

**Kingston
University**
London

Strategic Review and Financial Statements 2023/24



Contents

Welcome 3

Town House Strategy 4 – 5

Strategic partnerships 6 – 8

Research 9

Enhancing opportunities for students 10 – 11

Equality, diversity and inclusion 12 – 13

Estates 14

Sustainability 15

Public benefit statement 16

Strategic review financial section 2023/24 17 – 21

Modern Slavery Act 2015 22

Trade Union Regulations 2017 23

Principal risks and uncertainties 24



© Peter Langdown

Welcome

Delivery of the University's ambitious Town House Strategy, through which we are embedding a visionary new model of skills education, increasing the quality and visibility of our research and knowledge exchange and supporting our staff to excel, has continued at considerable pace during the past year. As a result of the significant progress we have made in equipping our students with the graduate attributes needed for career success, Kingston University has established itself as the leading institution in the United Kingdom for Future Skills. Already almost 70 per cent of our undergraduate students are studying Future Skills as a core part of their degrees, alongside their subject-specific learning. In a year's time, all undergraduates will be doing so.

The University's expertise in Future Skills education is also underpinning policy discussions at a national and international level. In December, we launched our latest Future Skills report at the House of Commons. We are now also demonstrating the transformative impact of Future Skills on a global stage, forging new international partnerships to help address the common workforce challenges all nations face in an era increasingly dominated by rapid advances in artificial intelligence and other emerging technologies.

Our success in the Teaching Excellence Framework (TEF), announced last autumn, is further testament to our commitment to our students' learning. Kingston University is one of an élite group of just 26 higher education providers from across the United Kingdom awarded Gold ratings in all three TEF categories. This achievement exemplifies the impact of our focus on providing high quality teaching, an outstanding student experience and supporting our students to achieve successful degree outcomes.

Being renowned for our academic expertise – across teaching, research and knowledge exchange – is at the heart of the Town House Strategy. As part of this, we will be launching four Knowledge Exchange and Research Institutes in the 2024/25 academic year. They will enable us to concentrate our efforts on advancing knowledge, sharing expertise and embarking on additional collaborations in areas in which the University has particular strengths.

Our people, of course, are at the core of everything we do. Extensive work to embed our four values – being inclusive, innovative, ambitious and enterprising – across our campus community has boosted collaboration and collegiality, making a significant contribution to the way we support professional development and organisational success. The values are central to our redesigned appraisal process and our revised academic domains, enabling all staff to grow and develop their careers.

Alongside this, continued investment in our campuses and infrastructure has led to significant improvements for students and staff alike. Completion of the first phase of a major project to transform the ground floor of the main building of our Penrhyn Road campus has resulted in the

creation of new teaching, learning, collaboration and social spaces for our students. Once work concludes in 2025, it will also feature three dedicated Future Skills studios, collaboration spaces and a new career hub.

Meanwhile, the progress we have been making towards embedding more sustainable practices across the University has gained increased momentum. The emphasis we have placed on developing student-led projects as part of our strong institutional commitment to sustainability saw us named winner of the student engagement category at the 2023 UK and Ireland Green Gown Awards. We were also a finalist in the 2024 International Green Gown Awards, further demonstrating our ambitions to become a net zero institution by 2050.

These developments have all unfolded against a backdrop in which the higher education sector as a whole continues to feel the effects of dramatically reduced government funding and rising costs. Despite this economic context, the University's prudent financial management and leadership has enabled us to remain in a strong position to continue to drive delivery of the Town House Strategy. While we acknowledge the inevitable financial impact on our students, the Government's November 2024 announcement that undergraduate tuition fees for UK home students will increase to £9,535 for the 2025/26 academic year will place us in a stronger position to realise our ambitions to further enhance their teaching and learning.

Drawing on our values as an inclusive, innovative, ambitious and enterprising institution, we will continue to evolve and innovate, making the most of our distinct offer and the added value it brings. With the ongoing commitment of our university community and the clear sense of direction and purpose provided by our Strategy, we are determined to achieve our ambitions for the future.

We have already proven we can be innovative and agile. We will continue to build on these attributes to ensure we become increasingly sought after for our many strengths and are respected as an institution of choice for potential students, staff, partners, other key stakeholders and investors.



Professor Steven Spier
Vice-Chancellor



Francis Small
Chair, Board of Governors

Town House Strategy

Delivering the future of education

Preparing students for career success by equipping them with the skills businesses most value is one of the central tenets of the University's Town House Strategy. As a result, Future Skills teaching is now being embedded right across the University's curriculum in each year of every undergraduate programme in all subject areas.

New students enrolling at Kingston University in autumn 2023 were the first to benefit from this innovative model of education. All first-year undergraduates participated in the first part of the programme, called Navigate, as an integral part of their courses. In the 2024/25 academic year, they are further expanding their skills and knowledge participating in the Explore phase – the next major milestone to have been reached in the roll out of the programme. This will be followed by Apply during the final year of their degrees.

As students progress through Future Skills, they will develop the graduate attributes needed to drive economic growth as a core part of their learning. Crucially, these will be assessed alongside their subject-specific learning throughout their studies. Informed by Future Skills campaign research, conducted in conjunction with YouGov, the graduate attributes include creative problem solving, digital competency, being enterprising, having a questioning mindset, adaptability, empathy, collaboration, resilience and self-awareness. By the time students complete their undergraduate degrees, they will be able to demonstrate the full set of attributes.

Industry involvement is bringing an extra dimension to Future Skills. All second-year students completing Explore will benefit from personal development workshops as well as involvement in a simulated assessment centre to hone their skills in readiness for the graduate recruitment process. They will also take part in a Future Skills Explore experience, providing industry-relevant learning that explicitly develops their graduate attributes. This will include working on live briefs set by employers or community groups, placements, work shadowing, site visits to businesses and hackathons, where students work in teams to solve challenges for external organisations.



Kingston University's latest Future Skills report was launched at the House of Commons.



Town House, Kingston University viewed from the south east looking down Penrhyn Road. © Ed Reeve.

Future Skills report unveiled at House of Commons

The University's sector-leading Future Skills campaign, which has been championing the skills for innovation vital to drive a thriving economy, continues to attract widespread support from business leaders, parliamentarians, peers and policy makers.

In December 2023, we renewed our calls for urgent action to be taken to prepare students for a world of work increasingly dominated by artificial intelligence and other emerging technologies when we launched our report, Future Skills: The Kingston Approach, during an event at the House of Commons.

The report highlights the urgent need for skills education to be embedded across higher education to provide employers with an adaptable and highly skilled workforce. It also emphasised the need to prepare graduates for career success in a rapidly changing digital-first world. It was backed by a range of leading businesses, including Cisco, Sparta Global, the IP Group and Saludem Healthcare.

During the parliamentary event, keynote speeches were delivered by Leader of the Liberal Democrats and Kingston and Surbiton MP Sir Edward Davey, then Shadow Minister for Technology and Digital Economy, Chris Evans, and the Group People Director of IP Group, Anthony York, who echoed the importance of Future Skills in building an adaptable and resilient workforce for the future.

Students evaluate impact of Future Skills

In autumn 2023, the University launched a research project to evaluate outcomes of its Future Skills programme, looking at its impact on students' learning experiences, as well as their academic and graduate outcomes. Students from the University's KU Cares scheme have been contributing to the project through internships supported by the Mohn Westlake Foundation. They have developed their research skills, producing four insightful research studies that explore staff and students' perceptions of the development and delivery of Future Skills.

Embodying our values

The University's core values – being inclusive, innovative, ambitious and enterprising – underpin the Town House Strategy and are key to our success as an organisation. They reflect the very essence of the University's ethos and the distinct characteristics that are integral to our identity, mission and vision. They also give our university community a sense of purpose and momentum.

Our values are integral to our relaunched appraisal process, which had a 100 per cent completion rate by 31 July. They have also supported our work to redefine the focus of our academic career pathways, setting out teaching, research and other responsibilities, such as leadership, more clearly in our academic domains.

In autumn 2023, we celebrated staff who embodied these values in their work at our inaugural Kingston University People Awards, with winners, runners-up and nominees applauded for their achievements across all four values. The People Awards will now be an annual highlight in the University calendar.

Strengthening knowledge exchange and research impact

Preparations are under way to launch the University's four new Knowledge Exchange and Research Institutes (KERIs) this coming academic year. A core strand of the Town House Strategy, they are being designed to enhance impact in research, knowledge exchange and professional practice, building on existing strengths in areas in which the University is both credible and authoritative.

The institutes will focus on four distinct areas – health, education and society; cyber, engineering and digital technologies; behaviour, business and policy; and design, arts and creative practice.

Building up to their launch, a series of events was held to inform the development of the four institutes, with more than 600 attendees over the course of the year. They saw academics, researchers and practitioners come together to share their expertise with staff from across the University.



Staff were celebrated at the inaugural People Awards for embodying our Kingston University values. © Peter Langdown.

Strategic partnerships

Driving impactful collaborations

Through establishing impactful collaborations in the United Kingdom and internationally, the University is committed to sharing its academic expertise and transforming the future of education. Our knowledge exchange partnerships continue to advance business innovation and make a valuable contribution in the community. We have expanded relationships with institutions overseas to optimise opportunities for greater collaboration and increase opportunities for our students to broaden their knowledge. We are working with a growing number of industry leaders and educational partners as the impact of our work embedding Future Skills education continues to grow. Community outreach also remains an important part of our work, with the University engaging with schools across the capital to give pupils an early understanding of the benefits of higher education.

Fuelling business innovation through knowledge exchange

The University has continued to expand on its knowledge exchange partnerships, working with a range of companies to help them innovate and make additional impact.

Developing strong relationships with industry partners and building on established entrepreneurial strengths are central to our Town House Strategy. Our expertise in knowledge exchange has been recognised in the 2023 and 2024 Knowledge Exchange Frameworks (KEF).

New projects have included the School of Built Environment and Geography starting to work with leading construction

group Galliford Try to explore ways to utilise artificial intelligence to improve quality and risk management and minimise waste within construction. The £261,000 Knowledge Transfer Partnership project is co-funded through a grant from Innovate UK and will see the University's academic team work with technical experts from Galliford Try to develop a tool that supports construction quality, informs decision-making and improves right first-time delivery.

Academics in the School of Computer Science and Mathematics have received £241,000 in funding from Innovate UK for two projects exploring the use of artificial intelligence to effectively sort and recycle textile waste. In collaboration with offcuts company KAPDAA, textile sorter Choose2Reuse CIC and the University of Leeds, a two-year project led by the School looks to develop an end-to-end textile recycling system based on advanced AI and computer vision solutions, supported by robotics. Another one-year project, led by the School in collaboration with KAPDAA, Choose2Reuse CIC and the Royal Opera House, will develop a portable plug-and-play recycling system for garments and fabrics. The system will scan, sort, and segregate 10 tonnes of garment waste per week, using advanced AI to address inefficiencies in the current fabric recycling process.

During the year the University funded 17 Seedcorn Innovation projects to a total value of £156,500. The scheme was established to support innovative knowledge exchange projects with commercial potential or that could have the prospect of acquiring further funding through business partners. One project from the Faculty of Health, Science, Social Care and Education in partnership with Royal Surrey County Hospital, will use immunohistochemistry to investigate the properties of novel antibodies for use in cancer diagnosis and treatment.



The Faculty of Engineering, Computing and the Environment is home to a fully equipped flight simulator. © Peter Langdown.

Raising the profile of Future Skills internationally

In May, Vice-Chancellor Professor Steven Spier visited the Republic of Korea for a series of meetings with senior politicians and business leaders where he outlined how Kingston University was leading the way in the United Kingdom with the roll out of its Future Skills programme.

During the trip, Professor Spier delivered a keynote speech on the future of education to an audience of senior government officials and industry leaders at the Korea Global Education Fair in Yeosu. In his address, he stressed the importance of increased collaboration between countries to effectively prepare students for success in a rapidly changing, digital-first world. He also highlighted the imperative of embracing skills education on a global scale to drive long-term productivity and economic growth.

Memorandum of understanding marks start of collaboration with Republic of Korea

The University has signed a Memorandum of Understanding with the Daejeon Metropolitan Office of Education in the Republic of Korea, formalising a shared commitment to transforming education on a global scale. The agreement was signed at the University's award-winning Town House building at the Penrhyn Road campus by Vice-Chancellor Professor Steven Spier and Superintendent for Daejeon Metropolitan Office of Education Dong Ho Sul.

Through the new partnership, Kingston University and Daejeon Metropolitan Office of Education will jointly develop and collaborate on an ambitious global agenda for the future of education, forging relationships with partner institutions across the education sector. The agreement reflects a shared ambition to prepare future generations for the challenges and opportunities presented by emerging technologies.



Knights Park campus, home to Kingston School of Art, is situated on the banks of the Hogsmill River. © Peter Langdown.

Expanding our global community

The University's partnership with ESOF Metro Campus in Sri Lanka to deliver a suite of engineering and computing courses is going from strength to strength. To date, more than 3,000 students have graduated with a Kingston University and ESOF degree, with 20 top-up undergraduate and postgraduate programmes now run through the partnership.

In the 2023/24 academic year, 800 students were enrolled to study through the partnership. A further four programmes have been validated for delivery from January 2025, which is expected to bring the total number of students to more than 1,000 in the 2024/25 academic year.

Meanwhile, a collaboration with Narsee Monjee Institute of Management Studies (NMIMS) in Mumbai, India, is enabling business administration students to gain a dual degree from NMIMS and Kingston University. The partnership, which has been running for 18 years, has grown from around 50 students per year to more than 250 students set to start the course in the 2024/25 academic year. It is now the biggest undergraduate programme in Kingston Business School for student numbers.

The University has signed a new agreement to deliver its art and design foundation year in Shanghai from September 2024 through the Pingyuan Shengshi Culture and Art Co.

Sir Edward Davey MP visits Roehampton Vale school outreach session

Sir Edward Davey, Leader of the Liberal Democrats and Kingston and Surbiton MP, visited the University's Roehampton Vale campus in April to get a first-hand insight into its range of specialist equipment and high-quality teaching facilities. He was given a tour of key campus facilities, including the mechanical engineering and 3D printing workshops.

He joined pupils from The Kingston Academy for a special automotive engineering outreach session where he learned more about the University's preparations for the Formula Student competition at Silverstone. The secondary school was set up by Kingston Educational Trust – an educational charity run in partnership by Kingston University, South Thames College Group and the Royal Borough of Kingston.



Each year, engineering students design cars for the annual Formula Student competition at Silverstone. © Peter Langdown.

Research

Advancing research

Our academics are responding to some of the biggest issues concerning society, health, the environment and the economy. Through strong partnerships with businesses, community organisations and government bodies, we are continuing to grow our research impact across a range of subject areas.

In the Faculty of Health, Science, Social Care and Education, researchers have completed a Nuffield Foundation-funded project in collaboration with the National Children's Bureau, which has shed light on the unprecedented demand for children's social care services. The study has developed a categorisation framework which can now be used by local authorities to better understand the challenges facing children and families who use their services.

Academics in the Faculty of Business and Social Sciences are behind an innovative new project which provides crucial support to children who have been forced to flee their homes due to violence, persecution or war. The digital psychology team has developed a virtual reality intervention which has been co-designed with psychologists, practitioners, parents and children. Using a virtual reality headset, children are exposed to psychological therapies, including cognitive behavioural therapy, and play and art activities. Available in English and Arabic, the intervention has proven effective in reducing mental health issues, including post-traumatic stress symptoms, anxiety, and depression, as well as enhancing emotional regulation and recognition.

Academic helps bring NHS Untold Film Stories to life

A Kingston School of Art academic has helped shape a new project funded by the Arts and Humanities Research Council. It tells some of the untold stories of the NHS, to mark 75 years since it was established in 1948. Kingston School of Art's Dr Shane O'Sullivan worked as an academic adviser on the project, mentoring three emerging filmmakers to create short films inspired by the BFI National Archive's NHS on Film collection.

Expanding social care research capacity in South London

The University has been awarded a significant grant of £245,000 by the National Institute of Health and Care Research to build social care research capacity in South London. The two-year project, which started in April, aims to create a highly personalised, flexible programme for social care practitioners to develop their research skills. The project has a particular focus on supporting applicants from ethnic minorities and marginalised groups who may have less access to continuing professional development, as well as those working in areas of social deprivation and with under-served communities.

New high-specification rocket propulsion facility opens

A fully equipped rocket propulsion laboratory has opened at the University's Roehampton Vale campus. The new facility allows the testing of bi-propellant and hybrid propellant propulsion systems for the space launch industry.

It is also used for the teaching, research and development of propulsion systems and specialist sensing equipment. The facility has already worked with its first commercial partner, SmallSpark Space Systems, to test its latest NEWT-A2 thruster, which will help rockets reach the moon.



The Faculty of Engineering, Computing and Environment's new rocket propulsion testing facility. ©Peter Langdown.

Enhancing opportunities for students

Boosting employability skills

The University continues to forge impactful relationships with leading organisations, equipping students with valuable industry knowledge and employability skills to thrive in their future careers.

During the past year, we have welcomed more than 150 businesses to campus to engage with our students through a range of activities, events and workshops. They include notable names from across a range of sectors, including PWC, the John Lewis Partnership, Jaguar Land Rover, Warner Bros. Discovery and SaluTem Care and Education. The businesses have collaborated with students from a range of disciplines on live briefs that meet the dynamic needs of their customers, led panel events offering advice on working in their respective fields and provided students with first-hand experience of working in the industry through site visits and insight days.

The University's commitment to fair access and providing equal opportunities for students from all walks of life remains a central part of our ethos. This year, we continued

to enhance the support we provide to ensure all students, irrespective of their background or start in life, can thrive during their degrees and future careers.

The University's award-winning ELEVATE programme, which provides students of Black and Black Mixed heritage backgrounds with insight, skills and support as they prepare to embark on successful careers, continued to expand the number of networking opportunities and industry events it offers. The ELEVATE team hosted 16 industry talks and workshops over the course of the year – double the number in the previous year. They connected almost 300 students with influential speakers from a range of companies including Amazon, the NHS and Deloitte.

In May, the University celebrated 15 years of its successful Beyond Barriers mentoring programme. The six-month mentoring scheme, designed to help students from under-represented groups reach their full potential, pairs students with mentors from a range of industries and organisations. Since its inception in 2009, more than 1,800 students have been supported through the programme.



Kingston Business School's Bloomberg trading room provides students with access to the same information platform used by traders, investment bankers and brokers. © Peter Langdown.

Enterprise education

Kingston University has an established track record as a sector leader in entrepreneurship. We are consistently ranked one of the top institutions in the UK for graduate start-ups in the annual Higher Education Business and Community Interaction survey produced by the Higher Education Statistics Agency (HESA). Our enterprise education programme helps many students each year to use their innovation and creative thinking to work for leading companies or launch their own businesses.

A total of 883 students were involved in this year's Bright Ideas competition. The 19th annual final of the entrepreneurial contest saw students from across the University pitch their ideas to alumni, investors and industry experts in a Dragon's Den-style event.

In other initiatives designed to advance students' entrepreneurial ingenuity, hackathons remained embedded throughout the University's academic curriculum. All told, 2,665 students from all four faculties, took part in a series of problem-solving events and workshops to address challenges faced by a range of public, private and third-sector organisations.

Transforming teaching and learning through artificial intelligence

The University is leading a new collaborative project exploring how generative artificial intelligence (AI) can enhance students' learning. Supported by a £10,000 grant from the Quality Assurance Agency for Higher Education, the 14-month project involves 10 other universities. The consortium will develop a set of resources to support academics to use AI effectively in their teaching and students to apply the technology in their learning.

Generative AI is starting to be introduced across the University, with software such as Microsoft Copilot being used to provide academic and administrative support. In the Faculty of Engineering, Computing and the Environment, students on the MSc Data Science course are undertaking modules on AI and machine learning.

A BSc (Hons) in Computer Science and Artificial Intelligence course launched in September 2023. It will equip students with specialist technical knowledge and is designed to give them the ability to solve real world problems with the understanding of AI's wider socio-technical implications.



Kingston School of Art is home to a new immersive lab fitted with Meta Quest virtual reality headsets. © Romilly Lockyer.

Equality, diversity and inclusion

Staff networks flourish

The year saw our staff networks continue to grow, providing safe spaces for colleagues to network, collaborate and launch projects that drive meaningful change across the University.

A new Armed Forces Support Group was established to provide a connection and support system for staff who previously served in the military or have a family member in the military. The group is led by The Reverend Professor Alison Baverstock, who was awarded an MBE in this year's King's Birthday Honours for a shared reading initiative she set up to support Armed Forces' families. A Menopause Support Group also launched this year, as well as a new Parents and Carers Support Group.

Over the past academic year, our staff networks have hosted a range of events for the University community in celebration of inclusivity and acceptance, including during Black History Month, LGBT+ History Month and Women's History Month. Staff, students and alumni once again marched together at Pride in London, facilitated by the LGBTQ+ Staff Network and Kingston Students' Union. Meanwhile, an installation on the main staircase of the University's Town House building honoured 30 inspirational Black women, in celebration of 2023's Black History Month theme, Saluting our Sisters.

Faith and spirituality

The University's Faith and Spirituality team has continued its work fostering a sense of community on campus so everyone feels welcome. The team hosted a range of faith and spirituality events during the 2023/24 academic year, for students, staff and the local community.

Ramadan saw more than 6,000 students and staff come together to observe a month-long period of prayer, fasting, charity-giving and self-reflection. The Faith and Spirituality team, in collaboration with Kingston Students' Union's Islamic Society, provided daily iftars, the meal eaten after sunset following a day of fasting. Both Taraweeh and Qiyaam-ul-Layl prayers were also hosted on campus throughout Ramadan.

To mark Holocaust Memorial Day, the Faith and Spirituality Team worked closely with the Kingston Faith and Belief Forum to host a community event at the University's Town House building. Chaired by the University's Jewish faith adviser, Rabbi Dr René Pfertzel, the commemoration provided an opportunity for communities across the borough to reflect on lessons from the past and explore ways to work together for a safer and fairer future. Attendees included Councillor Diane White and Councillor Richard Thorpe, the then Mayor and Deputy Mayor of the Royal Borough of Kingston, and Sir Edward Davey, Leader of the Liberal Democrats and Kingston and Surbiton MP.



Students celebrating at July Graduations 2024. © Peter Langdown.

Accolades for initiatives to enhance inclusion

An academic has been awarded a prestigious National Teaching Fellowship for his work enhancing and transforming student outcomes. Associate Professor of Biosciences Dr Nigel Page was one of 55 academics from across the UK to receive the coveted accolade. Dr Page has been instrumental in creating an inclusive learning environment that enhances students' sense of belonging and nurtures their confidence – particularly focusing on students from under-represented and disadvantaged backgrounds.

A fellow academic who places inclusion and equality at the heart of curriculum development has been honoured with an award for exceptional service from the Royal Society of Chemistry. Dr Baljit Thatti, Head of Department for Chemistry and Pharmaceutical Sciences, received the award in recognition of her outstanding contribution to the organisation. Dr Thatti now sits on the Society's Inclusion and Diversity Committee, which oversees practices across the chemical sector internationally and looks at how they can be more inclusive and diverse.

Meanwhile, the University was named winner of one of the inaugural London Higher Awards for its outstanding wellbeing support for students. The accolade was bestowed on the School of Nursing, Allied and Public Health in recognition of the success of its new student advocate programme. It provides pastoral and academic support for students who have additional responsibilities or challenges, such as caring responsibilities or health and wellbeing problems.

University recognised for work to advance race equality

The University has successfully achieved Bronze renewal for the Race Equality Charter (REC) Mark in recognition of its ongoing commitment and action to improve race equity. A national scheme run by Advance HE, the charter aims to help universities and research institutes improve the representation, progression and success of Black, Asian and minority ethnic staff and students in higher education.

Driving diversity in science

The University has received almost £100,000 funding from the Royal Society of Chemistry to help improve the representation, progression and retention of chemical scientists from Black and minority ethnic backgrounds.

The funding will be used to deliver a three-year project in conjunction with the University of Brighton and Imperial College London, looking at how terminology in the chemical sector can be made more accessible. It is hoped the project will lead to changes in how the chemistry curriculum is taught and increase the number of senior postholders from minority ethnic backgrounds.

In other initiatives designed to drive diversity in science, a new Women in STEM Hub has been launched to enhance collaboration on interdisciplinary projects and reduce gender disparity in research.



Kingston University's nursing simulation suites enable students to learn in realistic scenarios designed to replicate healthcare settings. © Peter Langdown.

Estates

Transforming our campuses

We continue to invest in our estates and infrastructure at all campuses to enhance the experience of students, staff and visitors. The first phase of an ambitious project to transform the main building of our Penrhyn Road campus for students, staff and the wider community has been completed. Approximately 4,000 square metres is being refurbished to create new social, learning and collaboration spaces.

The first phase offers significant improvements and includes a larger multi-functional Kingston Students' Union space which can be used for events, learning, collaboration and project work. This space includes social and quiet areas and a new kitchen designed for students who commute to campus every day. The first of three dedicated Future Skills studios has also been created.

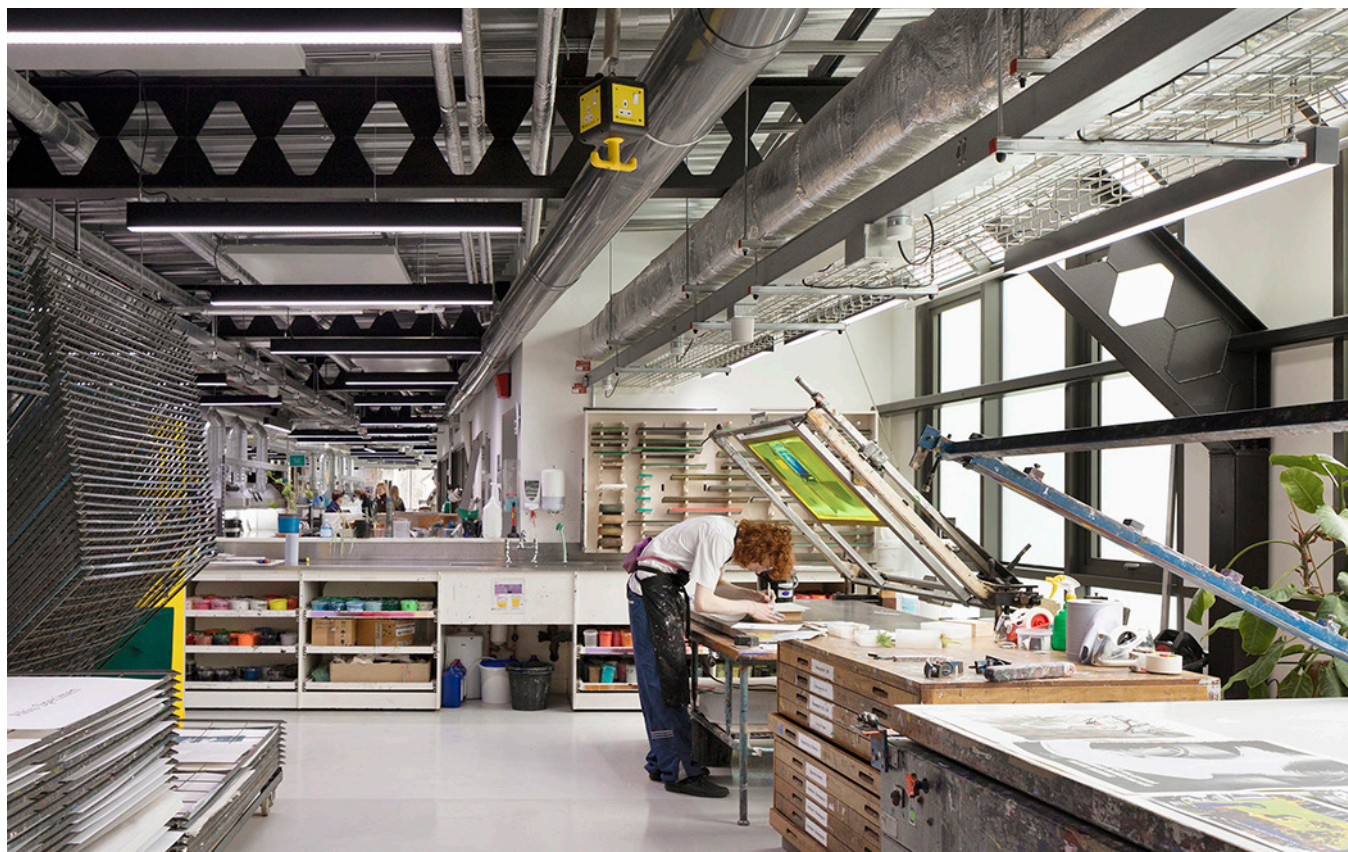
The second phase will create two further Future Skills studios. It will also feature collaboration spaces and a new career hub to support students eager to enhance their employability. It is anticipated the spaces will be completed by summer 2025.

The work incorporates many features that will improve accessibility on campus. It will also help the University meet its sustainability commitments, making use of innovative

low and zero-carbon solutions where possible. With enhanced outdoor areas created in phase one of the project and a redeveloped courtyard being completed in phase two, more green spaces will be available for students, staff and visitors to enjoy. Elsewhere, a new design studio was added to the engineering facilities at our Roehampton Vale campus this year.

Proposal to enhance facilities at Kingston School of Art

Grafton Architects has been appointed to develop initial design concepts for a proposed new academic building at the Middle Mill site next to the Knights Park campus. Subject to planning permission, it is envisaged the new building will increase the amount of studio-based teaching space and technical support facilities available for students completing courses at Kingston School of Art. It is hoped the site will also become an asset in the wider borough, with landscaping and other improvements sympathetic to the location's relationship with the Hogsmill River and close connection to Knights Park.



Kingston School of Art's extensive workshops and studios are designed to replicate the work settings they will enter when they graduate. © Ed Reeve.

Sustainability

Accolades and achievements

The University is in its third year of delivering the ambitious targets that make up its institutional Sustainability Plan, which launched in 2021.

Our progress in this space has been recognised at a national and international level. At the end of 2023, the University received acclaim in the UK and Ireland Green Gown Awards for its sustainable practices, both as an institution and through student-led projects. Its Kingston Sustainability Innovation Challenge was crowned winner of the student engagement category, while the University was named a finalist for its whole-institutional approach to achieving net zero in the 2030 Climate Action category.

Building on these achievements, the University has been named a finalist in the 2024 International Green Gown Awards and in the 2024 UK and Ireland Green Gown Awards.

In partnership with Kingston Students' Union, the University became one of just six higher education institutions in the UK to achieve two-star status in the Fairtrade University and College Awards. The award recognises the University and Student Union's achievements in embedding ethical and sustainable practices within the curriculum, procurement, research and campaigning.

In the inaugural London Higher Awards 2024, the University was named a finalist in the outstanding contribution to sustainability leadership category.



To mark the COP28 climate change conference, the stairs of our Town House building were colour-coded, illustrating the dramatic rise in temperatures from 1850 to 2022. © Stephanie Todd.

Commitment to reducing waste and carbon emissions

Kingston University is committed to reducing its carbon emissions. We have set an ambitious carbon target to achieve net zero carbon emissions by 2038/39 for scope 1 and 2 carbon emissions and 2050 for scope 3 carbon emissions.

To date, the University has reduced its annual operational carbon emissions by 68 per cent from a 2005/6 baseline. This is the equivalent to an annual saving of 8,730tCO₂e.

This year, we launched our Travel Plan which confirms our commitment to encouraging and enabling more environmentally conscious travel by students, staff and visitors to the University. To deliver on our commitments, the plan sets out targets to achieve this over the next five years, with the overarching target linked to achieving carbon reductions from commuting, business and research travel and field trips. Achieving these targets would see carbon from commuting alone reduced by 12 per cent over the five-year period.

Engaging students in sustainability

To support the ambitions of our institutional Sustainability Plan, the University has introduced a range of new initiatives to equip staff and students with the skills and knowledge to make informed decisions around sustainability and empower them with opportunities to act and advocate for change.

To improve their understanding of Sustainable Development Goals, the University delivered workshops to staff and students and introduced live briefs on sustainability to students across all four faculties.

The University has developed an online module and educational toolkits in collaboration with academics and students. These resources support staff to implement education for sustainability in the curriculum and their practice. To date, the toolkits have been used by more than 450 members of staff.

This year, the University launched the Inclusive Curricula and Education for Sustainable Futures Bursaries Competition, which awarded bursaries to existing projects that support inclusive learning and the principles of education for sustainability. Ten innovative projects received bursaries so ideas could be developed further.

Meanwhile, the University's International Black Scholars Programme supported 15 students to learn about climate change and global engagement in a mobility experience at the University of North Carolina in June.

Public benefit statement

Kingston University's legal status is that of a higher education corporation and it is also an exempt charity under the Higher Education and Research Act 2017 and subject to monitoring by the Office for Students in its role as principal regulator under the terms of the Charities Act 2011, section 25. These acts require the University to demonstrate clearly the public benefits it provides and that these are related to the aims of the University. The University has had due regard to the

Charity Commission's guidance on public benefit. As both a charity and a higher education corporation, the University makes a significant contribution to several of the charitable purposes set out in the Charities Act 2011, s3.

The governing body is aware of its responsibilities in relation to charitable purposes in making decisions on the University's educational character and mission and in relation to the effective and efficient use of resources.



© Peter Langdown

Strategic review financial section 2023/24

Scope

The financial statements comprise the results of the University and its subsidiaries for the year ended 31 July 2024. These are:

- Kingston University Service Company Limited (KUSCo). KUSCo provides facilities management services to the University.
- Kingston University Enterprises Limited (KUEL). KUEL undertakes commercial activities that fall outside of the University's charitable aims of teaching and research.
- KU Holding Limited. Holding company of KU Student Living Limited.
- KU Student Living Limited. Holds an investment (15%) in Kingston Student Living LLP (responsible for the refurbishment and operation of two halls of residences).



© Peter Langdown

Financial strategy

To ensure that the University is in a position to deliver a high level of education whilst providing continual investment in both the student experience and its facilities it needs to ensure that it remains financially sustainable.

The University's financial strategy targets are in place to ensure that the University can achieve its strategic and operational objectives.

The strategy targets define three key performance measures which are used as mandatory ratios in determining success in achieving the financial strategy:

- Cash generated from operations before exceptional items over a three year rolling period of £18m.
- Net liquidity of at least 71 days.
- Borrowings not to exceed 30% of net assets excluding pension reserve.

	Target	2023/24	2022/23
Cash generated from operations (excluding exceptional items); 3 yr rolling	£18m	£20.2	£23.6
Net liquidity (days)	>71	197.0	214.0
Borrowings as % of net assets excluding pension liabilities	<30%	18.8%	19.5%

The above demonstrates that all of these KPIs have been met for 2023-24.

Summary of financial performance for the year

The reported operational surplus of £7.9m (2022/23 deficit £1.9m) is stated after the unwinding of the USS pension provision and FRS102 pension income of £2.0m (2022/23 £2.8m cost) and restructuring costs of £1.1m (2022/23 £0.6m) thereby resulting in an underlying surplus of £7.0m (2022/23 £1.5m).

The cash position remains strong at £115.1m (2022/23 £126.3m) with cash being generated from operations of £12.0m (2022/23 £10.1m), capital investment £22.7m (2022/23 £15.0m) and loan repayments at £1.8m (2022/23 £1.7m)

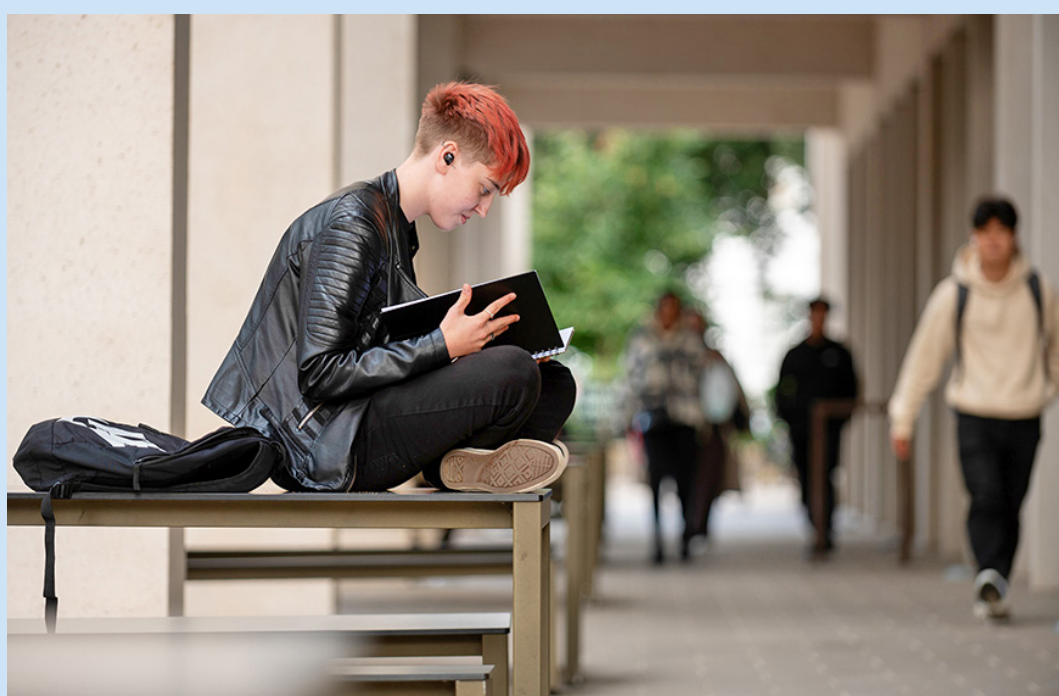
The total comprehensive income for the year is £7.3m (2022/23 £0.8m) stated after an actuarial adjustment of £0.6m. This adjustment is made up of a positive actuarial adjustment of £29.1m which has been netted off by applying an in-year asset ceiling to the LGPS pension provision of £29.7m. The FRS102 pension valuation reported a pension asset of £92.4m (which includes £59.7m brought forward from 2022/23), however pension assets can only be included if there is an ability to recover these assets either through refunds or reduced contributions. At this stage the University cannot state with reasonable certainty that this is the case, and therefore the pension asset of £92.4m is not included in these financial statements.

This overall performance reflects a positive operational result which has included an increase in investment income of £1.9m (2022/23 £4.3m) due to higher interest rates and a modest increase in tuition fees of £2.8m.

Statement of Comprehensive Income	2023/24 £m	2022/23 £m
Income	237.6	229.5
Expenditure	(229.7)	(231.4)
Surplus/(deficit) for the year	7.9	(1.9)

Balance Sheet	£m	£m
Fixed assets	427.8	416.2
Current assets	141.1	151.6
Creditors falling due within 1 year	(63.0)	(64.5)
Net current assets	78.1	87.1
Creditors falling due after 1 year	(95.8)	(99.1)
Pension provision	–	(1.4)
Net Assets	410.1	402.8

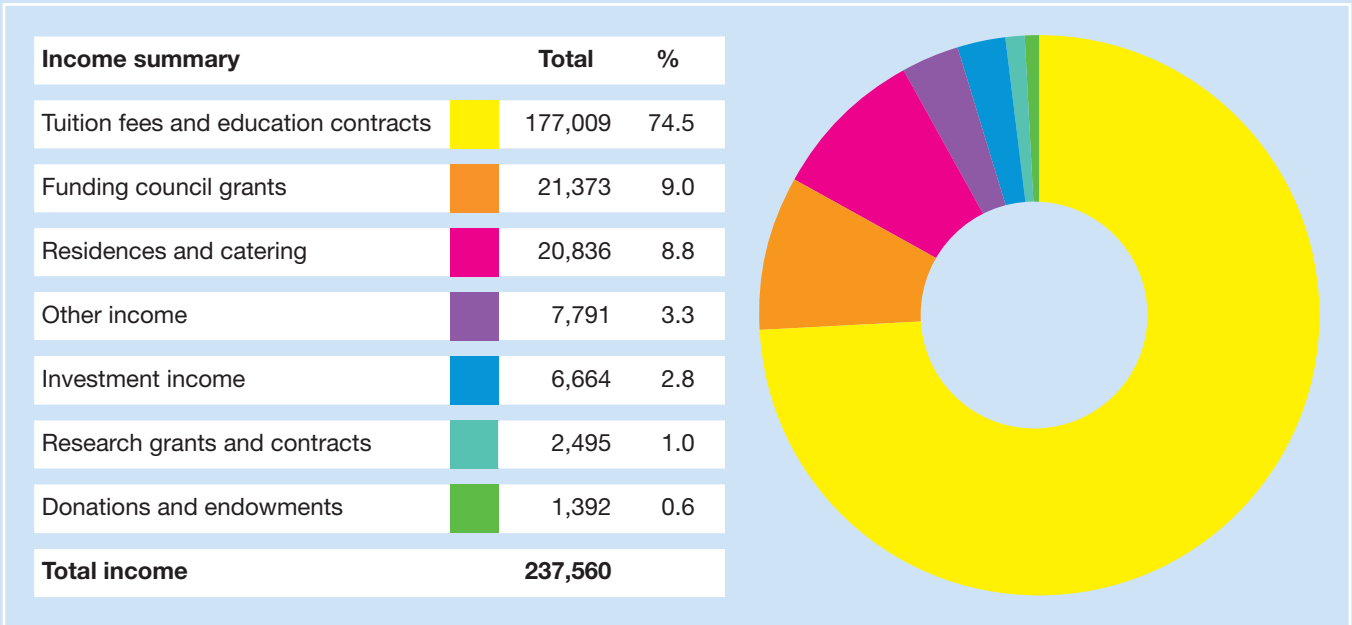
Cash balance (including current asset investments)	115.1	126.3
Cash generated from operating activities	12.0	10.1



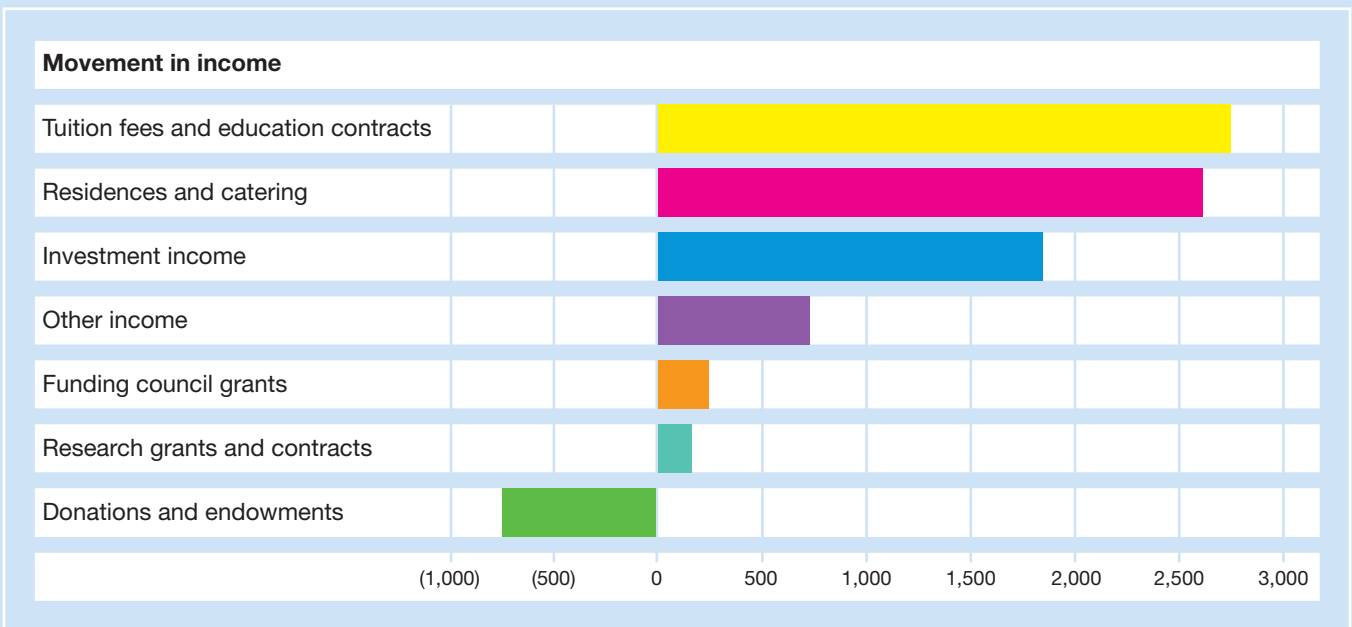
© Peter Langdown

Financial highlights for the year

The total income for 2023/24 is £237.6m (2022/23 £229.5m) of which 74.5% relates to tuition fees. This is largely funded by the Student Loan Company for home students and self-funded for international students. A summary of the income is shown in the chart below:



The total income increased by £8.0m compared to 2022/23 as detailed below:



Income increased in all areas with the exception of Donations and Endowments where a significant legacy was received in 2022/23.

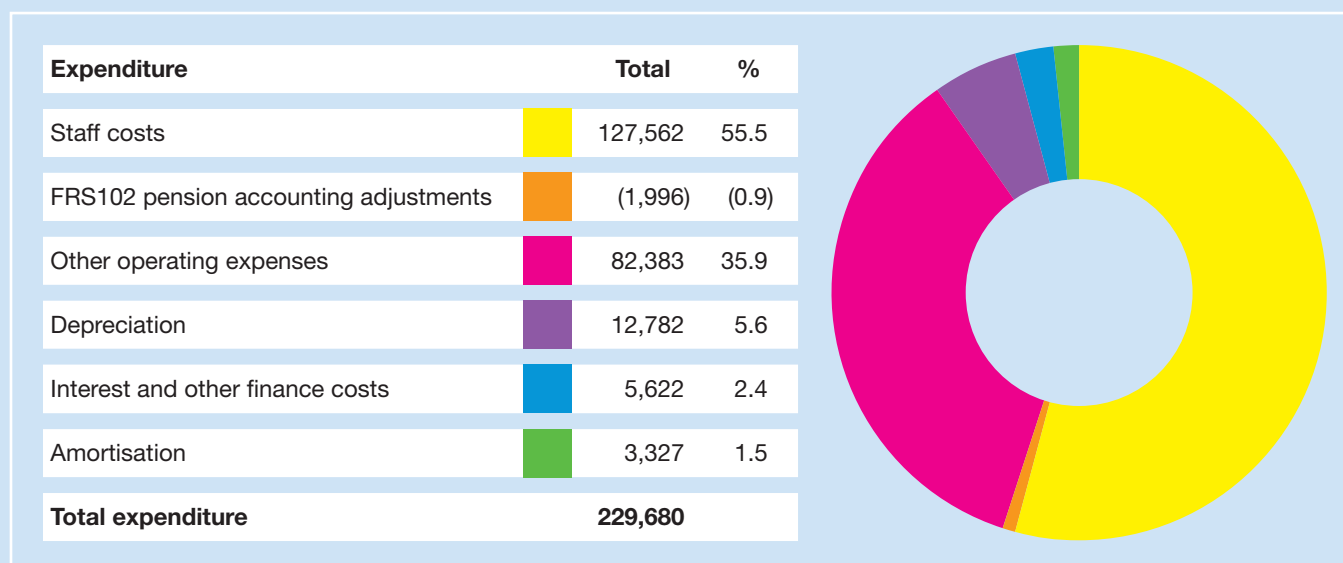
Tuition fee income increased by £2.8m reflecting an increase in the domestic undergraduate market.

Investment income grew by a further £1.9m following a significant increase in 2022/23 which was attributable to achieving higher interest rates.

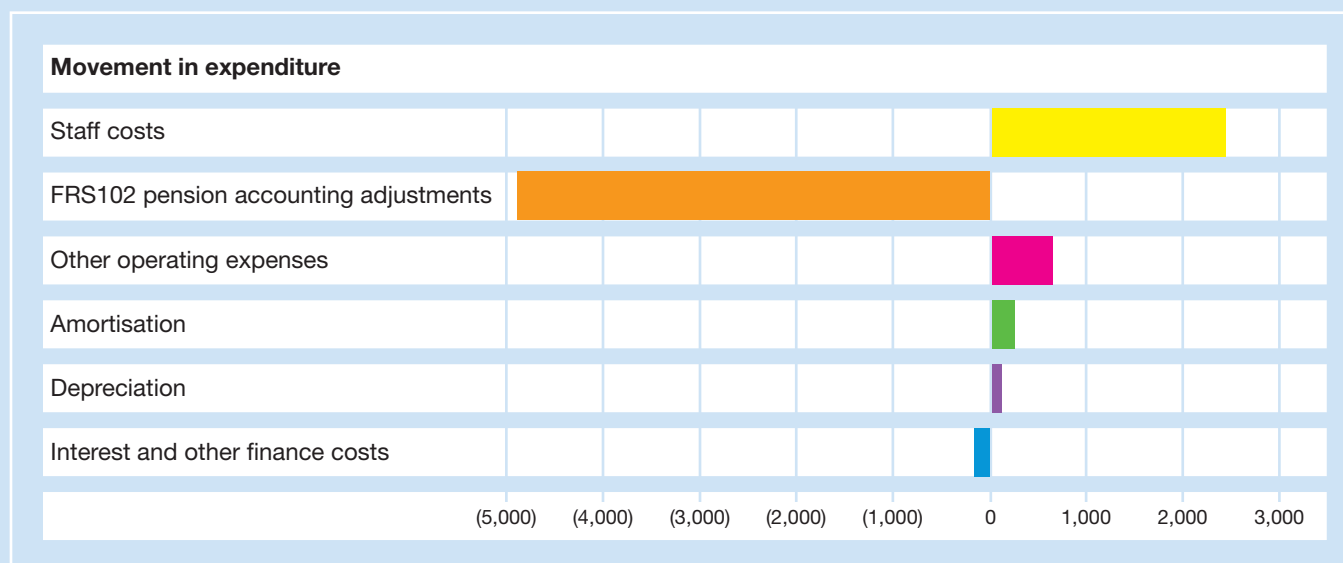
Residential income increases arose predominantly due to the additional halls of residence which were unavailable in 2022/23 due to fire maintenance works.

Financial highlights for the year (cont)

The total expenditure of £229.7m is categorised as follows:



The decrease in expenditure compared to 2022/23 is £1.7m, analysed as follows:



Staff costs have increased by £2.4m. The main components of the increase are due to the pay award of £5m and a one off bonus payment to every member of staff in the prior year of £2.1m.

Other operating expenditure increased by £0.6m due to general costs increases incurred by the University.

With the exception of staff costs (including pension adjustments), there has been little change in expenditure levels.

Capital expenditure

Expenditure on fixed assets totalled £27.7m comprising mainly the Penrhyn Road transformation project (£11.9m), other estates projects (£10.2m) and IT projects (£4.1m).

Treasury management

The cash generated from operating activities totalled £12.0m (2022/23: £10.1m). The improvement of £1.9m has been achieved through an increased surplus of £3.5m (surplus improvement of £9.9m less pension adjustments movements of £4.5m and increased investment income of £1.9m) less an increase in debtors (predominately prepayments) and sundry debtors of £1.7m.

The year-end cash balance (including short term investments) decreased by £11.2m to £115.1m after financing capital investments of £22.7m. The University has continued to benefit from the availability of advantageous interest rates, generating an average return of 5.4%. Surplus funds are invested with the main UK and European banks on term deposits and with approved money market funds.

The University service debt costs total £7.4m. Total loans outstanding at the year-end include bank loans to Barclays Bank (£55.8m) and Clayhill service concession arrangement (£21.2m).

Future prospects

The University is committed to the Town House Strategy which was launched in October 2022 which will transform our students' education through the embedding of Future Skills. New undergraduates who enrolled at Kingston University in autumn 2023 were the first to benefit from the campus-wide introduction of the Future Skills programme. In 2023/24 all first-year students participated in Navigate modules, as these were embedded across the curriculum, with Explore modules set to be rolled out across the second year curriculum this autumn.

The University continues to make significant investment in its campus and 2024/25 will see completion of the Penrhyn Road ground floor transformation project which involves reconfiguring and refurbishing 4000m² of space. The project is in direct support of the Town House Strategy and will include a new Careers & Employability Centre, a Future Skills Studio and Collision and Collaboration Space alongside Student Social and Informal Learning Space.



© Romilly Lockyer

Modern Slavery Act 2015

Introduction

The University recognises that modern slavery is a global issue and is committed to playing its part in supporting its eradication. This statement is published in accordance with the Modern Slavery Act 2015 (the Act) and has been approved by the Audit and Risk Assurance Committee through its delegated power from the Board of Governors. It sets out the steps taken by the University to prevent modern slavery and human trafficking in its business and supply chains.

The University is a Living Wage Employer and does not engage in, or condone, the practices of human trafficking, slavery or forced labour.

Business Structure

The University is a Higher Education Corporation created by an instrument of government issued in April 1993 by the Privy Council. It is an exempt charity under the Charities Act 2011 and is registered with the Office for Students, the principal regulator for charity law purposes.

The Board of Governors is responsible for the strategic direction of the University. Our Vice-Chancellor has overall operational responsibility, supported by the Senior Leadership Team.

Academic Council is the senior consultative committee for academic matters, responsible for providing assurance to the Board and guidance to the Vice-Chancellor. Academic disciplines are organised into four faculties, led by Deans, divided into schools. There are four professional services directorates which includes a central procurement team based in the Finance, Human Resources and Infrastructure Directorate.

The University has the following wholly owned subsidiaries:

Kingston University Service Company Limited (KUSCO) which provides facilities management services;

Kingston University Enterprises Limited. The company's principal activity is the provision of consultancy services.

KU Holding Limited which is a holding company for its wholly owned subsidiary, KU Student Living Ltd, which is engaged in the maintenance and operation of two University halls of residence.

Supply Chains

The University's supply chains mainly fall within the following 'top level' categories:

- Estates and Facilities Management (works, services and goods)
- ICT equipment and services
- Professional services
- Teaching materials

The University is a member of the London Universities Purchasing Consortium (LUPC) which has published its own Modern Slavery Statement and through which the University has membership of Electronics Watch which works to protect the rights of electronics workers globally. Our membership of Electronics Watch via the LUPC means we can collaborate to minimise the risks of modern slavery.

In the 2023-24 financial year, the University undertook around 24% of the value of our addressable spend through the London Universities Purchasing Consortium and other collaborative agreements available to the public sector.

The particular business and supply chains which may pose particular risks in terms of slavery are in facilities management, ICT & AV equipment, construction, and partnerships with overseas institutions in some jurisdictions. Our due diligence processes (below) minimise these risks.

Due Diligence and compliance

Our procurement process for new suppliers submitting publicly advertised tenders, requires participants, through the standard selection questionnaire, to comply with the Act. We also use a supplier engagement tool (Net Positive Futures) to engage suppliers requesting that they review and confirm the arrangements they have in place to comply with the Act across their supply chains and key members of the procurement team have received training on use of the tool.

Through our involvement with the LUPC and other organisations, the team share and keep up to date with best practice to identify and assess risks within supply chains.

The University and KUSCO do not employ unpaid interns and pay their employees the London Living Wage (or above). The other subsidiaries have no employees. All centrally tendered contracts reiterate the University's commitment to fair work practices and paying the real living wage in line with the cost of living. We encourage our suppliers to do the same, pointing them to information about the real living wage.

Our standard terms and conditions of supply and other template agreements include binding obligations to comply with the Act.

The University's due diligence processes for the validation of new institutional partners, the renewal of collaborative academic partnerships and all associated agreements, include requirements for compliance with the Act.

All Modern Slavery Statements are published in our annual Financial Statements.

Policies

Our Corporate Social Responsibility Policy and Ethics Statement embeds Modern Slavery considerations, alongside other ethical business practices. They reflect our commitment to the highest standards of ethical conduct in all our activities, along with making continuous improvements in this area.

The University Guide to Good Research Practice incorporates reference to the Ethics Statement and Modern Slavery.

Our Procurement Policy includes consideration of the requirements of the Act.

We encourage the reporting of concerns relating to Modern Slavery and human trafficking. Staff are encouraged to report concerns to their line manager in the first instance. If this is not feasible, or members of the University are unable to do so, concerns should be raised via our Whistleblowing Policy.

Work will continue during 2024/25 to ensure compliance with the Act.

Trade Union (Facility Time Publication Requirements) Regulations 2017

The Trade Union (Facility Time Publication Requirements) Regulations came into force on the 1st April 2017. These regulations place a legislative requirement on the University to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within the organisation.

The relevant data for 2023/24 is as follows:

- The percentage of total salary costs spent on facility time totalled 0.06 per cent.
- Of the total facility time spent there was no paid trade union activity incurred.
- The number of employees who acted as trade union officials during the year totalled 22 staff.
- Trade union officials each spend between 1% and 50% of their time on trade union duties.

Principal Risks and Uncertainties 2023/24

The financial environment for Higher Education Institutions remains challenging, bringing with it volatility in a period of significant uncertainty. The University recognises that it faces a number of inherent risks and uncertainties inherent within its activities and operations coupled with the exponential pace of change across economic, political, social, technological, and global platforms and landscapes.

Effective risk management is integral to the success of delivering Kingston University's strategic objectives. Kingston University is committed to ensuring the effective management of risk and seeks to limit adverse impacts through its formal risk management programme, fostering consistency and enabling the University to identify, assess and seize opportunities as well as implement effective control measures and mitigations at the earliest opportunity.

Kingston University recognises that an effective infrastructure coupled with a mature governance framework, systematic data protection mechanisms and the proactive management of risk promotes a robust and resilient culture across the institution which both supports and underpins the University's business critical operations and activities. Consequently, effective risk management is vital for strengthening preparedness against threats, risks and uncertainties and providing the ability to embrace opportunities that further support the University's strategic goals and its sustainability.

The Risk Control Framework

The University has an established risk management policy and framework in place to effectively identify, assess, record, manage and report on risks as detailed below and adopts a proactive approach and culture towards both risk management and governance.

Strategic Risk

The University's Strategic Risk Register (SRR) is a dynamic and fluid document comprised of both current and emerging strategic risks faced by the institution. It not only informs both the Senior Leadership Team (SLT) and the Board of significant risks to the University, but it also highlights the actions and control measures that are being adopted in order to mitigate against those risks. Deliberations include: the nature and extent of the risk, the likelihood of the risk materialising and the University's ability to reduce the impact of the risk.

The University's principal risks and uncertainties are detailed within the University's SRR. These are the most significant risks faced by the University that may adversely affect the University's Town House Strategy, financial position, performance and/or its future sustainability and are informed by the University's operational risk registers.

Among the principal risks that could directly impact or inhibit Kingston University's financial sustainability (based upon the level of residual risk after mitigating actions and control measures have been implemented) are those risks and uncertainties arising from high volumes of political, regulatory and legislative changes, external market conditions which may impact student recruitment, impede investment in virtual and/or physical infrastructure and the ever-increasing threat to cyber security. The risk assessment process evaluates the probability of these principal risks materialising and the financial and strategic impact that they may have on staff, students and/or stakeholders.

The Higher Education sector continues to remain an incredibly competitive recruitment market. Failure to meet student number targets subsequently remains a key operational and strategic risk across the sector. The ongoing underfunding of domestic undergraduate students due to the Government's fee freeze continues to erode the English Higher Education sector's financial stability.

The University has implemented a number of control measures in order to mitigate against the risks attached to student recruitment volatility and drive longer term financial health and sustainability, with an emphasis having been placed upon safeguarding the student experience and graduate outcomes in the University's Town House Strategy. It has further developed a more systematic metrics driven focus to the quality enhancement of its course portfolio and continues to invest, with a particular focus upon the evolution of its IT provisions, virtual and physical infrastructure and teaching and learning environments aligned to the University's strategic ambitions and sustainability commitments.

At a time of increased economic constraint, significant global uncertainty and ever heightened competition, the continuation of a robust and mature risk management framework is paramount in ensuring that the University's financial health prevails. The University will continue to monitor risks, threats and uncertainties resulting from the evolving global and external economic environment, whilst continuing to deliver high quality teaching and academic provisions.

Governance and Oversight

The University's SRR is maintained by the Chief Risk Officer in consultation with members of the Senior Leadership Team (SLT). Each of the risks recorded on the SRR are owned by a member of the SLT who has responsibility for ensuring that their risks are regularly reviewed. Each strategic risk is subsequently assigned to the most appropriate sub-committee of the Board in order to ensure consistency and provide additional assurance that the risks are being appropriately and effectively assessed, managed, recorded, and monitored.

The Risk and Business Continuity Committee meets on a termly basis to oversee the effective application of risk management across the University and considers both operational and strategic risks. The outputs of those meetings are reported on to the SLT and the Audit and Risk Assurance Committee three times per academic year for further deliberation, with the SRR being formally presented to the Board of Governors bi-annually.

Kingston City Group, Kingston University's Internal Auditors audit the University's Risk Management framework and processes annually and provide a report to the Audit and Risk Assurance Committee on the effectiveness of the University's Risk Management Arrangements each academic year. The most recent audit was conducted in July 2024 where a substantial assurance was awarded.

**OF KINGSTON UNIVERSITY
FOR THE YEAR ENDED 31 JULY 2024 AND THE PERIOD TO 27 NOVEMBER 2024**

As the governing body of Kingston University, we have responsibility for maintaining a sound system of control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible, in accordance with the responsibilities assigned to the governing body in the instrument of Governance for 'Kingston University Higher Education Corporation' which provides for Kingston University's Articles of Governance and the Office for Students (OfS) ongoing conditions of registration. The University adheres to the principles of the Committee of University Chairs (CUC) Higher Education Code of Governance (2020). The constitution of the Board and its sub committees (including terms of reference) and the Senior Leadership Team are published on the University website. In this way we demonstrate the transparency over our corporate governance arrangements. The system of internal control is based on identifying the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process has been in place during the year ended 31 July 2024 and up to the date of approval of the financial statements in accordance with OfS guidance.

As the governing body, we have responsibility for reviewing the effectiveness of the system of internal control. The following processes have been established to ensure the adequacy over the arrangements for corporate governance, risk management and oversight of statutory and other regulatory responsibilities.

- a. We meet at regular intervals four times a year and consider the plans and strategic direction of the institution.
- b. We receive periodic reports from the Audit and Risk Assurance Committee (ARAC) concerning internal control, governance, value for money, risk management and data quality.
- c. ARAC met four times during the year and receives regular reports from the Head of Internal Audit (Managing director of KCG Audit Limited – Internal Audit Consortium), which include an independent opinion on the adequacy and effectiveness of the institution's system of internal control, together with recommendations for improvement.
- d. We have a Finance Committee which regularly reviews the annual plan, monitors progress against the plan, and ensures that the University is managed as a going concern.
- e. A regular programme of review exists to keep up-to-date the record of risks facing the organisation at both strategic and operational levels.
- f. A robust risk prioritisation methodology based on risk ranking has been established in the identification and evaluation of risks.
- g. A series of organisation-wide risk registers is maintained by nominated risk managers across the institution.
- h. A programme of risk awareness training continues as part of the annual Risk Management programme.
- i. A system of key performance and risk indicators has been developed and incorporated in detailed strategic and operational monitoring modules, which derive from risk registers across the institution; these modules track the progress made with implementing agreed actions for the mitigation of identified risks.
- j. The process of risk management is fully embedded and integrated within the institution's planning processes, at both strategic (institutional) and operational (Faculty and Directorate) levels.
- k. the Governance Compliance and Legal office monitors the completion for returns required for OfS and other regulatory bodies to ensure adequate oversight. This ensures that the ongoing conditions of registration are maintained.
- l. The University operates Financial Regulations which are reviewed annually by the Audit and Risk Management Committee. These regulations cover financial and management control over the University which have to be followed by all members of staff. The operation of these regulations ensures regularity and propriety in the use of public funding.

Our review of the effectiveness of the system of internal control is informed by our internal auditor, KCG Audit Limited, which operates to standards defined in the OfS Terms & Conditions of Funding. The external auditor has a primary responsibility for auditing the financial statements and providing an audit opinion. In conducting this role

the external auditor provides an audit completion statement which is considered by the Audit and Risk Management Committee. This report includes recommendations to address any weaknesses in the control environment with corrective action taken by management. Our review is also informed by executive managers who develop and maintain the internal control framework, and external auditors who report and attend Audit and Risk Assurance Committee meetings, as necessary.

RESPONSIBILITIES OF THE BOARD OF GOVERNORS

In accordance with the Higher Education and Research Act 2017, the Board of Governors is responsible for the administration and management of the affairs of Kingston University and its subsidiaries, including ensuring an effective system of internal control, and is required to present audited financial statements for each financial year.

The Board of Governors is responsible for ensuring that proper accounting records are kept that disclose at any time and with reasonable accuracy the financial position of the University and its subsidiaries, to enable it to ensure that the financial statements are prepared in accordance with the Higher Education and Research Act 2017, applicable law and United Kingdom Generally Accepted Accounting Practice. In addition, within the OfS ongoing conditions of registration, the Board of Governors is required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of Kingston University and its subsidiaries, and of the surplus or deficit and cash flows for that year.

Financial statements are published on Kingston University's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. Ensuring the maintenance and integrity of Kingston University's website is the responsibility of the Board of Governors. The Board of Governors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

In relation to the preparation of the 2023/24 financial statements, the Board of Governors has ensured 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; and
- Kingston University has adequate resources to continue in operations for the foreseeable future.

The Board of Governors has taken reasonable steps to:

- ensure that funds from the OfS, Research England, Education and Skills Funding Agency and Teaching Regulation Agency are used only for the purpose for which they have been given and in accordance with the terms and conditions of funding with OfS and Research England;
- ensure that income has been applied in accordance with the Higher Education and Research Act 2017;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of Kingston University and its subsidiaries and prevent and detect fraud; and
- secure the economic, efficient and effective management of the resources and expenditure of Kingston University and its subsidiaries.

As far as each member of the Board of Governors is aware:

- a) there is no relevant audit information of which the University's auditor is not aware; and
- b) each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the university's auditor is aware of that information.

LIST OF BOARD OF GOVERNORS

OF KINGSTON UNIVERSITY

Pedro BARRA	
Stephan BUROW	
Sandra CAMPOPIANO	Tenure ended 31/07/24
Samad CHAUDHRY	Tenure ended 01/07/24
Jane HARGREAVES	Tenure ended 31/12/23
Katharine JACKSON	Appointed 01/08/24
Ian JENNINGS	Appointed 20/03/24
Dirk KAHL	Tenure ended 30/06/24
Abdullah KHAN	Appointed 01/07/24
Roger KING	
John MARSH	Appointed 01/08/24
Caroline MAWHOOD	
Alison OSBORNE	Tenure ended 30/06/24
Bimal PATEL	
Andrew PEARCE	
Jason PEMBERTON-BILLING	Tenure ended 28/09/23
Francis SMALL	
Tom SMYTH	
Steven SPIER	
Katy TAYLOR	
Richard THOMAS	Appointed 01/08/24

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF KINGSTON UNIVERSITY

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2024 and of the Group's and the University's income and expenditure, gains and losses, changes in reserves and of the Group's and the University's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

We have audited the financial statements of Kingston University ("the University") and its subsidiaries ("the Group") for the year ended 31 July 2024 which comprise Statement of Comprehensive Income, Balance Sheets, Consolidated Statement of Changes in Reserves, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' 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 the University's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The board is responsible for the other information. The other information comprises the information included in the Strategic Review and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF KINGSTON UNIVERSITY

Opinion on other matters required by the Office for Students ("OfS"), UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education

In our opinion, in all material respects:

- Funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- The requirements of the OfS's Accounts Direction (OfS 2019.41) have been met.

We have nothing to report in respect of the following matters in relation to which the OfS requires us to report to you if, in our opinion:

- The University's grant and fee income, as disclosed in note 7 to the accounts, has been materially misstated.
- The University's expenditure on access and participation activities for the financial year, as has been disclosed in note 11 to the accounts, has been materially misstated.

Responsibilities of the board members

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

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance and the Audit Committee;
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;
- Direct representation from the Accountable Officer;

we considered the significant laws and regulations to be the applicable accounting framework and registration with the OfS.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF KINGSTON UNIVERSITY

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

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls as well as improper income recognition surrounding the tuition fee, research and grant and other income streams.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias, including those relating to the defined benefit pension liability, provision against student and other debtors and service concession arrangements;
- Selecting a sample of deferred revenue balances to verify they are recorded correctly;
- Selecting a sample of research grants and contracts to agree to supporting documentation and verify the income has been recorded correctly in line with the grant;
- Selecting a sample of other income amounts to agree to supporting documentation and verify the income is correct to be recognised.

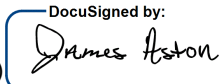
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 governors, as a body, in accordance with Section 75 of the Higher Education Research Act 2017 and the charters and statutes of the University. Our audit work has been undertaken so that we might state to the University's board 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 board members as a body, for our audit work, for this report, or for the opinions we have formed.

James Aston MBE (Senior Statutory Auditor) 
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK

Date: 29 November 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 JULY 2024

1. Basis of preparation

Kingston University is a Higher Education Institution incorporated in England under the Education Reform Act 1988 (as amended by the Further and Higher Education Act 1992). The University's registered office is Holmwood House, Grove Crescent, Kingston upon Thames, Surrey, KT1 2EE.

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education in 2019 and in accordance with Financial Reporting Statements (FRS102) and the OfS Accounts Direction to Higher Education Providers. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102.

In preparing the separate financial statements of the parent University, advantage has been taken of the following disclosure exemptions available in FRS102:

- No cash flow statement has been presented for the parent University.
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent University as their remuneration is included in the totals for the group as a whole.

Going concern

The Board of Governors has carried out an assessment of the University's ability to continue as a going concern by reviewing financial forecasts to 30 November 2025. Those forecasts are based on the actual recruitment for the 2024/25 academic year. The forecast assumes no further enrolments this year and has been stress tested against a number of reduced income scenarios. Even the most extreme combination of scenarios demonstrates that the University continues to have sufficient cash balances over the forecast period.

Based on the review of forecasts the Board of Governors has concluded that the University is a going concern for a period of 12 months from the date of approval by the Board. Therefore, the financial statements are prepared on this basis.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the Board of Governors have made the following judgements:

- Determine whether leases entered into by the University either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the University's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- 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 Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.
- Determine whether the agreements entered into with GH Clayhill Ltd and Kingston Student Living LLP meet the definition of a service concession arrangement. Factors taken into consideration in reaching a decision include whether the asset is an infrastructure asset, who has control of the services provided and the provisions relating to the asset at the end of the life of the agreement.
- Determine in relation to the Kingston Student Living LLP agreement two further judgements:
 - The calculation of the deferred consideration. This has been based on expected income in the initial phase of the agreement discounted to present value.
 - Post construction period there is a judgement to calculate the future minimum payments recognised yearly. This is based on the rooms that the University has nominated.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 JULY 2024 *(continued)*

2. Judgements in applying accounting policies and key sources of estimation uncertainty *(continued)*

Other key sources of estimation uncertainty:

- *Tangible and intangible fixed assets (see notes 12 and 13)*

Tangible and intangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- *Investment property (see notes 13 and 14)*

The investment property has been recorded in the balance sheet at fair value which is reflective of current market value.

- *Investments (see notes 16)*

The most critical estimates, assumptions and judgements relate to the determination of carrying value of unlisted investments. In determining this amount, the Group applies the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstance of the investment drives the valuation methodology.

- *Trade debtors (see note 17)*

The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

- *Defined benefit pension schemes (see note 29)*

The University's employees belong to three principal defined benefit pension schemes; the Teachers' Pensions Scheme, the Universities Superannuation Scheme and the Local Government Pension Scheme. The critical underlying assumptions in relation to the estimate of the defined benefit scheme obligations include standard rates of inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.

A deficit recovery plan was put in place as part of the 2020 valuation of the Universities Superannuation Scheme which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis and the institution was no longer required to make deficit recovery contributions from 1 January 2024. Accordingly, the outstanding provision of £1,444,000 at 31 July 2023 for future contributions payable has been released to the Statement of Comprehensive Income. Further disclosures relating to the deficit recovery liability can be found in note 29.

3. Basis of consolidation

The consolidated financial statements include the University and its subsidiaries for the financial year to 31 July 2024. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of income and expenditure from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Union of Kingston Students as the University does not exert control or dominant influence over policy decisions.

4. Income recognition

Tuition fees and education contract income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income over the period in which students are studying. Where the amount of the tuition fee is reduced 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 Statement of Comprehensive Income on a receivable basis.

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

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

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 JULY 2024 (*continued*)

4. Income recognition (*continued*)

Grant funding

Government revenue grants including block grants and research grants are accounted for under the accrual model and are recognised in income over the period in which the University recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income where the University is entitled to the income, and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

Donations and endowments

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

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

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

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

1. Restricted donations – the donor has specified that the donation must be used for a specific purpose.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.
3. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

5. Accounting for retirement benefits

The University's three principal defined benefit pension schemes (Local Government Pension Scheme, Universities Superannuation Scheme and Teachers' Pension Scheme) are externally funded and contracted out of the state Second Pension. Each fund is valued every three years by professionally qualified independent actuaries.

Contributions to the pension schemes are charged to the Statement of Comprehensive Income in the year in which they become payable.

The institution participates in the Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The 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 FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme and the 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 income statement. Further disclosures relating to the deficit recovery liability can be found in Note 2 and Note 29.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 JULY 2024 (continued)

5. Accounting for retirement benefits (continued)

The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff is a statutory, defined benefit, occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). The TPS is an unfunded scheme to which both the member and employer make contributions as a percentage of salary. These contributions are credited to the Exchequer under arrangements governed by the above Acts. Retirement and other pension benefits are paid by public funds provided by Parliament. Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023.

Kingston University has accounted for its contributions to the scheme as if it were a defined contribution scheme and has set out above the information available on the scheme.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than defined contribution plan. Under a defined benefit plan, the University's obligation is to provide the agreed benefits to current and former employees, and the actuarial risk and investment risk are borne, in substance by the University. The Group will recognise a liability for its obligation under a defined plan net of plan assets. This net defined pension 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 the present value, less the fair value of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

6. Employment benefits

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

7. Service concession arrangements

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

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

8. Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method in the period in which they are incurred.

Issue costs are initially recognised as reduction in the proceeds of the associated financial instrument.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 JULY 2024 (*continued*)

9. Fixed assets

Fixed assets are stated at cost or deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued on or prior to the date of transition to FRS102 are measured on the basis of deemed cost, being the fair value at the date of revaluation.

Land and buildings

Cost incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the University.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives.

New builds	50 years
Refurbishments	10-50 years

No depreciation is charged on assets in the course of construction.

Equipment

Capitalised equipment is stated at cost and depreciated over its expected useful life of between 4 – 10 years.

Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

10. Heritage assets

Works of art and other artefacts have been capitalised and recognised at cost or value at acquisition, where such a cost or valuation is reasonably obtainable. Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material.

Buildings which form part of a heritage asset have been capitalised and recognised at cost or value of acquisition, where such a cost or valuation is reasonably obtainable. Heritage buildings are depreciated over their useful life.

11. Investment property

Investment property is land and buildings held for rental income or capital appreciation. Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Statement of Comprehensive Income. Properties are not depreciated but are revalued annually according to market conditions at 31 July each year.

12. Intangible assets

Intangible assets are amortised over their useful life of 5 years. Intangible assets relate to software development costs that have future economic benefit to the University.

13. Investments

Non-current asset investments are held on the Balance Sheet at cost less impairment. Investments in subsidiaries are carried at cost less impairment in the University's accounts.

Current asset investments are term deposits which are carried at transaction price.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 JULY 2024 *(continued)*

14. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, current accounts and overdrafts. It includes deposits which have a maturity date of three months or less from the date of acquisition.

15. Taxation

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

The University receives no similar exemption in respect of Value Added Tax. 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 subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

Deferred tax is provided in full on timing differences which results in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items and expenditure in taxation computations in periods different from those in which they are included in financial statements.

16. Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowments to the University, are held as a permanent restriction 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.

17. Financial assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost, less any impairment.

18. Financial liabilities and equity

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JULY 2024

		Consolidated	University	Consolidated	University
		2023/24	2023/24	2022/23	2022/23
	Notes	£000s	£000s	£000s	£000s
INCOME					
Tuition fees and education contracts	1	177,009	177,009	174,208	174,208
Funding body grants	2	21,373	21,373	21,091	21,091
Research grants and contracts	3	2,495	2,429	2,304	2,252
Other income	4	28,627	29,134	25,122	25,098
Investment income	5	6,664	6,436	4,768	4,607
Donations and endowments	6	1,392	1,392	2,012	2,012
Total income		237,560	237,773	229,505	229,268
EXPENDITURE					
Staff costs	8	125,566	117,772	128,003	120,454
Other operating expenses		82,383	91,072	81,813	92,232
Amortisation	12	3,327	3,327	2,985	2,985
Depreciation	13	12,782	12,782	12,782	12,782
Interest and other finance costs	9	5,622	5,622	5,798	5,798
Total expenditure	10	229,680	230,575	231,381	234,251
Surplus/(deficit) before other gains		7,880	7,198	(1,876)	(4,983)
Gain on disposal of fixed assets	12,13	-	-	-	-
Surplus/(deficit) before qualifying charitable donations		7,880	7,198	(1,876)	(4,983)
Qualifying charitable donations		-	-	-	3,444
Surplus/(deficit) for the year		7,880	7,198	(1,876)	(1,539)
Actuarial (loss)/gain in respect of pension schemes	22	(554)	(554)	2,662	2,662
Total comprehensive income for the year		7,326	6,644	786	1,123
Endowment comprehensive expenditure for the year		(14)	(14)	(12)	(12)
Restricted comprehensive (expenditure)/income for the year		(160)	(160)	981	981
Unrestricted comprehensive income/(expenditure) for the year		7,500	6,818	(183)	154
		7,326	6,644	786	1,123

All amounts included within the statement of comprehensive income are in respect of continuing activities.

The notes on pages 41-62 form part of the financial statements.

BALANCE SHEETS

FOR THE YEAR ENDED 31 JULY 2024

Consolidated	University	Consolidated	University
2023/24	2023/24	2022/23	2022/23
£000s	£000s	£000s	£000s

Notes

Fixed assets

Intangible assets	12	10,098	10,098	10,428	10,428
Tangible assets	13	412,778	412,778	400,838	400,838
Heritage assets	13	1,893	1,893	1,908	1,908
Investments	16	3,028	6,328	3,028	6,329
		<u>427,797</u>	<u>431,097</u>	<u>416,202</u>	<u>419,503</u>

Current assets

Stock		78	63	75	63
Debtors	17	25,976	25,733	25,240	24,957
Current asset investment	18	50,400	50,400	52,500	52,500
Cash at bank and in hand		64,685	60,294	73,804	70,115
		<u>141,139</u>	<u>136,490</u>	<u>151,619</u>	<u>147,635</u>

Creditors: amounts falling due within one year	19	<u>(63,047)</u>	<u>(62,469)</u>	<u>(64,498)</u>	<u>(63,904)</u>
--	----	-----------------	-----------------	-----------------	-----------------

Net current assets		<u>78,092</u>	<u>74,021</u>	<u>87,121</u>	<u>83,731</u>
---------------------------	--	---------------	---------------	---------------	---------------

Total assets less current liabilities		505,889	505,118	503,323	503,234
--	--	---------	---------	---------	---------

Creditors: amounts falling due after more than one year	20	(95,807)	(95,807)	(99,123)	(99,123)
---	----	----------	----------	----------	----------

Net assets excluding pension liability		<u>410,082</u>	<u>409,311</u>	<u>404,200</u>	<u>404,111</u>
---	--	----------------	----------------	----------------	----------------

Provisions for liabilities

Pension provisions	22	-	-	(1,444)	(1,444)
--------------------	----	---	---	---------	---------

Total net assets		<u>410,082</u>	<u>409,311</u>	<u>402,756</u>	<u>402,667</u>
-------------------------	--	----------------	----------------	----------------	----------------

The notes on pages 41-62 form part of the financial statements.

BALANCE SHEETS (continued)

FOR THE YEAR ENDED 31 JULY 2024

Consolidated	University	Consolidated	University
2023/24	2023/24	2022/23	2022/23
£000s	£000s	£000s	£000s

Notes

Restricted reserves

Income & expenditure reserve - endowment fund	23	1,124	1,124	1,138	1,138
Income & expenditure reserve - restricted reserve	23	2,057	2,057	2,217	2,217

Unrestricted reserves

Income & expenditure account - unrestricted		214,371	213,600	204,336	204,247
Revaluation reserve		192,530	192,530	195,065	195,065
		<u>410,082</u>	<u>409,311</u>	<u>402,756</u>	<u>402,667</u>

The financial statements were approved and authorised for issue by the Governing Body on 27 November 2024 and signed on



Francis Small
Chairman of the Board of Governors



Professor Steven Spier
Vice Chancellor

The notes on pages 41-62 form part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 31 JULY 2024

	Income and expenditure reserve			Revaluation	Total
	Endowment	Restricted	Unrestricted	reserve	
	£'000s	£'000s	£'000s	£'000s	£'000s
Consolidated					
Balance as at 1 August 2023	1,138	2,217	204,336	195,065	402,756
Surplus from income & expenditure account	(14)	(160)	8,054		7,880
<i>Other comprehensive income/(expense)</i>					
Actuarial loss on pension scheme			(554)		(554)
Transfer			2,535	(2,535)	-
Total comprehensive income for the year	(14)	(160)	10,035	(2,535)	7,326
Balance 31 July 2024	1,124	2,057	214,371	192,530	410,082

	Income and expenditure reserve			Revaluation	Total
	Endowment	Restricted	Unrestricted	reserve	
	£'000s	£'000s	£'000s	£'000s	£'000s
University					
Balance as at 1 August 2023	1,138	2,217	204,247	195,065	402,667
Surplus from income & expenditure account	(14)	(160)	7,372		7,198
<i>Other comprehensive income/(expense)</i>					
Actuarial loss on pension scheme			(554)		(554)
Transfer			2,535	(2,535)	-
Total comprehensive income for the year	(14)	(160)	9,353	(2,535)	6,644
Balance 31 July 2024	1,124	2,057	213,600	192,530	409,311

	Income and expenditure reserve			Revaluation	Total
	Endowment	Restricted	Unrestricted	reserve	
	£'000s	£'000s	£'000s	£'000s	£'000s
Consolidated					
Balance as at 1 August 2022	1,150	1,236	195,202	204,382	401,970
Deficit from income & expenditure account	(12)	981	(2,845)		(1,876)
<i>Other comprehensive income/(expense)</i>					
Actuarial gain on pension scheme			2,662		2,662
Transfer			9,317	(9,317)	-
Total comprehensive income for the year	(12)	981	9,134	(9,317)	786
Balance 31 July 2023	1,138	2,217	204,336	195,065	402,756

	Income and expenditure reserve			Revaluation	Total
	Endowment	Restricted	Unrestricted	reserve	
	£'000s	£'000s	£'000s	£'000s	£'000s
University					
Balance as at 1 August 2022	1,150	1,236	194,776	204,382	401,544
Deficit from income & expenditure account	(12)	981	(2,508)		(1,539)
<i>Other comprehensive income/(expense)</i>					
Actuarial gain on pension scheme			2,662		2,662
Transfer			9,317	(9,317)	-
Total comprehensive income for the year	(12)	981	9,471	(9,317)	1,123
Balance 31 July 2023	1,138	2,217	204,247	195,065	402,667

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	Notes	Consolidated	Consolidated
		2023/24 £000s	2022/23 £000s
Cash flow from operating activities			
Surplus/(deficit) before tax		7,880	(1,876)
Adjustment for non-cash items			
Depreciation and impairment of tangible assets	13	12,782	12,782
Amortisation of intangible assets	12	3,327	2,985
(Decrease)/increase in stocks		(3)	2
(Increase)/decrease in debtors	17	(698)	1,092
Decrease in creditors		(6,994)	(6,850)
Decrease in provisions		(1,477)	(503)
Difference between net pension expense and liability	22	(554)	2,950
Adjustment for investing or financing activities			
Interest receivable	5	(6,664)	(4,768)
Interest payable	9	5,622	5,798
Capital grants utilised in the year		(1,177)	(1,468)
Net inflow from operating activities		12,044	10,144
Cash flows used in investing activities			
Capital grants received		241	370
Payments to acquire fixed assets	12,13	(22,732)	(14,971)
Other interest received	5	6,626	3,215
Withdrawal from/(addition to) deposits	18	2,100	(22,462)
Net outflow used in investing activities		(13,765)	(33,848)
Cash flows from financing activities			
Interest paid	9	(5,589)	(5,696)
Repayments of amounts borrowed	21	(1,809)	(1,713)
Net outflow used in financing activities		(7,398)	(7,409)
Decrease in cash and cash equivalents in the year		(9,119)	(31,113)
Cash and cash equivalents at beginning of the year		73,804	104,917
Cash and cash equivalents at the end of the year		64,685	73,804
		(9,119)	(31,113)

NOTES TO THE ACCOUNTS
Year ended 31 July 2024

1 TUITION FEES AND EDUCATION CONTRACTS

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Full-time UK	103,288	103,288	96,144	96,144
Part-time UK	4,214	4,214	4,640	4,640
Overseas full-time students	63,814	63,814	66,796	66,796
Overseas part-time students	1,237	1,237	1,698	1,698
Short course fees	4,069	4,069	4,107	4,107
NHS teaching contracts	387	387	823	823
	177,009	177,009	174,208	174,208

2 FUNDING BODY GRANTS

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Recurrent grant (including research element)	15,949	15,949	15,481	15,481
OfS specific grants	857	857	851	851
Education and Skills Funding Agency	3,390	3,390	3,290	3,290
Deferred capital grants released in year	1,177	1,177	1,469	1,469
	21,373	21,373	21,091	21,091

3 RESEARCH GRANTS AND CONTRACTS

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Research councils	372	371	180	180
UK based charities	326	326	331	331
Other research grants and contracts	1,797	1,732	1,793	1,741
	2,495	2,429	2,304	2,252

4 OTHER INCOME

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Residencies and catering	20,836	20,691	18,169	18,032
Income from UK public bodies	36	36	71	71
Course validation fees/teaching contracts	1,655	1,655	1,315	1,315
Other income	6,100	6,752	5,567	5,680
	28,627	29,134	25,122	25,098

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

5 INVESTMENT INCOME

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Interest receivable	6,664	6,436	4,768	4,607

6 DONATIONS AND ENDOWMENTS

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Unrestricted donations	1,392	1,392	2,012	2,012

7 GRANT & FEE INCOME

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Grant income from the OfS	10,874	10,875	10,562	10,562
Grant income from other bodies	10,498	10,498	10,529	10,529
Fee income for taught awards	172,940	172,940	170,101	170,101
Fee income for research awards	2,495	2,429	2,304	2,252
Fee income from non-qualifying courses	4,069	4,069	4,107	4,107
	<u>200,876</u>	<u>200,811</u>	<u>197,603</u>	<u>197,551</u>

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

8 STAFF

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Staff Costs				
Wages and salaries	96,280	89,432	95,664	89,458
Restructuring costs	1,083	1,061	564	551
Social security costs	11,000	10,336	10,349	9,730
USS - reduction in provision	-	-	(505)	(505)
Other pension costs (including USS)	18,680	18,420	21,931	21,220
	<u>127,043</u>	<u>119,249</u>	<u>128,003</u>	<u>120,454</u>
USS - reversal of provision	(1,477)	(1,477)	-	-
	<u>125,566</u>	<u>117,772</u>	<u>128,003</u>	<u>120,454</u>

Vice-Chancellor and Chief Executive

2023/24	2022/23
£000s	£000s

The emoluments of the Vice-Chancellor serving in the year were as follows:

Current Vice Chancellor

Basic salary	328	309
Performance-related pay and other bonuses	-	1
Salary sacrifice arrangements	-	-
Compensation for loss of office	-	-
Total before pension costs	<u>328</u>	<u>310</u>
Pension contributions	83	24
Payments in lieu of pension contributions	-	31
Total after pension costs	<u>411</u>	<u>365</u>

No other payments were made to the Vice Chancellor in relation to other bonuses, benefits (taxable or non-taxable) or any other remuneration.

Justification of Vice-Chancellor's salary

The University context

Kingston University is a leading London University operating across four campuses. It has over 17,300 students, including over 4,200 international students from over 140 countries. Academic provision is provided by four faculties including: Engineering, Computing and Environment, Business and Social Sciences, the Kingston School of Art, and Health, Science, Social Care and Education. In addition, the University has five professional service directorates: Academic Services; Corporate Services; Finance, Human Resources and Infrastructure; Student Services; and Strategy, Performance and Communication. The total income for the University was over £237m for the year. The University is a large, broadly based and complex organisation working in an increasingly competitive environment.

University reputation

The University's visionary Town House Strategy is transforming students' education by embedding the future skills sought after by business and professional organisations across its curriculum, to equip its graduates with the skills and attributes most valued by global employers. This progressive model of higher education is founded upon its sector-leading Future Skills campaign. This groundbreaking campaign seeks to drive a thriving national economy by preparing students for careers in a rapidly evolving workplace. It involves partnering with businesses and other external bodies to support innovation and generate and disseminate knowledge so that it has impact. In order to achieve this, the University has developed a People Strategy to better enable its staff to work collaboratively, innovatively, and effectively.

In September 2023, the University received an overall rating of Gold in the Teaching Excellence Framework (TEF). A Gold award was secured in the framework's two new student experience and student outcomes categories.

Kingston University maintained its rank as a Top 60 university in the Guardian University Guide 2025. Kingston is ranked as a Top 10 London institution and is in the Top 5 for eleven London post-92 institutions. Kingston increased its rank across 16 subjects. The University is also strengthening its research performance. 70% of its research submission was rated as world-leading or internationally excellent in Research Excellence Framework 2022.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

8. STAFF (continued)

Justification of Vice-Chancellor's salary (continued)

Process adopted for assessing performance

The Vice-Chancellor is set objectives by the Chair of the Board, which are shared with the Remuneration Committee. The Vice-Chancellor's pay is determined by the Remuneration Committee after considering:

- the Chair's report on performance;
- detailed salary benchmarking data against similar sized new universities; and
- the rate of increase of the average remuneration of all other staff.

The Vice-Chancellor is appraised by the Chair against his objectives and the organisational performance.

Higher paid employees (including Vice-Chancellor)

Higher paid employees (including Vice-Chancellor)

	2023/24 No.	2022/23 No.
£335,001 - £340,000	-	1
£325,001 - £330,000	1	-
£220,001 - £225,000	1	1
£175,001 - £180,000	1	-
£170,001 - £175,000	-	2
£165,001 - £170,000	1	1
£160,001 - £165,000	-	1
£145,001 - £150,000	1	2
£140,001 - £145,000	2	-
£135,001 - £140,000	1	2
£125,001 - £130,000	2	-
£120,001 - £125,000	3	3
£115,001 - £120,000	3	2
£110,001 - £115,000	-	2
£105,001 - £110,000	1	1
£100,001 - £105,000	2	-

Compensation for loss of office:

	£000s	£000s
Staff costs include compensation payable to 74 employees (2023: 43)	1,083	564

The average number of persons employed by the University, expressed as full-time equivalents was:

	Consolidated 2023/24	University 2023/24	Consolidated 2022/23	University 2022/23
Executive, senior and academic staff	821	821	827	827
Research, language and teaching assistants	23	23	24	24
General and professional staff	1,086	884	1,079	880
	1,930	1,728	1,930	1,731

Pay ratios

	2023/24 No.	2022/23 No.
Basic salary ratio	7.3	7.1
Total remuneration ratio	7.3	7.1

The basic salary ratio is calculated as the ratio of the Vice-Chancellor's basic salary to the median basic salary for all staff who are required to be included in real-time reporting to HMRC, expressed as full-time equivalent. The remuneration ratio is calculated as the ratio of the Vice Chancellor's total remuneration to the median total remuneration (excluding agency and contractor costs) for all staff, expressed as full-time equivalent.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

8 STAFF (continued)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the University. For Kingston University this is deemed to be the Board of Governors, and the University's Senior Management Team. Staff costs include compensation paid to key personnel.

	2023/24	2022/23
	£000s	£000s
Key management personnel costs	2,450	2,454

The total sum of £1,416 (2023: £1,756) was claimed as expenses by 9 (2023: 7) members of the Board of Governors during 2023/2024. All of the expenses were in respect of travel, subsistence, professional subscriptions and conferences. No remuneration is provided to governors for services provided as governors, or for any other services.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

9 INTEREST & OTHER FINANCE COSTS

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
On loans	2,410	2,410	2,533	2,533
On service concession arrangement	3,179	3,179	3,163	3,163
	5,589	5,589	5,696	5,696
Net interest on net defined benefit liability	33	33	102	102
	5,622	5,622	5,798	5,798

10 ANALYSIS OF TOTAL EXPENDITURE BY CATEGORY

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Academic and related expenditure	117,617	117,617	116,437	115,437
Administration and central services	51,387	51,461	48,058	52,364
Premises (including service concession cost)	33,918	35,796	38,419	39,091
Residences, catering and conferences	22,768	21,733	20,514	19,423
Research grants and contracts	2,495	2,495	2,305	2,305
Other expenses	1,495	1,473	5,648	5,631
	229,680	230,575	231,381	234,251
Other operating expenses include:				
External auditors remuneration - audit services	160	124	125	101
External auditors remuneration - non-audit services	21	21	21	21
Operating lease rentals:				
Land and buildings	1,309	1,309	1,250	1,250

11 ACCESS & PARTICIPATION PLAN EXPENDITURE

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Access investment	784	784	903	903
Financial support provided to students	1,776	1,776	2,516	2,516
Support for disabled students	615	615	549	549
Research and evaluation	187	187	174	174
	3,362	3,362	4,142	4,142

Included above are staff costs of £708,130 (2023: £912,616) which are reflected in the overall staff costs figures included in the financial statements (see note 8).

The total approved expenditure in the University's published Access and Participation Plan for the year ended 31 July 2024 was £2,917,555 (2023: £2,917,555). Actual spend was higher than planned expenditure due to increased Student Hardship bursaries, the introduction of a "Back on Track" programme to help students with the cost of living crisis and the roll forward of the emergency grants programme from the prior year. Details of the approved plan may be viewed at www.kingston.ac.uk/undergraduate/access/.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

12 INTANGIBLE ASSETS

CONSOLIDATED & UNIVERSITY

Software

2023/24
£000s

Cost

Balance as at 31 July 2023	29,567
Additions	2,858
Disposals	(923)
Transfer from tangible assets	139
Balance as at 31 July 2024	31,641

Amortisation

Balance as at 31 July 2023	19,139
Amortisation	3,327
Disposals	(923)
Balance as at 31 July 2024	21,543

Net Book Value

Balance as at 31 July 2024	10,098
Balance as at 31 July 2023	10,428

13 TANGIBLE ASSETS

CONSOLIDATED & UNIVERSITY

	Freehold Land £000s	Freehold Buildings £000s	Service Concession Arrangement Land/Buildings £000s	Plant, Machinery, Equipment £000s	Assets Under Construction £000s	Heritage Assets £000s	Investment Property £000s	Total £000s
Cost or Valuation								
Balance as at 31 July 2023								
Cost	131,500	313,869	7,668	30,287	3,001	2,348	5,000	493,673
Additions	-	6,005	-	3,611	15,230	-	-	24,846
Disposals	-	(25)	-	(1,994)	-	-	-	(2,019)
Transfer to intangible assets	-	-	-	(139)	-	-	-	(139)
Balance as at 31 July 2024	131,500	319,849	7,668	31,765	18,231	2,348	5,000	516,361

Consisting of valuation:

Pre 1 August 1996	32,874	37,875	-	-	-	-	-	70,749
31 July 2014	98,626	84,129	5,190	-	-	837	-	188,782
Cost	-	197,845	2,478	31,765	18,231	1,511	5,000	256,830
	131,500	319,849	7,668	31,765	18,231	2,348	5,000	516,361

Depreciation

Balance as at 31 July 2023	-	65,161	1,380	23,146	-	440	800	90,927
Charge in year	-	9,765	153	2,849	-	15	-	12,782
Disposals	-	(25)	-	(1,994)	-	-	-	(2,019)
Balance as at 31 July 2024	-	74,901	1,533	24,001	-	455	800	101,690

Net Book Value

Balance as at 31 July 2024	131,500	244,948	6,135	7,764	18,231	1,893	4,200	414,671
Balance as at 31 July 2023	131,500	248,708	6,288	7,141	3,001	1,908	4,200	402,746

Reconciliation of net book value to historic cost method

Net Book Value	Balance as at 31 July 2024	414,671
Revaluation reserve		(192,530)
Historic cost NBV	Balance as at 31 July 2024	<u>222,141</u>

Heritage Assets comprise Dorich House Museum which is located on Kingston Hill. This is a fully accredited museum which is open to the public and holds an extensive collection of Dora Gordines paintings. It is the University's intention to preserve this collection and to be a specialist cultural resource.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

14 INVESTMENT PROPERTY

The University investment property has been recorded in the balance sheet at fair value which is reflective of its current market value.

15 SERVICE CONCESSION ARRANGEMENTS

The University has two service concession arrangements one of which is recognised on the Balance Sheet where service delivery has commenced.

Clayhill campus

In May 2002 Kingston University entered into a contract with Grosvenor for the construction of halls of residence at Clayhill. Payments made into the arrangement, are linked to RPI. The numbers below are estimated on this basis. Unitary payments of £2,195,000 inflate by RPI over the 35 years of the arrangement.

Service commenced in November 2003 and the contract will finish in November 2038, at which point the building reverts to the University.

The assets and liabilities relating to this scheme are recognised on the University's Balance Sheet.

Movement in service concession arrangement assets and liabilities

The net book value of the service concession included in the Balance Sheet as at 31 July 2024 is £6,134,400 (2023: £6,287,760). The movement in depreciation in the year is £153,360 (2023: £153,360).

The total liabilities relating to the service concession included in the Balance Sheet as at 31 July 2024 were £21,212,269 (2023: £21,178,171). The value of the increase in liability for 2023/24 was £34,098.

Future commitments

The following table analyses the University's future commitments in relation to service concession arrangements.

	Payable in 1 year £'000s	Payable in 2-5 years £'000s	Payable after 5 years £'000s	Total £'000s
Liability repayments	55	1,478	19,679	21,212
Finance Charge	3,184	12,482	18,473	34,139
Service charge	844	3,636	9,938	14,418
	<u>4,083</u>	<u>17,596</u>	<u>48,090</u>	<u>69,769</u>

Kingston Hill and Seething Wells campuses

The University entered into an agreement with Kingston Student Living LLP in July 2020 for the refurbishment, redevelopment and operation of its halls of residences at Kingston Hill and Seething Wells. The concession term consists of the construction period and a 50-year operational period (subject to an early break clause of 40 years by Kingston University). The Project agreement expiry is the year 2072. The finance for this development was provided by third-party wrapped fixed rate and index linked bonds (82%) and LLP capital contributions (18%).

The University's subsidiary KU Student Living Limited is a 15% investor in the LLP. The demand risk is borne by the LLP post completion. In the first two academic years the LLP had an obligation to make the rooms available to the University with the University retaining any rental income arising from occupation.

The capital consideration of £23.7m represented an upfront payment received by the University from the LLP for the disposal of buildings and the operating lease of the land during the term of the 40 years. Consideration also included the future income that the University would receive during the construction period, and this was included in the measurement of the loss on the disposal of the buildings. The future income retained by the University was accounted for at fair value as a deferred compensation debtor.

Post construction, the University has an annual nomination arrangement with LLP, where it may nominate rooms for students at its Kingston Hill and Seething Wells sites. The University accounts for this reflecting the values of these nominations within the Balance Sheet at year end with the annual nominations recognised in the Statement of Comprehensive Income the following year. At the year end the University had nominated 1,333 rooms for students and recognised the associated income and cost of £10,134,720 within the Balance Sheet as a debtor (note 17) and creditor (note 19).

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

16 INVESTMENTS

CONSOLIDATED

At 1 August 2023

Disposals

At 31 July 2024

Shares in Subsidiary Undertakings £000s	Other Investments £000s	Total £000s
-	3,028	3,028
-	-	-
-	3,028	3,028

UNIVERSITY

At 1 August 2023

Disposals

At 31 July 2024

6,194	135	6,329
(1)	-	(1)
6,193	135	6,328

The investments consist of shares in the University's subsidiaries listed below, together with other unlisted investments.

Subsidiary	Main Business	% owned	Ownership
Kingston University Enterprises Ltd	Trading & consultancy	100%	Direct
Kingston University Service Company Ltd	Residences management & property services	100%	Direct
KU Holding Ltd	Holding company	100%	Direct
KU Student Living Ltd (note 15)	Educational support services	100%	Indirect

All the above entities are incorporated in England and Wales.

All the above entities have a registered office at Holmwood House, Grove Crescent, Kingston upon Thames, Surrey, KT1 2EE.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

17 DEBTORS

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Amounts falling due within one year:				
Trade and student receivables	1,910	1,856	2,697	2,633
Amounts owed by subsidiary undertakings	-	17	-	46
Accrued income	4,299	4,170	4,517	4,333
Service concession – right of use asset	10,135	10,135	9,522	9,522
Other debtors	142	141	130	129
Prepayments	9,490	9,414	8,374	8,294
	25,976	25,733	25,240	24,957

18 CURRENT ASSET INVESTMENTS

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Term deposits	50,400	50,400	52,500	52,500

These are cash deposits with a term of more than three months from the date of acquisition.

19 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Bank loans (note 21)	2,410	2,410	1,809	1,809
Trade creditors	7,598	7,461	5,578	5,461
Other creditors including tax and social security	19,803	19,617	21,910	21,739
Accruals	11,842	11,611	13,553	13,274
Service concession – right of use asset	10,135	10,135	9,522	9,522
Tuition fees in advance	3,804	3,780	4,937	4,937
Deferred income	6,498	6,498	5,913	5,886
Deferred capital grants	957	957	1,276	1,276
	63,047	62,469	64,498	63,904

Deferred income

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

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Deferred grant income	250	250	565	565

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

20 CREDITORS - AMOUNTS FALLING
DUE AFTER MORE THAN
ONE YEAR

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Service concession arrangements (note 15)	21,212	21,212	21,178	21,178
Bank loans (note 21)	53,370	53,370	55,781	55,781
Deferred capital grants	9,610	9,610	10,227	10,227
Deferred income	11,615	11,615	11,937	11,937
	95,807	95,807	99,123	99,123

21 BANK LOANS

	Consolidated	University	Consolidated	University
	2023/24	2023/24	2022/23	2022/23
	£000s	£000s	£000s	£000s
Bank loans				
Due within one year or on demand	2,410	2,410	1,809	1,809
Due between one and two years	4,014	4,014	2,410	2,410
Due between two and five years	12,725	12,725	12,378	12,378
Due in five years or more	36,631	36,631	40,993	40,993
Due after more than one year	53,370	53,370	55,781	55,781
Total unsecured bank loans	55,780	55,780	57,590	57,590

Analysis of terms of repayment and rates of interest

Lender	Amount outstanding £000s	Term	Interest rate
Barclays	15,780	31/07/2031	6.19%
Barclays	40,000	31/07/2030	3.41%

The University has secured a £20m revolving credit facility with Barclays repayable by October 2028. The facility is secured on the Kingston Business School Building and The Stable Block Building, Kingston Hill, Kingston Upon Thames, Surrey, KT2 7LB and the John Galsworthy Building, Penrhyn Road, Kingston upon Thames, Surrey, KT1 2EE. At 31 July 2024 no amounts had been drawn down.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

22 PROVISIONS FOR LIABILITIES

Consolidated

	Pension Provision	Obligations to fund deficit on pension	Total Pensions Provisions
	LGPS £'000	USS £'000	£'000
At 1 August 2023	-	1,444	1,444
Charged to statement of comprehensive income:	(554)	-	(554)
Reversal of USS provision at 31 December 2023	-	(1,444)	(1,444)
Actuarial loss	(29,170)	-	(29,170)
Effect of asset ceiling	29,724	-	29,724
At 31 July 2024	-	-	-

University

	Pension Provision	Obligations to fund deficit on pension	Total Pensions Provisions
	LGPS £'000	USS £'000	£'000
At 1 August 2023	-	1,444	1,444
Charged to statement of comprehensive income:	(554)	-	(554)
Reversal of USS provision at 31 December 2023	-	(1,444)	(1,444)
Actuarial loss	(29,170)	-	(29,170)
Effect of asset ceiling	29,724	-	29,724
At 31 July 2024	-	-	-

The position for LGPS as at 31 July 2024 reflects a surplus of £29,724,000. FRS102 only permits a surplus to be recognised if an entity is able to recover the surplus through reduced contributions or refunds through the plan. As neither of these outcomes can be justified as a probable event at this point, the University has not recognised this as a pension asset.

Refer to note 29 for pension scheme details.

23 ENDOWMENT & RESTRICTED RESERVES

	2023/24 £000s	2022/23 £000s
Endowment fixed assets	1,069	1,085
Endowment cash	55	53
Restricted reserve cash	2,057	2,217
	3,181	3,355

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

24 OPERATING LEASE COMMITMENTS

	2023/24	2022/23
	Land and Buildings	Land and Buildings
	£000s	£000s
Total rentals payable under operating leases:		
Payable during the year:	1,309	1,250
Future minimum lease payments due:		
Not later than 1 year	1,297	1,245
Later than 1 year and not later than 5 years	5,008	4,846
Later than 5 years	14,558	15,063
	<u>20,863</u>	<u>21,154</u>
	<u>22,172</u>	<u>22,404</u>

25 CAPITAL COMMITMENTS - CONSOLIDATED & UNIVERSITY

	2023/24	2022/23
	£000s	£000s
Capital expenditure contracted that has not been provided for	6,398	370
Capital expenditure that has been authorised by the Governing Body but not yet contracted	26,545	32,727
	<u>32,943</u>	<u>33,097</u>

26 OTHER FUNDING

The University received additional funds from the funding councils (OfS and Teaching Regulation Agency) which it holds and distributes to either students or other educational partners.

	TRA bursaries	Nursery Placement Bursary
	£000s	£000s
At 1 August 2023	16	36
Income	550	204
Amounts repaid	(16)	(36)
Amounts disbursed	(592)	(183)
At 31 July 2024	<u>(42)</u>	<u>21</u>

The net overspend is reflected within other debtors (note 17).

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

27 RELATED PARTY TRANSACTIONS

Board of Governors

During the year the University incurred costs of £1,138,638 (2023: £904,621) in relation to a franchise arrangement with South Thames College Group, an organisation in which the Provost served as a governor. No amounts were outstanding at the year end.

Senior Management Team

Services to the University totalling £377,530 (2023: £382,500) were provided by Kingston Theatre Trust, an organisation in which the Dean of the Kingston School of Art served as a trustee during the year. No amounts were outstanding at the year end.

KU Student Living Ltd holds a 15% interest in Kingston Student Living LLP, an organisation in which the Chief Operating Officer served as a director during the year. During the year, the University used accommodation services of Kingston Student Living LLP amounting to £9,604,365 (2023: £8,948,317) and other contractual services of £145,805 (2023: £696,910). The University also recharged costs of £383,367 (2023: £62,700) to Kingston Student Living LLP. At the year end Kingston Student Living LLP owed the University £135,769 (2023: £15,973).

28 CONSOLIDATED RECONCILIATION OF NET DEBT

	1 August 2023	Cash flows	Other non- cash changes	31 July 2024
	£'000	£'000	£'000	£'000
Cash and cash equivalents				
Cash at bank	73,804	(9,119)	-	64,685
Debt				
Unsecured loans (note 21)	(57,590)	1,810	-	(55,780)
Service concession liabilities (note 15)	(30,700)	-	(647)	(31,347)
Net debt	<u>(14,486)</u>	<u>(7,309)</u>	<u>(647)</u>	<u>(22,442)</u>

There are no restrictions over the use of the cash at bank balances.

The non-cash movement relates mainly to nominated rooms for students in the 2023/24 academic year.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

29 PENSION SCHEMES

The University's employees belong to three principal pension schemes, the Teachers' Pensions Scheme (TPS), the Universities Superannuation Scheme (USS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes. The TPS is a national scheme for which it is not possible to identify the University's share of underlying assets and liabilities.

A defined benefit pension scheme (LPFA) was also operated on behalf of the employees of KUSCO Limited until 31 July 2022. On 30 November 2022 the company made an exit payment of £254k in relation to the exit from the scheme on 31 July 2022. The prior year figures disclosed on page 60 relate to the exit from this scheme.

Pension charges for the year (covering all schemes):

	2023/24
	£000s
<u>Defined benefit schemes:</u>	
LGPS	6,737
TPS	11,390
USS	293
 <u>Defined contribution schemes:</u>	
Legal & General	260
Total employer contributions	18,680
USS - reversal of USS provision	(1,477)
Total pension costs	17,203

(i) Teachers' Pension Scheme

Kingston University is a member of the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff. TPS is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments in England and Wales that are maintained by local authorities, and in academies. In addition, teachers in many independent schools, and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in the abovementioned regulations, made under the Superannuation Act (1972) and Public Service Pensions Act (2013), and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account - the Teachers' Pension Budgeting and Valuation Account - to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

As a result of the latest scheme valuation, employer contributions were increased in April 2024 from a rate of 23.6% to 28.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2027. A copy of the latest valuation report can be found on the Teachers' Pensions website at www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx.

Scheme Changes

In line with the requirements of the Public Service Pensions and Judicial Offices Act 2022, the Department for Education laid regulations which came into force on 1 April 2022, closing the legacy scheme to any further accrual which prevented any further discrimination. The regulatory changes, along with the ongoing Transitional Protection remedy, are being implemented in response to the McCloud-Sargeant discrimination ruling. The retrospective remedy offers members in scope a deferred choice of benefits, legacy or reformed, in respect of pensionable service during the remedy period (1 April 2015 to 31 March 2022).

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

29 PENSION SCHEMES (continued)

(ii) The Universities Superannuation Scheme

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The 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 FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Deficit Recovery Liability

The total credit to the Statement of Comprehensive Income is £1,184,072 (2023: £88,461). Deficit recovery contributions due within one year for the institution are £508,008 (2023: £116,280).

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 2, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

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

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

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 110%.

Assumptions

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

<u>CPI assumption</u>	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% pa to 2030, reducing linearly by 0.1% pa from 2030
<u>Pension increases</u>	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 plus 3bps
<u>Discount rate (forward rates)</u>	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% Post-retirement: 0.9%

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

29 PENSION SCHEMES (continued)

(ii) The Universities Superannuation Scheme (continued)

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

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

The current life expectancies on retirement at age 65 are:

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

(iii) Local Government Pension Scheme (LGPS)

Retirement Benefits Disclosure for the accounting period ended 31 July 2024

Kingston University Pension Scheme

A defined benefit pension scheme (LGPS) is operated on behalf of the employees of Kingston University, the figures disclosed below have been derived from the actuarial valuations carried out by Hymans Robertson LLP as at 31 July 2024. The date of the last triennial valuation was 31 March 2019. The latest actuarial valuation was carried out as at 31 March 2022. This was completed on 30 March 2023 and included setting the University's contributions for the next three years, which are percentages of pensionable pay for those employees participating in the scheme, payable monthly: 20.2%, 19.2% and 18.9% for the years ended 31 March 2024, 31 March 2025, and 31 March 2026, respectively. The percentages for the years ended 31 March 2024 and 31 March 2025 are higher to fund the University's deficit as at 31 March 2022, as calculated by the actuary on a funding basis. The University's contributions for the period to 31 July 2025 are estimated to be £7,068,000.

Assumptions

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

	At 31 July	At 31 July
	2024	2023
	%pa	%pa
Rate of increase in salaries	3.25	3.50
Rate of increase of pensions	2.75	3.00
Discount rate	5.00	5.05

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

Pensioner	Males	Females
Current pensioners	21.9 years	24.8 years
Future pensioners	22.8 years	25.9 years

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

29 PENSION SCHEMES (continued)

(iii) Local Government Pension Scheme (LGPS) (continued)

	At 31 July 2024	At 31 July 2023
	£000s	£000s
Reconciliation of movement in the fair value of plan assets		
Opening position	333,137	304,901
Interest on plan assets	16,844	10,701
Plan participants' contributions	2,673	2,571
Employer contributions	7,348	7,525
Contributions in respect of unfunded benefits	-	3
Benefits paid	(9,201)	(7,969)
Unfunded benefits paid	-	(3)
Other experience	-	17,525
Return on assets excluding amounts included in net interest	25,957	(2,117)
Closing position	<u>376,758</u>	<u>333,137</u>

	At 31 July 2024	At 31 July 2023
	£000s	£000s
Reconciliation of the present value of the defined benefit obligation		
Opening position	273,486	304,572
Current service cost	6,808	10,478
Interest cost on defined benefit obligation	13,818	10,741
Plan participants contributions	2,673	2,571
Benefits paid	(9,201)	(7,969)
Unfunded benefits paid	-	(3)
Changes in demographic assumptions	(570)	(457)
Change in financial assumptions	(11,748)	(77,379)
Other experience	9,105	30,932
Closing position	<u>284,371</u>	<u>273,486</u>

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

29 PENSION SCHEMES (continued)

(iii) Local Government Pension Scheme (LGPS) (continued)

Total cost of amounts in Statement of Comprehensive Income as an expense

	At 31 July 2024 £000s	At 31 July 2023 £000s
Service cost		
- Current service cost	(6,808)	(10,478)
Total service cost	(6,808)	(10,478)
Net interest		
- Interest income on plan assets	16,844	10,701
- Interest cost on defined benefit obligation	(13,818)	(10,741)
Total net interest	3,026	(40)
Total defined benefit cost recognised in profit or (loss)	(3,782)	(10,518)

	At 31 July 2024 £000s	At 31 July 2023 £000s
Remeasurements		
- Change in demographic assumptions	570	457
- Change in financial assumptions	11,748	77,379
- Other experience	(9,105)	(13,407)
- Return on assets excluding amounts included in net interest	25,957	(2,117)
Total remeasurements recognised in Other Comprehensive Income	29,170	62,312

Scheme assets and expected rate of return for LGPS

The total returns on the Fund in market value terms for the year to 31 July 2024 is estimated to be 2.8%. The actual returns for this period were 6.7%.

The estimated split of assets as at 31 July 2024 is as shown below:

	At 31 July 2024	At 31 July 2023
Equities	50%	60%
Bonds	35%	28%
Property	11%	9%
Cash	4%	3%
Total	100%	100%

The position for LGPS as at 31 July 2024 reflects a surplus of £29,724,000. FRS102 only permits a surplus to be recognised if an entity is able to recover the surplus through reduced contributions or refunds through the plan. As neither of these outcomes can be justified at this point, the University has not recognised this as a pension asset.

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

29 PENSION SCHEMES (continued)

(iv) London Pension Fund Authority (LPFA) Pension Scheme

Retirement Benefits Disclosure for the accounting period ended 31 July 2024

A defined benefit pension scheme, LPFA, was operated on behalf of the employees of KUSCO Limited until 30 November 2022 when the company negotiated an exit payment of £254k.

Scheme assets and expected rate of return for LPFA

Reconciliation of the opening & closing balances of the present value of the defined benefit obligation

	At 31 July 2024 £000s	At 31 July 2023 £000s
Opening defined benefit obligation	-	10,474
Liabilities extinguished on settlement	-	(10,474)
Closing defined benefit obligation	-	-

Analysis of movement in the fair value of scheme assets

	At 31 July 2024 £000s	At 31 July 2023 £000s
Opening fair value of Fund assets	-	11,497
Assets distributed on settlement	-	(11,497)
Closing fair value of Fund assets	-	-

Total cost of amounts in Statement of Comprehensive Income as an expense

	At 31 July 2024 £000s	At 31 July 2023 £000s
Loss on settlement	-	776
Total costs	-	776

Remeasurements

- Losses from change in effect of asset ceiling	-	522
Total remeasurements recognised in Other Comprehensive Income	-	522

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

30 FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

Expendable Net Assets		2023/24		2022/23	
		£'000		£'000	
Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		406,901		399,401
Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		3,181		3,355
Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	-		-	
Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		-
Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	408,536		396,458	
Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation	Property, plant and equipment - pre-implementation		351,347		358,632
Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation with outstanding debt for original purchase	Property, plant and equipment - post-implementation with outstanding debt for original purchase		-		-
Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase	Property, plant and equipment - post-implementation without outstanding debt for original purchase		38,958		34,825
Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress		18,231		3,001
Statement of Financial Position - Lease right-of-use assets, net	Lease right-of-use asset, net	16,270		15,810	
Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation		6,135		6,288
Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset post-implementation	Lease right-of-use asset post-implementation		10,135		9,522
Statement of Financial Position - Goodwill	Intangible assets		10,098		10,428
Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities		-		1,444
Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	(55,780)		(57,590)	
Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation		(55,780)		(57,590)
Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes post-implementation		-		-
Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Line of Credit for Construction in process		-		-
Statement of Financial Position - Lease right-of-use asset liability	Lease right-of-use asset liability	(31,347)		(30,700)	
Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases		(21,212)		(21,178)
Statement of Financial Position - Lease right-of-use asset liability post-implementation	Post-implementation right-of-use leases		(10,135)		(9,522)
Statement of Financial Position - Annuities	Annuities with donor restrictions		-		-
Statement of Financial Position - Term endowments	Term endowments with donor restrictions		-		-
Statement of Financial Position - Life Income Funds	Life income funds with donor restrictions		-		-
Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		3,181		3,355

NOTES TO THE ACCOUNTS
(continued)
Year ended 31 July 2024

30 FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE (continued)

		2023/24		2022/23	
		£'000		£'000	
Total Expenses and Losses					
Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities		229,680		231,381
Statement of activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)		(6,110)		(7,430)
Statement of activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Net investment losses		(6,664)		(4,768)
Statement of Activities - Pension related changes other than periodic pension	Pension-related changes other than net periodic costs		-		-

Modified Net Assets

Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		406,901		399,401
Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions		3,181		3,355
Statement of Financial Position - Goodwill	Intangible assets		10,098		10,428
Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	-		-	
Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		-

Modified Assets

Statement of Financial Position - Total Assets	Total Assets		568,936		567,821
Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation		6,135		6,288
Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases		(21,212)		(21,178)
Statement of Financial Position - Goodwill	Intangible assets		10,098		10,428
Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	-		-	
Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-		-

Net Income Ratio

Statement of Activities - Change in Net Assets Without Donor Restrictions	Change in Net Assets Without Donor Restrictions		7,500		(183)
Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains		230,895		224,737

→ kingston.ac.uk