stated that future compliance with these was a condition of her return to active participation in Court, and that it is the duty of all trustees to uphold these principles in the discharge of their responsibilities.

All relevant documentation has been published on the University Court website www.st-andrews.ac.uk/about/governance/court/

Risk management and internal control

The University Court is responsible for the University's system of internal control, and for reviewing its effectiveness. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The internal control environment includes delegated authorities, policies, procedural and system controls, planning and budgetary processes, professional capability in specialist areas, governance structures and management reporting. A Scheme of Delegation is reviewed by the Audit & Risk Committee and approved by Court each year.

The senior management team receives regular reports on the University's performance including appropriate performance indicators and considers any control issues brought to its attention by early warning mechanisms embedded within the operational units and reinforced by frequent contact, support and guidance from the risk management team based in Planning. The anticipation, consideration and management of risk is an integral part of the planning process for operational units and schools. The senior management team regularly considers significant risks to the University and the controls and actions in place to mitigate these. The senior management team and the Audit & Risk Committee receive regular reports from Internal Audit which include recommendations for improvement.

Court's confirmation of the effectiveness of the system of internal control has also been informed by the following:

- The Internal Audit Annual Report 2024/25 presented to Audit & Risk Committee on the adequacy and effectiveness of systems of internal control including governance and risk management;

- Quarterly reports on Risk Management provided to the Audit & Risk Committee and notified to Court;
- An Annual Report on Risk Management presented to the Audit & Risk Committee and notified to Court;
- Comments made by the External Auditors in their report to the Audit & Risk Committee; and
- The work of managers within the institution who have responsibility for the development and maintenance of the internal control framework.

Court considers, on the recommendation of the Audit & Risk Committee, that a risk management process, compliant with the UK Corporate Governance Code, in so far as its provisions apply to the higher education sector, has been in place throughout the year ended 31 July 2025.

Governance structures

Court is the governing body of the University and derives its authority from Acts of Parliament. These, *inter alia*, vest in Court the administration of all property and revenues of the University and give it the power to review the decisions of the Senate. Court thus has overall responsibility for the governance of the University, including all aspects of strategic planning and management of all resources, whether financial, human or physical. The Statement of Primary Responsibilities can be found in section 2.3 of the [Court Handbook](#). The [refreshed University Strategy 2022-2027](#) was approved by Court in October 2022, and will guide the decisions, policies and investments the University makes over the next five years. Progress against the five themes of the strategy is represented through action plans and monitored by the Planning and Resources Committee, with an agreed suite of Key Performance Indicators which are also presented to each meeting of Court.

Court is responsible for the University's system of internal control and for reviewing its effectiveness. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Responsibility for the monitoring of risk lies with the Audit & Risk Committee on behalf of Court. The University's Risk Management Group is chaired by the Vice-Principal (Governance) and contains representatives of all key University activities. This Group has responsibility for embedding risk management in all decision-making processes of the University, to ensure that the exposure to risk is continually monitored, and corrective action taken where necessary. Risk management is discussed at each meeting of the Audit & Risk Committee, and a report is provided on key 'escalated' risks to each meeting of Court.

Court had four regularly scheduled meetings during the year ending 31 July 2025, plus a strategic away day. A further Special Court meeting was held in May 2025 to

consider the Chancellor's decision on the Rector's appeal. The overall attendance rate was 89%² Court has a number of committees with particular areas of responsibility. Court also operates an assurance scheme whereby areas of responsibility are governed by a number of Assurance Groups, each of which includes one or more independent members of Court, with a reporting line to a Court Committee or directly to Court.

The membership of Court represents a balance of representation from students, staff and lay membership, with the lay members providing important non-executive skills and support. A skills register supports the competitive skills-based recruitment process used for non-executive and other lay appointments to Court to identify and target the skills and experience necessary to maintain Court as a coherent and effectively functioning governing body. Particular attention is paid to encouraging diversity in applications for Court positions, both elected and appointed. A broad range of protected characteristics is represented on Court.

The Senior Lay Member, under arrangements established by the Higher Education Governance (Scotland) Act of 2016, is Mr Ray Perman, who took up office for a four-year term in August 2023.

The Court Committees and related Assurance Groups are:

Committee	Assurance Group
Reporting directly to Court	People and Diversity
Audit & Risk Committee	Academic Health & Safety Ethics and Research Integrity
Governance & Nominations Committee	-
Planning & Resources Committee	Investment & Treasury
Remuneration Committee	-

All of the Committees and Assurance Groups are constituted with formal terms of reference, outlined in the [Court Handbook](#). Membership of committees is disclosed in section 1.1. In addition, the University Court receives reports from the University's Superannuation & Life Assurance Scheme, the chair of whose trustees is an independent member of the Court.

The **Assurance Group on People and Diversity** reports directly to Court, overseeing the delivery of the People Strategy and progress on the Diverse St Andrews strategic theme. The group met three times during the 2024/25 academic year and provided an annual report to Court at its June 2025 meeting.

² Attendance percentages do not include vacancies.

The **Audit & Risk Committee** consists of independent members of Court, supplemented by additional co-opted external non-executive members to assist it in its role. The Committee held five scheduled meetings in the year ending 31 July 2025. All meetings were quorate and the overall attendance rate was 85% (2023/24 – 90%).

The Committee is responsible for reviewing the adequacy and effectiveness of the University's assessment of top-down strategic risks, risk management, internal control, financial governance, the annual financial statements and value for money arrangements. As such, it scrutinises the audit of the University's annual financial statements and keeps under review the effectiveness of the University's corporate governance arrangements as they relate to financial matters, including the Financial Regulations, the Scheme of Delegation and other internal control systems. The Committee is responsible for ensuring compliance with mandatory requirements in relation to the University's audit arrangements as set out in the Financial Memorandum between the University and the Scottish Funding Council. It oversees the University's policies on the investigation of questions of financial irregularity or impropriety, and receives annual reports on complaints, counter-fraud and whistleblowing.

The University's approach to risk management is overseen by the Audit & Risk Committee and managed internally by the Risk Management Group, chaired by the Vice-Principal (Governance). Risks are attributed to both KPIs and Strategic Objectives and the effectiveness of controls and mitigating actions are systematically monitored.

As noted above, the Committee has responsibility for gaining assurance on the adequacy and effectiveness of policies and procedures for risk management, including the identification and assessment of top-down strategic risks that threaten the achievement of the University's strategic plan. In this capacity it receives regular reports from the University's Risk Management Group. Committee discussions in 2024/25 focused particularly on the management of the financial and operational risks facing the University.

The Audit & Risk Committee also considers all matters relating to the internal and external audit of the affairs of the University and of those companies controlled by Court and receives regular reports from the internal and external auditors. Whilst senior executives are in regular attendance at meetings of the Audit & Risk Committee, they are not members of the Committee, and the Committee exercises its opportunity to meet with the internal or external auditors in the absence of University staff.

Three Assurance Groups report to Audit & Risk Committee:

- The **Academic Assurance Group** oversees the implementation, management and monitoring of the University's quality enhancement strategy and quality assurance procedures. It also advises the Academic Council (for Senate) on changes to the University's academic monitoring procedures and liaises with University Officers and Committees on matters relating to academic quality assurance and is kept apprised of current sector-wide changes in the quality assurance process. It met twice in the 2024/25 academic year.
- The **Health & Safety Assurance Group** provides an annual report to the Audit & Risk Committee on all matters concerning health and safety, including the University's legal obligations. The Group met three times in 2024/25 including a site visit, and received reports on the action plan to improve health and safety governance, management and reporting across the University following the recommendations of an internal audit report.
- The **Research Integrity, Ethics and Governance Assurance Group** reports to the Audit & Risk Committee on the effectiveness of the University's policies, procedures, and decision-making on the ethical consequences of teaching and research³, and the University's engagement with the Concordat to Support Research Integrity. It met twice in 2024/25 and received reports from the University Teaching & Research Ethics Committee, the Animal Welfare Ethics Committee, and the Research Integrity Working Group.

The **Governance and Nominations Committee** advises Court on any matter pertaining to the execution of its governance functions. This includes the recruitment and appointment of non-executive members of Court and General Council Assessors, the oversight of elections to Court positions, and the processes for appointments of nominated Court positions. The Committee oversees the skills register for Court members and makes recommendations to Court on (a) the overall structure of University committees and (b) the remit and Court-nominated membership of such committees. It also recommends to Court how it should be represented, as necessary, on external or internal bodies. It is responsible for ensuring compliance with relevant statute, ordinances and codes of good governance, including the 2023 Scottish Code of Good HE Governance, and the HE Governance (Scotland) Act 2016. The membership of the Governance & Nominations Committee includes assessors representing both academic and non-academic staff as well as the President of the Students' Association,

³ This also applies to University sponsored activities wherever geographically undertaken.

the Principal, Senior Lay Member, and two other non-executive members. Whilst the 2023 Code of Governance recommends that Nominations Committees should have a lay majority, the Committee believes that the current membership strikes a more appropriate and representative balance. This is reported under 'comply or explain' in the statement of compliance with the Scottish Code and is considered to be consistent with the Code's main principle 7 that the Committee must have a suitably inclusive membership. The Committee held three scheduled meetings in the year ending 31 July 2025. All meetings were quorate, and the attendance rate meetings was 90% (2023/24, 100%), and for the extraordinary meetings 88%.

The **Planning & Resources Committee (PARC)** considers, recommends approval of, and monitors the University's major commitments and management of resources. Each meeting receives a report from the Principal, a paper on KPI performance, an in-year summary Financial Report comparing actual income and expenditure with budgeted levels, and a report on Property and Infrastructure issues. The Committee approves the Outcome Agreement for recommendation to Court and reviews the impact of the SFC Main Grant letter, including its likely impact on the University Financial Plan. PARC reviews on a quarterly basis financial and institutional performance, and the University's financial and strategic plans, as well as a broad range of annual reports relating to its strategic, financial and planning responsibilities. These include development activities, environmental performance, commercialisation, infrastructure, Special Collections, and Museum Collections. PARC monitors the level and cost of the University's borrowings and the extent of other liabilities and makes recommendations on individual financial decisions which, due to their size or nature, are reserved for Court. It is also empowered to take individual financial decisions in accordance with limits prescribed in the [Financial Regulations](#). Court receives recommendations and advice from PARC in respect of its strategic planning and development responsibilities. PARC is chaired by the Senior Lay Member. The Committee held four scheduled meetings in the year ending 31 July 2025. All meetings were quorate and the attendance rate was 91% (2023/24, 96%). One Assurance Group reports to PARC.

- The **Investment & Treasury Assurance Group** – is charged with ensuring that appropriate and effective decisions are taken with regard to the investment and holding of funds under the University's management and that these activities are conducted with due regard to the University's investment policy and management of risk. It is also responsible for ensuring cash management is carried out in accordance with the University's Treasury Management Policy. It conducts regular reviews of and monitors the performance of (i) the University's investment managers and

treasury advisers, (ii) the investment portfolio(s) or holdings under their management, and (iii) University investments and financial holdings not under the management of the investment advisers. During the year a competitive Request for Proposal exercise was undertaken, resulting in a new set of managers, Cazenove Capital, being appointed to oversee the endowments 'core' fund. The majority of funds have subsequently been transferred to them. ITAG takes decisions in relation to the general nature or distribution of the investment portfolio and holdings that are under management, reporting as appropriate to Court and PARC. The Group met four times in the year ended 31 July 2025.

The **Remuneration Committee** reviews and approves remuneration arrangements for staff in the University above defined thresholds and, on the recommendation of the Principal, increases in remuneration which do not represent standard progression with regard to a recognised salary scale or which relate to members of the Principal's Office. The Committee respects the requirements of the Scottish Code of HE Governance on Remuneration Committees, and also draws on the CUC Higher Education Senior Staff Remuneration Code as a source of good practice. It consists of independent members of Court. From 2018, the Principal ceased to be a member of the Committee although may be in attendance to advise the Committee on specific issues. The Principal may not be in attendance for discussion of any item relating to her pay, contract, or terms and conditions of employment. The Committee monitors the implementation of the University's policy on severance payments, receiving reports on all severance arrangements and approving specific recommendations which involve University expenditure in excess of £100,000 (there were none in the year ending 31 July 2025). The Committee determines the remuneration of the Principal (in the absence of the Principal) and provides an annual report to the University Court detailing salary changes for senior staff.

More widely, the Committee has a general overview of matters related to salaries, including pension policy, in order to ensure the exercise of appropriate financial control and of reasonable employer behaviour in relation to remuneration and severance arrangements. The Committee held two scheduled meetings, all quorate, in the year ending 31 July 2025. The attendance rate was 100%.

In keeping with the University's policy on the registration and declaration of interests, all persons routinely attending meetings of Court and its Committees are required to take proper account of any conflict of interest which might arise from their University involvement on the one hand and their membership of, or connection with, other bodies outside the University on the other. The Executive Officer to Court and Senate maintains

a formal register of interests, which, in accordance with the 2023 Scottish Code of Good HE Governance, is updated at least annually and made publicly available on the [University website](#).

Financial and environmental sustainability

The University's long-term sustainability is guided by its Strategy 2022–27, delivered through action plans, annual reporting, and quarterly performance reviews. Three enabling strategies—People, IT, and Estate—support implementation and align with strategic themes to ensure coordinated progress. Strategic and operational planning meetings with schools and services set priorities, assess performance, and manage risks.

The University of St Andrews supports its sustainability strategy through a robust governance framework that embeds sustainability across decision-making. The Sustainable St Andrews Leadership Group, chaired by the Master, leads institutional efforts and is supported by academic and operational committees. The Delivery Group and Academic Network both focus on embedding sustainability across teaching, research, and operations. The work of these groups is supported by the Environmental Sustainability Board, which acts in an advisory capacity. Staff and students have the opportunity to contribute through the Environment Team, Transition

St Andrews, and various sustainability-focused groups, reinforcing sustainability as a shared institutional priority.

The University's risk management is overseen by the Audit & Risk Committee and led internally by the Risk Management Group, chaired by the Vice-Principal (Governance). Risks are linked to KPIs and Strategic Objectives, with controls and mitigation actions systematically monitored for effectiveness.

The University's latest carbon footprint data, reported under the Scottish Government's Public Bodies Climate Change Duties (PBCCD), shows a reduction for 2023/24 across scope 1, 2 and 3 emissions. Although this demonstrates movement in a positive direction, the size and pace of reduction need to be accelerated, in particular on scope 3 emissions. A revised action plan focused on key actions to achieve this is currently under development.

In the past year, the University has progressed projects around renewable energy, finalised a partnership for offsetting in Scottish nature-based solutions, engaged with external partnerships, such as Scotland Beyond Net Zero, and continued extensive research in relation to sustainability.

Changes in University roles associated with sustainability have created the opportunity to allocate dedicated support in this area and strengthen sustainability efforts across the University.

Training of Court Members

The University encourages Court members to maintain and develop their skills through formal and informal training. All new Court Members are required to undertake training courses in Unconscious Bias, Diversity in the Workplace, Information Security and GDPR. Details of courses attended by Court members and co-opted members of Court Committees are set out in the table below.

Date	Training	Member
August 2024	Compulsory online training – part completion	Romi Arman
September 2024	Court Inductions completed	Allan Watson
September 2024	Court Inductions completed	Hitanshi Badani
September 2024	Court Inductions completed	Margaret Connolly
September 2024	Court Inductions completed	Ronnie Bowie
September 2024	Court Inductions completed	Romi Arman
September 2024	Court Inductions completed	Mark Sedwill
December 2024	Court Inductions completed	Arthur Drysdale
January 2025	Advance HE GDP Student Governor 2	Cam Brown
February 2025	Compulsory online training	Allan Watson
February 2025	Compulsory online training	Margaret Connolly
April 2025	CUC Remuneration meeting	Ray Perman
April 2025	CUC Remuneration meeting	Ewan McKendrick
September 2025	Court Inductions completed	Antonis Vradis
September 2025	Court Inductions completed	Alice Hodges
September 2025	Court Inductions completed	Emily Bannister

Payment of creditors

It is the University's policy to obtain the best terms for all business and thus there is no single policy as to the terms used. In agreements negotiated with suppliers, the University endeavours to adhere to specific payment terms. The University has no matters to disclose under the Late Payment of Commercial Debts (Interest) Act 1998. The average creditor payment period, calculated as a proportion of the year-end creditors to aggregate amounts invoiced during the year, was 16 days (2023/24: 20 days, 2022/23: 26 days).

Conclusion

The University has assessed the going concern basis for a number of factors (see pages 45-46). Based on this analysis, the University confirms that it is a going concern and has robust systems of corporate governance in place. These meet the principles of good governance set out in the 2023 Code, maintain a sound system of internal controls, and apply the key principles of effective risk management.

Alastair Merrill
Vice-Principal (Governance)
17 October 2025

Responsibilities of Court



In accordance with the Universities (Scotland) Acts 1858 to 1966, Court is responsible for the administration and management of the affairs of the University and is required to present audited financial statements for each financial year.

Court 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 Universities (Scotland) Acts, the Statement of Recommended Practice: Accounting for Further and Higher Education, and other relevant accounting standards. In addition, within the terms and conditions of the Financial Memorandum agreed with the Scottish Funding Council (SFC), through its designated office holder, Court is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In causing the financial statements to be prepared, Court 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.
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. Court is satisfied that it has adequate resources to continue in operation for the foreseeable future: for this reason, the going concern basis continues to be adopted in the preparation of the financial statements.

Court has responsibility to:

- ensure full compliance with charities legislation and the retention of the University's charitable status.
- ensure that funds from the SFC are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with SFC and any other conditions which SFC may from time to time prescribe.
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.

- ensure that there exists an effective platform for the control and monitoring of risk and that risk implications are considered at all areas within University management.
- safeguard the assets of the University and hence take reasonable steps to prevent and detect fraud.
- secure the economical, efficient and effective management of the University's resources and expenditure.

The key elements of the University's system of internal financial control, which is designed to discharge the responsibilities set out above, include the following:

- Clear definitions of the responsibilities of, and the authority delegated to, staff.
- A comprehensive planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets.
- Regular reviews of financial performance, including updates of forecast out turns and cashflows.
- Clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by Court and promulgated in the Standing Financial Instructions.
- An Audit & Risk Committee whose terms of reference are summarised on page 28.
- Comprehensive Financial Regulations, detailing financial controls approved by Court on the recommendation of the Audit & Risk Committee.
- An Internal Audit team whose annual programme is approved by the Audit & Risk Committee and endorsed by Court providing Court with a report on internal audit activity within the University and an opinion on the adequacy and effectiveness of the University's system of internal control, including internal financial control.

Membership of Court and Committees



Membership of the University Court

Members of Court who served during the year to 31 July 2025 and those who are serving up to the date of approval of the reports and financial statements are detailed below.

Also shown are the Committees and Assurance Groups on which the members served for the year 2024/25, and the Court meetings attended during the year. In the year 2024/25 Court met on 5 occasions (4 Scheduled Court meetings and 1 Special Court meeting).

Status	Member	Membership of Standing Committees and Assurance Groups	Court meetings attended 2024/25
The Rector	Stella Maris ⁴	n/a	1/5
Senior Lay Member	Ray Perman	Governance and Nominations Committee Planning and Resources Committee Remuneration Committee Audit and Risk Committee (in attendance)	5/5
The Principal and Vice-Chancellor	Professor Dame Sally Mapstone FRSE	Governance and Nominations Committee Planning and Resources Committee Remuneration Committee (in attendance)	5/5
Deputy Principal	Professor Brad MacKay	Planning and Resources Committee (in attendance)	4/5
Chancellor's Assessor and Deputy Chair of Court	Alison Johns	Remuneration Committee Governance and Nominations Committee	5/5
The Rector's Assessor	Vacant (from 15 June 2023)	n/a	n/a
Fife Council Representative	Cllr Robin Lawson	n/a	5/5
Assessors of the General Council (2)	Jonathan Hewitt	Planning and Resources Committee Investment and Treasury Assurance Group Superannuation and Life Assurance Group	5/5
	Iain Anderson	People and Diversity Assurance Group	5/5
Assessors of the Senatus Academicus (4)	Professor Allan Watson	Planning and Resources Committee (in attendance)	4/5
	Professor Margaret Connolly	n/a	5/5
	Dr Morven Shearer (until 31 July 2025)	People and Diversity Assurance Group	5/5
	Dr Antonis Vradis (from 1 August 2025)	n/a	n/a
	Dr Stephen Tyre	Governance and Nominations Committee	5/5
Non-Academic Staff Member	Dr Lorna Dargan	Governance and Nominations Committee	5/5
Trade Union Representatives (2)	Alex Duncan	Health and Safety Assurance Group People and Diversity Assurance Group	5/5
	Dr Malcolm Petrie	Academic Assurance Group Health and Safety Assurance Group	5/5

⁴ The Rector was in attendance for the Special Court meeting held in the year. The rector was not in attendance for the 4 Scheduled Court meetings due to the situation of the Rector shown on page 26.

Membership of the University Court (cont'd)

Status	Member	Membership of Standing Committees and Assurance Groups	Court meetings attended 2024/25
Student Representatives (2)	Cam Brown (President of the Students' Association, from 1 July 2024 to 18 July 2025)	Governance and Nominations Committee Planning and Resources Committee	5/5
	Alice Hodges (President of Union Affairs, from 19 July 2025)	Planning and Resources Committee	n/a
	Hitanshi Badani (Director of Education, from 1 July 2024 to 18 July 2025)	Planning and Resources Committee (in attendance)	4/5
	Emily Bannister (President of Education, from 19 July 2025)	Governance and Nominations Committee Planning and Resources Committee (in attendance)	n/a
Non-Executive Members (8)	Alison Johns	Governance and Nominations Committee	<i>See above</i>
	Frank MacInnis	Audit and Risk Committee Health and Safety Assurance Group	1/5
	Eve McCurrich	Planning and Resources Committee	3/5
	Jenny Stewart	Remuneration Committee Investments and Treasury Assurance Group Audit and Risk Committee Research Integrity, Ethics and Governance Assurance Group	5/5
	Ros King	Audit and Risk Committee	5/5
	Professor Ewan McKendrick KC (Hon)	Audit and Risk Committee Remuneration Committee	5/5
	Lord Mark Sedwill	Planning and Resources Committee	4/5
	Ronnie Bowie	Audit and Risk Committee Governance and Nominations Committee	3/5
	Romi Arman	Audit and Risk Committee	4/5

Members noted with "n/a" took up appointment after the completion of the meeting cycle for 2024/25.

Membership of Standing Committees

The Committees reporting to the University Court are as follows: Audit and Risk Committee; Governance and Nominations Committee; Planning and Resources Committee and Remuneration Committee. The responsibilities of the following Committees are outlined in the Corporate Governance Statement on pages 25-31.

Audit and Risk Committee (ARC)

Status	Member	Meetings attended 2024/25
Non-Executive Members of Court	Frank MacInnis (until 31 July 2025)	4/5
	Ros King (Convenor)	5/5
	Professor Ewan McKendrick KC (Hon)	3/5
	Jenny Stewart	5/5
	Ronnie Bowie	4/5
	Romi Arman (from 12 March 2025)	1/1
Co-opted External Member	Arthur Drysdale (from 16 September 2024)	4/5

Governance and Nominations Committee (G and N)

Status	Member	Meetings attended 2024/25
Convenor (Chancellor's Assessor and Deputy Chair of Court)	Alison Johns	3/3
<i>ex officio members:</i>		
Senior Lay Member	Ray Perman	3/3
Principal	Professor Dame Sally Mapstone FRSE	3/3
President of the Students' Association	Cam Brown (until 18 July 2025)	3/3
President of Education	Emily Bannister (from 19 July 2025)	n/a
Non-Executive Members of Court	Ronnie Bowie	2/3
Lay Member (Chancellor's Assessor and Deputy Chair of Court)	Alison Johns	See above
Professional and Support Staff Assessor	Dr Lorna Dargan	3/3
Assessor of the Senatus Academicus	Dr Stephen Tyre	2/3

Membership of Standing Committees (cont'd)

Planning and Resources Committee (PARC)

Status	Member	Meetings attended 2024/25
<i>ex officio</i> members:		
Senior Lay Member	Ray Perman, Convenor	4/4
Principal	Professor Dame Sally Mapstone FRSE	4/4
Quaestor & Factor	Derek Watson (until 31 December 2024)	1/1
President of the Students' Association	Cam Brown (until 18 July 2025)	4/4
President of Union Affairs	Alice Hodges (from 19 July 2025)	n/a
President of Education	Emily Bannister (from 19 July 2025)	n/a
Assessor of the General Council	Jonathan Hewitt	3/4
Non-Executive Members of Court	Eve McCurrich	3/4
	Lord Mark Sedwill	3/4
Assessor of the Senatus Academicus	Professor Margaret Connolly	4/4

Remuneration Committee (Rem Com)

Status	Member	Meetings attended 2024/25
<i>ex officio</i> members:		
Senior Lay Member	Ray Perman	2/2
Non-Executive Members of Court	Jenny Stewart	2/2
	Professor Ewan McKendrick KC (Hon) (Convenor)	2/2
Lay Member (Chancellor's Assessor and Deputy Chair of Court)	Alison Johns	2/2
Co-opted External Member	Moir Maguire	2/2

Members noted with "n/a" took up appointment after the completion of the meeting cycle for 2024/25.

Independent Auditor's Report to the University Court of the University of St Andrews



Independent Auditor's Report to the University Court of the University of St Andrews

Opinion

We have audited the financial statements of the University of St Andrews ('the Institution') and its subsidiaries ('the group') for the year ended 31 July 2025 which comprise the Statement of Principal Accounting Policies, Consolidated and University Statement of Comprehensive Income, Consolidated and University Statement of Changes in Reserves, Consolidated and University Statement of Financial Position, Consolidated and University Statement of Cash Flows and the related notes 1 to 33, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the Institution's affairs as at 31 July 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 2006; and
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education.

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 below. 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 University Court'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 Institution's ability to continue as a going concern for the period to 31 July 2027.

Our responsibilities and the responsibilities of the University Court 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 University Court is responsible for the other information contained in 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 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.

Independent Auditor's Report to the University Court of the University of St Andrews (cont'd)

Opinion on other matters prescribed by the Scottish Funding Council's (SFC) Financial Memorandum

In accordance with the SFC's Financial Memorandum (effective 1 December 2014), we will also report to the University Court whether, in all material respects:

- the requirements of the SFC's accounts direction have been met;
- funds from whatever source administered by the Institution for specific purposes have been applied properly to those purposes and, if relevant, managed in accordance with relevant legislation, and any other terms and conditions attached to them; and
- funds provided by SFC have been applied in accordance with the requirements of the SFC Financial Memorandum with Higher Education Institutions.

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 Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- the information given in the financial statements is inconsistent in any material respect with the Strategic Report; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the University Court

As explained more fully in the Statement of Responsibilities of Court set out on pages 32-33, the University Court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the University Court determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent Institution and determined that the most significant are FRS 102 and the Statement of Recommended Practice for Further and Higher Education.
- We understood how group and parent Institution is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Court minutes and papers provided to the Audit and Risk Committee at a Group level, as well as consideration of the results of our audit procedures to either corroborate or provide contrary evidence which was then followed up.

Independent Auditor's Report to the University Court of the University of St Andrews (cont'd)

- We assessed the susceptibility of the group and parent Institution financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there to be susceptibility to fraud. We considered performance targets and their influence on efforts made by management to manage financial performance. Where this risk was considered higher, we performed audit procedures to address the risk of fraud and management override.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management, those charged with governance and those responsible for legal and compliance procedures; journal entry testing with a focus on journals indicating large or unusual transactions based on our understanding of the business; review of Court minutes to identify any non-compliance with laws and regulations, and inspection of any correspondence between the University and Scottish Funding Council.

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

Use of our report

This report is made solely to the University Court, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the University Court those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the University Court as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP, Statutory Auditor
Glasgow

FINANCIAL STATEMENTS

Statement of Principal Accounting Policies

(for the year ended 31 July 2025)



Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (HE SORP 2019) and in accordance with Financial Reporting Standards 102 (FRS102). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. The financial statements also conform to guidance published by the Scottish Funding Council.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and derivative financial instruments.

Going concern assessment

The University and group accounts are prepared on a going concern basis, reflecting the Court's view that this approach remains appropriate following its going concern assessment through to 31 July 2027. The University recognises that it finds itself navigating a complex financial landscape marked by both economic strain and strategic opportunity but the University remains focused on navigating these conditions with resilience and adaptability.

In the 12 months to 31 July 2025, the University generated total comprehensive income (surplus) for the year of £25.9m (2024 £72.3m) and as at 31 July 2025 held net total assets of £538.9m (2024 £513.0m) with net current liabilities of £15.0m (2024 £29.3m).

We continue to have fully available a Revolving Credit Facility (RCF) of £35m, which was renegotiated and expanded in July 2023, and extended for up to five years to 2028. During the year, the outstanding balance of £12.0m on the RCF was repaid in full. The RCF remains a key component of the University's treasury management strategy, providing liquidity, security, and flexibility to address future challenges, and continues to strengthen the University's liquidity and cash headroom. The University comfortably met all lender financial covenants as set out in Note 21, as at the 31 July 2025.

Borrowings amounted to £103.3m (2024 £116.6m) of unsecured loans (note 21 – long term liabilities of £102.0m, and short term of £1.3m), equivalent to 29.7% of turnover in the year (2024 36.3%). In addition, the University held cash and cash equivalents and investments of £22.9m (2024 £20.2m). Liquidity headroom for the group as at 31 July 2025 was £57.9m (£22.9m cash and £35.0m RCF) and the current position as at 30th September 2025 is £99.5m (£64.5m cash and £35.0m RCF). The significant increase in cash in September reflects the receipt of tuition fees in August and September for the forthcoming academic year. July typically represents the lowest point for cash balances each year, prior to the inflow of new receipts for the year ahead.

The unsecured debt is subject to financial covenants as set out in note 21. As at 31 July 2025 all financial covenants continue to be met and are projected to be met throughout the going concern period to 31 July 2027 based on both the base case and stress tested scenarios.

Court has endorsed a comprehensive Financial Plan for 2025/26 to 2027/28 which goes beyond the going concern period, which presents a stable picture over the next two years with a growth in surplus from 2027/28, as we look to establish greater diversity in our key areas of income whilst managing our cost base. This favourable outcome is predicated on strategic investments and meticulous cost management practices that underpin financial stability.

In support of the plan, cashflow projections have been prepared up to the 31 July 2027. On this basis, new debt of £20m in 2025/26 and a further £75m 2026/27 has been assumed, accessed on a phased basis from June 2026, to support our current Capital Investment Plan of £50.1m in 2025/26 and £125.9m in 2026/27. It is expected that all financial covenants will be met on existing debt, with forecast cash and liquidity headroom no lower than £60.8m on existing facilities in 2025/26 and covenant headroom no lower than £14.3m throughout the going concern period to 31 July 2027.

Should the new debt not be obtained, relevant capital schemes would be postponed as a result with sufficient time to ensure the expenditure is not committed. The forecast cashflow headroom in that scenario is expected to be no lower than £71.1m on existing facilities and covenant headroom no lower than £14.3m throughout the going concern period to 31 July 2027. The University continues to carefully monitor the impact of inflation on its financial position and considered this when assessing the future financial performance and cashflows of the University. Nevertheless, considering both internal and external factors and its performance in attracting and retaining students, along with sustained demand for residential accommodation and the expansion of digital and executive education, the University has already taken into account downside risks into its base case. High level scenario modelling, upside and downside, was built into the financial plan and supported by Court.

However, in the event of a severe downside scenario, that could potentially reduce operating cashflow by up to £14.5m in 2025/26 and £14.2m in 2026/27, the University has a range of mitigating actions available. These measures are tailored to the scale of the situation and are designed to ensure both covenant compliance and liquidity are maintained. These measures would primarily involve managing discretionary spending that does not compromise its commitment to maintaining high standards in research and teaching protecting against covenant compliance. Additionally, there could be restrictions on non-essential and non-committed capital expenditure, estimated at approximately £33.5m in 2025/26 and £100.9m in 2026/27 protecting cash resources

and liquidity. The University monitors and reports on financial performance on a monthly basis throughout the year, and this is shared with Court. Where in-year mitigating actions are required, these are implemented promptly and proportionately to the scale of the issue. Similar mitigating actions were successfully employed during the pandemic.

It's worth noting that the University maintains strong investment-grade credit ratings, underpinned by its longstanding reputation as a respected institution among students, funders, and philanthropists. The University is confident in its ability to raise additional debt finance if necessary. The current Capital Plan includes several aspirational capital programs, which will only go ahead if adequate financing and sizeable philanthropy is secured. These programs are subject to ongoing assessment by management, with decisions made closer to the contractual commitment points of each project. As the University moves forward, it will continue to strengthen its liquidity and balance sheet, by continuing to achieve a small surplus and ensure capital spend is within sustainable levels ensuring it remains in a robust position to safeguard the long-term financial sustainability of the institution.

Based on the above analysis it remains wholly appropriate to prepare the consolidated financial statements on a going concern basis, supported by the going concern assessment to 31 July 2027.

Basis of consolidation

The consolidated financial statements include the University, all material subsidiary and associate undertakings as listed in note 15 of the financial statements for the financial year to 31 July 2025. Intra-group transactions are eliminated on consolidation. The activities of the Students' Association have not been consolidated as the University does not exert control or dominant influence over policy decisions.

Recognition of income

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

Fee income is stated gross of any expenditure which is not a discount and is credited to the Consolidated Statement of Comprehensive Income over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

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

Funds the University receives and disburses as paying agent on behalf of a funding body are excluded from

the Consolidated Statement of Comprehensive Income where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant income

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

Other funding

Other grants and donations from non-government sources, including research grants from non-government sources, are recognised within the Consolidated Statement of Comprehensive Income when the University is entitled to the income and any performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors in the Statement of Financial Position and released to income when such conditions are met.

Donations and endowments

Donations and endowments are non-exchange transactions which do not normally have performance related conditions. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to unrestricted reserves through a reserves transfer.

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

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

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

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

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

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

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

Capital grants

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

Retirement benefits

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the University of St Andrews Superannuation and Life Assurance Scheme (S&LAS). The USS is a multi-employer hybrid pension scheme and the S&LAS is a defined benefit scheme, both of which are externally funded. Each fund is valued every three years by professionally qualified independent actuaries.

A defined benefit scheme requires the University to provide the agreed benefits to current and former employees, and the actuarial risks (the risk that benefits will cost more or less than expected) and the investment risks (the 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. Where a scheme is in surplus, the University restricts the asset recognised on the balance sheet to nil, unless the position of the fund will result in a future benefit to the University. This would occur when the University is able to recover the surplus either through reduced contributions compared to estimated future service costs in the future or through refunds from the plan.

The USS Scheme

The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 'Employee benefits', the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income represents the contributions payable to the scheme and any deficit recovery contributions payable under the scheme's Recovery Plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case

following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The institution recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the Consolidated Statement of Comprehensive Income. Further disclosures relating to the deficit recovery liability can be found in note 32. Based on the most recent 2023 valuation no deficit recovery plan was required, because the scheme was in surplus.

The S&LAS Scheme

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

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 services to the University. Any unused benefits are accrued and measured as an additional amount the University expects to pay as a result of the unused entitlement.

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

Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated

to sterling at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Statement of Comprehensive Income.

The assets and liabilities of foreign operations are translated into sterling at exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated at the average rate for the year where this rate approximates to the exchange rates ruling at the dates of the transactions. Exchange rate differences arising from this translation of foreign operations are reported as an item of Other Comprehensive Income.

Intangible Assets

Pending Issuance Units

Pending Issuance Units are held under the cost model. They are held to be converted into Woodland Carbon Units and Peatland Carbon Units and used by the University to offset carbon emissions. As Pending Issuance Units cannot be used until they are converted, they are not amortised. On conversion into Woodland Carbon Units and Peatland Carbon Units, they are amortised as they are retired where they are utilised to offset carbon emissions.

Property, plant & equipment

Costs incurred in relation to a tangible fixed asset, after its initial purchase or production, are capitalised to the extent that they increase the expected future benefits to the University from the existing tangible fixed asset beyond its previously assessed standard of performance; the cost of any such enhancements is added to the gross carrying amount of the tangible fixed asset concerned. The cost of buildings includes related interest.

Land

Land is stated at deemed cost, being the revalued amount at the date of transition to the 2015 SORP. It is not depreciated as it is considered to have an indefinite useful life.

Buildings

Buildings are stated at historic cost and are depreciated on a straight line basis over their expected useful economic lives which fall within the following ranges:

- Building structure 40-50 Years
- Building fit-out 20-30 Years
- Building services 25-35 Years

A depreciable asset's anticipated useful economic life, in particular the key components of buildings, is reviewed periodically by an independent expert valuer and the accumulated and future depreciation adjusted accordingly.

Assets under construction are carried at cost, less any impairment loss. Assets under construction are not

depreciated until the month following the month in which they become available for operational use.

At each reporting date, the University checks whether there is any indication that any of its land and building assets have suffered an impairment loss. If there is indication of an impairment, the recoverable amount of the asset is estimated and compared to the carrying value to determine whether there has been a loss and, if so, its amount.

Equipment and furniture

Equipment costing less than £25,000 is written off in full in the year of acquisition. Capitalised equipment and furnishings are stated at cost and depreciated on a straight line basis over their expected useful lives as follows:

- Telecommunications Systems 7 Years
- General Furnishings 7 Years
- Equipment 4-7 Years
- IT Equipment 4-7 Years
- Vehicles 7 Years

Heritage assets

The University holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Works of art and other artefacts valued at over £25,000 have been capitalised and recognised at the cost or value of the acquisition, where such cost or valuation is reasonably attainable. Higher value collections are stated at deemed cost, being the revalued amount at the date of transition to the 2015 SORP. Heritage assets are not depreciated as their long economic life and high residual value means that any depreciation would not be material.

Where it is not possible to obtain a reliable cost or valuation or where the cost of obtaining a valuation is greater than the benefit to the users of the financial statements for inherited or donated assets, these assets are not capitalised and are not included in the Statement of Financial Position.

Investment properties

Investment properties are land and buildings held for rental income or capital appreciation rather than for use in delivering services. They are measured initially at cost and subsequently at fair value with movements recognised in the Consolidated Statement of Comprehensive Income. Properties are not depreciated but are valued annually by independent valuers according to market conditions as at 31 July each year.

Repairs and maintenance

Maintenance expenditure is recognised in the Statement of Comprehensive Income in the period it is incurred.

The University has a planned maintenance programme, which is reviewed on an annual basis.

Investments

Listed investments are stated at market value with movements recognised in the Statement of Comprehensive Income. Unlisted investments are stated at cost less any provision for impairment of their value.

Stocks

Stocks for resale and other stocks of material value are included at the lower of their cost and estimated selling price less costs to complete and sell. Where necessary a provision is made for obsolete, slow-moving and defective stocks.

Cash and cash equivalents

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

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

Joint operations, jointly controlled assets and jointly controlled operations

The University accounts for its share of joint ventures using the equity method. The University accounts for its share of transactions from joint operations in the Consolidated Statement of Comprehensive Income.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

The amount recognised as a provision is discounted to present value where the time value of money is material. The discount rate used reflects current market assessments of the time value of money and reflects any risks specific to the liability.

Contingent liabilities are disclosed by way of a note where there is a probable obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the University's control. Contingent liabilities also arise when the definition of a provision is not met and includes three

scenarios: a possible rather than a present obligation; a possible rather than a probable outflow of economic benefits; an inability to measure the economic outflow.

Contingent assets are disclosed by way of a note, where there is a possible, rather than present, asset arising from a past event.

Taxation

The University is an exempt charity within the meaning of the Trustee Investment and Charities (Scotland) Act 2005 and as such is a charity within the meaning of Section 506(1) of the Income and Corporations Tax Act 1988. The University is recognised as a charity by HM Revenue and Customs and is recorded on the index of charities maintained by the Office of the Scottish Charities Regulator. 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 and gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The University's subsidiary companies are not exempt from taxation. The charge for corporation taxation is based on the taxable profit or loss for the year after the cost of any Gift Aid payment paid to the University. The charge for corporation tax also takes into account deferred taxation due to timing differences between the treatment of certain items for taxation and accounting purposes.

Financial instruments

Basic financial instruments are held at amortised cost using the effective interest rate method or cost and are subject to an annual impairment review. Complex financial instruments are held at fair value, with changes in fair value taken directly to the Consolidated Statement of Comprehensive Income.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which through endowment to the University are held as a permanently restricted fund which the University must hold in perpetuity. Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

Critical accounting judgements and key sources of estimation uncertainty

In the preparation of the consolidated financial statements and application of accounting policies, management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses that are not readily apparent from other sources. These judgements, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates and 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.

(a) Critical accounting judgements

- **Multi-employer pension schemes (note 32)**
FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the Statement of Comprehensive Income in accordance with section 28 of FRS 102.

(b) Key accounting estimates and assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below:

- **Pension provisions (note 32)**
The key assumptions used in the calculation of the USS and S&LAS pension position (including discount rates, salary and pension increases, and mortality rates) are explained in detail in note 32 and represent a source of material uncertainty. Further information on the basis for the valuation of the USS and S&LAS pension schemes and sensitivities to the assumptions made are disclosed in note 32.
At 31 July 2025, the institution's balance sheet included a liability of nil (2023/24: nil) for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021,

following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions. The remaining liability of £73m was released to the profit and loss account in the year to 31 July 2024. Further disclosures relating to the deficit recovery liability can be found in note 32.

- **Other provisions (note 23)**
Management apply judgement to arrive at the best estimate for any obligation required. The amount recognised as a provision is management's best estimate of the present value of the amount required to settle the obligation. To arrive at this amount management assess the likelihood and extent of any future settlement and make judgements based on these.
- **Fixed asset useful lives and impairment (note 12)**
Management makes judgement over the most appropriate useful life of assets, over which period the value is depreciated. Useful lives are based on historical experience of similar assets and anticipation of future events. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness.
At each reporting date, management make judgements as to whether any indicators of impairment are present for any of the University's assets and where there are, the recoverable amount of any affected asset is estimated and compared to its carrying amount. The University considers the potential for demolition or disposal, the impact major refurbishments would have on the overall carrying value of existing assets and the likelihood of capital projects proceeding beyond feasibility stage. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss recognised immediately in the period it arises.
- **Revenue recognition (notes 1-6)**
Certain grants, donations and research revenue are recognised in the Consolidated Statement of Comprehensive Income as performance conditions are satisfied. Research revenue grants are based on budgeted awards which specify performance levels. These grants therefore have performance-related conditions attached. Capital grants are funds used for acquisition or building of items that are capital in nature. Restrictions on the grants have been identified as funds are allocated for specific capital items. Income is recognised on entitlement upon award of the grant. Management apply judgement in deferring income received for conditions not yet satisfied and accruing for income not yet received.

Consolidated and University Statement of Comprehensive Income

(for the year ended 31 July 2025)



Consolidated and University Statement of Comprehensive Income

		Year ended 31 July 2025		Year ended 31 July 2024	
	Notes	Consolidated £000	University £000	Consolidated £000	University £000
Income					
Tuition fees & education contracts	1	168,592	168,592	158,673	158,673
Funding body grants	2	43,509	43,509	43,287	43,287
Research grants & contracts	3	40,740	40,728	40,071	40,326
Other income	4	76,558	66,732	66,552	54,158
Investment income	5	5,619	5,470	5,792	5,569
Donations and endowments	6	12,279	14,846	7,237	8,804
Total income		347,297	339,877	321,612	310,817
Expenditure					
Staff costs	7	178,534	173,328	174,040	169,100
USS deficit provision	7	-	-	(74,717)	(74,717)
Other operating expenses		123,634	121,773	131,097	127,087
Depreciation	12	20,009	19,082	19,252	18,313
Interest and other finance costs	8	4,077	4,077	5,646	5,646
Total expenditure	9	326,254	318,260	255,318	245,429
Surplus before other (losses)/gains		21,043	21,617	66,294	65,388
Loss on disposal of assets		(225)	(225)	(1,209)	(1,209)
Loss on investment property	12	(316)	(466)	(1,758)	(1,625)
Gain on investments		6,225	6,225	8,831	8,502
Surplus before tax		26,727	27,151	72,158	71,056
Taxation	10	127	-	(283)	-
Surplus for the year		26,854	27,151	71,875	71,056
Actuarial (loss)/gain in respect of pension schemes	32	(971)	(971)	414	414
Total comprehensive income for the year		25,883	26,180	72,289	71,470
Represented by:					
Endowment comprehensive income for the year	24	14,076	14,076	10,973	10,973
Restricted comprehensive income for the year	25	7,366	7,366	(1,331)	(1,331)
Unrestricted comprehensive income for the year		4,441	4,738	62,647	61,828
		25,883	26,180	72,289	71,470

All items of income and expenditure relate to continuing activities.

Consolidated and University Statement of Changes in Reserves

(for the year ended 31 July 2025)



Consolidated and University Statement of Changes in Reserves

Income and expenditure account				
Consolidated	Endowment £000	Restricted £000	Unrestricted £000	Total £000
Balance at 1 August 2023	114,885	27,859	297,976	440,720
Surplus for the year	10,973	3,091	57,811	71,875
Other comprehensive income	-	-	414	414
Release of restricted funds spent in the year	-	(4,422)	4,422	-
Total comprehensive income for the year	10,973	(1,331)	62,647	72,289
Balance at 1 August 2024	125,858	26,528	360,623	513,009
Surplus for the year	14,076	11,351	1,427	26,854
Other comprehensive income	-	-	(971)	(971)
Release of restricted funds spent in the year	-	(3,985)	3,985	-
Total comprehensive income for the year	14,076	7,366	4,441	25,883
Balance at 31 July 2025	139,934	33,894	365,064	538,892

University	Endowment £000	Restricted £000	Unrestricted £000	Total £000
Balance at 1 August 2023	114,885	27,859	285,376	428,120
Surplus for the year	10,973	3,091	56,992	71,056
Other comprehensive income	-	-	414	414
Release of restricted funds spent in the year	-	(4,422)	4,422	-
Total comprehensive income for the year	10,973	(1,331)	61,828	71,470
Balance at 1 August 2024	125,858	26,528	347,204	499,590
Surplus for the year	14,076	11,351	1,724	27,151
Other comprehensive income	-	-	(971)	(971)
Release of restricted funds spent in the year	-	(3,985)	3,985	-
Total comprehensive income for the year	14,076	7,366	4,738	26,180
Balance at 31 July 2025	139,934	33,894	351,942	525,770

Consolidated and University Statement of Financial Position

(as at 31 July 2025)



Consolidated and University Statement of Financial Position

		As at 31 July 2025		As at 31 July 2024	
	Notes	Consolidated £000	University £000	Consolidated £000	University £000
Non-current assets					
Intangible fixed assets	11	1,643	1,643	-	-
Tangible fixed assets	12	491,998	475,314	489,815	472,584
Heritage assets	12	38,808	38,808	38,808	38,808
Investments	15	125,296	139,456	117,854	131,764
		657,745	655,221	646,477	643,156
Current assets					
Stock	17	1,197	812	1,262	819
Trade and other receivables	18	50,287	47,767	52,057	47,793
Current Investments	19	6,358	6,358	5,376	5,376
Cash and cash equivalents	26	16,537	11,083	14,872	8,956
		74,379	66,020	73,567	62,944
Less: Creditors: amounts falling due within one year	20	(89,351)	(91,685)	(102,843)	(102,413)
Net current liabilities		(14,972)	(25,665)	(29,276)	(39,469)
Total assets less current liabilities		642,773	629,556	617,201	603,687
Creditors: amounts falling due after more than one year	21	(101,956)	(101,861)	(103,262)	(103,167)
Provisions					
Other provisions	23	(1,925)	(1,925)	(930)	(930)
Total net assets		538,892	525,770	513,009	499,590
Restricted reserves					
Income and expenditure reserve – endowment reserve	24	139,934	139,934	125,858	125,858
Income and expenditure reserve – restricted reserve	25	33,894	33,894	26,528	26,528
Unrestricted reserves					
Income and expenditure reserve – unrestricted reserve		365,064	351,942	360,623	347,204
Total reserves		538,892	525,770	513,009	499,590

Approved by the University Court of the University of St Andrews on 17 October 2025 and signed on its behalf by:

Professor Sally Mapstone,
Principal and Vice-Chancellor

Ray Perman,
Senior Lay Member

Andy Goor,
Chief Financial Officer

Consolidated and University Statement of Cash Flows

(Year ended 31 July 2025)



Consolidated and University Statement of Cash Flows

	Notes	Year ended 31 July 2025 £000	Year ended 31 July 2024 £000
Cash flow from operating activities			
Surplus for the year before tax		26,727	72,158
Adjustment for non-cash items			
Depreciation	12	20,009	19,252
Impairment of fixed assets	12	184	656
Loss on investment property	12	316	1,758
Gain on investments	24	(8,836)	(10,523)
Decrease/(increase) in stock	17	65	(163)
Decrease in debtors	18	2,716	4,288
(Decrease)/increase in creditors	20	(1,057)	3,112
Decrease in pension provisions	23	-	(75,089)
Actuarial (loss)/gain in respect of pension schemes		(971)	414
Increase in other provisions	23	995	60
Adjustment for investing or financing activities			
Investment income	5	(5,619)	(5,792)
Endowment income	6	(7,905)	(3,289)
Interest payable	8	4,180	3,981
Loss on the sale of fixed assets		225	1,209
Capital grant income	2/4	(13,479)	(5,277)
Cashflows from operating activities		17,550	6,755
Taxation		127	(283)
Net cash inflow from operating activities		17,677	6,472
Cash flows from investing activities			
Capital grant receipts	2/4	13,479	5,277
Disposal of/(additions to) non-current asset investments		1,169	(1,634)
(Increase)/decrease in cash on deposit	19	(982)	861
Investment income	5	5,619	5,792
Loans made to other entities		(872)	(11,764)
Payments made to acquire intangible assets		(1,643)	-
Payments made to acquire fixed assets		(23,201)	(23,412)
Net cash outflow from investing activities		(6,431)	(24,880)
Cash flows from financing activities			
Interest paid	8	(4,180)	(3,981)
Endowment cash received	6	7,905	3,289
Repayments of amounts borrowed	22	(13,306)	(1,047)
New unsecured loans	22	-	14,770
Net cash (outflow)/inflow from financing activities		(9,581)	13,031
Increase/(decrease) in cash and cash equivalents in the year		1,665	(5,377)
Cash and cash equivalents at beginning of the year	26	14,872	20,249
Cash and cash equivalents at end of the year	26	16,537	14,872
		1,665	(5,377)

Notes to the Financial Statements

(as at 31 July 2025)



1. Tuition fees and education contracts

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Home fees	8,169	8,169	6,425	6,425
Rest of UK fees	22,778	22,778	24,515	24,515
EU fees	17,967	17,967	13,117	13,117
Non-EU fees	110,610	110,610	104,395	104,395
Research training support grant	3,572	3,572	3,371	3,371
Short course fees	4,395	4,395	5,891	5,891
Other tuition fees	1,101	1,101	959	959
	168,592	168,592	158,673	158,673

2. Funding body grants

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Recurrent grant				
Teaching	18,160	18,160	18,433	18,433
Research	20,982	20,982	20,180	20,180
Specific grants				
Other grants	1,955	1,955	2,249	2,249
Capital grants	2,412	2,412	2,425	2,425
	43,509	43,509	43,287	43,287

3. Research grants and contracts

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Research councils	18,900	18,900	18,768	18,768
UK Government bodies, local & health authorities	5,568	5,568	4,584	4,658
UK based charities	5,015	5,015	4,818	4,818
UK industry, commerce & public corporations	2,001	2,001	2,605	2,786
EU government bodies	2,535	2,535	3,452	3,452
EU other	1,239	1,237	943	943
Other overseas	3,741	3,731	4,517	4,517
Other sources	1,741	1,741	384	384
	40,740	40,728	40,071	40,326

Included in the Statement of Financial Position is £6.8m (2023/24: £5.4m) in relation to government grants with time, performance or milestone conditions where the conditions were unfulfilled as at 31 July 2025 and where income will be released over the coming financial periods as these conditions are met. Research grant and contract income disclosed above includes various contracts where income is released over a number of years as specific milestones or other performance conditions will be met and will continue to be released over a number of years.

4. Other income

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Student accommodation income	39,716	39,716	36,765	36,765
Other sales and services to students	1,437	1,437	1,560	1,560
Student charges	45	45	55	55
Income from academic services provided	8,469	3,596	8,508	2,342
Income from other non-academic services	1,248	1,456	1,786	1,041
Forex gains / losses	562	598	402	421
External student funding	298	298	1,016	1,016
Property and Facility related income	910	1,670	1,301	1,626
Accommodation conferences and events	5,002	1,575	4,621	1,291
Retail Sales	2,126	924	2,109	835
Income from sale and hire of goods	1,117	1,086	1,594	1,374
Non-capital grants	1,910	1,232	2,548	1,998
Capital grants	11,067	11,067	2,852	2,852
Other Income	927	938	471	471
Research Services Income	1,079	1,086	489	489
Profit share	645	8	475	22
	76,558	66,732	66,552	54,158

The profit share is in relation to our investment in associates (note 16).

5. Investment income

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Interest from short-term investments	1,043	883	1,877	1,642
Interest from long-term investments	-	11	-	12
Investment income on restricted endowments	4,200	4,200	3,569	3,569
Investment income on unrestricted endowments	376	376	346	346
	5,619	5,470	5,792	5,569

6. Donations and endowments

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
New endowments (note 24)	7,905	7,905	3,289	3,289
Donations with restrictions (note 25)	3,110	3,110	2,627	2,627
Restricted donations with performance conditions	466	466	511	511
Unrestricted donations	798	3,365	810	2,377
	12,279	14,846	7,237	8,804

7. Staff costs

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Staff Costs:				
Salaries	143,817	139,176	139,991	135,563
Social security costs	14,969	14,684	13,181	12,916
Other pension costs (note 32)	19,748	19,468	20,868	20,621
	178,534	173,328	174,040	169,100
Movement on USS deficit provision	-	-	(74,717)	(74,717)
	178,534	173,328	99,323	94,383

A further breakdown of pension costs, including the analysis of USS deficit provision has been included in note 32.

7. Staff costs (cont'd)

	Year ended 31 July 2025 £000	Year ended 31 July 2024 £000
Emoluments of the Principal:		
Salary	330	330
Payment in lieu of employers pension contributions	40	40
Taxable benefits:		
Living accommodation	68	61
Total emoluments	438	431

The Principal occupies a small third floor flat that is provided to her by the University on a representative basis, that is, as part of her role as University Principal and as outlined in her contract with the University and is reported as a taxable benefit in kind. The flat is within University House, the remainder of which is used for public receptions, meetings, and dinners, and for temporary accommodation for visiting scholars and University guests. The Principal fully covers the running costs of the accommodation noted above, with nothing being payable by the University on behalf of the Principal.

The Principal opted out of the Universities Superannuation Scheme (USS) from 1 May 2019 and was in receipt of a salary supplement in lieu of pension contributions.

The Principal's total remuneration is 10.80 times (2024: 10.95 times) the median pay of staff, where the median pay is based on the annualised full-time equivalent remuneration of all staff at the reporting date.

There was no change to the Principal's salary in the year to 31 July 2025.

7. Staff costs (cont'd)

	2024/25 No.	2023/24 No.
Remuneration of other higher paid staff, excluding employer's pension contributions:		
£100,001 to £105,000	14	6
£105,001 to £110,000	17	9
£110,001 to £115,000	11	16
£115,001 to £120,000	7	2
£120,001 to £125,000	2	2
£125,001 to £130,000	4	3
£130,001 to £135,000	4	7
£135,001 to £140,000	6	1
£140,001 to £145,000	3	2
£145,001 to £150,000	1	3
£150,001 to £155,000	1	-
£160,001 to £165,000	2	2
£165,001 to £170,000	-	2
£170,001 to £175,000	3	1
£205,001 to £210,000	-	1
£210,001 to £215,000	1	-
£250,001 to £300,000	-	1
	76	58

The table above includes all employees except the Principal.

	No.	No.
Average staff numbers by major category:		
Academic	1,309	1,285
Academic support services	393	405
Research	307	314
Administration	539	516
Premises	287	280
Catering and residencies	291	306
	3,126	3,106

7. Staff costs – (cont'd)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. For the University of St Andrews this is taken to mean the Principal's Office and includes the following roles:

Principal and Vice-Chancellor; Master of the United College; Deputy Principal and Vice-Principal (International Strategy and External Relations); Vice-Principal (Strategy) and Chief Operating Officer; Vice-Principal Education (Proctor); Vice-Principal (Governance); Vice-Principal (Research, Collections & Innovation); Vice-Principal (People & Diversity); Vice-Principal (Communications); Vice-Principal (Digital Education, Research & Environment); Strategic Adviser (Finance); Assistant Vice Principal (Dean of Arts and Divinity); Assistant Vice-Principal (Dean of Science) and Assistant Vice-Principal (Strategy and Planning).

	Year ended 31 July 2025 £000	Year ended 31 July 2024 £000
Salaries	2,219	2,097
Employer's pension contributions	246	282
Total compensation	2,465	2,379

Total compensation in the table above includes amounts for salary supplement in lieu of pension contributions and holiday pay entitlements.

	Year ended 31 July 2025 No.	Year ended 31 July 2024 No.
Number of posts (expressed as full-time equivalents) that are as key management personnel	14.0	14.6

In the current year three new posts were created in the Principal's Office: Vice-Principal (Strategy) and Chief Operating Officer; Strategic Adviser (Finance) and Assistant Vice-Principal (Strategy and Planning). Four roles were withdrawn in the year being Quaestor and Factor; Vice-Principal (Strategy, Policy and Planning); Assistant Vice-Principal (Dean of Learning and Teaching) and Provost and Assistant Vice-Principal (International Strategy and External Relations). There were no vacant roles in the current or prior year.

8. Interest and other finance costs

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Loan interest	4,159	4,159	3,959	3,959
Interest paid to endowment funds	21	21	22	22
Net charge on USS pension scheme	-	-	1,680	1,680
Net gain on S&LAS pension scheme (note 32)	(103)	(103)	(15)	(15)
	4,077	4,077	5,646	5,646

9. Analysis of total expenditure by activity

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Academic and related expenditure	111,569	111,569	61,947	61,947
Academic support services	43,525	43,525	32,828	32,828
Administration and central services	56,829	56,829	51,439	52,477
Premises (including service concession costs)	43,525	43,525	42,685	42,685
Research grants and contracts	30,437	30,437	22,318	22,318
Residences, catering and conferences	32,375	32,375	33,174	33,174
Other expenses	7,994	-	10,927	-
	326,254	318,260	255,318	245,429

Other operating expenses include:	2024/25	2023/24
External auditor's remuneration in respect of:		
audit services	253	193
assurance related non-audit services	16	18
Internal auditor's remuneration in respect of:		
audit services	149	143
non-audit services:		
tax services	10	44
corporate finance services	-	3,970
Hire of plant and equipment	500	330
Agency costs	199	642

The corporate finance services provided by the internal auditors in 2023/24 include the fees for the systems implementation project. Agency costs incurred in 2023/24 were in relation to consultants employed to aid delivery of the project.

10. Taxation

	Year ended 31 July 2025		Year ended 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Corporation tax (credit)/charge	(127)	-	270	-
Deferred tax charge – timing differences	-	-	13	-
Tax (credit)/charge on subsidiary profits	(127)	-	283	-

11. Intangible Assets

Consolidated and University	Pending Issuance Units
Cost and Net Book Value	£000
At 1 August 2024	-
Additions	1,643
At 31 July 2025	1,643

Pending issuance units are held by the University as a promise to deliver carbon credit. They are held to be converted into Woodland Carbon Units and Peatland Carbon units and utilised in future by the University to offset carbon emissions.

12. Tangible Fixed Assets

Consolidated	Land and Buildings	Assets under Construction	Equipment & Furniture	Endowed Properties	Total	Heritage Assets	Total
	£000	£000	£000	£000	£000	£000	£000
Cost							
At 1 August 2024	589,231	29,562	127,421	2,964	749,178	38,808	787,986
Additions	123	19,124	3,519	-	22,766	-	22,766
Transfers	14,452	(16,851)	2,399	-	-	-	-
Revaluation	(316)	-	-	225	(91)	-	(91)
Impairment	-	(184)	-	-	(184)	-	(184)
Disposals	(347)	-	(47,561)	-	(47,908)	-	(47,908)
At 31 July 2025	603,143	31,651	85,778	3,189	723,761	38,808	762,569
Depreciation							
At 1 August 2024	159,595	-	99,768	-	259,363	-	259,363
Charge for Year	14,658	-	5,351	-	20,009	-	20,009
Disposals	(48)	-	(47,561)	-	(47,609)	-	(47,609)
At 31 July 2025	174,205	-	57,558	-	231,763	-	231,763
Net Book Value							
At 31 July 2025	428,938	31,651	28,220	3,189	491,998	38,808	530,806
At 31 July 2024	429,636	29,562	27,653	2,964	489,815	38,808	528,623

12. Tangible Fixed Assets (cont'd)

University	Land and Buildings £000	Assets under Construction £000	Equipment & Furniture £000	Endowed Properties £000	Total £000	Heritage Assets £000	Total £000
Cost							
At 1 August 2024	571,727	29,415	119,676	2,964	723,782	38,808	762,590
Additions	-	19,124	3,412	-	22,536	-	22,536
Transfers	14,305	(16,704)	2,399	-	-	-	-
Revaluation	(466)	-	-	225	(241)	-	(241)
Impairment	-	(184)	-	-	(184)	-	(184)
Disposals	(347)	-	(47,561)	-	(47,908)	-	(47,908)
At 31 July 2025	585,219	31,651	77,926	3,189	697,985	38,808	736,793
Depreciation							
At 1 August 2024	155,237	-	95,961	-	251,198	-	251,198
Charge for Year	14,125	-	4,957	-	19,082	-	19,082
Disposals	(48)	-	(47,561)	-	(47,609)	-	(47,609)
At 31 July 2025	169,314	-	53,357	-	222,671	-	222,671
Net Book Value							
At 31 July 2025	415,905	31,651	24,569	3,189	475,314	38,808	514,122
At 31 July 2024	416,490	29,415	23,715	2,964	472,584	38,808	511,392

Included within fixed assets is an amount of £3.5m (2023/24: £3.5m) of capitalised finance costs.

Endowed Properties are Investment Properties where the land and buildings are held for rental income and capital appreciation. They are held at Fair Value and are required to be revalued on an annual basis. A revaluation was carried out as at 31 July 2025 by the District Valuer and the net movement of £225,000 is recognised in the Statement of Financial Position.

13. Heritage assets

Additions and Disposals

Acquisitions for the current and previous four years were as follows:

	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000
Acquisitions purchased with University funds	-	-	-	-	-
Total cost of acquisitions purchased	-	-	-	-	-
Value of acquisitions by donation	-	-	-	-	-
Total acquisitions purchased	-	-	-	-	-

Main Collections

The University holds Heritage Assets across several locations, which are split into two collections, the Museum Collections and the Special Collections which are held in support of the University's core purpose of teaching and research.

Information about the University's policy for the acquisition, preservation and management and disposal of heritage assets is provided in the following publication: [collections-development-policy-university-collections \(st-andrews.ac.uk\)](https://collections-development-policy-university-collections(st-andrews.ac.uk)).

14. Service concession arrangements

The University has arrangements in place in respect of student accommodation, for which service delivery has previously commenced and is ongoing.

In September 2015 and 2016 the University entered a 40-year contract with a third-party provider for the provision and maintenance of Fife Park (Phase III and Phase II) providing accommodation to around 500 students. The assets and liabilities relating to these schemes were initially recognised in the University's Statement of Financial Position but fully written down / unwound over the course of one year in line with the agreements in place.

In September 2017 the University entered a 40-year contract with the same third-party provider for the

provision and maintenance of Powell and Whitehorn Halls providing accommodation to around 400 students. No assets or liabilities were recognised relating to these schemes because there was no nominations agreement in place.

The University has the option to provide an annual occupancy commitment and as a result of this option being exercised during the current year, £7.7m of 2025/26 rental costs has been recorded within other operating expenses, with a corresponding income of £7.7m. In the Statement of Financial Position, the University has recorded a liability of £7.7m which has been offset by a £7.7m debtor in relation to service concession arrangements.

15. Non-current investments

	Subsidiary companies £000	Other fixed asset investments £000	Total £000
Consolidated			
At 1 August 2024	-	117,854	117,854
Additions	-	77,124	77,124
Disposals	-	(78,489)	(78,489)
Appreciation	-	8,611	8,611
Debtor movement	-	(650)	(650)
Cash movement	-	846	846
At 31 July 2025	-	125,296	125,296
University			
At 1 August 2024	14,309	117,455	131,764
Additions	250	77,124	77,374
Disposals	-	(78,489)	(78,489)
Appreciation	-	8,611	8,611
Debtor movement	-	(650)	(650)
Cash movement	-	846	846
At 31 July 2025	14,559	124,897	139,456

Additional Analysis of other fixed asset investments	£000
Endowment Equities	103,917
Non-Endowment Equities	698
Fixed Income Bonds	5,155
Alternative Investments	2,709
Property Trust	9,838
Creditors	(57)
Cash and cash equivalent	3,036
Total Investments	125,296

Listed investments are held at fair value based on quoted market price.

15. Non-current investments (cont'd)

Subsidiary companies

The University owns the following subsidiary companies directly:

Company	Country of incorporation	Activity
St Andrews University Services Ltd	Scotland	Vacation letting
St Andrews Innovation Ltd (previously St Andrews Applied Research Ltd)	Scotland	Applied Research
St Andrews Management Institute	Scotland	Dormant
St Andrews University Holdings Ltd	Scotland	Dormant
St Andrews Strategic Management Ltd	Scotland	Dormant

St Andrews Innovation Ltd in turn directly or indirectly owns the subsidiaries listed below:

Company	Country of incorporation	Activity
University of St Andrews Shop Ltd	Scotland	Retail
Photosynergy Ltd	Scotland	Laser Lighting
Eden Estuary Energy Ltd	Scotland	Energy Generation
SOI Group Ltd	Scotland	Marine Science
D'Arcy Thompson Simulator Centre Ltd (50%)	Scotland	Model Simulation
Drochaid Research Services Ltd	Scotland	Contract Research
Eden Campus Properties Ltd	Scotland	Property Rental
Eden Campus Solar 1 Ltd	Scotland	Energy Generation
Eden Campus Consultancy Ltd (51% owned)	Scotland	Management Consultancy
St Andrews West Properties Ltd	Scotland	Property Development
University of St Andrews Consulting Services Ltd	Scotland	Consultancy
SMRU Ltd	Scotland	Marine Science
St Andrews Instrumentation Ltd	Scotland	Marine Science
St Andrews Medical Innovations Ltd	Scotland	Retail
StAAR Inc	USA	Applied Research
SMRU (Hong Kong) Ltd	Hong Kong	Marine Science
SMRU (Canada) Ltd	Canada	Marine Science
SMRU LLC	USA	Marine Science
SoIOLED Ltd	Scotland	Dormant
Actiframe Ltd	Scotland	Dormant
X-Genix Ltd	Scotland	Dormant

16. Investment in associates

The University, through a wholly owned subsidiary (St Andrews University Services Ltd) has a 49% holding in four Limited Liability Partnerships (LLPs) with Campus Living Villages (CLV). The principal business activities include the acquisition, delivery, operation and management of student accommodation and associated services. The share of profits of £0.1m (2023/24: £0.5m) has been recognised as income and is reported in the Consolidated Statement of Comprehensive Income.

St Andrews University Services Ltd also has a 49% holding in Grange St Andrews LLP with Kingdom Initiatives Ltd (KI) – incorporated on 13 October 2021. Grange St Andrews LLP has not traded in the year.

The University, through a wholly owned subsidiary (St Andrews West Properties Limited held by St Andrews Innovation Ltd) has 33% voting rights in St Andrews West LLP. The share of profits of £0.5m (2023/24: nil) has been recognised as income and is reported in the Consolidated Statement of Comprehensive Income.

17. Stock

	As at 31 July 2025		As at 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Stocks of:				
Consumables	812	812	811	819
Goods for resale	385	-	451	-
	1,197	812	1,262	819

18. Trade and other receivables

	As at 31 July 2025		As at 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Amounts receivable within one year				
Research grants receivables	9,943	9,943	11,047	11,047
Debts due from students	2,452	2,452	3,419	3,419
Trade receivables	3,253	2,074	3,813	2,287
Amounts due from subsidiary companies	-	350	-	265
Other receivables	16,222	12,843	15,923	12,006
Prepayments and accrued income	18,417	17,319	17,855	15,944
	50,287	44,981	52,057	44,968
Amounts due from subsidiary companies	-	2,786	-	2,825
Total trade and other receivables	50,287	47,767	52,057	47,793

Interest of £0.01m (2023/24: £0.01m) relating to the long-term receivable due from subsidiaries, has been credited to the University's Statement of Comprehensive Income (note 5). Interest accrues on two amounts at 0.25% and 3% per annum and these are repayable by November 2034 and January 2047.

19. Current investments

	As at 31 July 2025		As at 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Deposits maturing:				
In one year or less	6,358	6,358	5,376	5,376
	6,358	6,358	5,376	5,376

20. Creditors: amounts falling due within one year

	As at 31 July 2025		As at 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Trade payables	5,623	5,055	7,288	6,680
Social security and other taxation payable	4,116	3,994	3,781	3,542
Amounts owed to group undertakings	-	2,083	-	1,494
Accruals and deferred income	78,306	79,247	78,468	77,391
Unsecured loans (note 22)	1,306	1,306	13,306	13,306
	89,351	91,685	102,843	102,413

Deferred income

Included within accruals and deferred income are the following items of income which have been deferred until specific performance conditions have been met:

	As at 31 July 2025		As at 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Donations with performance conditions	1,924	1,924	1,762	1,762
Doctorial training grants	5,226	5,226	3,877	3,877
Student receipts in advance	18,500	18,500	16,681	16,681
Other income with performance conditions	1,556	1,556	2,575	2,575
Research grants received on account	19,761	19,761	20,997	20,997
Other accruals and deferred income	23,614	24,555	24,915	23,838
Service concession arrangement	7,725	7,725	7,661	7,661
	78,306	79,247	78,468	77,391

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

	As at 31 July 2025		As at 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Unsecured loans	101,861	101,861	103,167	103,167
Cumulative convertible preference shares	95	-	95	-
	101,956	101,861	103,262	103,167

Cumulative preference shares represent preference shares held in a subsidiary company, Photosynergy Limited.

22. Loans

Analysis of unsecured loans:

	As at 31 July 2025		As at 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Due within one year (note 20)	1,306	1,306	13,306	13,306
Due between one and two years	1,306	1,306	1,306	1,306
Due between two and five years	2,949	2,949	3,736	3,736
Due in five years or more	97,606	97,606	98,125	98,125
Due after more than one year	101,861	101,861	103,167	103,167
Total unsecured loans	103,167	103,167	116,473	116,473
Unsecured loans repayable by 2027	720	720	1,440	1,440
Unsecured loans repayable by 2029	30	30	40	40
Unsecured loans repayable by 2030	862	862	1,092	1,092
Unsecured loans repayable by 2032	1,992	1,992	2,338	2,338
Unsecured loans repayable by 2034	1,257	1,257	1,257	1,257
Unsecured loans repayable by 2037	37,000	37,000	37,000	37,000
Unsecured loans repayable by 2048	60,000	60,000	60,000	60,000
	101,861	101,861	103,167	103,167

22. Loans (cont'd)

Included in loans are the following:

Lender	Amount £000	Repayments Commence	Interest Rate
Northwestern Mutual Life Insurance	37,000	2033	2.43%
Barclays Bank Plc	60,000	2039	5.06%
SFC (Salix carbon reduction loan)	1,440	2021	-
SFC (Salix original loan)	1,257	2023	-
Lawn Tennis Association	40	2019	-
SFC (Solar farm loan)	1,093	2021	0.25%
SFC (Increasing onsite renewables loan)	2,337	2024	1.00%
Total	103,167		

The Scottish Funding Council (Salix loans) are interest free loans with annual repayments of £720,179.

Lending arrangements with Northwestern Mutual Life Insurance, Barclays and RBS are subject to the following financial covenants; Debt Service to Total Income, Adjusted Cashflow to Debt Service, Total External Debt to Consolidated Total Assets, EBITDA to Debt Service and Adjusted Surplus requirements. In addition to this the University provides monthly liquidity information to lenders. All financial covenants were met in the year to 31 July 2025.

The University has access to a £35m Revolving Credit Facility (RCF) which was renegotiated, expanded and extended for up to 5 years to July 2028, to provide cash and liquidity security. During the year £12m of this was repaid following a drawdown in the prior year, with the full £35m remaining available at 31 July 2025. The University is not forecast to drawdown on the facility over the going concern period to 31 July 2027.

23. Provisions for liabilities

Consolidated

	Other Provisions £000	Early Retirement Provision £000	Total Other Provisions £000
Balance at 1 August 2024	(892)	(38)	(930)
Utilised in year	-	38	38
Additions	(957)	(76)	(1,033)
Balance at 31 July 2025	(1,849)	(76)	(1,925)

University

	Other Provisions £000	Early Retirement Provision £000	Total Other Provisions £000
Balance at 1 August 2024	(892)	(38)	(930)
Utilised in year	-	38	38
Additions	(957)	(76)	(1,033)
Balance at 31 July 2025	(1,849)	(76)	(1,925)

24. Endowment reserves

Consolidated and University	Unrestricted permanent endowments £000	Restricted permanent endowments £000	Restricted expendable endowments £000	2025 Total £000	2024 Total £000
Balances at 1 August 2024					
Capital	9,600	106,907	416	116,923	105,660
Accumulated income	-	8,935	-	8,935	9,225
	9,600	115,842	416	125,858	114,885
New endowments	57	7,448	400	7,905	3,289
Transfers	(228)	(2,423)	(31)	(2,682)	(2,549)
Investment income	376	4,163	37	4,576	3,915
Expenditure	(376)	(4,148)	(35)	(4,559)	(4,205)
Increase in market value of investments	715	8,090	31	8,836	10,523
Total endowment comprehensive income for the year	544	13,130	402	14,076	10,973
	10,144	128,972	818	139,934	125,858
Balances at 31 July 2025					
	10,144	128,972	818	139,934	125,858
Represented by:					
Capital	10,144	120,022	816	130,982	116,923
Accumulated income	-	8,950	2	8,952	8,935
	10,144	128,972	818	139,934	125,858
Analysis by type of purpose					
	£000	£000	£000	£000	£000
Chairs and Lectureships	-	32,096	-	32,096	27,498
Academic Schools / Unit Support	212	11,783	818	12,813	11,713
Scholarships and Bursaries	854	79,341	-	80,195	71,918
Prize funds	-	2,526	-	2,526	2,367
General	9,078	-	-	9,078	9,398
Endowment Property	-	3,226	-	3,226	2,964
	10,144	128,972	818	139,934	125,858

24. Endowment reserves (cont'd)

Charitable funds that are over 1% of the value of total endowment funds

Name of Fund	As at 31 July 2024 £000	New/ Additions £000	Change in market value £000	Transfer of realised appreciation £000	Income £000	Expenditure £000	As at 31 July 2025 £000
United College Chairs	11,562	-	861	(275)	453	(453)	12,148
Lapsed Bursaries Fund	7,904	-	553	(177)	291	(542)	8,029
Robert T Jones Memorial Trust Scholarship	7,160	114	497	(159)	263	(209)	7,666
Free Endowment Fund	4,709	-	350	(112)	184	(184)	4,947
Shelby Cullom Davis Chair in Philosophy	4,148	-	300	(96)	159	(163)	4,348
Johann & Gaynor Rupert Chair in AI	3,344	1	246	(79)	129	(36)	3,605
600th Anniversary Endowment Fund	3,310	44	247	(79)	130	(130)	3,522
R&A Ransome Scholarship	3,261	-	238	(76)	125	(130)	3,418
Chair in Earth & Environmental Sciences	-	2,977	129	-	21	-	3,127
600th Anniversary Scholarship Fund	2,881	-	207	(66)	109	(172)	2,959
Endowed Lectureship in American Literature	2,713	-	182	(58)	96	(86)	2,847
Prof. & Mrs Purdie's Bequests	2,352	1	213	(4)	53	-	2,615
Ewan & Christine Brown PhD Studentships	2,184	250	159	(51)	86	(97)	2,531
Maitland Ramsay PG Scholarship	2,233	-	147	(47)	78	(66)	2,345
D & G Bonnyman PG Scholarships	2,199	-	160	(51)	84	(108)	2,284
Gifford Bequest	1,817	-	107	(34)	57	(52)	1,895
Peter A Carpenter Scholarship	425	1,283	21	(9)	24	(16)	1,728
John & Aileen Irving Fund	1,620	1	98	(31)	52	(182)	1,558
David Ensor PG Scholarship	500	1,000	31	-	15	-	1,546
Miss Moncrieff Travelling Scholarship Fund	1,474	-	102	(32)	53	(55)	1,542
Barbara Bennett Ure Scholarship	1,475	-	100	(32)	53	(76)	1,520
	67,271	5,671	4,948	(1,468)	2,515	(2,757)	76,180

25. Restricted reserves

Reserves with restrictions are as follows:

Consolidated and University	Unspent capital grants £000	Restricted donations £000	2025 Total £000	2024 Total £000
Balances at 1 August 2024	17,755	8,773	26,528	27,859
New grants	11,067	-	11,067	2,852
New donations	-	3,110	3,110	2,627
Capital grants utilised	(3,985)	-	(3,985)	(4,422)
Expenditure	-	(2,826)	(2,826)	(2,388)
Total restricted comprehensive income for the year	7,082	284	7,366	(1,331)
Balances as at 31 July 2025	24,837	9,057	33,894	26,528

Analysis of other restricted funds / donations by type of purpose:

	2025 Total £000	2024 Total £000
Chairs and Lectureships	192	35
Academic Schools / Unit Support	4,924	4,923
Scholarships and Bursaries	3,708	3,465
Prize funds	233	350
	9,057	8,773

26. Cash and cash equivalents

Consolidated	At 1 August 2024 £000	Cash Flows £000	At 31 July 2025 £000
Cash and cash equivalents	14,872	1,665	16,537

27. Consolidated statement of net debt

	As at 31 July 2025 £000	
Net debt at 1 August 2024	(109,357)	
Increase in cash and cash equivalents	1,665	
New unsecured loans	-	
Repayment of unsecured loans	13,306	
Other non-cash changes	(64)	
Net debt at 31 July 2025	(94,450)	
Change in net debt	14,907	
Analysis of net debt:		
	As at 31 July 2025 £000	As at 31 July 2024 £000
Cash and cash equivalents	16,537	14,872
Borrowings: amounts falling due within one year		
Unsecured loans	(1,306)	(13,306)
Service concession arrangements (note 14 and 20)	(7,725)	(7,661)
	(9,031)	(20,967)
Borrowings: amounts falling due after more than one year		
Unsecured loans	(101,956)	(103,262)
Net debt	(94,450)	(109,357)

28. Capital and other commitments

Provision has not been made for the following capital commitments:

Consolidated and University	As at 31 July 2025		As at 31 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Commitments contracted for	4,182	4,153	6,444	6,444
Authorised but not contracted for	15,139	15,139	7,610	7,610
	19,321	19,292	14,054	14,054

29. Lease obligations

Total rentals payable under operating leases:

	Land and Buildings £000	Plant and Machinery £000	Total as at 31 July 2025 £000	Total as at 31 July 2024 £000
Payable during the year	620	167	787	2,305
Future minimum lease payments due:				
Not later than 1 year	521	130	651	1,553
Later than 1 year and not later than 5 years	771	42	813	1,315
Later than 5 years	790	29	819	927
Total lease payments due	2,082	201	2,283	3,795

30. Amounts disbursed as an agent

Consolidated and University	Year ending 31 July 2025 £000	Year ending 31 July 2024 £000
Discretionary fund		
Income		
Excess of income over spend at 1 August 2024	15	2
Funding Council grants	262	229
	277	231
Expenditure		
Disbursed to students	(229)	(199)
Transferred to Childcare Fund	(31)	(18)
Returned to SAAS	(5)	(14)
Fund running cost	-	-
	(265)	(231)
Excess of income over expenditure at 31 July 2025	12	-
Childcare fund	£000	£000
Income		
Excess of income over spend at 1 August 2024	-	-
Funding Council grants	-	-
	-	-
Expenditure		
Disbursed to students	(31)	(18)
Transferred from Discretionary Fund	31	18
	-	-
Excess of income over expenditure at 31 July 2025	-	-

HE bursaries and other student support funds are available solely to assist students, the University acts only as a paying agent. The grants and related disbursements are excluded from the Statement of Comprehensive Income.

31. Disclosure of related party transactions

Due to the nature of the University's activities and the composition of Court, (members being drawn from local public and private sector organisations) and Senior Leadership Team (SLT), it is inevitable that transactions will take place with organisations (in particular with similar public bodies) which a member of Court or SLT may have an interest. From time to time, as supporters of the University, Court members may make donations of varying amounts to assist the University in achieving its goals.

All members of Court and SLT are required to complete a register of interests. The register is checked against the University's trade receivable and trade

payable ledgers. All transactions in which a member of Court or SLT may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

The University has taken advantage of the exemption allowed by FRS 102 Section 33 Related Party Disclosures not to disclose transactions between wholly owned group companies. Related party transactions with University spinout companies have not been disclosed as they are not material to either party.

The following transactions were identified for the disclosure:

Organisation	Relationship	Nature of transaction	Receipts £000	Payments £000	Debtor/ (creditor) £000
University of St Andrews Students' Association	Charity	Operations/ grants	1,396	(1,397)	1/-
Campus Living Villages	Accommodation	Rental	179	(6,012)	-/-

The majority of income from the University of St Andrews Students' Association relates to salary and other recharges.

In accordance with the agreement with Campus Living Villages, the University transfers student accommodation rental income to CLV (St Andrews) UK LLP, CLV (St Andrews) UK 2 LLP and CLV (St Andrews) UK 3 LLP.

32. Pension schemes

The University contributes to two principal pension schemes for its staff:

- a) the Universities Superannuation Scheme (USS)
- b) the St Andrews University Superannuation & Life Assurance Scheme (S&LAS)

A small number of staff contribute to other defined contribution schemes for which the University has no further payment obligation once the contributions are paid over.

The total pension cost for the University and its subsidiaries was:

	Year ended 31 July 2025 £000	Year ended 31 July 2024 £000
USS	13,681	15,765
S&LAS (including FRS 102 adjustments)	4,962	4,122
Other pension schemes	1,105	981
Total operating charge	19,748	20,868

32. Pension schemes (cont'd)

a) Universities Superannuation Scheme (USS)

The institution participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total charge to the Consolidated Statement of Comprehensive Income is £13.7m (2023/24: £88.8m) being £13.7m pension contributions, £1.2m of which were outstanding at the reporting date (2023/24: £13.5m and £1.1m respectively).

A deficit recovery plan was put in place as part of the 2020 valuation. It required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. 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 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 University cannot identify its share of 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 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 £73.1bn and the value of the scheme's technical provisions was £65.7bn indicating a surplus of £7.4bn and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the [Statement of Funding Principles](#).

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

The main demographic 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% of S2PMA “light” for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

32. Pension schemes (cont'd)

The current life expectancies on retirement at age 65 are:

	As at 31 July 2025 Years	As at 31 July 2024 Years
Males currently aged 65 (years)	23.8	23.7
Females currently aged 65 (years)	25.5	25.4
Males currently aged 45 (years)	25.7	25.6
Females currently aged 45 (years)	27.2	27.2

b) St Andrews University Superannuation & Life Assurance Scheme

This is a defined benefit scheme primarily for the benefit of non-academic University staff. It is externally funded and contracted out. The assets of the scheme are held in a separate trustee administered fund. The University is

required to account for the present value of the scheme assets and liabilities in its Statement of Financial Position. A full actuarial valuation of the scheme was carried out at 31 July 2024 and updated to 31 July 2025 by a qualified independent actuary. The major assumptions used by the actuary, on the Projected Unit method, were:

Disclosure of principal assumptions	As at 31 July 2025	As at 31 July 2024
Rate of increase in salaries:		
Year 1	3.00%	2.00%
Year 2	2.55%	3.00%
Year 3	2.55%	2.70%
Thereafter	2.55%	2.70%
Pension increases (RPI max 9.00%)	3.05%	3.20%
Pension increases (RPI max 2.50%)	1.90%	1.85%
Pension increases (CPI max 3.00%)	2.05%	2.10%
Discount Rate	5.70%	5.00%
Inflation assumption (RPI)	2.95%	3.10%

The current mortality assumptions include sufficient allowance for future mortality improvements in mortality rates. The assumed life expectancies on retirement at age 65 are:

	As at 31 July 2025 Years	As at 31 July 2024 Years
Retiring today:		
Males	21.1	20.8
Females	23.3	23.1
Retiring in 20 years:		
Males	22.4	22.0
Females	24.8	24.6

32. Pension schemes (cont'd)

The table below shows the effect that changing the most significant assumptions at 31 July 2025 would have had on the defined benefit obligation.

	(Increase)/decrease in defined benefit obligation at 31 July 2025 £000
Increase of 0.25% in the discount rate	(4,660)
Decrease of 0.25% in the discount rate	4,940
Increase of 0.1% in inflation	1,557
Decrease of 0.1% in inflation	(1,169)
Increase of one year in life expectancy*	3,704

* Life expectancies would increase from 21.1 years to 22.1 years for a male currently aged 65, and from 22.4 years to 23.4 years for a male currently aged 45.

Each sensitivity above is considered in isolation and the same methodology is adopted for calculating the defined benefit obligation.

The fair value of the assets of the scheme are:

	Value at 31 July 2025 £000	Value at 31 July 2024 £000
Equities	58,194	58,611
Multi-Asset Credit Fund	8,952	17,640
Infrastructure	26,281	21,154
Infrastructure linked Securities	9,699	-
Cash	2,792	2,648
Property	19,541	18,000
Asset-backed securities	8,820	8,305
	134,279	126,358

Multi-asset funds invest in a wide range of credit assets including secure debt, leveraged loans, high yield debt, asset backed securities and emerging market debt.

32. Pension schemes (cont'd)

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

	As at 31 July 2025 £000	As at 31 July 2024 £000
Total fair value of scheme assets	134,279	126,358
Present value of scheme liabilities	(120,211)	(124,844)
Restriction due to asset ceiling	(14,068)	(1,514)
Deficit recognised in scheme	-	-

	As at 31 July 2025 £000	As at 31 July 2024 £000
Changes in the present value of the defined benefit assets:		
Opening fair value of scheme assets	126,358	116,834
Interest income on scheme assets	6,294	5,995
Return on plan assets in excess of interest income	2,538	4,385
Contributions by employer	5,830	5,744
Contributions by members	316	207
Benefits paid	(5,523)	(5,824)
Administrative expenses paid	(1,534)	(983)
Closing fair value of scheme assets	134,279	126,358

	As at 31 July 2025 £000	As at 31 July 2024 £000
Changes in the present value of the defined benefit liabilities:		
Opening defined benefit liability	124,844	118,885
Current service cost	3,428	3,139
Interest cost	6,114	5,980
Employee contributions	316	207
Actuarial (gain)/loss – change in financial assumptions	(15,613)	3,614
Actuarial loss/(gain) – change in demographic assumptions	944	(564)
Actuarial loss/(gain) on experience adjustment	5,701	(593)
Benefits paid	(5,523)	(5,824)
Closing defined benefit liability	120,211	124,844

32. Pension schemes (cont'd)

	Year ended 31 July 2025 £000	Year ended 31 July 2024 £000
Amounts charged to statement of consolidated income:		
Current service cost	3,428	3,139
Administrative expenses	1,534	983
Total operating charge	4,962	4,122
Net finance charge on pension scheme:		
Interest income on scheme assets	(6,294)	(5,995)
Interest on pension scheme liabilities	6,114	5,980
Interest on asset ceiling	77	-
Net gain to interest costs (note 8)	(103)	(15)

The total movement in the scheme's deficit during the year is made up as follows:

	Year ended 31 July 2025 £000	Year ended 31 July 2024 £000
Deficit on scheme at 1 August	-	(2,051)
Movement in year:		
Current service cost	(3,428)	(3,139)
Administrative expenses	(1,534)	(983)
Contributions	5,830	5,744
Net finance charge	103	15
Actuarial (loss)/gain	(971)	414
Deficit on scheme at 31 July	-	-

The University has contributed to the scheme at the following rates of pensionable salary during the year:

	Year ended 31 July 2025	Year ended 31 July 2024
	17.93%	17.93%

The estimated contribution to be paid to the scheme for the next accounting period is £5.8m (2023/24: £5.8m).

The employer's contribution to be paid next year is based on the current members of the scheme at 31 July 2025.

32. Pension schemes (cont'd)

History of gains/(losses)	2025	2024	2023	2022	2021
Difference between the expected and actual return on scheme assets					
Amount (£000)	2,538	4,385	1,137	(13,827)	13,867
Percentage of scheme assets	1.9%	3.5%	1.0%	12.4%	11.2%
Experience (losses)/gains on scheme liabilities					
Amount (£000)	(5,701)	593	(4,364)	(15,129)	-
Percentage of the present value of the scheme liabilities	4.2%	0.5%	3.7%	9.7%	-

With effect from 1 August 2017, the S&LAS scheme changed from a final salary pension scheme to a career-average pension scheme.

In June 2023, the UK High Court (*Virgin Media Limited v NTL Pension Trustees II Limited*) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. The judgment has now been upheld by the Court of Appeal.

The University of St Andrews Superannuation and Life Assurance Scheme is a contracted out defined benefit scheme and amendments have been made during the period 1996 to 2016 which could impact member benefits. The University is currently engaging with the Trustees to assess whether section 37 certificates are in place for all amendments and that historic benefit changes met the necessary standards however, at the date of these financial statements, the full assessment is not complete. Until this analysis is complete, we are unable to conclude whether there is any impact to the liabilities or if it can be reliably estimated. As a result, the University of St Andrews does not consider it necessary to make any allowance for the potential impact of the Virgin Media case in its financial statements.

33. US Department of Education Financial Responsibility Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the University 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, as modified by 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);
- 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.

33. US Department of Education Financial Responsibility Supplemental Schedule (cont'd)

Primary Reserve Ratio			2025		2024	
Page	Primary statement/Note		£000	£000	£000	£000
		Expendable Net Assets:				
56	Statement of Financial Position	Restricted Reserves	173,828		152,386	
56	Statement of Financial Position	Unrestricted Reserves	365,064		360,623	
	*			(50,744)		(47,455)
77	Note 24	Total new endowments – endowment reserve		(7,905)		(3,289)
56	Statement of Financial Position	Tangible Fixed Assets and Heritage Assets		(530,806)		(528,623)
56	Statement of Financial Position	Intangibles		(1,643)		-
56	Statement of Financial Position	Creditors: amounts falling due after more than one year	101,956		103,262	
		Total expenses and losses:				
52	Statement of Comprehensive Income	Total expenditure	326,254		255,318	
77	Note 24	Total expenditure – endowment reserve		(4,559)		(4,205)
79	Note 25	Total expenditure – restricted reserve		(2,826)		(2,388)

* this is the capital (excluding appreciation) on the original endowments which are not shown separately in note 24 but split as below:

		Unrestricted permanent endowments	Restricted permanent endowments	2025	Unrestricted permanent endowments	Restricted permanent endowments	2024
Page		£000	£000	£000	£000	£000	£000
77	Balances at 1 August 2024	9,600	116,258	125,858	8,838	106,047	114,885
	Split:				Split:		
*	Original capital	-	50,744	50,744	-	47,455	47,455
	Cumulative capital appreciation	9,600	56,579	66,179	8,838	49,367	58,205
	Total capital (note 24)	9,600	107,323	116,923	8,838	96,822	105,660
	Accumulated income	-	8,935	8,935	-	9,225	9,225
77	Total brought forward balance	9,600	116,258	125,858	8,838	106,047	114,885

33. US Department of Education Financial Responsibility Supplemental Schedule (cont'd)

Equity Ratio			2025		2024	
Page	Primary statement/Note		£000	£000	£000	£000
		Modified Net Assets:				
56	Statement of Financial Position	Restricted Reserves	173,828		152,386	
56	Statement of Financial Position	Unrestricted Reserves	365,064		360,623	
56	Statement of Financial Position	Intangibles		(1,643)		-
		Modified Assets:				
56	Statement of Financial Position	Non-current assets	657,745		646,477	
56	Statement of Financial Position	Current assets	74,379		73,567	
56	Statement of Financial Position	Intangibles		(1,643)		-

Net income ratio			2025		2024	
Page	Primary statement/Note		£000	£000	£000	£000
		Change in Net Assets Without Donor Restrictions:				
52	Statement of Comprehensive Income	Total income	347,297		321,612	
62	Note 5	Investment income on restricted and unrestricted endowments		(4,576)		(3,915)
77	Note 24	New endowments (endowment reserve)		(7,905)		(3,289)
79	Note 25	New grants (restricted reserves)		(11,067)		(2,852)
79	Note 25	New donations (restricted reserves)		(3,110)		(2,627)
52	Statement of Comprehensive Income	Total expenditure		(326,254)		(255,318)
77	Note 24	Total expenditure – endowment reserve	4,559		4,205	
79	Note 25	Total expenditure – restricted reserve	2,826		2,388	
52	Statement of Comprehensive Income	Gain on investments	6,225		8,831	
52	Statement of Comprehensive Income	Loss on investment property		(316)		(1,758)
77	Note 24	Increase in market value of investment		(8,836)		(10,523)
52	Statement of Comprehensive Income	Actuarial (loss)/gain in respect of pension schemes		(971)	414	
52	Statement of Comprehensive Income	Loss on disposal of assets		(225)		(1,209)
77	Note 24	Transfers	2,682		2,549	
79	Note 25	Capital grants utilised	3,985		4,422	
52	Statement of Comprehensive Income	Taxation credit/(charge)	127			(283)

33. US Department of Education Financial Responsibility Supplemental Schedule (cont'd)

Net income ratio (cont'd)			2025		2024	
Page	Primary statement/Note		£000	£000	£000	£000
		Total Revenue and Gains:				
52	Statement of Comprehensive Income	Total income	347,297		321,612	
62	Note 5	Investment income on restricted and unrestricted endowments		(4,576)		(3,915)
77	Note 24	New endowments (endowment reserve)		(7,905)		(3,289)
79	Note 25	New grants (restricted reserves)		(11,067)		(2,852)
79	Note 25	New donations (restricted reserves)		(3,110)		(2,627)
52	Statement of Comprehensive Income	Loss on disposal of assets		(225)		(1,209)



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