THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

England & Wales · Charity number 1024741

Details

Other names	U C A S
Status	Registered
Legal form	Charitable company
Company number	02839815
Registered	1993-08-13
Register	View on the Charity Commission register

Contact

Address	Rosehill New Barn Lane Cheltenham GL52 3LZ
Phone	01242 544823
Email	corporategovernance@ucas.ac.uk
Website	www.ucas.com

Activities

Objects: THE OBJECT FOR WHICH THE COMPANY IS ESTABLISHED IS TO ADVANCE AND TO ASSIST IN THE ADVANCEMENT OF EDUCATION IN UNIVERSITIES, AND OTHER HIGHER, FURTHER OR SECONDARY ESTABLISHMENTS IN SO FAR AS SUCH ADVANCEMENT AND ASSISTANCE SHALL BE EXCLUSIVELY CHARITABLE IN NATURE, IN PARTICULAR, BUT WITHOUT PREJUDICE TO THE FOREGOING, BY PROVIDING AND MAINTAINING AN ORGANISATION TO FACILITATE THE CONSIDERATION BY SUCH UNIVERSITIES AND OTHER HIGHER, FURTHER OR SECONDARY EDUCATION ESTABLISHMENTS OF APPLICATIONS FOR ADMISSION TO AND TO ASSIST APPLICANTS IN GAINING ACCESS TO SUCH UNIVERSITIES AND EDUCATIONAL ESTABLISHMENTS.

Activities: UCAS is an independent charity, and remains committed to its vision of being at the heart of connecting people to higher education. We do this by providing information, advice, and admissions services to inspire and facilitate progression in education.

Downloaded from opencharities.uk/ew/1024741

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Northern Ireland
- Scotland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£58,723,000	£57,131,000	£56,934,000	560
2024-07-31	£57,208,000	£55,827,000	£53,761,000	583
2023-07-31	£54,039,000	£52,540,000	£49,459,000	546
2022-07-31	£53,822,000	£48,691,000	£49,544,000	480
2021-07-31	£51,728,000	£40,915,000	£39,194,000	443
2020-07-31	£49,858,000	£52,650,000	£22,175,000	468

Trustees

Name	Role	Appointed
Alistair James Bradbury Jarvis CBE		2025-07-02
Daragh Michael Kelly		2024-10-24
Joanne Frances Miller		2025-05-22
Justin James Van Wijngaarden		2024-10-24
Luke Dunstan Sparkes		2026-05-22
Mark Felix		2019-09-01
Patricia Ann Carvalho		2022-05-09
Professor Catherine Jane Normington		2025-07-17
Professor Colin Gareth Bailey CBE		2020-12-10
Professor James Alexander Miller		2023-07-18

Downloaded from opencharities.uk/ew/1024741

Downloaded from opencharities.uk/ew/1024741

THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

England & Wales - Charity number 1024741

Accounts

REPORT OF DIRECTORS AND CONSOLIDATED ACCOUNTS

For the year ended 31 July 2025

Registered company number: 2839815

Registered charity number in England and Wales: 1024741

Charity registered in Scotland: SC038598

CONTENTS

Introduction from the UCAS Chair	**3**
Introduction from the UCAS Chief Executive	**4**
Report of the Directors (including the Group strategic report)	**6**
Independent Auditors' report	**34**
Consolidated and charity statements of financial activities	**38**
Consolidated and charity statements of financial position	**40**
Consolidated and charity statement of cash flows	**42**
Notes to the Financial Accounts	**44**
Legal and Administrative Information	**76**

INTRODUCTION FROM THE UCAS CHAIR

I am pleased to provide a foreword for this set of financial statements for the Universities and Colleges Admissions Service for the year ended 31 July 2025.

As the rest of this report sets out, this was another year of successful delivery. Confirmation and Clearing went smoothly and UCAS introduced a number of initiatives to improve the in-year support we provide to students and higher education institutions. These achievements led to improved customer satisfaction scores for providers and advisers while maintaining a strong applicant satisfaction score. The accounts also show that UCAS has the financial resilience to invest to further improve our services.

The UK's higher education sector faces several pressing challenges in the immediate term, and a range of potential threats and opportunities in the longer term. I am therefore honoured to step into the role of chair at such a pivotal moment.

UCAS' new strategy - its Next Chapter - is geared to supporting students and HE institutions through these challenges, by continuing to increase the value UCAS offers to the sector as the UK's shared admissions service, and by placing a commitment to increasing participation and student success at its heart. This latter focus was a key motivator for me in becoming UCAS Chair, having seen the life-changing impact of opportunity throughout my career in business, higher education and the charity sector.

On behalf of the Board, I would like to thank the Executive team and all UCAS colleagues for their hard work over the past year, and to extend my thanks to the outgoing interim Chair Professor Edward Peck CBE for his leadership and service to UCAS.

Looking ahead, UCAS' new strategy, combined with our strong current performance and capabilities, sets the organisation on a strong footing for the future. I look forward to working with the UCAS Board of Trustees, Dr Saxton and the Executive team, to deliver on our vision, and thus meet the expectations of all our stakeholders.

Edward Astle,
Chair

INTRODUCTION FROM THE UCAS CHIEF EXECUTIVE

This report reflects my second year as UCAS' Chief Executive, and crucially, the first whereby disadvantaged applicants have benefited from UCAS' waiver scheme from paying to apply to Higher Education (HE). As this annual report and its associated accounts demonstrate, the UK's world class HE offer remains a popular choice for school and college leavers across the four nations and for international applicants alike.

At the heart of UCAS' new strategy – its Next Chapter – are the core priorities of supporting the sector in increasing participation and student success, and delivering increasing value as the nation's shared admissions service. As UCAS embarks on its next chapter, with a new Chair of Trustees in Edward Astle, and in the context of both demographic shifts and increasing geopolitical instability, understanding patterns of demand for higher education in both the immediate and longer term will remain critical. In 2025 universities and colleges have responded to the record levels of demand from UK 18-year-old students by accommodating more undergraduate students than ever before.

Nevertheless each year, hundreds of thousands of those people who register with UCAS.com do not go on to submit an application, or secure a higher education place. Over the coming months and years, UCAS' new strategy will provide a framework for investments both to evolve our core services, and to deliver new enhancements. These will be focused on ensuring that all who benefit from the life-changing opportunities offered by the UK's HE sector have the information, advice and guidance, as well as the tools, they need to apply.

Since I joined UCAS the challenging financial climate faced by the HE sector has been well documented. In light of this, my commitment to increasing the value offered to UCAS' provider beneficiaries remains a central principle of our approach. No less daunting are the financial challenges faced by many students during their studies, dealing with the rising cost of living amidst an increasingly difficult labour market. As set out in last year's annual report, the Trustees of UCAS agreed to waive the application fee for any candidate across the UK who has been in receipt of Free School Meals (FSM) and equivalent policies across the four nations over the past six years of education. This has been funded via the gift-aided profits of UCAS' trading subsidiary.

In the 2025 cycle alone, this waiver has benefited almost 40,000 students across the UK, with almost three fifths of eligible students saying the waiver had made them more likely to apply for higher education. On Level 3 Results Day, I, and other UCAS colleagues, had the opportunity to meet several of these students, ready to begin the next stage of their educational and career journeys, despite the barriers they had faced.

The FSM fee waiver represents just one element of UCAS' efforts to support universities, colleges, schools and the wider sector to widen participation in higher education, helping to break down these barriers both real and perceived, where it is within our remit to do so. UCAS will ensure this waiver grows as the entitlement to this key measure of disadvantage expands across the UK, and we intend to expand the remit of the waiver even further, to include care-experienced students, as we continue to play our part in breaking down barriers to participation.

A notable service improvement this year has been the provision of select Scottish Higher results through to institutions along with our wider Level 3 transfer offer. I have heard first hand the difference this has made to applicants in Scotland and the administrative time saved for admissions teams; we are grateful to SQA for supporting this key initiative.

A summary of UCAS' year cannot end without an expression of my deep appreciation to the service of UCAS colleagues, whose tremendous efforts enable us to serve our beneficiaries and bring our strategy to life. I would also like to take the opportunity to thank Professor Edward Peck CBE for exceptional service and support as interim Chair of the UCAS Board. During the year a number of long-standing Trustees also left the Board, and I am particularly grateful for the commitment, expertise, and spirit of collaboration they offered to me as the new Chief Executive, but also to UCAS over many years. Their presence on the Board will be much missed.

This 'Next Chapter' is a truly exciting one – one that sees UCAS unapologetically place increasing participation in undergraduate study at the heart of what we do.

Dr Jo Saxton CBE,
Chief Executive.

UCAS' DNA

UCAS HAS TWO INTERTWINED AND INSEPARABLE CORE AMBITIONS – THIS DOUBLE HELIX FORMS UCAS' DNA AND IS CENTRAL TO OUR STRATEGY:

Support the sector in increasing participation and student success

Deliver increasing value as the UK's shared admissions service

Everything UCAS does will aim to support these ambitions, and we'll be steered by our principles.

REPORT OF THE DIRECTORS

For the year ended 31 July 2025

The Directors of The Universities and Colleges Admissions Service, also known as UCAS (the 'Charity'), are Trustees of the Charity, and are also responsible for the financial and organisational control and management of UCAS.

The Directors present their report for the year ended 31 July 2025. This report is deemed to encompass all matters which are required to be included in both the Strategic and Directors' Reports of the Charity and Group.

Governance, organisational structure, and management

UCAS was incorporated on 27 July 1993. It is a private company limited by guarantee, without share capital. It is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). Its governing document is the Articles of Association (the 'Articles'). UCAS is also a registered trademark.

UCAS is governed by a Board of thirteen Directors (the 'Board') supported by one co-opted member from time to time, which usually meets four times a year to discharge its duties. It delegates to UCAS' Executive team such powers as are necessary for the day-to-day management of the Charity. The Board adopts the Charity Governance Code.

The Board is supported by four subcommittees (the Finance, Audit and Risk, People and Remuneration, and Nominations Committees). They meet regularly to carry out responsibilities delegated by the Board. A list of Trustees who served in 2024/25 together with other statutory information is given on page 77 and forms part of this report.

The Board also receives advice from the UCAS Council, an advisory body currently comprising up to 35 members who represent UCAS' beneficiaries and key stakeholders. The principal role of the UCAS Council is to advise and inform the Board of Directors on issues relating to the admissions process as perceived by Members and other stakeholders. Following a recent review of the Council, UCAS has deepened the admissions expertise within the group and ensured representation from the diverse range of institutions and practices across the higher education sector.

Other Directors' report disclosures

Disclosures required by the Companies Act 2006 to be included in the Directors' Report about engagement with employees, suppliers, customers and other stakeholders, and energy and carbon reporting have been included below in the Strategic Report section of this report.

Directors' recruitment, appointment, and training

UCAS' Articles determine the constitution of the Board and appointment of Directors.

All Directors and co-opted Committee members are independently selected, and formally appointed on merit for an initial fixed term of up to four years. This is based on their specific skills, experience, and expertise, against objective criteria. With due regard for the benefits of diversity on the Boards and Committees, UCAS' recruitment processes are formal, rigorous, transparent, proportionate, and appropriate to each vacancy. This enables the widest choice of candidates to be considered.

All new Board and Committee members receive an induction pack of essential governance (including managing conflicts), and UCAS documents. They are also invited to attend formal induction sessions, covering UCAS' operations. This includes meeting members of the Executive team. Thereafter, they receive updates which can include legal and regulatory developments, Charity Commission, and other relevant guidance. Board and Committee members are given the opportunity to have ongoing learning and development, as well as visits to the Rosehill site to expand their knowledge of UCAS' operational developments.

UCAS regularly conducts a skills gap analysis, to inform succession planning, and enable specific training needs to be identified.

UCAS also conducts annual Board effectiveness reviews, which enable the Board to regularly consider its effectiveness, and that of its subsidiaries and Committees. The review was paused in 2024/25 due to the transition with the UCAS Chair and it will recommence in 2025/26.

Subsidiaries

UCAS owns 100 per cent of the share capital of its subsidiaries, UCAS Media Limited, and UCAS Consultancy and Insights Limited. UCAS Media Limited is used for non-primary purpose trading activities, while UCAS Consultancy and Insights Limited is not trading and will be dissolved in 2026.

Profit from the subsidiaries is Gift Aided back to the Charity under deed of covenant for the purposes of investment in new and existing products and services. The investment is beneficiary led, using insight and data to prioritise those investments that are most important to those UCAS serves. In 2024/25, a cash gift aid payment of £1.0m was made which was used to waive the application fee for any candidate across the UK who has been in receipt of Free School Meals (and equivalent policies) over the past six years of their pre-18 education.

The profit before tax and gift aid donations, for UCAS Media Limited, during the year ended 31 July 2025, amounted to £1.8m (2024: £1.0m). The year-on-year increase in profit was due to a 3.7% increase in turnover while costs increased by 0.2%. The audited statutory accounts of UCAS Media Limited are published separately.

Statement of Directors' responsibilities

The Trustees (who are also directors of UCAS for the purposes of company law) are responsible for preparing the Report of the Directors' (including the Group Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and Group for that period. In preparing these accounts, the Directors are required to:

- select suitable accounting policies, and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume the Group and Charitable Company will continue in business

The Directors are responsible for keeping proper accounting records that show and explain both the Group's and Charitable Company's transactions, with reasonable accuracy, at any time, and the financial position of the Group and Charitable Company, and enable them to ensure the accounts comply with the Companies Act 2006, Charities and Trustees Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulation 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company, and for taking reasonable steps for the prevention and detection of fraud, and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Given the composition of the Board, UCAS does have a relationship with the employing organisations of some of its Directors. However, all Directors owe a fiduciary duty to the charity and have a legal obligation to act in the best interests of UCAS and in accordance with UCAS' governing document, and to avoid situations where there may be a potential conflict of interest. On accepting membership as a Director of the UCAS Board or a Director of a UCAS trading subsidiary, a Director shall supply to the Company Secretary an entry to the Declarations of Interests Register. The Company Secretary is responsible for maintaining the register and each Director is to communicate with the Company Secretary any significant additions or deletions from his/her entry as soon as practicable.

Notwithstanding any declaration made on the register which is noted and reviewed as appropriate at each Board meeting, a Director shall make a further declaration of any duality or conflict of interests or conflict of loyalty at any meeting of the Board where decisions are to be made on the supply of goods or services to the Company or other matters with potential financial consequences and shall be bound by the provision of the Companies Act 2006. All such declarations are minuted.

Third Party Indemnity Provision for Directors

The Charitable Company paid a premium of £2,500 (2024: £2,000) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

Statement of disclosure of information to auditors

Each Director confirms, in so far as they are aware, that there is no relevant information of which UCAS' auditors are unaware. As Directors, they have taken all the steps they ought to have taken, to make themselves aware of any relevant audit information, and to establish that UCAS' auditors are aware of that information.

Auditors

RSM UK Audit LLP was reappointed as auditor for the year ended 31 July 2025 and has indicated their willingness to continue in office.

Remuneration

UCAS operates a structured pay framework, which rewards employees based on performance. All salary levels are benchmarked externally, with pay scales reviewed annually to ensure consistency and alignment with the sector and national markets. Every three years a root and branch review is undertaken, where each role is benchmarked and the pay scales realigned accordingly, and this was conducted again in 2024/25. The remuneration for the UCAS Executive team is subject to external benchmarking, with a separate meeting held regarding Chief Executive remuneration. Awards given are reviewed and approved by UCAS' People and Remuneration Committee.

Objectives and activities:

Public benefit

The Directors have reviewed the Charity's aims and objectives and complied with their duties in the Charities Act 2011, with due regard to the Charity Commission's guidance on public benefit exercising any powers or duties where the guidance is relevant.

UCAS is an independent charity, and is the UK's shared national admissions service focused on supporting students from all backgrounds wishing to progress to undergraduate study in higher education. The charitable objectives are 'to advance and to assist in the advancement of education in universities and other higher, further, or secondary establishments, insofar as such advancement and assistance shall be exclusively charitable in nature, in particular, but without prejudice to the foregoing, by providing and maintaining an organisation to facilitate the consideration by such universities and other higher, further, or secondary education establishments of applications for admission to, and to assist applicants in gaining access to, such universities and educational establishments'.

UCAS does not conduct any fundraising activities, nor use any fundraising agencies, and has received no complaints in this regard, in this or the prior period.

UCAS provides public benefit by providing information, advice, and admissions services to inspire and facilitate progression in education. The section below outlines how UCAS delivers public benefit through these services.

Information and advice services

UCAS' aim is to support people from all backgrounds in making well-informed choices about their post-secondary education, using its in-depth insight about how and when students make their decisions to make this as personalised, engaging and informative service as possible.

UCAS supports students throughout their journey to post-secondary study, from initial research, refinement of options, formal application, and final decision-making. UCAS' online content expands beyond higher education, covering the range of destinations available to students, including apprenticeships and gap years.

UCAS attracts over 24 million people from across the world to its website, ucas.com, where visitors can use the search tool to explore undergraduate (UG), postgraduate (PG), and conservatoire courses. Students can also explore the latest degree and higher apprenticeship opportunities through the 'UCAS Hub' which provides students with all the tools and information they need, in one place, without charge. UCAS uses its data science capabilities to develop data driven tools to support student choice, such as the historical entry grades tool which has been used more than 2.6 million times during this period of this report, enabling applicants to view historic entry grades data and offer rates displayed for each course.

Not everyone has access to the same levels of support and advice, either from parents, guardians and carers or their school and college advisers when considering what to do when they leave secondary education, or when thinking about higher education as an adult. UCAS works in partnership with charities

and other organisations to provide practical and inspiring information, advice, and resources for underrepresented groups, including students with disabilities, care leavers, those with parental or caring responsibilities, and estranged students.

Enabling people to make the right choices about their post-secondary education delivers public benefit by enabling them to fulfil their potential. Choice of the right subject, university, college or employer contributes to improving widening participation, student retention, and successful progression to a degree, employment, or further study, and, ultimately, contributes to the UK's economy.

Admissions services

While UCAS' core purpose is to provide an accessible and trusted undergraduate admissions service; UCAS also provides admissions services for conservatoires.

In offering centralised services, UCAS enables universities, colleges and employers to connect with a wide range of potential students across the UK and globally in a more efficient and effective way. UCAS helps to manage risks from fluctuating numbers of applications, and delivers cost-effective, efficient services to help universities and colleges plan and manage admissions decision-making. For undergraduate admissions, UCAS provides data and services to support contextualised admissions that take account of students' educational backgrounds, and help universities evaluate the effectiveness of widening participation activities. UCAS' centralised services, with a common application process and agreed timescales and business rules, also facilitate student choice and support fairness and transparency.

UCAS employs robust eligibility criteria to its higher education provider customers to ensure students, parents, teachers, and advisers can be confident that the universities and colleges applied to are bona fide course providers.

UCAS' role as the UK's shared admissions service allows for a deep understanding of student progression through its data and insight. UCAS regularly releases data and insight reports highlighting key progression trends. For example, a UCAS report, backed by the Carers Trust, found that thousands of young adult carers are choosing courses at university or college with a clear social or public benefit theme. The findings revealed young adult carers are 59% more likely to apply to health and social care courses and 57% more likely to apply to nursing and midwifery courses than applicants without caring responsibilities. The report, based on insight from UCAS' new set of widening participation questions as well as application and survey data, was the first of its kind in the UK to explore the experiences and aspirations of young adult carers in their HE journey.

UCAS' role in providing a UK-wide admissions service, on behalf of all its users, is not taken for granted. UCAS continues to innovate and reform, and strives to ensure that students – regardless of geographical location – have fair and transparent choice and access to the UK's world class universities and colleges.

Key statistics in 2024/25

760,000+ applicants supported

UCAS supports over 760,000 applicants explore over 54,000 undergraduate courses across 350+ universities and colleges.

UCAS attracts over 30 million worldwide

UCAS attracts over 30 million people from across the world to its digital services (websites and digital applications).

40,000 students benefitted from FSM waiver

Free School Meals waiver benefited almost 40,000 students across the UK in the 2025 cycle.

287,950 18-year-old acceptances

3.7% increase in UK 18-year-old acceptances in 2025, 287,950 (277,790 in 2024).

UCAS T&A Conference attracted over 600 attendees

UCAS annual Teachers and Advisers Conference attracted c.600 attendees this year.

80,000 verified National 5 Results of Scottish domiciled students

For the first time, UCAS verified 80,000 National 5 results on behalf of Scottish domiciled students, transforming their experience into higher education.

236 million page views on UCAS.com

The website, UCAS.com, has received over 236 million page views from around 24 million users in the last year.

Over 2.7 million results and amendments were processed

Over 315 people from the admissions community came together in person at UCAS' Annual Admissions eConference

150K international students supported during application process

UCAS supported nearly 150,000 international students to apply to UK undergraduate study, with c.70k ultimately securing a place.

UCAS is seen by colleagues as a 'great place to work'

UCAS is seen by colleagues as a 'great place to work' (82%) with over 86% of colleagues who responded saying they are proud to work for UCAS.

Entry grades tool has been used over 3.3m times since 2024

Since launching in November 2024, the historical entry grades tool has been used over 3.3 million times to view course-specific entry data and offer rates.

Strategic Report

Achievements and performance

In May 2025, UCAS launched its new strategy – its Next Chapter. This strategy has been developed in conjunction with the sector, and aims to see all who could benefit from UK higher education doing so.

Recognising the timing of the launch of this strategy, the deliverables below have been mapped to the strategic objectives of Discover Your Future (the predecessor strategy), which accounted for the majority of the year being reported upon. Further, in 'Plans for the future', below, UCAS provides additional information about the new strategy and its objectives.

What we said we would achieve:

1. Inspire and empower people to make aspirational choices about higher education and learning

We delivered this by:	The impact for our beneficiaries:
Offering a wide range of tailored information and advice to over a million students.	Over one million students have registered with UCAS during the last year to explore their options. Ultimately, more than 760k of these applied to higher education, with 560k placed in undergraduate study. Applicant net promoter score (NPS), a customer experience metric, is +66 (prior year +67). A NPS above 50 is considered excellent according to Bain and Company (creators of NPS). 92% of applicants at point of applying were happy or extremely happy with their experience of using UCAS to apply to university or college (up from 91% in 2024, including 52% 'extremely happy' (compared to 49% in 2024)). Areas with slightly lower satisfaction where improvements are planned; 74% of applicants at the point of applying said UCAS connected them to the right choices for them, and 70% said UCAS supported them with expert advice and guidance to navigate the application journey.
The 2025 entry cycle saw UCAS launch an application fee waiver for students who have been in receipt of Free School Meals during the last 6 years.	The removal of the application fee for this cohort of students has benefitted almost 40,000 students, allowing those individuals facing financial hardship explore their options and potentially benefit from the life-changing opportunities higher education presents. Based on research conducted during the year: ▶ 57% of FSM students said the fee waiver made them more likely to apply ▶ 66% of POLAR Q1 students in receipt of FSM were more likely to apply ▶ 67% of those who said the increased cost of living made them less likely to go to university said the fee waiver had made them more likely to apply

We delivered this by:	The impact for our beneficiaries:
UCAS events, which run throughout England, Scotland, Wales and Northern Ireland, allow students to hear from hundreds of university and college providers, early career experts and current students	UCAS Discovery Events were attended by 135,000 students and took place at more than 40 locations across the UK. During the year, UCAS welcomed the Welsh Government Minister for Further and Higher Education, who spoke to students at UCAS' event in Newport.
UCAS supports c.4,000 UK registered centres (schools and colleges) each year, along with thousands more across the globe.	This year UCAS has introduced a new schools and colleges relationship management team as we seek to deepen our relationship with these institutions in order to further improve the support for our beneficiaries. Adviser NPS +69 (up from +60 in the prior year).

2. Deliver trusted and flexible admissions service

We delivered this by:	The impact for our beneficiaries:
Supporting a record number of UK domiciled and UK 18-year-olds access higher education.	For the 2025 entry cycle, UCAS supported 564,940 students secure a place in higher education (2024 554,465, +1.9%). Within this, 495,040 UK domiciled students gained a place in undergraduate study, of which 279,550 were UK 18 year olds. Provider NPS within admissions is +22 (up from +17 in the prior year).
UCAS is the largest front door to UK higher education, supporting applications from over 200 countries and territories across the globe.	In 2025, UCAS supported nearly 150,000 international students apply to UK undergraduate study, with c.70,000 ultimately securing a place.
Reforming the personal statement to better enable students to provide universities and colleges with the information they most need when making their decisions.	Three new questions replaced the previous personal statement format. This new approach ensures students from all backgrounds better understand the key information universities and colleges want to know about them when making admissions decisions. Previous UCAS research found 89% of students felt that the purpose of the personal statement is extremely clear or clear but 79% reported that the process of writing the statement was difficult to complete without support. UCAS surveyed potential applicants about to start their personal statement, and found more than three quarters prefer the three-question format. Over 80% said they found the three questions "extremely easy" or "somewhat easy" to understand.
Enabling students to reply to a change at confirmation quickly and easily.	Removing the need for students who have received a change offer at confirmation to call UCAS to reply to it. This benefited approximately 2,000 students.

3. Be the go-to place for higher education data-driven insights

We delivered this by:	The impact for our beneficiaries:
UCAS regularly surveys groups of students to understand their perceptions and sentiment as they progress to higher education.	This cycle UCAS noted a significant increase in concern regarding the cost of living, which has led to UCAS publishing further insight in this area and developing a scholarships and bursaries tool to support students further. A UCAS webinar 'Cost of Living & Student Choices' explored how rising financial pressures are influencing where, when, and how students choose to engage with higher education — and how institutions are adapting in response.
Publishing new insight on Higher Technical Qualifications.	UCAS' report, 'Where Next? Who applies for Level 4 and 5 qualifications?', explores the behaviour and experiences of Levels 4 and 5 qualification applicants. In the 2023 cycle, UCAS saw 34,175 UK applicants apply to study at least one Level 4 or 5 course, representing 5.7% of all applicants. Of those, nearly half were placed onto a Level 4 or 5 course by the end of the cycle. The majority (79%) of applicants to Level 4 and 5 courses also applied to a Level 6+ course, and of those who received an offer for both, one third (33%) picked the Level 4 or 5 course over Level 6+.
Collaborating with JISC to gain fresh insight on student enrolments.	As a proof-of-concept collaboration, UCAS has collaborated with JISC to further understand the experience of students between being accepted upon receipt of results and enrolment.

4. Embed efficiency and value in everything we do

We delivered this by:	The impact for our beneficiaries:
Providing schools and colleges with evaluation reports for UCAS predicted grades, giving them enhanced information when issuing these to students.	UCAS predicted grades play a key role in enabling student choice and access to higher education. A pilot provided over 1,000 schools and colleges with a personalised report showing how their UCAS predicted grades compare to achieved results. The aim is to equip students, and their teachers and advisers, with better information to support their choices. UCAS predicted grades continue to play an important role in the admissions process and form part of an array of information used by universities and colleges to understand a student's potential. Yet UCAS analysis shows a growing difference between predicted and achieved grades over time. This is especially the case with the highest grades, with around half of UK 18-year-olds predicted AAA and above in 2024. By contrast, 26% of those accepted last summer secured AAA and above. The reports have been developed following extensive consultation with schools, universities, colleges, and the wider sector. The release of these reports was accompanied by new research exploring the experiences of specific cohorts of students in relation to UCAS predicted grades.
Deepening the understanding of Level 3 and equivalent apprenticeships through the allocation of UCAS Tariff points.	Informed by a public consultation that received over 200 responses, UCAS has allocated Tariff points to apprenticeships at Level 3 (England, Wales, and Northern Ireland) and SCQF Level 6 (Scotland) for those applying for 2026 entry onwards. This move will not only provide greater understanding of apprenticeship provision to universities and colleges, but also better signal the pathways available to students as they explore their choices.
Verifying more qualifications held by students – including transforming the experience for Scottish domiciled students.	This year, UCAS verified around three million examination results as part of its Awarding Body Linkage process, providing a significant efficiency to both students and universities. In addition, for the first time, UCAS verified 80,000 National 5 results on behalf of Scottish domiciled students, transforming their experience into higher education. Historically, these students would have had to manually send evidence of their National 5 achievements directly to the receiving university. This year, students that were reliant on these qualifications as part of their university offer were able to have their places confirmed quicker.

We delivered this by:	The impact for our beneficiaries:
Over the last year, new features have been added to the UCAS Tracker product, a key sector tool, driving efficiency and providing real time insight across the admissions cycle.	With over 3,000 users registered, the dashboard enables providers to monitor in-cycle performance with speed and clarity. UCAS Tracker Enhanced has seen a 22% increase in uptake compared to its predecessor, Application and Decision Tracker, reflecting strong demand for deeper analytics and benchmarking. Feedback highlights significant time savings and improved decision-making, with its visual appeal, benchmarking options and daily updates proving especially valuable.
Ongoing financial sustainability measured though KPIs such as income, surplus and cash.	Income grew by 3% on 2023/24 and finished 3% ahead of budget. This includes the financial impact of the FSM waiver outlined above. Surplus and cash also outperformed their budget, enabling UCAS to invest further to support the sector in increasing participation and student success, and in delivering increasing value as the UK's shared admissions service.
Changes made to ensure students share more relevant information about their education and qualifications once, at the point of application.	Giving providers more accurate and relevant data about a student's qualifications and education so they have better insight into their suitability for their course and can turn around admissions decisions more efficiently. Including better data around which region/province they studied in, study mode and attendance type. These changes also enable providers to better target international outreach to specific overseas regions and provinces by collecting more granular data.
Enabling students to share more information about their residency and nationality.	Capturing additional data points from students including information around pre-settled status, 3-year address history and visa/ immigration status. As a result, providers can more quickly and easily decide who will require a fee assessment, saving them significant time and effort and reducing the need for students to share key data points separately with each of their choices.

5. Be an employer of choice where people flourish, perform, achieve and belong

We delivered this by:	The impact for our beneficiaries:
Advancing our people approach in support of the new strategy, focusing on performance, culture, leadership, early careers, and digital capability.	A new performance framework was launched to clarify expectations and desired outcomes, and to promote continuous feedback, so that UCAS' people are as effective as possible in their service of its beneficiaries. To ensure UCAS is successful in its delivery of the new strategy in the coming years UCAS must further build the capability of its managers. The launch of a brand-new Academy of Leadership and Management will ensure that UCAS continues to build capability, offering structured development programmes for those aspiring to become UCAS' next generation of leaders, those already in established management positions, and ensuring UCAS senior leaders continue to role model the right behaviours in line with its new values.
Further enhancing the organisation culture to ensure high performance, along with the optimisation of capacity and the development of the necessary capabilities and expertise of UCAS colleagues.	Particular attention has been made to improve engagement with employees. New regular all staff catch ups, led by the whole Executive team always attracts in excess of 300 attendees, with the remainder able to watch a playback of the session. The introduction of 'Coffee with the CEO' sessions (attended by c.10 guests each time) and regular session with the Staff Consultation Group (SCG) held by the Chief Executive and Chief People Officer have been used to receive direct feedback and to seek areas for improvement and then responded to accordingly. Feedback from the SCG was overwhelmingly positive with formal acknowledgment regarding how well UCAS is listening and responding to employee feedback. The most recent staff survey results, completed in September 2025 saw 82% of colleagues rating UCAS as a great place to work, with 86% being proud to work for UCAS. 88% of staff feel managers genuinely care about their wellbeing, with 87% feeling genuinely supported to make use of flexible arrangements.
Supporting the growth of UCAS' EDI networks such as LGBTQ+, Women in Tech and the new Neurodiversity network, through guest speakers and supported events to boost awareness of diversity in the workplace.	To embed UCAS' commitment to Equality, Diversity, and Inclusion (EDI) more widely across the organisation, the function transferred to the People and Change Business Unit. This represented a commitment to accelerate good practice amongst UCAS colleagues and ensure that EDI considerations were woven into significant changes in terms of process, products and systems. UCAS continued to invest in and strengthen its early careers approach. UCAS created a Career Kickstart week that saw its partnership with 10,000 Interns Foundation merge with local schools to create a multi-week development experience, supporting EDI and talent development. The workforce profile also saw improvements, with gender distribution being well balanced - ratio of 53% female to 47% male employees and the UCAS' ethnicity distribution – with ethnicity representation at 8.6% of the workforce which is up from 7.7% last year. This compares to 4.8% of the population across the Gloucestershire region.

Plans for the future

As noted above, in May 2025 UCAS launched its new strategy – its Next Chapter. At its heart is the vision that all who could benefit from higher education, do.

UCAS' Next Chapter is the culmination of wide-reaching engagement across the sector, engaging with hundreds of university and school leaders, along with insight from thousands of students. The feedback received distils into dual priorities, a double helix, that forms the DNA at the heart of our strategy.

- Support the sector in increasing participation and student success
- Deliver increasing value as the UK's shared admissions service

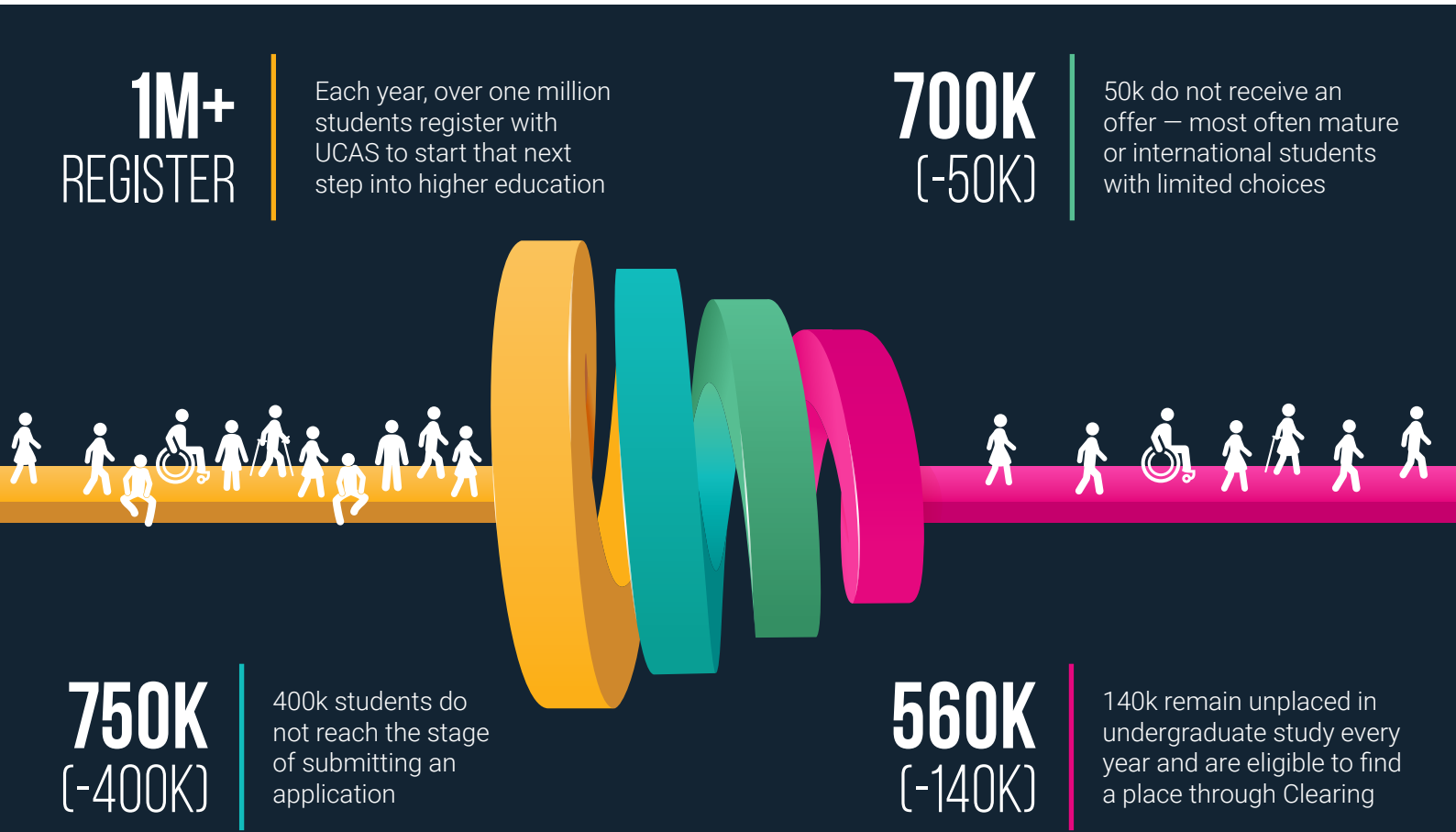
When seeking to meet these dual priorities, UCAS will be guided by the following operating principles:

- Serve the four nations
- Be institution and route agnostic
- Champion the student
- Drive value and efficiency
- Support fairness and transparency

At the heart of the strategy is the finding that at least twice as many people come to UCAS each year than go on to take up a university or college place. Understanding and removing, where it is in our remit to do so, the barriers that are preventing these people from applying or accepting places is central to our work going forward. This is conceptualised as the UCAS 'funnel':

- Each year, over one million students register with UCAS to start that next step into higher education. However, up to 400,000 students do not reach the stage of submitting an application.
- 750,000 students apply and 50,000 do not receive an offer.
- 560,000 students are placed in undergraduate study every year.

The reasons for these are complex, ranging from a lack of understanding of the available options, attainment barriers, or inequalities in access to high quality information and advice. This strategy is focused on offering greater support to these students, making it easier for universities and colleges to connect with them, so ultimately more of them can benefit from the life-changing experiences UK higher education offers.



We will deliver this strategy through four strategic objectives:

Objective	We will achieve this by…
Deliver frictionless and flexible shared admissions services	Creating a truly digital and data-driven admissions journey: ▶ More information in the application is pre-populated and verified, making it easier for students, schools, colleges, and universities ▶ Clearing becomes more digital ▶ Enabling multiple start dates and lifelong learning
Create personalised pathways to level the playing field	The support UCAS offers to every student is uniquely tailored to them: ▶ Students receive personalised support at every step of their journey ▶ Earlier engagement with UCAS guides students at key decision points, such as qualification and subject selection ▶ Tailored content inspires disadvantaged students and raises awareness of support available
Equip supporters to enable dreams	UCAS provides teachers, parents, and carers with the digital tools and support they need to help students progress: ▶ An enhanced adviser portal gives schools and colleges greater oversight of their students' progression ▶ A more frictionless application journey creates efficiencies in schools and colleges ▶ Parents and carers are empowered to support students every step of the way
Transform raw data into real insights	Providing more insight to support strategic decision-making in universities and colleges: ▶ Earlier engagement with students provides a longer-term view of progression ▶ UCAS data makes it more efficient to recruit the right students ▶ Supporting the sector in tackling barriers to progression through deeper insight

Section 172 Statement

The Board of Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company in achieving its charitable purpose and, in doing so, to have regard (amongst other matters) to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly as between members of the company.

Throughout this report, UCAS has summarised its governance framework and how UCAS is engaged with stakeholders during the year. The Trustees have considered the views and needs of key stakeholders in Board discussions and decision making. The following points are not intended to be an exhaustive list but are illustrative of how the Trustees have fulfilled these duties during the year.

Engagement with stakeholders

Applicants, advisers, and providers

- Regular newsletters and communications issued to applicants, advisers and providers, coupled with several webinars across the course of the year covering areas such as data releases, international, and Clearing.
- Around 350 universities and colleges across the UK use UCAS core admissions services. UCAS maintains a close working relationship with this group, with a dedicated relationship management function in place to offer day-to-day support and contact. Furthermore, our advisory groups, particularly the Provider Advisory Group, offer a forum to input into and shape UCAS' strategic decision-making and directly link to UCAS Council. This is in addition to UCAS' constant presence at recognised sector forums.
- UCAS' Adviser Advisory Group, made up of practitioners from the school and college sector, continues to play a key role in supporting UCAS decision-making. Our annual Teachers and Advisers Conference attracted c.600 attendees this year.

Furthermore, UCAS continues to maintain strong relationships with key sector bodies, including The Heads' Conference (HMC), and at the Association of School and College Leaders (ASCL) Annual Conference.

- On Scottish Qualifications Authority (SQA) results day, UCAS' Chief Operations Officer and colleagues were in Scotland and met with providers and students. On Level 3 results day, the UCAS Chair and Chair of Finance Committee were present at the Cheltenham office and met with students, and listened to calls from applicants.

Government and sector agencies

- UCAS continues to work closely with government officials, UUK (Universities UK), the Association of Colleges, Ofqual, and the devolved nations (including but not limited to Qualifications Wales, CCEA (Council for Curriculum, Examinations & Assessment), SQA, Universities Scotland and Universities Wales on a range of topics. In addition, UCAS has met with the newly formed Skills England to understand areas of shared interest.
- Senior staff have continued to meet with political and official functions across the UK, for example, the Chief Executive visited Northern Ireland and met with the Minister for Education and the Minister for the Economy whose portfolio includes higher education.
- Sector engagement is ongoing via the mission groups, and a range of the sector forums including the Universities UK members' meeting, Academic Registrars Council and University Marketing Forum.
- UCAS has had an updated Welsh language scheme approved by the Welsh Language Commissioner. The new strategy has also been published in Welsh.
- UCAS, alongside the Sutton Trust, is part of UUK's Access to Success project, which aims to improve the consistency and transparency of contextual admissions in England.
- UCAS also continues to be a leading member of the International Association of Admissions Organisations, a collective of shared HE admissions services across the globe, forming part of the group's executive committee.

Suppliers

- UCAS recognises that its supplier network is a key contributor to UCAS' success through value creation, quality and innovation.
- Senior staff continue to visit suppliers and attend events throughout the year. On SQA and Level 3 results days, key suppliers are on site in Cheltenham.

UCAS Board and UCAS Council

- The Trustees review financial and operational performance, as well as information covering areas such as external drivers which includes the number of applications, staff including UCAS' people plans, pensions, delivery, and key risks. This information is provided to the Trustees through routine reports circulated in advance of each Board meeting which were then reviewed, discussed and approved, as necessary.
- UCAS Council discussed a number of topics including the development of the new strategy beyond 2025. The outcomes of Council meetings are fed through to the UCAS Board to aid decision making.

Employees

- The Board discussed a report prepared by the Chief People Officer, regarding people initiatives and challenges during the year, as well as a look ahead to some of the key opportunities which are envisaged as UCAS moves into 2025/26.
- The Executive team are actively involved in the engagement of staff through frequent briefings, use of internal communication tools, and regular Executive team stand ups and newsletters to provide updates on business developments and to answer questions directly.
- The annual UCAS staff conference focused on the launch of the new strategy and included sharing the new UCAS values. UCAS colleagues were integral to shaping the new strategy through facilitated sessions. Over 200 colleagues took part in surveys and workshops to shape the new UCAS values which will influence the expected behaviours as the strategy is delivered. The conference received excellent feedback:
  - 77% of attendees said they feel connected to UCAS purpose, vision and mission
  - 73% reported that they understood the strategy
  - 73% said they felt motivated by the direction we are going in
- UCAS planted cherry trees and commissioned plaques in dedication and memory of two employees, creating a space to reflect, remember lost friends, and enable employees to pay their respects.
- Employees have confidential access to an Employee Assistance Programme, as well as 'speak up' and formal whistleblowing channels to raise concerns.

- Continuing to work with the Staff Consultation Group (SCG) on several initiatives. The SCG represent all staff and are the body recognised formally by UCAS for these purposes (it is not a negotiation body or trade union).
- Continuing to support and further expand the UCAS colleague EDI community networks.

Community

- A dedicated section on UCAS.com providing advice for parents, guardians and carers. For example, this includes a newsletter, a podcast, and a free webinar covering what to expect on results day, how Clearing works and when to use it, and how to support your child through every possible outcome.
- UCAS participated in the International Association of Admissions Organisations conference, a gathering of shared admissions services from across the globe, sharing insights and ways of working to support beneficiaries.
- UCAS supported Carers Trust, a charity chosen by staff that helps unpaid carers across the UK, during its all-staff event.
- UCAS supports employees who wish to undertake volunteer work within the community or for charitable institutions which support UCAS' own charitable purpose or whose purposes, by extension, provide community support to UCAS' student beneficiaries.
- As part of UCAS' ongoing sustainability initiatives, new electric chargers are available to encourage the use of electric vehicles and help reduce the carbon footprint associated with staff commuting.

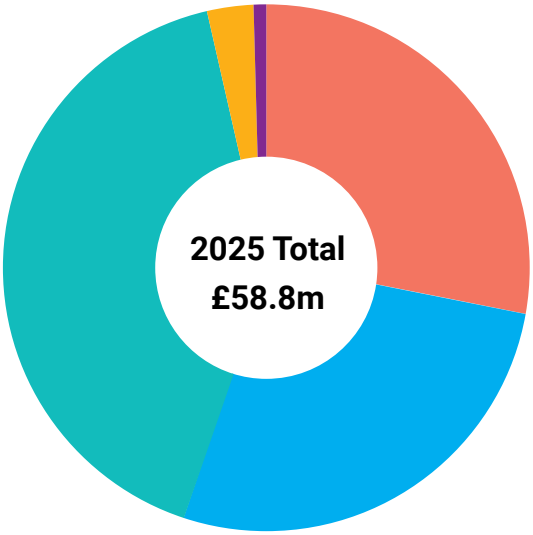
The need to foster the Company's business relationships with its beneficiaries, suppliers, customers and others, as well as the need to act fairly between members of the company, is captured above and throughout this report. For example, this is demonstrated through interactions with these key stakeholders outlined above, and in the achievements and performance (page 12).

With regard to the impact of the Company's operations on the community and the environment, this is demonstrated in the streamlined energy and carbon reporting section of this report (page 25) in addition to those outlined above and included in the achievements and performance section.

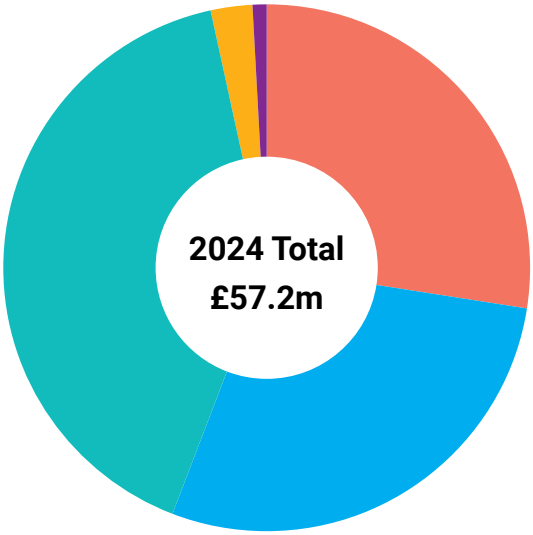
Financial review

The Statement of Financial Activities

Total income (note 3) in 2025 vs. 2024 is shown below:



Provider fees	28%
Applicant fees	27%
UCAS Media	41%
Investment income	3%
Other	1%



Provider fees	28%
Applicant fees	28%
UCAS Media	41%
Investment income	2%
Other	1%

Expenditure (note 4) is further broken down below, showing expenditure by business area.

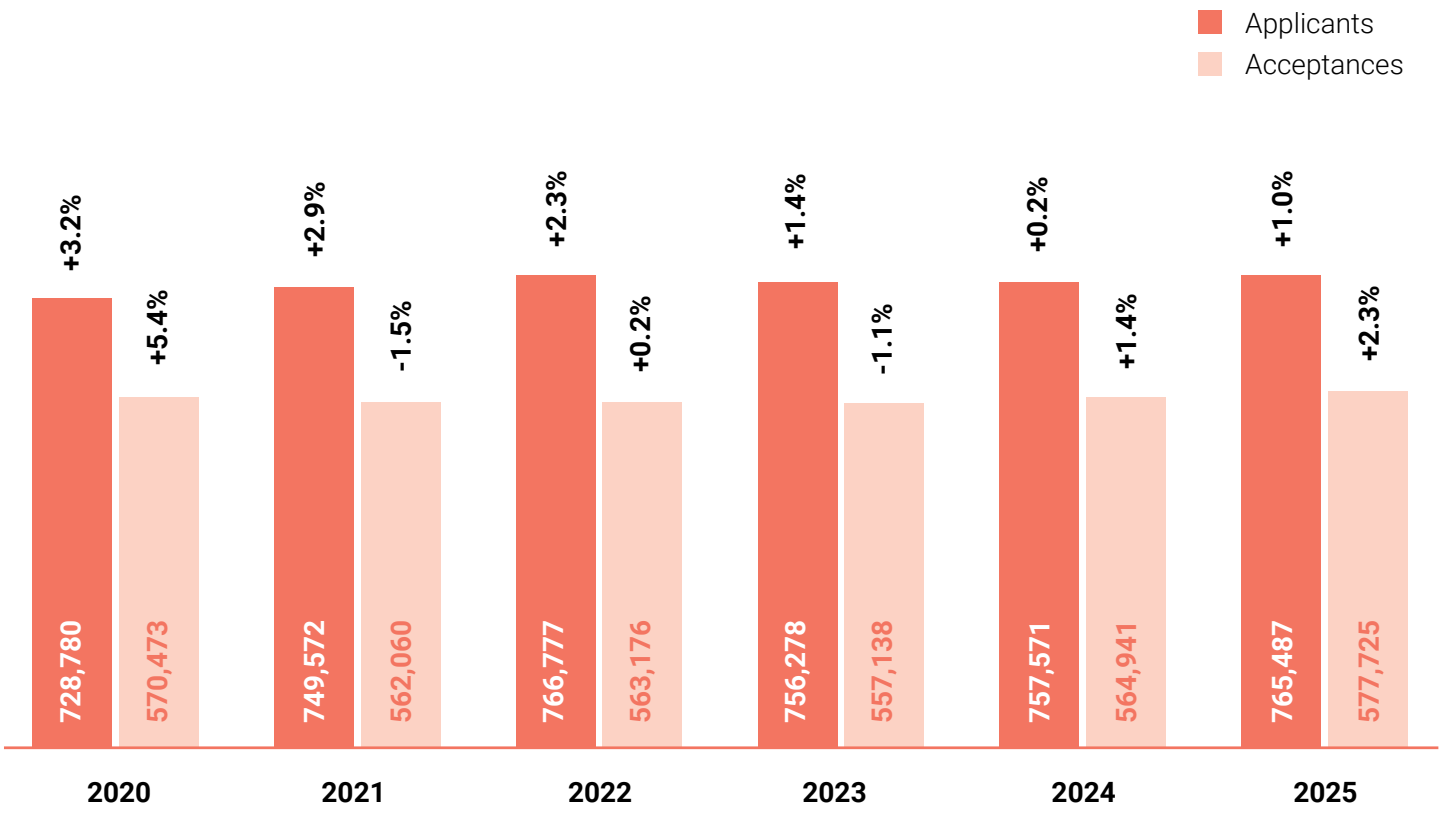
Digital and Data	45%
Operations	13%
IAG*, Marketing, and Sales	25%
Support**	17%

Digital and Data	44%
Operations	13%
IAG*, Marketing, and Sales	28%
Support**	15%

*IAG - Information, advice and guidance
**Support includes impairment charges

The applicant numbers set out below, and associated income disclosed above, are some of the key performance indicators used to measure the performance of the Charity. The performance of UCAS Media Limited, as outlined above and in note 21, is also considered a key indicator of the Group's performance.

Applicant numbers for the undergraduate scheme



The total number of applicants and acceptances is up in 2025 compared with 2024 driven by UK 18-year-olds.

	2025	2024	Change
Total Group income	**£58.7m**	**£57.2m**	**▲ 2.6%**

- The increase in income was largely driven by trading activities from UCAS Media, along with interest receivable from cash on deposit due to increased interest rates.

	2025	2024	Change
Total Group expenditure	**£57.1m**	**£55.8m**	**▲ 2.3%**

- An increase in the 'cost of raising funds' which is linked to UCAS Media and the growth in income, is driving the overall increase in expenditure. Looking ahead, UCAS will continue to manage its expenditure in order to deliver the strategy in an effective and efficient manner.

The Group made no political contributions or donations during the two years ended 31 July 2025. As a registered charity, UCAS seeks to benefit from the appropriate tax exemptions where it can.

The Balance Sheet

The total net assets for the year were £56.9m (2024: £53.8m). The increase on prior year was largely due to an increase in the value of the investments and cash, offset to some extent by a reduction in tangible and intangible assets and an increase in creditors.

The Group's financial reserves mainly comprise cash at bank, and liquid investment funds. The main purpose of these reserves is to maintain sufficient finance for the Group's planned future operations and activities. The main financial risk arising from the Group's operations and activities is liquidity risk. The Group funds its operations and activities from operating income and cash reserves.

	2025	2024	Change
Group Cash reserves	**£25.5m**	**£23.2m**	**▲ 9.9%**
Liquid investment portfolio	**£12.2m**	**£11.1m**	**▲ 10.0%**

- The increase in cash reserves was due to the increase in net cashflow from operating activities coupled with interest received, offset to some extent by tangible and intangible asset purchases and a transfer to the investment fund.
- The liquid investment portfolio contains a combination of bonds, equities, property, alternative investments and cash. This year has seen the investment increase due to a transfer from the cash reserves and an increase in performance linked to market conditions.

Pension arrangements

Details of UCAS' pension arrangements, including two final salary schemes, and two money purchase arrangements, are set out in note 20 of the accounts.

- The net charge for the UCAS Pension and Life Assurance Scheme (PLAS) for the year ended 31 July 2025 is £0.0m (2024: £0.0m) included in note 20. In the year ended 31 July 2025, the return on scheme assets was positively impacted by market conditions and liabilities also reducing. The scheme surplus is £6.8m (2024: £5.1m). As this surplus is not deemed to be recoverable, and UCAS can gain no future benefit from the surplus, it has not been recognised on the Balance Sheet. This is a consistent assessment with the prior year.
- With regard to the Universities Superannuation Scheme (USS) pension scheme, the calculated balance sheet liability relating to the UCAS employees within the USS pension scheme is calculated as the present value of future deficit contributions over the remaining service of these employees. As there are no deficit contributions required under the current funding agreement, the balance sheet liability is £0.0m (2024: £0.0m).

Streamlined energy and carbon reporting

This report was undertaken in accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements outlined in the Companies Act 2006 for large quoted and unlisted companies which requires UCAS to report on its Greenhouse Gas (GHG) emissions.

Methodology

The data detailed in the table below represents emissions and energy use for which UCAS is responsible:

- Scope 1 - natural gas consumption in the office
- Scope 2 - purchased electricity that is consumed by UCAS
- Scope 3 - transmission and distribution of purchased electricity and fuel used in vehicles on company business

UCAS have used the main requirements of the Greenhouse Gas Protocol Corporate Standard to calculate the emissions, along with the UK Government GHG Conversion Factors for Company Reporting 2025. Data covers all of UCAS' operations from the UCAS head office, as a consolidated group report.

Greenhouse gas (GHG) emissions and energy use data for the period 1 August 2024 to 31 July 2025

	Current reporting year	Comparison year (2019/20)
Total energy consumption used to calculate emissions in kWh	1,554,309	1,621,091
Emissions from combustion of gas in tCO2e (Scope 1)	100.28	108.64
Emissions from purchased electricity in tCO2e (Scope 2)	147.14	254.29
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel in tCO2e (Scope 3)	58.94	12.95
Total gross tCO_2e based on above	**306.36**	**375.88**
Intensity ratio: gross tCO_2e / £M turnover	5.22	7.69
Intensity ratio: gross tCO_2e / employee	0.55	0.80

Energy efficiency and environmental management actions

During the reporting period UCAS has implemented several energy efficiency actions designed to lower primary energy consumption and decrease overall organisational GHG emissions. Details of these are provided below:

- Air Handling Unit (AHU) Inverters: Replaced inverter controls for the four main office floorplate AHUs, improving fan motor efficiency and delivering an estimated 10% energy saving.
- AHU Ductwork Lagging: Upgraded ductwork insulation on the four main office AHUs with high performance lagging, enhancing thermal performance and achieving potential energy savings of up to 15%.
- Kitchen De-gassing: Replaced all gas kitchen equipment with induction hobs and electric fryers, cutting gas use by c.8,000 kWh per year and enabling transition to cleaner electricity.

Moving forward energy efficient initiatives being undertaken include:

- UCAS will work with an organisation to help assess where the EPC rating of the office can be improved.
- While most of the building's energy usage is controlled through the functions of the Building Management System, over the next year, UCAS will continue to educate staff to reduce energy consumption in its day-to-day business operations.
- UCAS will replace the current lease vehicle with a low emissions plug-in hybrid car.
- A Sustainability Committee meets every quarter with representatives from across UCAS to discuss initiatives including energy awareness and Scope 1, 2 & 3 greenhouse gas emissions. UCAS will review any proposals arising from this Committee for implementation.

Risk management

The Directors have given consideration to the significant risks UCAS is exposed to and have satisfied themselves that controls are in place to mitigate those risks. The UCAS Board seeks to manage and mitigate risk, particularly through the activities of its Audit and Risk Committee. Working in conjunction with the Executive team, the Audit and Risk Committee monitors the following activity:

1. Risk management

The Corporate Risk Management Framework sets out UCAS' approach to risk management, covering the end-to-end process, roles, and responsibilities, and defining the scope of its activities.

Risk area	Risk description	Risk management
Relationships / Stakeholder engagement	Risk of damage to our reputation and public perception, which could impede our ability to deliver our strategy.	Engagement with key stakeholders reaffirming UCAS' value, expertise, and relationship, supported by effective delivery. Policies also in place e.g. 'advertising and sponsorship policy' which gives guidance on the principles and procedures relating to any advertising or sponsorship carried out by, or on behalf of, UCAS.
Service Delivery	Service interruption could result in poor outcomes for our beneficiaries.	Effective business continuity and disaster recovery planning with clear and robust incident/crisis management procedures. Regular testing and exercising in place. Lessons learned from exercises or incidents are then fed back into the planning process. Health and Safety audits also undertaken.
Information Governance and Security (including cyber security)	Risk of compromise to UCAS' systems and personal data regulation exposing UCAS to reputational damage, financial loss, and impacting operational activity and the ability to deliver the strategy.	A cyber security strategy alongside robust information security management system using controls within the ISO 27001 standard and applying CIS Security Controls. Employee awareness programme and reporting in place. Support also provided by third party suppliers.
People	Failure to be an employer of choice, where its people can thrive, perform at their best, and make a real difference.	Organisation values, capacity planning, development offer, staff surveys, and a commitment to EDI and wellbeing.
Financial	UCAS lacks future financial stability that might prevent the successful delivery of the strategy and impact for our beneficiaries.	Multi-year business planning approach, supported by appropriate reserves, and financial controls. Regular reporting and monitoring by the UCAS Board and its committees.
Legal, Regulatory and Ethical	Failure to comply with key internal and external regulation exposes UCAS to reputational damage, financial loss, and impacts the ability to deliver the strategy.	Risk owners are in place to own and manage risk and compliance, alongside specialist functions, external support, corporate policies, tools, and training. Formal whistleblowing channels to raise concerns by employees and suppliers.

Strategic risks are reviewed by the Executive team on a regular basis, and UCAS' corporate risk exposure is reported to all meetings of the Audit and Risk Committee and UCAS Board. Tactical risks at a business unit level are reviewed frequently.

2. Internal audit

KPMG, as UCAS' internal auditor, undertook a series of audits in which they reviewed the organisation's activities and governance functions, and reported their findings to the Audit and Risk Committee. A risk-based approach is taken to the development of the annual audit plan. This is agreed with, and guided by, the Executive Team and the Audit and Risk Committee. The 2024/25 audit programme included reviews such as health and safety, cyber security, financial controls, product data integrity, and service messaging and marketing communications. Internal audit is conducted in conjunction with the external audit function which is provided by RSM.

3. Health and safety

UCAS maintains a dedicated and centrally-managed health, safety, and environmental function. This role undertakes regular reviews of operational activities, and provides advice, including risk assessments, as well as wellbeing developments, reporting to the Chief Executive and Audit and Risk Committee, through the Executive sponsor for health and safety. The priorities are to maintain a healthy and safe environment for the UCAS workforce, ensure compliance with relevant health and safety legislation and regulation, ensure the requirements of the Energy Savings Opportunities Scheme (ESOS) are being satisfied, and effectively manage UCAS' environmental impact and wellbeing.

Reserves policy

The aim of the reserves policy is to ensure UCAS is resilient by protecting it from unforeseen financial challenges, while making funds available for investment in future activities.

Due to the cyclical nature of the annual application cycles, UCAS' income can vary seasonally. By contrast, expenditure is, for the most part, incurred evenly throughout the year. This can cause timing issues, where expenditure exceeds income at certain points within the year. There are also risks which need to be managed.

There is therefore a need for cash at a sufficient level to fund expenditure as noted in the general reserve section below.

The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. As such, there is a need for reserves. This is highlighted in the income and technology reserve sections below.

The reserves policy sets out the criteria used to designate UCAS' reserves and explains the reasoning behind putting each reserve in place.

Where the full value of any reserve cannot be designated from available funds, the reserve will be partially set aside, with the aspiration to build the full reserve in subsequent years.

The policy is reviewed annually, to take account of changes to the external environment and the performance of current operations. The reserves policy historically has not explicitly stated the minimum of level of reserves but following the review during 2024/25, a minimum level was set at four months forecast cash outflows. It was deemed important to set a minimum value now given the sustained period of investment projected over the next three years.

For the purpose of this policy the Charity defines its reserves as liquid funds readily available to support its ongoing activities, comprising cash balances and liquid investments. As at 31 July 2025, the charity held liquid reserves of £37.7 million (2024: £34.3 million), which exceeded the reserves target set. This balance includes £25.5 million in cash (2024: £23.2 million) and £12.2 million in liquid investments (2024: £11.1 million).

UCAS reserves target:

	2025	2024
Technology reserve	£12.1m	£11.7m
Income reserve	£6.5m	£5.9m
General reserves	£17.7m	£17.4m
Total	**£36.3m**	**£35.0m**

Due to increased income and technology costs predominately, the overall reserves target has increased in 2024/25.

To deliver the new corporate strategy, investment levels have started to increase resulting in deficit budgets for 2025/26 and plan years. The reserves will therefore be utilised to some extent over the next few years as UCAS delivers its mission.

When considering the appropriateness of the level of reserves for the UCAS Group (the Charity and its subsidiaries), the Directors have regard to the strategic risks facing the business and their possible financial implications, and the current business plan which includes the availability of cash in the bank and investment funds and the need for reserves to offset significant timing differences in the receipt of cash, particularly at the year end, when cash balances are typically at their lowest levels. The establishment of appropriate levels of reserves is therefore considered important to the continued operation of UCAS.

The following unrestricted reserves have been identified (none of UCAS' reserves is deemed to be restricted):

Income reserve

	2025	2024
Value of income reserve	**£6.5m**	**£5.9m**

The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. They therefore consider it important to establish sufficient reserves to protect against any unforeseen reduction in income.

The Directors have therefore designated a specific reserve to protect against any strategic risks that could lead to a loss of income and to support strategic initiatives. Each risk identified at the corporate level, where a potential financial loss is highlighted, is assigned a likelihood in percentage terms.

This percentage is multiplied by the estimated loss, to arrive at a corresponding value. The total of all amounts is reflected in the final value of the income reserve.

Technology reserve

	2025	2024
Value of technology reserve	**£12.1m**	**£11.7m**

Acknowledging the dependency of technology, coupled with the risks of operational failure and the serious compromise of sensitive or personal data, leading to reputational damage, the Directors believe a designated technology reserve should be held. Investment in technology must continue to ensure successful delivery of core services, as well as security and recovery provision. The Directors therefore consider it essential to hold sufficient reserves for this purpose. UCAS' technology spend can be segmented into three core areas:

- Tier one – architectural building blocks for the future and security and recovery provision
- Tier two – technology suppliers
- Tier three – other smaller technology suppliers

The target value should represent the annual cost of tier one.

General reserves

UCAS' income is seasonal, largely due to the application cycles, while expenditure is relatively constant throughout the year. There are also risks to be managed. There is, therefore, a need for cash at a sufficient level to fund expenditure. The total value of liquid assets (cash plus investment fund) that UCAS should look to maintain at any given time as general reserves, is based on the following assumptions:

- Two and a half months' working capital
- New initiatives or opportunities with expenditure needed ahead of income being received.
- As both PLAS and USS pension schemes are in surplus, they are not included in the overall general reserve for 2025/24.

The value of general reserves (unrestricted reserves minus pension liability) as at 31 July 2025 was £38.3m (2024 £36.2m).

Balance sheet reserve balances

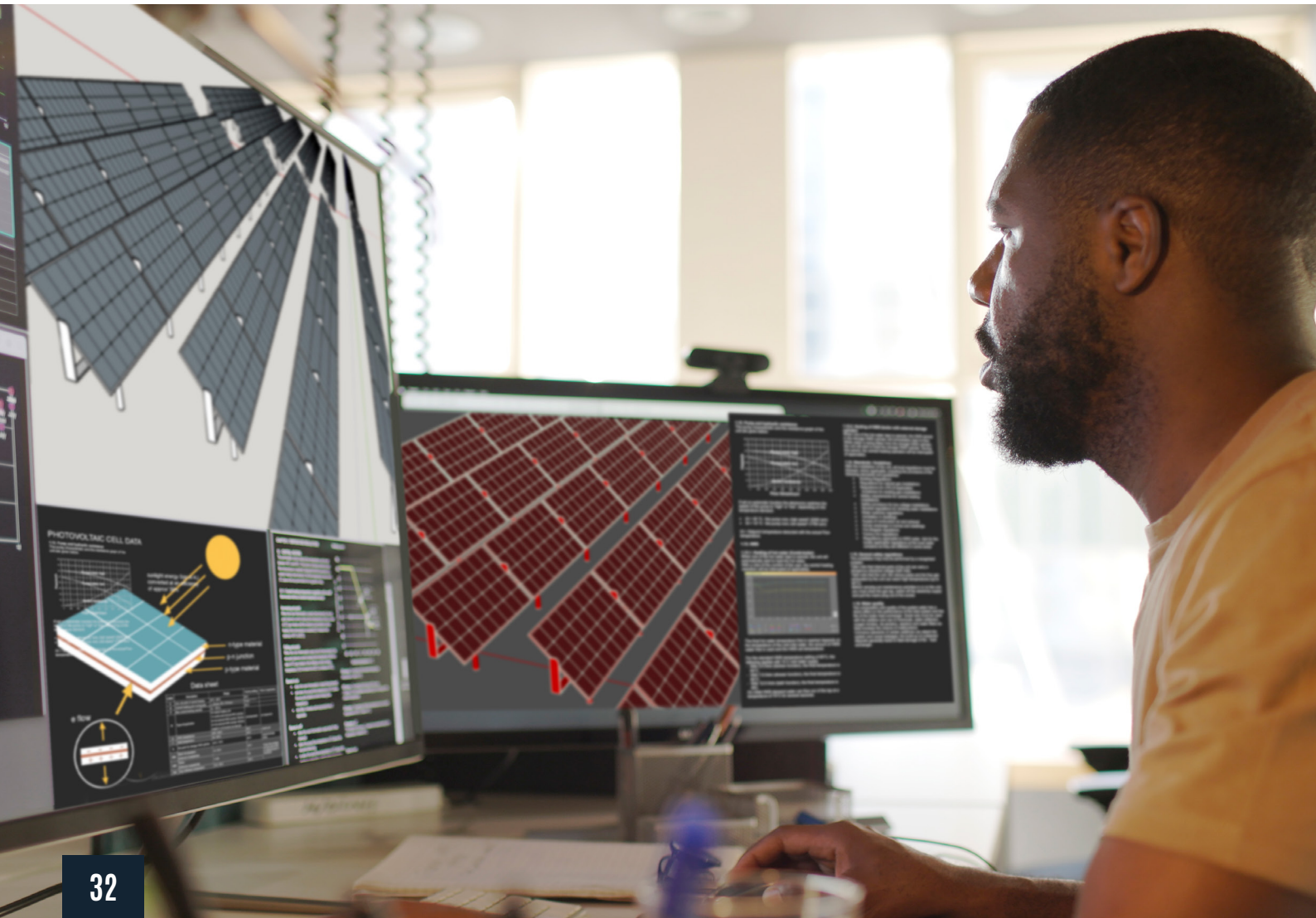
- The total balance sheet fund value is £56.9m (2024: £53.8m),
- of which designated reserves account for £18.6m (2024: £17.6m) comprising Income reserve £6.5m and Technology reserve £12.1m,
- and general reserves account for £38.3m (2024: £36.2m) of which intangible assets account for £11.4m, and tangible assets £7.8m. At the end of the year the general reserves less intangible and tangible assets represented just over three months' worth of working capital requirements ensuring that UCAS is a resilient charity.

Investment policy

UCAS' Articles of Association allow the Group to make such investments, including securities or property as may be thought fit, subject to legal and constitutional conditions and consents. This also allows the Group to subscribe for interests in any company or undertaking established, with the intention of directly or indirectly benefiting the Group. All cash funds generated by UCAS, or any subsidiary companies, will be invested and managed through UCAS, in accordance with all legal requirements, and with regard to UCAS' reserves policy, and both short-term and long-term working capital requirements. The funds to be invested represent the excess of cash reserves over the amount needed to fund investment in the company's infrastructure.

UCAS is committed to investing its funds on a socially responsible basis. UCAS believes that to accord with its values when investing its funds, regard must be made to environmental, social, governance (ESG) and sustainability issues. In making investment decisions, UCAS expects its appointed investment managers to promote ESG and sustainability characteristics while avoiding investments that may impede such characteristics. The objective for the fund is to achieve a balance of income and capital growth, while at least maintaining the real capital value of the investment funds in the long term. UCAS seeks an annual return equal to three percentage points above the Consumer Prices Index (CPI) over a rolling five years, and the fund is benchmarked against the Asset Risk Consultants (ARC) Charity Sterling Steady Growth Index or suitable equivalent. The investment policy was reviewed by the Board in 2024/25.

During the course of 2024/25, UCAS transferred its fund from Rathbone Greenbank to Cazenove Capital. The remaining amount with Rathbone Greenbank as at July 2025 is in the process of being transferred. As at 31 July 2025, while the performance of the Cazenove fund since inception (+0.8%) is below the CPI +3% target, the fund performance is in line with the ARC steady growth index (0.8%). For managed funds, the appointed investment manager may use their discretion in selecting the most appropriate investments, subject to the risk appetite and ethical parameters set out in UCAS' investment policy which is monitored, along with investment managers performance, by the Finance Committee.



Employee engagement

UCAS is driven to be an employer of choice, where its people can thrive, perform at their best, and make a real difference to our beneficiaries. This is considered through both the external lens, to attract new talent and skills, but also through an internal lens, ensuring UCAS retains, develops, engages, and manages colleagues effectively. This is achieved through:

- providing a performance framework that measures and rewards success, with clear career pathways and growth opportunities, supported by quarterly Celebrating U awards.
- ensuring all UCAS leaders are role models for the UCAS values in action (Beneficiary and Customer Centricity, Accountability, Trust and Expertise). Part two of the leadership programme 'Brilliant Basics' for all managers was delivered in 2024/25 and was aimed at helping managers embed the new values into ways of working.
- ensuring the right capability within the workforce, knowing what skills and knowledge are required to execute the strategy.
- holding regular wellbeing events, having a team of fully trained mental health first aiders, a staff consultation group, and the chance to take volunteer days.
- promoting a hybrid way of working where people can work in ways which suits both the business and individual success.
- an update and review on people initiatives and metrics at Board, and People and Remuneration Committee meetings.

Equality and inclusion

UCAS believes that each individual has something unique to offer, and realises the value this has for UCAS' community and the work it does. UCAS is firmly committed to advancing EDI and this will be measured and evident through its workforce demographics and employee experience and satisfaction scores.

UCAS gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities. All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by UCAS - examples include automatic doors, lower kitchen counters, accessible toilets, and signs with Braille for people with poor eyesight. UCAS does not condone or tolerate any form of discrimination in its recruitment or employment practices.

Key updates for 2024/25 include:

- A refreshed strategic approach to EDI, including the introduction of a new maturity model. The maturity model covers UCAS' aspiration, from the point of compliance, to being an industry leader in its approach to EDI.
- The Wellbeing Group has continued to work closely with colleagues driving UCAS' EDI agenda, ensuring the impact of intersectionality on wellbeing is acknowledged.
- UCAS continued to promote its commitment to wellbeing through an established group of 'champions'. Through helpful information, campaigns, and speakers, the wellbeing champions have focused on women's health, men's health, and mental and physical wellbeing.
- UCAS also continued to support the growth of UCAS' EDI networks such as LGBTQ+, Women in Tech and the Neurodiversity network, through guest speakers and supported events to boost awareness of diversity in the workplace.

The Directors' Report and incorporated Strategic Report were approved by the Board on 04 December 2025, and signed on its behalf by:

Edward Astle

Chair

Date: 04 December 2025

INDEPENDENT AUDITORS' REPORT

For the year ended 31 July 2025

Opinion

We have audited the financial statements of The Universities and Colleges Admissions Service (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2025 which comprise the Consolidated and Charity Statements of Financial Activities (incorporating an income and expenditure account), the Consolidated and Charity Statements of Financial Position, the Consolidated and Charity Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2025 and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of Directors other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of Directors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report and the strategic report, prepared for the purposes of company law and included within the Report of the Directors, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report and the strategic report, included within the Report of the Directors, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and parent charitable company'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 trustees either intend to liquidate the group or parent charitable company 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of the Directors, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing data analytics, analytical review, test of controls and substantive tests of details over a sample of income transactions.

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

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the members and the charitable company's trustees 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 charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HCatchpool

Hannah Catchpool (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants
25 Farringdon Street,
London, EC4A 4AB

Date: 9th December 2025

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED AND CHARITY STATEMENTS OF FINANCIAL ACTIVITIES

For the year ended 31 July 2025

		Group		Charity	
		Unrestricted Funds		Unrestricted Funds	
		2025	2024	2025	2024
	Notes	£'000	£'000	£'000	£'000
Income from charitable activities:					
Provider and applicant fees	3	32,359	31,907	32,359	31,907
Other income	3	531	455	6,278	5,577
Raising funds:					
Income from trading activities	3	24,245	23,401	-	-
Gift Aid		-	-	1,818	1,003
Investment income	3	1,588	1,445	1,551	1,416
Total income		**58,723**	**57,208**	**42,006**	**39,903**
Expenditure					
Raising funds	4	(22,518)	(22,484)	(28)	(44)
Charitable activities	4	(34,613)	(33,343)	(40,387)	(38,479)
Total expenditure		**(57,131)**	**(55,827)**	**(40,415)**	**(38,523)**
Net (loss)/gain on investments	9b	(151)	415	(151)	415
Net income		**1,441**	**1,796**	**1,440**	**1,796**
Other recognised gains/(losses):					
Remeasurements of defined benefit obligation	20	-	2,505	-	2,505
Fair value gain on Investment property	9a	1,732	-	1,732	-
Net movement in funds		**3,173**	**4,301**	**3,172**	**4,301**
Reconciliation of funds:					
Total funds brought forward		53,761	49,459	54,641	50,341
Total funds carried forward		56,934	53,761	57,813	54,641

CONSOLIDATED AND CHARITY STATEMENTS OF FINANCIAL POSITION

For the year ended 31 July 2025

		Group		Charity	
		2025	2024	2025	2024
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	7	10,813	11,504	9,146	9,562
Total intangible assets		10,813	11,504	9,146	9,562
Tangible assets	8	5,605	7,234	5,605	7,223
Investments	9a & b	14,859	11,097	14,859	11,097
Investment in subsidiaries	10	-	-	1,026	1,026
		31,277	29,835	30,636	28,908
Current assets					
Debtors - falling due within one year	11	9,740	9,232	6,334	6,827
Cash at bank and in hand		25,503	23,228	24,787	23,058
		35,243	32,460	31,121	29,885
Current liabilities					
Creditors amounts falling due within one year	12	(9,506)	(8,454)	(3,864)	(4,072)
Net current assets		25,737	24,006	27,257	25,813
Creditors: amounts falling due after more than one year					
Deposit from property tenant		(80)	(80)	(80)	(80)
		(80)	(80)	(80)	(80)
Net assets		**56,934**	**53,761**	**57,813**	**54,641**
Funds					
Unrestricted funds: designated	16	18,593	17,603	18,593	17,603
Unrestricted funds: general	17	36,609	36,158	37,487	37,037
Revaluation reserve	18	1,732	-	1,732	-
Called up share capital		-	-	1	1
Total funds		**56,934**	**53,761**	**57,813**	**54,641**

The financial statements on pages 39 to 75 were approved by the Board of Directors and authorised for issue on 04 December 2025.

Signed on behalf of the Board

Edward Astle, Chair

CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS

For the year ended 31 July 2025

	Notes	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Net cash flow from operating activities		5,035	4,792	3,094	4,311
Cash flow from investing activities					
Interest received on bank and cash balances		1,305	1,145	1,269	1,116
Gift Aid income from subsidiary		-	-	1,003	-
Purchase of intangible fixed assets	7	(2,802)	(4,481)	(2,374)	(3,760)
Purchase of tangible fixed assets	8	(263)	(364)	(263)	(362)
Cash Investment	9b	(1,000)	(750)	(1,000)	(750)
Net cash used in investing activities		(2,760)	(4,450)	(1,365)	(3,756)
Net increase in cash and cash equivalents		2,275	342	1,730	555
Cash and cash equivalents at the beginning of the reporting period		23,228	22,886	23,058	22,504
Cash and cash equivalents at the end of the reporting period		25,503	23,228	24,787	23,058

Notes to the statements of cash flows	Notes	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Operating surplus/(deficit) for the financial year		35	(11)	(1,745)	(983)
Adjustments for:					
(Increase)/Decrease in debtors	11	(508)	971	1,308	1,472
Increase/(Decrease) in creditors	12	1,052	(1,562)	(208)	(837)
Depreciation and amortisation	7 & 8	4,436	4,427	3,719	3,744
Disposal of tangible and intangible fixed assets		20	-	20	-
Impairment of tangible and intangible fixed assets	7 & 8	-	850	-	797
USS interest costs	20	-	118	-	118
Net cash flow from operating activities		5,035	4,792	3,095	4,311

NOTES TO THE FINANCIAL ACCOUNTS

For the year ended 31 July 2025

1. Principal accounting policies

The following accounting policies have been used consistently, in dealing with items that are considered material in relation to the Group's and Charitable Company's accounts.

General information

UCAS is a private limited company by guarantee, without share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company. UCAS is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). The address of the Group's registered office and principal place of business is: Rosehill, New Barn Lane, Cheltenham GL52 3LZ.

The Group consists of UCAS and its subsidiaries. The Group's principal activities, and the nature of the Group's operations, are as described in the Report of the Directors.

Basis of accounting

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'). The accounts comply with the following:

- The Companies Act 2006
- The Statement of Recommended Practice (SORP), Accounting and Reporting by Charities, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).
- The Charities and Trustee Investment (Scotland) Act 2005
- The Charities Accounts (Scotland) Regulations 2006 (as amended)

The Charitable Company has availed itself of Section 4 of Schedule 1, Part 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) regulations 2008, and adapted the Companies Act formats, to reflect the special nature of the Charitable Company's activities.

The Charitable Company constitutes a public benefit entity, as defined by FRS 102.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

Throughout the year, the Trustees at the Board meetings and through the relevant Committees review the financial performance, business planning and the financial outlook and scenarios.

Financial modelling of income, surplus and cash has been conducted through to 2027/28 with cash remaining in surplus, and was presented to the Board as part of the business planning agenda in July 2025. As at July 2025, UCAS has a cash balance of £25.5m and an investment fund of £12.2m.

As such, the Trustees consider there are no material uncertainties that would cast significant doubt around the Group's and the Charitable Company's ability to operate as a going concern.

Basis of consolidation

The financial statements consolidate the results of UCAS and its wholly owned subsidiaries (see Note 10). The consolidation is prepared on a line-by-line basis. Intragroup transactions, balances and realised profits have been eliminated on consolidation. A separate Statement of Financial Activities for the charity is also presented in accordance with Charities SORP (FRS 102).

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the parent Charity.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued, and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent consideration acquired is recognised as goodwill.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Charitable Company.

Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies), are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to income or expenditure, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Income

All income is included in the Statement of Financial Activities, in respect of the services provided during the period, and is stated net of value added tax.

Income is recognised when the Group has entitlement to the funds and it is probable that the income will be received and the amount can be measured reliably against an invoice, contract or agreement. Income attributable to the financial period is recognised as follows:

- Provider and applicant income, grants, and other income is accounted for on a receivable basis.
- Other income includes income from the provision of training, a grant in relation to the fraud and verification service, and rental income from a proportion of the Rosehill property. For subscriptions, income is recognised over the life of the subscription, during which time the service is delivered in full.
- Income from trading operations includes marketing services and income from events. For these categories, income is recognised in line with when the services are delivered, and is deferred as necessary.

The Group and Charitable Company receive income from investments. This is accounted for on a receivable basis.

The Charitable Company also receives gift aid income from the trading subsidiary UCAS Media Limited, which is accounted for on a receivable basis.

Income is shown in two main categories:

- Income from charitable activities includes capitation fees from higher education providers, application fees, grants, and other income.
- Income from raising funds includes income from trading subsidiaries and investment income.

Expenditure

All expenditure is accounted for on an accruals basis, and has been classified under the headings:

- costs of charitable activities
- costs of raising funds

Costs of charitable activities relate to costs incurred in delivering UCAS' charitable objects. These costs include those related to operating UCAS' core admissions services, as well as the development, implementation, and maintenance of our infrastructure capabilities.

Costs of raising funds relate primarily to the activities of the trading subsidiary, UCAS Media Limited. These costs are incurred in generating trading income.

Support costs are incurred in the process of supporting the above activities, and are allocated to those activities on the number of employees basis.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure was incurred.

Investment policy

Investments in subsidiary undertakings are measured at cost, less any impairments recognised.

Other fixed asset investments are valued at their market value, per the Cazenove and Rathbone Greenbank investment report on the last day of the accounting period. Changes in the valuation of the investments during the year are shown as unrealised gains or losses. Gains or losses arising from the disposal of investment assets are disclosed as being realised, being the difference between the sales proceeds, and the market value at the start of the year.

Investment property

Investment property relates to a proportion of the Rosehill property used to generate rental income, this is initially measured at cost and subsequently accounted for using the fair value model. Investment property is revalued annually with resulting gains and losses recognised in the statement of financial activities. Transfers from property, plant and equipment, or stock, to investment property are measured at fair value

from the date they meet the definition of investment property. Any difference between that fair value and the previous carrying amount is treated as a revaluation gain or loss for properties previously classified as property, plant and equipment.

Tangible fixed assets and depreciation

In UCAS and its subsidiaries, tangible fixed assets are capitalised where the individual cost of an item exceeds £5,000, or if an item is a component of a larger asset. Tangible fixed assets are initially measured at cost, and subsequently measured at cost, net of depreciation, and any impairment losses. Depreciation is provided against tangible fixed assets, other than freehold land, at the following straight-line rates. This reflects the anticipated useful lives, and estimated residual values:

Category	Class	Rates applied
Computer hardware	Hardware and equipment	Three years
Office equipment	Hardware and equipment	Four years
Motor vehicles	Vehicles	Four years
Other plant, furniture and equipment	Freehold Buildings	Ten years
Freehold building	Freehold Buildings	Fifty years
Assets under construction	Works in progress	Not depreciated until asset is available for use

During the year, the capitalisation policy was reviewed, with three changes to note:

- With regard to 'Internal and external development or architecture resources deployed to develop and implement enhancements to an existing application', an additional sentence has been added for clarity "but not for application cycle rollover'. As development of this nature is to specifically support a defined period of the annual application cycle, these costs are expensed.
- An additional class of asset has been added as laptops will now be leased. The proposed depreciation period is 'shorter of 3 years or the period of the lease'.
- Further wording has been added to state that all audio visual (AV) and office computer equipment should be tagged with an asset number to provide additional clarity.

Consideration was given during the year to the appropriateness of the £5,000 materiality level as the threshold for reviewing purchases as a capital expenditure level given historic and current rates of inflation, and that the value has remained unchanged for several years. Following the review, no change was made to the policy.

Intangible assets and amortisation

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five years, which represents the period over which the goodwill is expected to give rise to economic benefits. Amortisation is charged to the expenditure: charitable activities line on the statement of financial activities.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible fixed assets – other than goodwill

Internally developed software is initially recognised at cost and, once it becomes available to use, amortised over the expected useful life of that software prior to replacement (up to a maximum of five years, depending on the characteristics of the asset). Ahead of the completion of internally developed software, the cumulative direct cost of resources and services incurred during development are held as Software work in progress and are not amortised until the asset is in use.

Intangible assets arising on a business combination are

recognised separately from goodwill if the intangible asset is both separable and arises from legal or contractual rights. Intangible assets acquired on a business combination are initially recognised at cost (the fair value of the asset at acquisition date) and, once it becomes available to use, amortised over the useful life of that software.

Capitalised software licences are initially recognised at cost and then amortised over the shorter of five years or the agreed licence period.

Intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:

Category	Rates applied
Software (internally developed)	Five years
Licences	The shorter of five years or the period of the license

Impairment policy

An assessment is made at each reporting date, whether there are indications a fixed asset may be impaired, or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets, and their recoverable amounts – being the higher of fair value less costs to sell, and value in use – are recognised as impairment losses in income or expenditure.

Any impairment loss recognised for goodwill is not reversed. For fixed assets other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income or expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted, to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Policy on capitalisation of software development costs

Only expenditure of substantial amounts for enhancements on authorised projects, incurred in direct relation to the project, may be incorporated into capitalised software development costs. In general, costs incurred necessarily, and exclusively, in the creation of an asset that will deliver future economic benefit, are capitalised and amortised over the useful life of that asset, subject to the amortisation periods set out above. This will not generally include any pre-development costs, such as feasibility studies or market research. However, this will include any beta testing period, where an application has been made available to customers in a pre-final version for feedback, with a view to further enhancements before release into production.

Development is deemed to end when the application is released into production. Any subsequent development expenditure is deemed to be continuous improvement, and would not be considered for capitalisation, unless it contributes to a significant increase in the economic value of the asset. Capitalised development expenditure is initially recognised at cost, and subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Leases

The Group as Lessee – Operating Leases, all other leases are operating leases and the annual rentals are charged to profit or loss on a straight line basis over the lease term. Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense and recognised, on a straight-line basis over the lease term.

The Group as Lessor – Lease income under operating leases is credited to profit or loss on a straight-line basis over the lease term. The aggregate costs of lease incentives are recognised as a reduction to the income over the lease term on a straight-line basis.

Cash and cash equivalents

These amounts comprise cash at the bank and in hand, as well as short-term deposits, typically with a short maturity of three months or less from the date of acquisition.

Financial instruments

The Group has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102, in full, to all its financial instruments. Financial assets and financial liabilities are recognised when the Group and Charitable Company become a party to the contractual provisions of the instrument, and are offset only when the Group and Charitable Company currently have a legally enforceable right to set off the recognised amounts, and intend either to settle on a net basis, or to

simultaneously realise the asset and settle the liability.

Trade, group, and other debtors

Trade, group, and other debtors (including accrued income), which are receivable within one year, and which do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being the transaction price less any amounts settled, and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected, according to the original terms of the contract. Impairment losses are recognised in profit or loss, for the excess of the carrying value of the trade debtor over the present value of the future cash flows, discounted using the original effective interest rate.

Subsequent reversals of an impairment loss, that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Creditors

Trade, deposits, group, and other creditors, including accruals, payable within one year and in more than one year, that do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being transaction price less any amounts settled.

Taxation

The parent company is a registered charity and, as such, is exempt from taxation of its income and gains falling within Part II of the Corporation Tax Act 2010, or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that they are applied to its charitable objectives. Any tax charge arising in the subsidiaries are mitigated via the payment of Gift Aid to the parent charity.

Employee benefits

The Group's holiday entitlement year runs from April to March, and employees are entitled to carry forward any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits, is recognised immediately as an expense, when the Group is demonstrably committed to terminate the employment of an employee, or to provide termination benefits.

Retirement benefits

The Group participates in three pension schemes.

- UCAS Pension and Life Assurance Scheme (1993) is a defined benefit scheme. The scheme was closed to future accrual of benefits on 31 December 2017. The assets and liabilities of the scheme are held in a separate trust, and the net defined benefit asset/liability represents the present value of the defined benefit obligation, minus the fair value of plan assets, out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds, with terms and currencies consistent with those of the benefit obligations.

  Gains or losses recognised in Statement of Financial Activities:

  - The change in the net defined benefit liability arising from employee service during the year, is recognised as an employee cost.
  - Net interest on the net defined benefit asset/liability comprises the interest cost on the defined benefit obligation, and interest income on the plan assets. This is calculated by multiplying the fair value of the plan assets at the beginning of the period, by the rate used to discount the benefit obligations.

  Gains or losses recognised in other comprehensive income:

  - Actuarial gains and losses.
  - The difference between the interest income on the plan assets, and the actual return on the plan assets.

- UCAS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions, and a scheme-wide contribution rate is set. UCAS 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', UCAS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme. Since UCAS has entered into an agreement (the 'Recovery Plan') that determines how each employer in the scheme will fund the overall deficit, UCAS recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit), and therefore an expense is recognised.

- UCAS DC Pensions Savings Scheme is a defined contribution scheme with associated life assurance attachment. The employer liability towards these schemes is limited to the contributions made on a regular monthly basis. These are subject to an upper limit, graduated on the option made by the employee to the scheme. These contributions are charged to the Statement of Financial Activities as they become due.

Further details of the accounting adopted for these schemes is detailed in note 20 to these accounts.

Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Directors, for the general objectives of the Group, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds set aside by the Directors for specific purposes.

2. Staff numbers and costs

The average monthly number of employees during the year was as follows:

	Group		Charity	
	2025	2024	2025	2024
	No.	No.	No.	No.
Application services	444	462	444	462
Commercial management	2	3	-	-
Sales and commercial administration	114	118	-	-
	560	583	444	462

The aggregate payroll costs of these persons were as follows:

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Salaries	26,631	26,137	18,304	17,883
Social security costs	3,102	2,855	2,613	2,301
Defined contribution pension cost	1,552	1,541	1,268	1,280
Pensions costs - multi-employer DB scheme	485	563	485	476
	31,769	31,096	22,670	21,940
Capitalised	(2,219)	(2,663)	(2,219)	(2,663)
	29,550	28,433	20,451	19,277

While all staff are employed through the Charity, those staff that are conducting non primary purpose activities through UCAS Media Limited are excluded from the Charity numbers. Group numbers include all staff.

Employer costs relating to Defined Contribution (DC) and Defined Benefit (DB) pension schemes are analysed separately.

During the year, restructure costs of £339k (2024: £193k) were incurred of which £339k (2024: £193k) were statutory and non-statutory/voluntary payments, to align staff capability to new roles. Such costs are recognised as expenses immediately within expenditure, included in the salary amounts above and included in the table below where appropriate. At the reporting date, all such payments had been made.

Included in the above table are costs for the following numbers of employees, whose emoluments (including benefits in kind, but not pension costs) fell within the following bands:

	Group		Charity	
	2025	**2024**	**2025**	**2024**
	No.	**No.**	**No.**	**No.**
£60,001 - £70,000	62	57	57	54
£70,001 - £80,000	27	24	23	21
£80,001 - £90,000	19	22	15	16
£90,001 - £100,000	5	1	4	1
£100,001 - £110,000	9	4	7	4
£110,001 - £120,000	6	-	6	-
£120,001 - £130,000	-	3	-	3
£130,001 - £140,000	2	1	1	-
£140,001 - £150,000	2	1	2	1
£150,001 - £160,000	1	-	1	-
£160,001 - £170,000	1	-	-	-
£170,001 - £180,000	-	1	-	1
£180,001 - £190,000	1	-	1	-
£200,001 - £210,000	-	1	-	-
£240,001 - £250,000	1	-	1	-
£250,001 - £260,000	-	1	-	1

Pension scheme contributions paid by the Group in respect of the people listed above amounted to:

	Group		Charity	
	2025	**2024**	**2025**	**2024**
	£'000	**£'000**	**£'000**	**£'000**
UCAS Group Stakeholder Pension Plan	503	410	443	373
USS Scheme	435	513	400	447
Total	**938**	**923**	**843**	**820**

The key management personnel of UCAS comprises the Executive Team as listed on page 78.
The total remuneration of the executive team is as follows:

	Group	Group
	2025	**2024**
	£'000	**£'000**
Total employee benefits	1,082	1,346
Employer's social security	159	175
Employer's pension costs	137	184
Total	**1,377**	**1,705**

Directors

None of the Directors received remuneration for services to the Charity (2024: £1,000 in relation to a Student Trustee who sat on the Board to whom an agreed nominal payment was made as part of their appointment). Travelling expenses of £5,968 were reimbursed to 8 Directors (2024: £29,273, 14 Directors), in respect of attendance at meetings. During the year, no emoluments were paid to non-executive Directors of UCAS Media Limited (2024: £nil).

Professional indemnity insurance

The Charitable Company paid a premium of £2,500 (2024 £2,000) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

3. Income

	2025	2024
	£'000	£'000
Institutional and applicant fees		
Provider fees	16,322	15,837
Applicant fees	16,037	16,070
	32,359	31,907
Other income		
Data services sales	35	52
Brand and data charge	3,972	3,777
Management and resourcing recharge	1,775	1,345
Fraud grant	105	67
Other income	391	336
	6,278	5,577
Investment income	1,551	1,416
Charity income excluding gift aid	40,188	38,900
Trading operations		
UCAS Media Limited	24,245	23,401
Investment income	37	29
	24,282	23,430
Intercompany	(5,747)	(5,122)
Group income	58,723	57,208

UCAS Media Limited's principal business activity is the provision of marketing services to higher education providers and commercial clients, seeking to make contact with applicants, and prospective applicants to higher education courses.

The majority of the accounting profits of the trading subsidiary are gift aided to the parent company under the deed of covenant. A gift aid payment of £1,818k (2024: £1,003k) is due from UCAS Media Limited to UCAS.

4. Expenditure

Group:	Direct staff costs	Direct costs	Brand and data	Other support costs	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Cost of investments	-	28	-	-	28	44
Commercial activities	7,995	7,688	3,972	2,835	22,490	22,440
	7,995	7,716	3,972	2,835	22,518	22,484
Charitable activities						
Admissions service	10,281	2,350	(3,972)	9,139	17,798	20,258
Special projects	3,014	6,757	-	2,438	12,209	9,212
Analysis and research	3,074	319	-	1,213	4,606	3,873
	16,369	9,426	(3,972)	12,790	34,613	33,343
Total expenditure of the group	**24,364**	**17,142**	**-**	**15,625**	**57,131**	**55,827**

Analysis of support costs	Raising funds	Admissions service	Special projects	Analysis & research	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	133	662	-	-	795	701
Finance	1,125	774	-	3	1,902	1,969
Human resources	359	974	377	188	1,898	1,883
Information technology	726	4,900	1,590	795	8,011	8,156
Facilities	361	1,245	471	226	2,303	2,201
General management	132	584	-	-	716	311
Total support costs	**2,836**	**9,139**	**2,438**	**1,212**	**15,625**	**15,220**

Analysis of governance costs	Total 2025	Total 2024
	£'000	£'000
Internal audit	89	95
External audit	71	67
Legal & professional consulting	372	294
Trustees	136	104
Other governance costs	127	141
Total governance costs	795	701

Charity:

	Direct staff costs	Direct costs	Other support costs	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Cost of investments	-	28	-	28	44
	-	**28**	**-**	**28**	**44**
Charitable activities					
Admissions service	9,193	2,377	12,002	23,572	25,392
Special projects	3,014	6,757	2,438	12,209	9,213
Analysis and research	3,074	319	1,213	4,606	3,874
	15,281	9,453	15,653	40,387	38,479
Total expenditure of the charity	**15,281**	**9,481**	**15,653**	**40,415**	**38,523**

Analysis of support costs	Admissions service	Special projects	Analysis & research	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Governance	774	-	-	774	682
Finance	1,948	-	3	1,951	993
Human resources	1,333	377	188	1,898	1,656
Information technology	5,626	1,590	795	8,011	8,156
Facilities	1,606	471	226	2,303	2,201
General management	716	-	-	716	312
Total support costs	**12,003**	**2,438**	**1,212**	**15,653**	**14,000**

Analysis of governance costs	Total 2025	Total 2024
	£'000	£'000
Internal audit	89	95
External audit	51	48
Legal & professional consulting	371	294
Trustees	136	104
Other governance costs	127	141
Total governance costs	**774**	**682**

5. Taxation

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Current tax				
UK corporation tax	-	-	-	-

Factors affecting the tax charge for the year:

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Net income for the year before tax	1,441	4,056	1,440	4,053
Tax on income at standard CT rate of 25%	274	771	274	770
Effects of:				
Income not taxable for tax purposes	(274)	(771)	(274)	(770)
Total current tax charge	-	-	-	-

6. Net income for the year is stated after charging

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Depreciation of tangible fixed assets	940	900	930	885
Amortisation of intangible assets	3,472	3,527	2,766	2,859
Impairment of intangible assets	24	850	24	797
Operating lease costs	4	6	4	6
Auditor's remuneration - audit fees	71	67	51	48
Auditor's remuneration - taxation compliance services	6	6	4	4
Internal auditor's remuneration	89	95	89	95
And after crediting:				
Interest on deposits receivable	1,382	1,222	1,345	1,193
Dividends receivable on investment portfolio	205	223	205	223

7. Intangible assets

Consolidated	Goodwill	Licences	Software	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2024	1,361	1,014	30,640	1,403	34,418
Additions	-	-	428	2,374	2,802
Transfers	-	-	2,343	(2,343)	-
Disposals	-	(868)	(4,513)	-	(5,381)
At 31 July 2025	1,361	146	28,898	1,434	31,839
Amortisation and impairment					
At 1 August 2024	1,361	916	20,637	-	22,914
Amortisation charge for the year	-	40	3,429	-	3,469
Impairment charge for the year	-	-	24	-	24
Disposals	-	(868)	(4,513)	-	(5,381)
At 31 July 2025	1,361	88	19,577	-	21,026
Net book value					
At 31 July 2024	-	98	10,003	1,403	11,504
At 31 July 2025	-	58	9,321	1,434	10,813

Charity	Licences	Software	Work in progress	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 August 2024	1,014	27,413	1,403	29,830
Additions	-	-	2,374	2,374
Transfers	-	2,343	(2,343)	-
Disposals	(868)	(4,513)	-	(5,381)
At 31 July 2025	146	25,243	1,434	26,823
Amortisation and impairment				
At 1 August 2024	916	19,351	-	20,267
Amortisation charge for the year	40	2,726	-	2,766
Impairment charge for the year	-	24	-	24
Disposals	(868)	(4,512)	-	(5,380)
At 31 July 2025	88	17,589	-	17,677
Net book value				
At 31 July 2024	98	8,062	1,403	9,563
At 31 July 2025	58	7,654	1,434	9,146

8. Tangible assets

Consolidated

	Land	Freehold Buildings	Hardware and equipment	Vehicles	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 August 2024	3,150	7,558	4,187	15	93	15,003
Additions	-	88	8	-	167	263
Disposals	-	-	(14)	-	(20)	(34)
Transfer to Investment Property	-	(2,011)	-	-	-	(2,011)
Transfer	-	134	80	-	(214)	-
At 31 July 2025	3,150	5,769	4,261	15	26	13,221
Depreciation						
At 1 August 2024	-	3,972	3,782	15	-	7,769
Disposals	-	-	(14)	-	-	(14)
Depreciation charge for the year	-	708	234	-	-	942
Transfer to Investment Property	-	(1,081)	-	-	-	(1,081)
At 31 July 2025	-	3,599	4,002	15	-	7,616
Net book value						
At 31 July 2024	3,150	3,586	405	-	93	7,234
At 31 July 2025	3,150	2,170	259	-	26	5,605

Charity

	Land	Freehold Buildings	Hardware and equipment	Vehicles	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 August 2024	3,150	7,516	3,285	15	93	14,059
Additions	-	88	8	-	167	263
Disposals	-	-	(7)	-	(20)	(27)
Transfer to Investment Property	-	(2,011)	-	-	-	(2,011)
Transfer	-	134	80	-	(214)	-
At 31 July 2025	3,150	5,727	3,366	15	26	12,284
Depreciation						
At 1 August 2024	-	3,931	2,890	15	-	6,836
Disposals	-	-	(7)	-	-	(7)
Depreciation charge for the year	-	707	224	-	-	931
Transfer to Investment Property	-	(1,081)	-	-	-	(1,081)
At 31 July 2025	-	3,557	3,107	15	-	6,679
Net book value						
At 31 July 2024	3,150	3,585	395	-	93	7,223
At 31 July 2025	3,150	2,170	259	-	26	5,605

9a. Investment Property

	Group	Charity
	£'000	£'000
At 1 August 2024	-	-
Transfer from tangible fixed assets	2,663	2,663
At 31 July 2025	2,663	2,663

The charity's investment property is located at Rosehill, Cheltenham. Part of this property is let to third parties and part is available to let with the remaining building space accommodated by the charity. During the year, to reflect the change in use, the Charity has reclassified the portion of the building held for letting from freehold property to investment property.

In accordance with FRS 102 section 17, on the date of reclassification, the relevant portion was revalued from its net book value of £931k to a fair value of £2,663k, resulting in a revaluation gain of £1,732k. This gain was recognised in the Statement of Financial Activities (SoFA).

The part of the building which is let/ available to let to third parties is included in the balance sheet at fair value as at 31 July 2025. An independent valuation of the property was carried out as of 31 July 2025 by Savills (UK) Limited. The valuer's opinion of fair value was primarily derived using recent comparable market transactions on arm's length terms. The valuation amount has been apportioned between the investment and non-investment parts of the building using the relative floor areas attributable to each element.

The charity receives rental income of £223k (2024: £223k) from this investment property.

There are no restrictions in place on this property, and no contractual obligations.

9b. Investments

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Opening value	11,097	9,685	11,097	9,685
Cash Investment	1,000	750	1,000	750
Interest and dividends	281	300	281	300
Net unrealised (loss)/gain	(151)	415	(151)	415
Charges for the period	(25)	(44)	(25)	(44)
VAT payable on charges	(6)	(9)	(5)	(9)
Closing value	12,196	11,097	12,196	11,097

VAT is payable on investment management charges. Gross charges are deducted from the portfolio, with the VAT element reclaimed via the Charitable Company's VAT return.

Income receivable from dividends and interest is reinvested in the portfolio.

Investments comprise:	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bonds	1,172	2,663	1,172	2,663
UK Equities	290	3,899	290	3,899
Overseas Equities	8,403	2,869	8,403	2,869
Property	588	185	588	185
Alternative assets	1,084	1,386	1,084	1,386
Cash	659	95	659	95
	12,196	11,097	12,196	11,097

The Directors do not consider any individual investment to be material in the context of the investment portfolio.

10. Subsidiary undertakings (Charity only)

	Holding (£1) Ordinary Shares	Proportion of nominal value held directly	Cost (£'000)	Nature of business	Country of incorporation and registration number
UCAS Media Limited (see note 20)	1,000	100%	1,026	Marketing services	England and Wales 02737300
UCAS Consultancy and Insights Limited (dormant)	1	100%	-	Marketing services	England and Wales 11737961

The statutory accounts of UCAS Media Limited are fully audited and published separately. Refer to note 21 for a summary of the trading results of UCAS Media Limited.

UCAS Consultancy and Insights Limited is not trading.

11. Debtors

Amounts falling due within one year	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade debtors	5,963	5,033	74	12
Amounts owed by subsidiaries	-	-	3,274	4,050
Other debtors	-	54	-	54
Prepayments and accrued income	3,533	3,546	2,461	2,328
Value Added Tax	244	599	525	383
	9,740	9,232	6,334	6,827

12. Creditors

Amounts falling due within one year	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade creditors	1,909	2,247	1,542	1,984
Social security and other taxes	845	709	845	709
Other creditors	383	506	354	400
Accruals and deferred income	6,369	4,992	1,123	979
	9,506	8,454	3,864	4,072

Deferred income	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Deferred income at 1 August	3,615	3,873	38	39
Deferred income released during the year	(3,615)	(3,873)	(38)	(39)
Income deferred during the year	4,748	3,615	90	38
Deferred income at 31 July	4,748	3,615	90	38

Deferred income relates to advertising income, events income, and income from subscriptions. For advertising campaigns and events, income is deferred on the basis of when the service is to be delivered. In the case of subscriptions, income is recognised over the life of the subscription, during which time, the service is delivered in full.

13. Financial Instruments

The carrying value of financial instruments for the Group and the Charitable Company, held at fair value, as at 31 July were:

	Group		Charity	
	2025	2024	2025	2024
Financial assets measured at fair value:	£'000	£'000	£'000	£'000
Investments	14,859	11,097	14,859	11,097
Financial assets measured at amortised cost:				
Cash at bank	25,503	23,228	24,787	23,058
Trade debtors	5,963	5,033	74	12
Other debtors	-	54	-	54
Accrued income	127	238	61	61
Amounts owed by subsidiaries	-	-	3,274	4,050
	46,452	39,650	43,055	38,332
Financial liabilities measured at amortised cost:				
Trade creditors	1,909	2,247	1,542	1,984
Other creditors	29	108	-	-
Accruals	1,244	1,082	763	771
	3,182	3,437	2,305	2,755

14. Capital commitment

At 31 July the group had a capital commitment of 26k, 50% balance for supply and installation of a flat roof. (2024: £19k parts for high voltage switch gear).

15. Commitments under operating leases

The total future minimum lease payments for both the Group and the Charitable Company, under non-cancellable operating leases of other assets, are as follows:

	2025	2024
Amounts due:	£'000	£'000
Within one year	195	4
Between one and five years	384	7
	579	11

16. Unrestricted funds: designated

	Technology reserve	Income reserve	Total	Total
	2025	2025	2025	2024
	£'000	£'000	£'000	£'000
Group				
Value at beginning of the year	11,728	5,875	17,603	15,184
Transfer into fund in the year	340	650	990	2,419
Value at end of the year	12,068	6,525	18,593	17,603
Charity				
Value at beginning of the year	11,728	5,875	17,603	15,184
Transfer into fund in the year	340	650	990	2,419
Value at end of the year	12,068	6,525	18,593	17,603

Designated reserves reflect the Directors' view of the funds required to be allocated to meet future obligations and to ensure the sustainability of the Group's and Charity's core operations. UCAS recognises that designated reserves should have a timeline for being utilised, but this timeline varies depending on which events occur. Further detail of the Reserves Policy is given in the Report of the Directors.

17. Unrestricted funds: general

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Value at beginning of the year	36,158	36,661	37,037	37,543
Surplus for the year	1,441	4,056	1,440	4,053
Transfer (to) designated funds	(990)	(2,419)	(990)	(2,419)
FRS102 pension adjustments	-	(2,140)	-	(2,140)
Value at end of the year	36,609	36,158	37,487	37,037
Unrestricted funds: designated	18,593	17,603	18,593	17,603
Unrestricted funds: general	36,609	36,158	37,487	37,037
Revaluation reserve	1,732	-	1,732	-
	56,934	53,761	57,812	54,640

Funds are transferred between unrestricted designated and general funds to maintain key technology contracts, and to protect against loss of income through realisation of strategic risks (note 16) as agreed by the Directors in the Reserves Policy. It is predicted that the amounts above the reserves policy amounts will be used over the next few years given the investment levels required to deliver the new strategy.

18. Revaluation reserve

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Value at beginning of the year	-	-	-	-
Revaluation gain on Investment property	1,732	-	1,732	-
Value at end of the year	1,732	-	1,732	-

The revaluation reserve represents the gain arising from the revaluation of fixed assets to fair value. During the year, a gain of £1,732k was recognised following the reclassification of the part of the charity's property at Rosehill, Cheltenham to investment property, in accordance with FRS 102 Section 17.

19. Net assets by fund

Group

The consolidated net assets held as at 31 July 2025 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Total	Total
	2025	2025	2025	2025	2024
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	12,068	6,525	-	18,593	17,603
Unrestricted funds: general	4,350	34,072	(80)	38,341	36,157
	16,418	40,597	(80)	56,933	53,760

The consolidated net assets held as at 31 July 2024 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Total	Total
	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	11,728	5,875	-	17,603	15,184
Unrestricted funds: general	7,009	29,228	(80)	36,157	34,276
	18,737	35,103	(80)	53,760	49,460

Charity

The consolidated net assets held as at 31 July 2025 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Total	Total
	2025	2025	2025	2025	2024
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	12,068	6,525	-	18,593	17,603
Unrestricted funds: general	2,683	36,617	(80)	39,219	37,037
	14,751	43,142	(80)	57,812	54,640

The consolidated net assets held as at 31 July 2024 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Total	Total
	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	11,728	5,875	-	17,603	15,184
Unrestricted funds: general	5,057	32,061	(80)	37,037	35,156
	16,785	37,936	(80)	54,640	50,340

20. Pension schemes

The Group participates in three pension schemes: one defined benefit pension scheme, one defined benefit scheme that is accounted for as if it were a defined contribution scheme (as required by FRS 102 section 28 'Employee Benefits'), and one defined contribution scheme. Employees join the appropriate scheme, depending on their employment terms. The total cost to the Group for the year ended 31 July 2025, in respect of pension contributions, which have been allocated between expenditure categories in proportion to staff costs, and charged to the consolidated Statement of Financial Activities as appropriate, are as follows:

	2025	2024
	£'000	£'000
Defined contribution schemes	1,601	1,541
Multi-employer defined benefit scheme	435	563
	2,036	2,104

At 31 July, there were outstanding employer's and employees' contributions, including any additional voluntary contributions to the schemes, included in social security and other taxes within the creditors note, as follows:

	2025	2024
	£'000	£'000
Defined contribution scheme	252	206
Multi-employer defined benefit scheme	60	86
	312	292

UCAS Pension and Life Assurance Scheme (1993)

The scheme was closed to future accrual of benefits on 31 December 2017. Active members of the scheme at the closure date became 'active deferred' members, and transferred to UCAS' Defined Contribution pension scheme. The UCAS Pension and Life Assurance Scheme currently has 38 active deferred members, 168 preserved members, and 184 pensioners. The assets of the scheme are held in a separate, trustee-administered fund.

The most recent comprehensive actuarial valuation of the plan assets, and the present value of the defined benefit obligation, was carried out at 31 July 2022.

The triennial funding review, as at 31 July 2022, identified a surplus in the longer-term assets over liabilities of £2,872k (2019: deficit of £6,590k).

Given the scheme is in surplus, it was agreed with the scheme that from May 2023 no further additional deficit contributions would be made, and this decision would be reviewed again at the next triennial valuation.

The principal assumptions used in the calculation of the present value of the defined benefit obligation include:

Assumptions	**31 July 2025**	**31 July 2024**
	Per cent:	**Per cent:**
Discount rate	5.62	5.03
Salary increase (Pre 2030)	2.65	2.89
Salary increase (Post 2030)	3.45	3.69
Inflation (RPI)	2.95	3.19
Inflation (CPI) (Pre 2030)	2.15	2.39
Inflation (CPI) (Post 2030)	2.95	3.19
Pension increases (Pre-April 2005)	4.20	4.24
Pension increases (Post-April 2005)	2.02	2.10
Mortality base table	S4PxA	S4PxA
Projection basis	CMI 2023	CMI 2023
Long term improvement trend	1.00	1.00
Percentage of death rates applied (m)	100	100
Percentage of death rates applied (f)	100	100

The current life expectancies on retirement at age 65 are:

	31 July 2025	**31 July 2024**
	Years	**Years**
Male currently aged 45	22.10	22.00
Female currently aged 45	24.70	24.70
Male currently aged 65	21.10	21.10
Female currently aged 65	23.60	23.60

Changes in the fair value of the scheme assets	31 July 2025 £'000	31 July 2024 £'000
Fair value of scheme assets at the beginning of the year	39,785	38,453
Interest income on plan assets	1,709	1,768
Benefits paid	(1,376)	(1,363)
Remeasurement (loss)/gain	(2,305)	1,174
Expenses and insurance premiums paid	(203)	(247)
Fair value of scheme assets at the end of the period	37,610	39,785

Amounts recognised in the balance sheet	2025 £'000	2024 £'000
Fair value of scheme assets	37,610	39,785
Present value of scheme liabilities	(30,833)	(34,667)
Irrecoverable (surplus)	(6,777)	(5,118)
Balance sheet liability	-	-

In accordance with Section 28 of FRS 102, no asset has been recognised in respect of the surplus in the UCAS Pension and Life Assurance Scheme (1993), as the scheme is closed and it does not permit a refund to the employer. As a result, the surplus is not considered recoverable.

The analysis of the scheme assets at the reporting date was as follows:

	31 July 2025 Per cent:	31 July 2024 Per cent:
Equities	27.1	26.6
Bond (non-gilt)	17.5	15.6
LDI funds	27.9	32.8
Multi-asset growth	26.6	24.2
Cash and net current assets	0.9	0.8
	100.0	100.0

The Scheme invests in a mix of equity, bonds, diversified growth, and liability-driven investment funds, managed by State Street, M&G, Troy Trojan, CT and CT Global.

Universities Superannuation Scheme (USS)

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), and the resulting expense in income or expenditure in accordance with section 28 of FRS 102. The Directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme, and have therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements. Where a participating employer in the USS Scheme ceases to participate and is unable to meet its share of the Scheme liabilities, these liabilities remain within the Scheme and the remaining participating employers continue to support the scheme as a whole.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2023. The legislative deadline for completing the next triennial valuation is 30 June 2027.

Since the institution cannot identify its share of Retirement Income Builder section of the Scheme assets and liabilities, the following disclosures reflect those relevant for the section as a whole.

The 2023 valuation was the seventh valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. 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.

Defined benefit liability numbers for the scheme, for accounting purposes, have been produced using the following assumptions as at 31 March 2025 and 2024:

	2025	2024
Discount rate	5.7 per cent	4.7 per cent
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	3.0 per cent	3.0 per cent

The main demographic assumption used relates to mortality. The mortality assumptions used in these figures are as follows:

	2025	2024
Mortality base table	Pre-retirement: 101% of S2PMA "light" for males and 95% of S3PFA for females Post-retirement: 101% of S2PMA "light" for males and 95% of S3PFA for females	Pre-retirement: 101% of S2PMA "light" for males and 95% of S3PFA for females Post-retirement: 101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% and a long-term improvement rate of 1.8% p.a. for males, and 1.6% p.a. for females	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% 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:

	31 July 2025 Years	31 July 2024 Years
Male currently aged 45	25.7	25.4
Female currently aged 45	27.2	27.2
Male currently aged 65	23.8	23.7
Female currently aged 65	25.5	25.6

Calculated based on existing benefits:	**2025 £bn**	**2024 £bn**
Scheme assets	73	74.8
Total scheme liabilities	66.4	75
FRS102 total scheme deficit	6.6	(0.2)
FRS 102 total funding level	110%	100%

Total Actuarial Gain featured in the Statement of Financial Activities

The Statement of Financial Activities (SoFA) includes a total actuarial gain for the Universities Superannuation Scheme (USS) of nil, (2024: £2,505k).

Amounts recognised in the Balance Sheet

	2025 £'000	2024 £'000
Liabilities at beginning of the year	-	(2,387)
Interest costs	-	(118)
Remeasurement of the scheme liabilities	-	2,505
Balance sheet liability	-	-

At 31 July 2025, UCAS had 33 active members participating in the scheme.

The total pension cost for the group was £485k (2024: £564k). This includes £58k (2024: £59k) outstanding employer's contributions at 31 July 2025 included in social security and other taxes within the creditors note. The contribution rate payable by the Company was 14.5 per cent of annual pensionable salaries.

UCAS DC Pensions Savings Scheme

UCAS implemented auto-enrolment on 1 January 2014 following the transfer of members from the UCAS Pension and Life Assurance Scheme on its closure. 148 employees were auto-enrolled in the scheme at that time, and re-enrolment assessments are carried out every subsequent three years, the current scheme membership is 512 (2024: 529).

As contributions are treated on the basis of defined contributions, and ultimate benefits are formed from the scheme operated by an external provider, the Group has no underlying liability.

The total pension cost for the group was £1,552k (2024: £1,541k). This includes £251k (2024: £231k) outstanding employer's contributions as at 31 July 2025 included in social security and other taxes within the creditors note.

21. Trading results of UCAS Media Limited,

UCAS Media Limited, registered in England, company number 2737300.

	Notes	2025	2024
		£'000	£'000
Turnover	2	24,273	23,414
Distribution costs		(11,339)	(11,277)
Brand and data charge	3	(3,972)	(3,777)
		8,962	8,360
Expenses			
Administrative		(7,181)	(7,386)
Total administrative expenses		(7,181)	(7,386)
Operating profit		1,781	974
Interest receivable		37	29
Profit before tax	3	1,818	1,003
Taxation	5	-	-
Profit after tax		1,818	1,003

The aggregate amount of the capital and reserves of UCAS Media Limited, as at 31 July 2025, was £147k (2024: £147k). Aggregate current assets were £7,678k (2024: £6,626k), and aggregate liabilities were £9,198k (2024: £8,413k).

22. Related party transactions

Directors

The Directors of UCAS hold a variety of senior positions at educational providers, and other organisations, many of which undertake transactions with UCAS on a regular basis. Such transactions are undertaken on normal commercial terms and the Directors make annual declarations confirming the position they hold in these organisations. The educational providers do not meet the definition of related parties, but the existence of the relationship is included here in the interest of transparency. Therefore, full details of the value of such transactions, or the balances outstanding between UCAS (or its subsidiary undertakings) and these organisations, are not provided.

The Universities and Colleges Admissions Service, and wholly owned subsidiaries

The following related party transactions and balances are included in the accounts of the Charitable Company, in respect of its related party subsidiary companies:

	2025					
	Intercompany debtor as at 31 July 2025	Conference attendance fees charged to parent	Staff costs recharged to subsidiary	Brand & data charges to subsidiary	Management charge to subsidiary	Gift Aid distribution to parent
	£'000	£'000	£'000	£'000	£'000	£'000
UCAS Media Limited	3,274	(27)	3,591	3,972	1,775	1,818

	2024					
	Intercompany debtor as at 31 July 2024	Conference attendance fees charged to parent	Staff costs recharged to subsidiary	Brand & data charges to subsidiary	Management charge to subsidiary	Gift Aid distribution to parent
	£'000	£'000	£'000	£'000	£'000	£'000
UCAS Media Limited	4,050	(13)	3,027	3,777	1,345	1,003

23. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are those used by the actuary in calculating the Group's defined benefit pension scheme liability (see note 20 for details), and those involved in estimating an intangible software asset's likely useful life upon capitalisation and impairment (see policy on capitalisation of software assets for details).

Critical areas of judgement

Senior management exercise judgement in determining that an internally generated asset may be capitalised as an intangible asset, by reference to the likelihood that future economic benefit will be delivered by the asset, as well as the level of completeness of the asset. Details of UCAS' policy on capitalisation of software development costs is given in note 1.

Senior management also exercise judgement in reviewing any potential impairment of tangible or intangible assets which is determined by future economic value or if the asset is no longer in use.

UCAS participates in Universities Superannuation Scheme (USS), a multi-employer hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. UCAS is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, the scheme is accounted for as if it were a wholly defined contribution scheme (see note 20 for details).

LEGAL AND ADMINISTRATIVE INFORMATION

For the year ended 31 July 2025

UCAS Board

Chair	Edward Astle Chair 3, 4	(appointed 11 August 2025)
	Professor Edward Peck CBE Chair 3, 4	(Interim Chair, resigned 02 July 2025)
Directors	Professor Colin Bailey CBE 1	
	Mr Simon Bates 2, 4	(resigned 02 July 2025)
	Dr Ben Calvert 3	(resigned 04 November 2025)
	Ms Pat Carvalho 2, 3, Chair 4	
	Mr Mark Felix Chair 1, 3	(Senior Independent Director)
	Ms Caroline Hoddinott OBE 1	(resigned 02 July 2025)
	Mr Alistair Jarvis CBE	(appointed 02 July 2025)
	Mr Daragh Kelly 4	(appointed 24 October 2024)
	Professor James Miller FRSE 3	(Deputy Chair, as of 21 October 2025)
	Ms Joanne Miller 1	(appointed 22 July 2025)
	Professor Malcolm Press CBE 4	(resigned 02 July 2025)
	Mr Shuvo Saha	(resigned 17 January 2025)
	Ms Melody Stephen	(resigned 20 August 2024)
	Professor Catherine Normington 2	(appointed 17 July 2025)
	Mr Matt Tee	(appointed 15 July 2025 and resigned 17 October 2025)
	Mr Justin van Wijngaarden Chair 2, 3, 4	(appointed 24 October 2024 - Interim Deputy Chair to 21 October 2025)
Co-opted Board members	Mr Alistair Jarvis CBE	(appointed as Director 02 July 2025)
Co-opted Committee members	Ms Zelina Harrington-Greenwood 1	
	Ms Lore Lippmann 1	(appointed 06 July 2025)
	Professor Wendy Robinson 1	(resigned 30 April 2025)
	Ms Eileen Schofield 2	
	Ms Camille Stallard 2	
Committees	1. Audit and Risk Committee	2. Finance Committee
	3. Nominations Committee	4. People and Remuneration Committee

Company Secretary	Mrs Tessa Yates	
Executive Team	Dr Jo Saxton CBE	Chief Executive
	Mr Kevin Allison	Chief Financial Officer
	Mrs Elaine Chandler	Chief People Officer
	Ms Fiona Johnston	Chief Operations Officer
	Mr Sander Kristel	Chief Digital and Data Officer (resigned 31 December 2024)
	Mr David Penney	Chief Communications and Marketing Officer
	Mr Steve Yick	Chief Digital and Data Officer (appointed 07 January 2025)

Registered office

Rosehill
New Barn Lane
Cheltenham
Gloucestershire
GL52 3LZ

Auditors

External auditor

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Internal auditor

KPMG LLP
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

Bankers

Barclays plc
128 High Street
Cheltenham
Gloucestershire
GL50 1EL

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Actuary

Little & Company Actuaries & Consultants Ltd
i2 Office
450 Brook Drive
Green Park
Reading
RG2 6UU

Investment managers

Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

Rathbone Greenbank Investments
8 Finsbury Circus
London
EC2M 7AZ

© UCAS 2025

All rights reserved.

UCAS is a registered trade mark.

UCAS, a company limited by guarantee, is registered in England and Wales. Registered number: 2839815.

Registered charity number: 1024741 (England and Wales) and SC038598 (Scotland)

Publication reference: 25-010624

Published by: UCAS, Rosehill, New Barn Lane, Cheltenham, GL52 3LZ.

CM-00545

THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

England & Wales - Charity number 1024741

Accounts

REPORT OF DIRECTORS AND CONSOLIDATED ACCOUNTS

For the year ended
31 July 2024

UCAS

CONTENTS

Financial statements for the year ended 31 July 2024

03	**Introduction from the UCAS Chair and Chief Executive**
05	**Report of the Directors** (including the Group strategic report)
27	**Independent auditor's report**
32	**Consolidated and charity statement of financial activities**
34	**Consolidated and charity statement of financial position**
36	**Consolidated and charity statement of cash flows**
38	**Notes to the financial accounts**
66	**Legal and Administrative Information**

Registered company number: 2839815
Registered charity number in England and Wales: 1024741
Charity registered in Scotland: SC038598

INTRODUCTION FROM THE UCAS CHAIR

I was delighted to be invited to serve as the interim Chair of UCAS, a position I took up in the summer of 2024, whilst the UK's shared national admissions service recruits its next substantive Chair. I pay tribute here to my predecessor Trudy Norris-Grey, who stood down earlier this year after successfully chairing UCAS since 2020. Trudy oversaw UCAS' important role during the pandemic against a background of growing challenges for the higher education sector. Part of Trudy's extensive legacy to UCAS will be the appointment of our new Chief Executive, Dr Jo Saxton CBE, who joined us in January. The experience, expertise, and energy that Jo has brought to her role shines out of her contribution to this report below.

As a Vice-Chancellor of a large UK university for the last ten years, and a UCAS Trustee since 2018, I am very aware of the importance of UCAS to applicants, parents and carers, schools, colleges and, of course, universities themselves. It is pleasing to see that satisfaction in UCAS from the sector has increased, and research shows the confidence UCAS is held in by students, teachers and the wider public.

However, there is no room for complacency. The engagement that Jo and I have led as we consider UCAS' next chapter has shown us some key areas where we need to focus next to best serve the charity's beneficiaries in the context of the pressures of the financial climate alongside changing demographics.

One of UCAS' strengths is that is it a truly independent charity. Nevertheless, UCAS also has a role to play in supporting the new Labour Government to achieve its five missions and, more specifically, its related five priorities for Higher Education. UCAS will articulate in its new plan how it will play a role supporting higher education providers in expanding access for disadvantaged students, making a stronger contribution to economic growth, and achieving greater efficiency.

UCAS is well set to rise to the challenges that face the higher education sector. This report lays out the good progress that UCAS has made on delivery of its current strategic plan. It presents another year of solid financial performance that gives us the wherewithal to invest in the capability - both human and digital – to put in place the innovations that our stakeholders want from us and we want from ourselves.

I would like to end by thanking everyone at UCAS: Jo and her executive team and their colleagues in every department and at all levels of the organisation; my fellow Trustees, members of our Council, and each and every wider committee and advisory group member who give so much of their time and expertise to support UCAS' mission and activities. This report sets out a series of past achievements and future potential that can give all those interested in the future of our young people confidence that UCAS is willing, ready, and able to play its part.

Professor Edward Peck CBE, DL, FAcSS, PhD
Interim Chair

INTRODUCTION FROM THE UCAS CHIEF EXECUTIVE

I am pleased to introduce UCAS' Report of Directors and Consolidated Accounts for the 2023/24 financial year; my first as Chief Executive of the UK's shared national admissions service. As this annual report and its associated accounts demonstrate, the UK's world class higher education offer remains a popular choice for school and college leavers across the four nations and international applicants alike.

I've seen at first hand – as a student myself, then as an academic, a school-leader, senior civil servant and latterly as Chief Regulator of Qualifications for England – the transformational power of a university education. Everyone at UCAS is passionate about ensuring that anyone who could benefit from all that university has to offer has the right information, advice and guidance to make the right choices for them. In service of this, during 2024, the Trustees of UCAS agreed to waive the application fee for any candidate across the UK who has been in receipt of Free School Meals (and equivalent policies) over the past six years of education. We hope that this initiative will support increased participation in university education as we work to see disadvantage, and regional progression gaps closed.

Since joining UCAS, I have been inspired by the range of visits I've made all over the UK and abroad, to better understand how UCAS can support prospective international applicants, whose attendance here brings so much to the UK, not least embodying the modern British value of toleration. Being able to hear directly from students, teachers and providers about the opportunities and challenges they face and how UCAS might be able to help, ensures that all of us at UCAS can be focussed on supporting our beneficiaries.

Everyone at UCAS offers congratulations to those applicants who received their results this year. Over half a million students secured a place in higher education, a 1.4% increase compared to the last cycle.

Widening access and participation is not just about numbers; it's about opening-up doors and transforming the lives of students through higher education so they can pursue their passions and career aspirations. Widening access is a key priority for UCAS, and of course for universities, colleges and schools across the UK. These figures demonstrate the tremendous efforts made to support applicants from disadvantaged backgrounds to achieve their aspirations and career ambitions.

This is a critical moment for the HE sector, and I am determined to do more to improve the experience for our beneficiary classes. Accordingly, UCAS is currently shaping a new corporate plan for 2025-28; undertaking wide-ranging engagement across the education sector including a series of roundtables with leaders of universities, schools and colleges across the UK. As I learned as Chief Regulator, listening is a powerful tool to help meet the needs of those we serve in education. Our goal is to support the widest possible participation whilst also delivering unquestionable value to universities, colleges, schools, and students.

I would like to end by expressing my appreciation to the expert and mission driven colleagues of UCAS. It's great to see that 89% of staff are proud to work for UCAS, and 88% of staff would recommend UCAS as a great place to work. I would also like to take the opportunity to thank my predecessor as UCAS Chief Executive for her service to the charity, as well as the outgoing UCAS Chair, Trudy Norris-Grey and UCAS Trustees whose terms ended this year.

Dr Jo Saxton CBE
Chief Executive

REPORT OF THE DIRECTORS

(including the Group strategic report)

For the year ended 31 July 2024.

The Directors of the Universities and Colleges Admissions Service, also known as UCAS (the 'Charity'), who are also Trustees of the Charity, are responsible for the financial and organisational control and management of UCAS.

The Directors present their report for the year ended 31 July 2024. This report is deemed to encompass all matters which are required to be included in both the Strategic and Directors' Reports of the Charity.

Governance, organisational structure, and management

UCAS was incorporated on 27 July 1993. It is a private company limited by guarantee, without share capital. It is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). Its governing document is the Articles of Association (the 'Articles'). UCAS is also a registered trademark.

UCAS is governed by a Board of thirteen Directors (the 'Board') supported by one co-opted member, which usually meets four times a year to discharge its duties. It delegates to UCAS' Executive team such powers as are necessary for the day-to-day management of the Charity. The Board adopts the Charity Governance Code.

The Board is supported by four subcommittees (the Finance, Audit, Remuneration, and Nominations Committees). They meet regularly to carry out responsibilities delegated by the Board. A list of Trustees who served in 2023/24 together with other statutory information is given on page 66 and forms part of this report.

The Board also receives advice from the UCAS Council, an advisory body currently comprising 35 members. The principal role of the UCAS Council is to advise and inform the Board of Directors on issues relating to the admissions process as perceived by members and other stakeholders; inform and challenge the strategy and direction of the Company; and make representations to the Board of Directors on any aspect of the Company's business.

Other Directors' report disclosures

Disclosures required by the Companies Act 2006 to be included in the Directors' Report about engagement with employees, suppliers, customers and other stakeholders, and energy and carbon reporting have been included below in the Strategic Report section of this report.

Directors' recruitment, appointment, and training

UCAS' Articles determine the constitution of the Board and appointment of Directors.

All Directors and co-opted Committee members are independently selected, and formally appointed on merit for an initial fixed term of up to four years. This is based on their specific skills, experience, and expertise, against objective criteria. With due regard for the benefits of diversity on the Boards and Committees, UCAS' recruitment processes are formal, rigorous, transparent, proportionate, and appropriate to each vacancy. This enables the widest choice of candidates to be considered.

All new Board and Committee members receive an induction pack of essential governance (including managing conflicts), and UCAS documents. They are also invited to attend a formal induction session, covering UCAS' operations. This includes meeting members of the Executive Team. Thereafter, they receive updates which can include legal and regulatory developments, Charity Commission, and other relevant guidance. Board and Committee members are given the opportunity to have ongoing learning and development, as well as visits to the Rosehill site to expand their knowledge of UCAS' operational developments.

UCAS regularly conducts a skills gap analysis, to inform succession planning, and enable specific training needs to be identified.

UCAS also conducts annual Board effectiveness reviews, which enable the Board to regularly consider its effectiveness, and that of its subsidiaries and Committees.

Subsidiaries

UCAS owns 100 per cent of the share capital of its subsidiaries, UCAS Media Limited, and UCAS Consultancy and Insights Limited. UCAS Media Limited is used for non-primary purpose trading activities, while UCAS Consultancy and Insights Limited is not trading.

Profit from the subsidiaries is gift aided back to the Charity under deed of covenant for the purposes of investment in new and existing products and services. The investment is customer led, using insight and data to prioritise those investments that are most important to UCAS' customers. In 2023/24, no cash gift aid payment was made. Looking forward, the gift aid will be used to fund initiatives such as widening participation. For example, students in receipt of free school meals (FSM) will no longer have to pay for their university application under this initiative.

The profit before tax and gift aid donations, for UCAS Media Limited, during the year ended 31 July 2024, amounted to £1.0m (2023: £0.1m loss). The year on year increase in profit was due to a 10% increase in turnover while costs increased by 5%. The statutory accounts of UCAS Media Limited are fully audited and published separately.

Statement of directors' responsibilities

The Trustees (who are also directors of UCAS for the purposes of company law) are responsible for preparing the Report of Directors' (including the Group Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and Group for that period.

In preparing these accounts, the Directors are required to:

- select suitable accounting policies, and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis, unless it is inappropriate to presume the Group and Charitable Company will continue in business

The Directors are responsible for keeping proper accounting records that show and explain both the Group's and Charitable Company's transactions, with reasonable accuracy, at any time, and the financial position of the Group and Charitable Company, and enable them to ensure the accounts comply with the Companies Act 2006, Charities and Trustees Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulation 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company, and for taking reasonable steps for the prevention and detection of fraud, and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's websites. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Given the composition of the Board, UCAS does have a relationship with the employing organisations of some of its Directors. However, all Directors owe a fiduciary duty to the charity and have a legal obligation to act in the best interests of UCAS and in accordance with UCAS' governing document, and to avoid situations where there may be a potential conflict of interest. On accepting membership as a Director of the UCAS Board or a Director of a UCAS trading subsidiary, a Director shall supply to the Company Secretary an entry to the Declarations of Interests Register. The Company Secretary is responsible for maintaining the register and each Director is to communicate with the Company Secretary any significant additions or deletions from his/her entry as soon as practicable.

Notwithstanding any declaration made on the register which is noted and reviewed as appropriate at each Board meeting, a Director shall make a further declaration of any duality or conflict of interests or conflict of loyalty at any meeting of the Board where decisions are to be made on the supply of goods or services to the Company or other matters with potential financial consequences and shall be bound by the provision of the Companies Act 2006. All such declarations are minuted.

Third Party Indemnity Provision for Directors

The Charitable Company paid a premium of £2,000 (2023: £5,115) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

Statement of disclosure of information to auditors

Each Director confirms, in so far as they are aware, that there is no relevant information of which UCAS' auditors are unaware. As Directors, they have taken all the steps they ought to have taken, to make themselves aware of any relevant audit information, and to establish that UCAS' auditors are aware of that information.

Auditors

RSM UK Audit LLP was reappointed as auditor for the year ended 31 July 2024 and has indicated their willingness to continue in office.

Remuneration

UCAS operates a structured pay framework, which rewards employees based on performance. All salary levels are benchmarked externally, to ensure consistency and alignment with the sector and national markets. Every 3 years each role is benchmarked, and this was last conducted in 2021/22. The remuneration for the UCAS Executive Team is subject to external benchmarking, with a separate meeting held regarding CEO remuneration. Awards given are reviewed and approved by UCAS' Remuneration Committee.

Objectives and activities:

Public benefit

The Directors have reviewed the Charity's aims and objectives and complied with their duties in the Charities Act 2011, with due regard to the Charity Commission's guidance on public benefit exercising any powers or duties where the guidance is relevant.

UCAS is an independent charity, and is the UK's shared national admissions service focused on supporting students from all backgrounds wishing to progress to higher education. The charitable objectives are 'to advance and to assist in the advancement of education in universities and other higher, further, or secondary establishments, insofar as such advancement and assistance shall be exclusively charitable in nature, in particular, but without prejudice to the foregoing, by providing and maintaining an organisation to facilitate the consideration by such universities and other higher, further, or secondary education establishments of applications for admission to, and to assist applicants in gaining access to, such universities and educational establishments'.

UCAS does not conduct any fundraising activities, nor use any fundraising agencies, and has received no complaints in this regard in this or the prior period.

UCAS provides public benefit by providing information, advice, and admissions services to inspire and facilitate progression in education. The section below outlines how UCAS delivers public benefit through these services.

Information and advice services

UCAS' aim is to support people from all backgrounds in making well-informed choices about their post-secondary education, using its in-depth insight about how and when students make their decisions to make this as personalised, engaging and informative service as possible.

UCAS supports students throughout their journey to post-secondary study, from initial research, refinement of options, final decision-making, and transition to their chosen destination. UCAS provides information and advice through its national programme of exhibitions, enabling students to meet representatives from universities, colleges and employers, explore and narrow down their choices. UCAS' online content expands beyond Higher Education (HE), covering the range of destinations available to students, including apprenticeships and gap years.

UCAS attracts over 30 million people from across the world to its website, ucas.com, where visitors can use the search tool to explore undergraduate (UG), postgraduate (PG), and conservatoire courses. Students can also explore the latest degree and higher apprenticeship opportunities through the 'UCAS Hub' which provides students with all the tools and information they need, in one place, and for free. When it comes to exploring subjects, considering apprenticeships, shortlisting options, or writing an impactful personal statement or CV, the 'UCAS Hub' has comprehensive, personalised and engaging content. Each student has their own dashboard which they can customise and tailor to their needs, organise tools, and tick off their to do list. The 'UCAS Hub' is their space to explore and prepare for their future. Increasingly, UCAS is using its data science capabilities to develop data driven tools to support student choice, such as the recently launched historical entry grades tool, enabling applicants to view historic entry grades data and offer rates displayed for each course.

Not everyone has access to the same levels of support and advice, either from parents/guardians or their school and college advisers when considering what to do when they leave secondary education, or when thinking about higher education as an adult. UCAS works in partnership with charities and other organisations to provide practical and inspiring information, advice, and resources for under-represented groups, including students with disabilities, care leavers, those with parental or caring responsibilities, and estranged students.

Enabling people to make the right choices about their post-secondary education delivers public benefit by enabling them to fulfil their potential. Choice of the right subject, university, college or employer contributes to improving widening participation, student retention, and successful progression to a degree, employment, or further study, and, ultimately, value for money for the taxpayer.

Admissions services

While UCAS' core purpose is to provide an accessible and trusted undergraduate admissions service; UCAS also provides admissions services for conservatoires.

In offering centralised services, UCAS enables universities, colleges and employers to connect with a wide range of potential students across the UK and globally in a more efficient and effective way. UCAS helps to manage risks from fluctuating numbers of applications, and delivers cost-effective, efficient services to help universities and colleges plan and manage admissions decision-making. For undergraduate admissions, UCAS provides data and services to support contextualised admissions that take account of students' educational backgrounds, and help universities evaluate the effectiveness of widening participation activities. UCAS' centralised services, with a common application process and agreed timescales and business rules, also facilitate student choice and supports fairness and transparency.

UCAS employs robust eligibility criteria to its higher education provider customers to ensure students, parents, teachers, and advisers can be confident that the universities and colleges applied to are bonafide course providers.

UCAS' role as the UK's shared admissions service allows for a deep understanding of student progression through its data and insight. UCAS regularly releases data and insight reports highlighting key progression trends. For example, UCAS has detailed the experience of disadvantaged students to help the sector in understanding their perceived and real barriers, and to support widening participation.

UCAS' role in providing a UK-wide admissions service, on behalf of all its users, is not taken for granted. UCAS continues to innovate and reform, and strives to ensure that students regardless of geographical location have fair and transparent choice, and access to the UK's world class universities and colleges.

Key statistics in 2023/24

750,000+ applicants supported

UCAS supports over 750,000 applicants explore over 29,500 undergraduate courses across 350+ universities and colleges.

A great place to work

UCAS is seen by colleagues as a 'great place to work' (88%) with over 89% of colleagues who responded to the survey saying they are proud to work for UCAS.

Over 150,000 people attended a UCAS event during 2024

UCAS facilitates £3.3 billion in economic value each year

240 million page views

The website, ucas.com, has received over 240 million page views from around 24 million users in the past year.

4 million+ searches

for apprenticeships on UCAS.com

2.6 million qualification results

were processed and matched to a UCAS application.

7 new questions

about individual circumstances added to the UCAS application transforming how certain groups identify themselves.

UCAS' Annual Admissions conference

400 people from the admissions community came together in person.

Strategic Report

Achievements and performance

UCAS' core purpose is to run an accessible, trusted, and personalised undergraduate admissions and information service. The foundations are built on the core principle of offering efficiency and value to the education sector, and transparency and fairness for those students it serves.

UCAS' vision is to be the go-to place for UK higher education, apprenticeships, and lifelong learning. Its mission is to support students from all backgrounds wishing to progress to higher education.

By providing a clear framework and support for students making their higher education choices, UCAS facilitates £3.3 billion in economic value each year. Primarily, this value comes from helping students find courses and institutions that they might not have otherwise been aware of or considered and empowers them to make aspirational choices that may have once been perceived as out of reach. This brings benefits to the UK economy by matching the right individual to the right opportunity and helping them to reach their potential, while offering significant benefits to wider society.

What we said we would achieve:

1	Inspire and empower people to make aspirational choices about higher education and learning
And we did it by	**The impact for our beneficiaries**
The 2023 cycle saw UCAS make a series of enhancements to the application experience of students, including the introduction of a range of new questions and improved collection of information about individual needs, such as a disability and mental health condition.	Many applicants responded to at least one of the seven new questions highlighting how enhancements to the UCAS service help students to explore and connect to the right support, allowing them to flag their individual needs with their university or college choices early on and start important conversations about their progress and success. For example, having caring responsibilities (22,600 applicants), being estranged from their parents (11,295), or having a parent in the UK Armed Forces (16,010). This has not only transformed the visibility of these students, but also the understanding we have regarding their progression. To this end, UCAS has released a deep dive report looking at the experience of young adult carers. Overall, the applicant net promoter score (NPS), a customer experience metric, increased from +56 to +58. A NPS above 50 is considered excellent according to Qualtrics (an experience management company).
Every applicant who logs into their UCAS student account (UCAS Hub), now sees the most relevant apprenticeship opportunities for them as well as degree courses. Students are able to search for an apprenticeship at any time throughout the year, as and when employers are hiring, with vacancies updated in real time.	59% of young people in Years 9-12 are now considering an apprenticeship. 42% are choosing this route as they want to earn while they learn, while 34% want to learn new skills. Currently, more than 40% of all UCAS undergraduate applicants are interested in an apprenticeship role – about half a million potential apprentices.

2 Deliver a trusted and flexible admissions service

And we did it by	The impact for our beneficiaries
Supported over 700,000 applicants explore over 50,000 undergraduate courses across 360+ universities and colleges.	Overall, for the 2023 cycle, there have been 554,465 total acceptances (all ages, all domiciles) – down from 563,175 in 2022 (-1.5%) but an increase on 541,240 in 2019 (+2.4%). Provider NPS increased from +17 to +52.
UCAS' Results and Application Service oversaw the grades, placements, and offers across 38 awarding bodies.	Over three million qualification results and amendments were processed, providing efficiencies for the sector.
UCAS' Outreach Connection Service was launched in the adviser portal.	The service showcases opportunities and activities, and provides a single source for UK teachers and advisers to support disadvantaged and underrepresented students interested in higher education and apprenticeships.

3 Be the go-to place for higher education data-driven insights

And we did it by	The impact for our beneficiaries
UCAS' published a report, backed by the Carers Trust, highlighting the experience of being a young adult carer and what influences the courses they want to study. The report, based on insight from UCAS' new set of widening participation questions as well as application and survey data, is the first of its kind in the UK to explore the experiences and aspirations of young adult carers in their HE journey.	Last year, 18,915 young adult carers applied to university or college, accounting for 3.9% of all UCAS applicants. The majority of applicants who declared they had caring responsibilities were 18 years old (11,960 applicants). The findings revealed young adult carers are 59% more likely to apply to health and social care courses and 57% more likely to apply to nursing and midwifery courses than applicants without caring responsibilities.
UCAS published a 'Project Next Generation' report, which explored the decision-making of 13 to 17-year-olds and highlighted the importance of experience and exposure to careers for young people deciding on their next steps.	The report found 97% felt direct work experience is essential for getting a place at university, an apprenticeship or a job, yet only 39% of them actually gained any. It also revealed how 46% of young people are considering careers linked to the subjects they enjoy.

4	Embed efficiency and value in everything we do
And we did it by	**The impact for our beneficiaries**
Any student exploring their options through UCAS can now experience the world of work, anywhere and at anytime, thanks to UCAS' collaboration with careers platform Springpod. The new virtual work experience learning programmes, gives those with a UCAS Hub account the chance to explore career pathways that may have seemed out of reach.	Spark interest, broaden horizons, and to help students make confident choices about their university or college course through tasters of work in a particular field.
Students applying through UCAS can now get an insider's view into life and learning on campus through a new online chat function which automatically matches them with current students. UCAS rolled out a new personalised feature through a renewed partnership with Unibuddy. It automatically connects prospective students with current students who are studying their desired course, at a university or college they are interested in or at their preferred location.	92% of students say it is beneficial to speak to a current student during the search process. The improved peer-to-peer service benefits universities and colleges, allowing them to engage directly with prospective applicants to make more informed choices and support applicants throughout their journey into higher education.
The launch of the latest UCAS Tracker iteration.	Universities and colleges now get improved access to insight about the speed at which they're making offers, how this compares year on year, and against their competitor groups. Additionally, the ability to profile the types of applicants that they are offering to, or who are accepting them has been improved.
Ongoing financial sustainability measured though KPIs such as income, surplus and cash.	Income grew by 5% (albeit below the internal projection) while surplus and cash met their expectations, enabling UCAS to continue to deliver its core purpose of running an accessible, trusted, and personalised undergraduate admissions and information service.

5	Be an employer of choice where people flourish, perform, achieve and belong
And we did it by	**The impact for our beneficiaries**
Further investment made to strengthen career pathways and its academies to ensure UCAS has the right capabilities to deliver its strategy.	The staff engagement survey was conducted at the end of 2023. 88% of staff would recommend UCAS as a great place to work (target 80%). 91% of staff feel their manager genuinely cares about their wellbeing (prior year 87%) with 89% of staff being proud to work for UCAS (prior year 90%).
Further enhancing the office environment in Cheltenham supporting the culture, capacity, and capability of UCAS colleagues.	Institute of Workplace and Facilities Management Winner - Workplace Experience: Office/Corporate Environment 2023. What clearly sets this project apart is the dedication to equality, diversity and inclusion (EDI) involvement across all stages of the process, with UCAS' own EDI lead and EDI champions helped shape the design, reviewing initial designs, and feeding back suggested changes. Separately, an independent EDI audit was conducted, and its findings used to inform the design.'
Supporting the growth of UCAS' EDI networks such as LGBTQ+, Women in Tech and the new Neurodiversity network, through guest speakers and supported events to boost awareness of diversity in the workplace. We are also investing in specialist women's coaching to help more of our colleagues step into leadership and management positions.	Further awareness of diversity in the workplace. UCAS doubled its interns for the 10,000 Intern Foundation scheme (formerly the 10,000 Black Interns programme) as well as seeing an increase in ethnic minority representation within the organisation (up 0.5% from 2023). Alongside this, the Wellbeing group continues to raise awareness about and signpost support for financial wellbeing, women's health, men's health, and mental and physical wellbeing. The 'Women in Tech' community helps to connect, develop, and inspire women in our technology, digital, and data roles.

Plans for the future

The corporate plan for beyond 2025 has not yet been launched but some emerging directional themes relate to increasing participation in UK HE, closing entry gaps, and providing further value to UK HE providers and schools.

Section 172 Statement

The Board of Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company in achieving its charitable purpose and, in doing so, to have regard (amongst other matters) to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly as between members of the company.

Throughout this report, UCAS has summarised its governance framework and how UCAS is engaged with stakeholders during the year. The Trustees have considered the views and needs of key stakeholders in Board discussions and decision making. The following points are not intended to be an exhaustive list but are illustrative of how the Trustees have fulfilled these duties during the year.

Engagement with stakeholders

External stakeholders notably applicants and providers.

Regular newsletters and communications issued to providers, advisers and applicants, coupled with several webinars across the course of the year covering topics such as 'Preparing for your future cohort' which discussed the findings from UCAS' 'Project Next Generation' report.

- UCAS continues to work closely with DfE England officials, UUK (Universities UK), and the devolved nations (including but not limited to Ofqual, Qualifications Wales, CCEA (Council for Curriculum, Examinations & Assessment), SQA (Scottish Qualifications Authority), Universities Scotland, Universities Wales, and the Association of Colleges on a range of topics.
- Senior staff have continued to meet with political and official functions across the UK, the mission groups, and a range of the sector forums including the Universities UK members' meeting, Academic Registrars Council and University Marketing Forum. International markets have also been engaged with, including a speaking engagement overseas delivered by UCAS' Chief Executive for leaders from thousands of schools across East Asia providing international A Levels and interested in UK university admission for their students.
- On SQA results day, UCAS' Chief Executive was in Scotland and met with providers and students. On Level 3 results day, some of the Trustees were present at the Cheltenham office and met with students, government, sector agencies and suppliers, and listened to calls from applicants.
- UCAS Council discussed a number of topics including the development of the new strategy beyond 2025. External speakers continue for UCAS Council meetings which the Board are invited to join. The outcomes of Council meetings are fed through to the UCAS Board to aid decision making.
- UCAS recognises that its supplier network is a key contributor to UCAS' success through value creation, quality and innovation.
- Senior staff continue to visit suppliers and attend events throughout the year. On results day, key suppliers are on site in Cheltenham.
- The Trustees review financial and operational performance, as well as information covering areas such as external drivers which includes the number of applications, staff including UCAS' people plans, pensions, delivery, and key risks. This information is provided to the Trustees through routine reports circulated in advance of each Board meeting which were then reviewed, discussed and approved, as necessary.

Engagement with employees

- The Board discussed a report prepared by the Chief People Officer, regarding people initiatives and challenges during the year, as well as a look ahead to some of the key opportunities which are envisaged as UCAS moves into 2024/25.
- The Executive team are actively involved in the engagement of staff through frequent briefings, use of internal communication tools, and regular Executive team stand ups and newsletters to provide updates on business developments and to answer questions directly. This includes but is not limited to achieving a common awareness on the part of all employees of the development of the new strategy.

- The annual survey showed positive results in terms of UCAS building its capacity, capability and culture, but there is also a recognition that it has been somewhat unsettled in 2023/24. At the time of the survey, this is to be expected as UCAS was in transition with a new leadership team.
- Employees have confidential access to an Employee Assistance Programme, as well as 'speak up' and formal whistleblowing channels to raise concerns.
- Continuing to work with the Staff Consultation Group (SCG) on several initiatives. The SCG represent all staff and are the body recognised formally by UCAS for these purposes (it is not a negotiation body or trade union).
- Continuing to support and further expand the UCAS colleague EDI community networks.

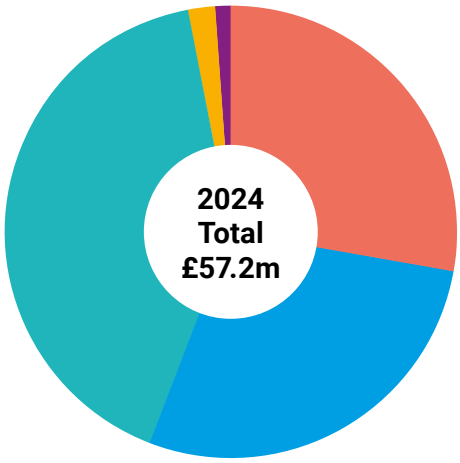
The need to foster the Company's business relationships with suppliers, customers and others, as well as the need to act fairly between members of the company, is captured above and throughout this report. For example, this is demonstrated through interactions with these key stakeholders outlined above, and in the achievements and performance (page 11).

With regard to the impact of the Company's operations on the community and the environment, this is demonstrated in the streamlined energy and carbon reporting section of this report (page 19) in addition to the achievements and performance section.

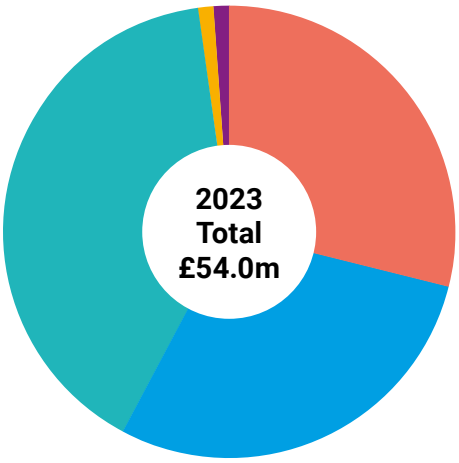
Financial review

The Statement of Financial Activities

Total income (note 3) in 2024 vs. 2023 is shown below:



Provider fees	28%
Applicant fees	28%
UCAS Media	41%
Investment income	2%
Other	1%



Provider fees	29%
Applicant fees	29%
UCAS Media	40%
Investment income	1%
Other	1%

Expenditure (note 4) is further broken down below, showing expenditure by business area.

Digital and Data	42%
Operations	13%
IAG*, Marketing, and Sales	30%
Support**	15%

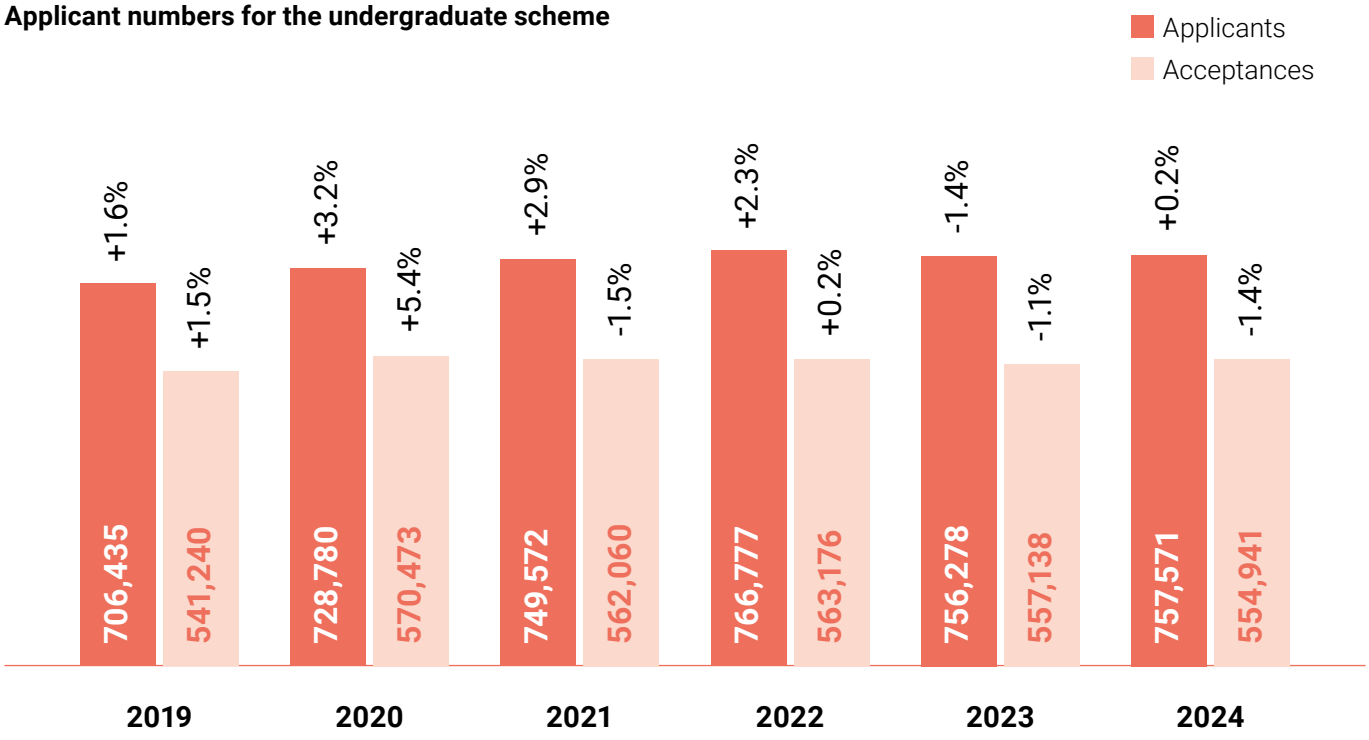
Digital and Data	41%
Operations	13%
IAG*, Marketing, and Sales	32%
Support**	14%

*IAG – information, advice and guidance

** Support includes impairment charges

The applicant numbers disclosed below, and associated income disclosed on the previous page, are some of the key performance indicators used to measure the performance of the Charity. The performance of UCAS Media Limited, as detailed above, is also considered a key indicator of the Group's performance.

Applicant numbers for the undergraduate scheme



The total number of applicants and acceptances is up in 2024 compared with 2023 driven by UK 18-year-olds.

	2024	2023	Change
Total Group income	£57.2m	£54.0m	▲ 5.9%

- The increase in income was largely driven by trading activities from UCAS Media, along with interest receivable from cash on deposit due to increased interest rates.

	2024	2023	Change
Total Group expenditure	£55.8m	£53.9m	▲ 3.7%

- An increase in the 'cost of raising funds' which is linked to UCAS Media and the growth in income, is driving the overall increase in expenditure. Looking ahead, UCAS will continue to manage its expenditure in order to deliver the strategy in an effective and efficient manner.

The Group made no political contributions or donations during the two years ended 31 July 2024. As a registered charity, UCAS seeks to benefit from the appropriate tax exemptions where it can.

The Balance Sheet

The total net assets for the year were £53.8m (2023: £49.5m). The increase on prior year was largely due to an increase in the value of the investment fund, a decrease in creditors and the defined benefit pension scheme liability, offset to some extent by a reduction in debtors.

The Group's financial reserves mainly comprise cash at bank, and liquid investment funds. The main purpose of these reserves is to maintain sufficient finance for the Group's planned future operations and activities. The main financial risk arising from the Group's operations and activities, is liquidity risk. The Group funds its operations and activities from operating income and cash reserves.

	2024	2023	Change
Group Cash reserves	£23.2m	£22.9m	▲ 1.3%
Liquid investment portfolio	£11.1m	£9.7m	▲ 14.4%

- The increase in cash reserves was due to the increase in net cashflow from operating activities coupled with interest received, offset by tangible and intangible asset purchases and a transfer to the investment fund.
- The liquid investment portfolio contains a combination of bonds, equities, property, and alternative investments. This year has seen the investment increase due to a transfer from the cash reserves and an increase in performance linked to market conditions.

Pension arrangements

Details of UCAS' pension arrangements, including two final salary schemes, and two money purchase arrangements, are set out in note 19 of the accounts.

- The net charge for the UCAS Pension and Life Assurance Scheme (PLAS) for the year ended 31 July 2024 is £0.0m (2023: £0.0m) included in note 19. In the year ended 31 July 2024, the return on scheme assets was positively impacted by market conditions and liabilities also reducing. The scheme surplus is £5.1m (2023: £3.0m). As this surplus is not deemed to be recoverable, and UCAS can gain no future benefit from the surplus, it has not been recognised on the Balance Sheet. This is a consistent assessment with the prior year.
- With regard to the Universities Superannuation Scheme (USS) pension scheme, the calculated balance sheet liability relating to the UCAS employees within the USS pension scheme is calculated as the present value of future deficit contributions over the remaining service of these employees. As there are no deficit contributions required under the current funding agreement, the balance sheet liability is £0.0m (2023: £2.4m).

Streamlined energy and carbon reporting

This report was undertaken in accordance with the Streamlined Energy and Carbon (SECR) Reporting requirements outlined in the Companies Act 2006 for large quoted and unlisted companies which requires UCAS to report on its Greenhouse Gas (GHG) emissions.

Methodology

The data detailed in the table below represents emissions and energy use for which UCAS is responsible.

- Scope 1 - natural gas consumption in the office
- Scope 2 - purchased electricity that is consumed by UCAS
- Scope 3 - transmission and distribution of purchased electricity and fuel used in vehicles on company business

UCAS have used the main requirements of the Greenhouse Gas Protocol Corporate Standard to calculate the emissions, along with the UK Government GHG Conversion Factors for Company Reporting 2022. Data covers all of UCAS' operations from the UCAS head office, as a consolidated group report.

Greenhouse gas (GHG) emissions and energy use data for the period 1 August 2023 to 31 July 2024

	Current reporting year	Comparison year
Total energy consumption used to calculate emissions in kWh	1,632,437	1,621,091
Emissions from combustion of gas in tCO2e (Scope 1)	101.47	108.64
Emissions from purchased electricity in tCO2e (Scope 2)	180.07	254.29
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel in tCO2e (Scope 3)	67.18	12.95
Total gross tCO2e based on above	**348.72**	**375.88**
Intensity ratio: gross tCO2e / £M turnover	6.1	7.69
Intensity ratio: gross tCO2e / employee	0.6	0.8

Energy efficiency actions

Energy efficiency actions implemented for the UCAS Cheltenham office site included the following:

- West Wing office spaces and meeting rooms have been upgraded with LED lamps, forecasted to reduce energy consumption from lighting by 50% while also extending the service lifetime of the lighting systems.
- Car park lighting has been enhanced by replacing 62 metal halide 70W units with more efficient 20W LED units, further contributing to energy savings.
- Chilled water pumps were upgraded replacing the previous star/delta 30kW models with inverter-driven 19kW pumps equipped with demand control, resulting in a significant annual energy saving of 34,320 kWh.
- Localised water heaters serving toilet areas have also been replaced with higher efficiency units, further optimizing energy use.
- To enhance the efficiency of cooling systems, the running temperatures of chiller units have been increased by 3 degrees, a change that was successfully tested during the summer period.

Moving forward energy efficient measures being undertaken over the coming year include:

- The installation of four electric car charging points.
- Replacing gas appliances in the restaurant kitchen with induction/electric equivalents.

Risk management

The Directors have given consideration to the significant risks UCAS is exposed to and have satisfied themselves that controls are in place to mitigate those risks. The UCAS Board seeks to manage and mitigate risk, particularly through the activities of its Audit Committee. Working in conjunction with the Executive Team, the Audit Committee monitors the following activity:

1. Risk management

The Corporate Risk Management Framework sets out UCAS' approach to risk management, covering the end-to-end process, roles, and responsibilities, and defining the scope of its activities.

Category	Risk	Actions and mitigations
Relationships / Stakeholder engagement	Risk of damage to our reputation and public perception, which could impede our ability to deliver our strategy.	Engagement with key stakeholders reaffirming UCAS' value, expertise, and relationship, supported by effective delivery.
Financial	UCAS lacks future financial stability that might prevent the successful delivery of the strategy and impact for our beneficiaries.	Multi-year business planning approach, supported by appropriate reserves, and financial controls.
Service Delivery	Service interruption could result in poor outcomes for our beneficiaries.	Effective business continuity and disaster recovery planning with clear and robust incident/crisis management procedures. Regular testing and exercising in place.
Information Governance and Security	Risk of serious compromise of personal data regulation exposing UCAS to reputational damage, financial loss, and impacting the ability to deliver the strategy.	A cyber security strategy alongside robust information security management system using controls within the ISO 27001 standard and applying CIS Security Controls.
People	Failure to be an employer of choice, where its people flourish, perform, achieve, and belong.	Organisation values, capacity planning, development offer, staff surveys, and a commitment to EDI and wellbeing.
Legal, Regulatory and Ethical	Failure to comply with key internal and external regulation exposes UCAS to reputational damage, financial loss, and impacts the ability to deliver the strategy.	Risk owners are in place to own and manage risk and compliance, alongside specialist functions, external support, corporate policies, tools, and training.

Strategic risks are reviewed by the Executive Team on a regular basis, and UCAS' corporate risk exposure is reported to all meetings of the Audit Commitee and UCAS Board. Tactical risks at a business unit level are reviewed frequently.

2. Internal audit

KPMG, as UCAS' internal auditor, undertook a series of audits in which they reviewed the organisation's activities and governance functions, and reported their findings to the Audit Committee. A risk-based approach is taken to the development of the annual audit plan. This is agreed with, and guided by, the Executive Team and the Audit Committee. The 2023/24 audit programme included reviews such as cyber security, data, financial controls, benefits realisation, and health and safety in respect of UCAS' events. Internal audit is conducted in conjunction with the external audit function which is provided by RSM.

3. Health and safety

UCAS maintains a dedicated and centrally-managed health, safety, and environmental function. This role undertakes regular reviews of operational activities, and provides advice, including risk assessments, as well as wellbeing developments, reporting to the Chief Executive and Audit Committee, through the Executive sponsor for health and safety. The priorities are to maintain a healthy and safe environment for the UCAS workforce, ensure compliance with relevant health and safety legislation and regulation, ensure the requirements of the Energy Savings Opportunities Scheme (ESOS) are being satisfied, and effectively manage UCAS' environmental impact and wellbeing.

Reserves policy

The aim of the reserves policy is to protect UCAS from unforeseen financial challenges, while making funds available for investment in future activities.

Due to the cyclical nature of the annual application cycles, UCAS' income can vary seasonally. By contrast, expenditure is, for the most part, incurred evenly throughout the year. This can cause timing issues, where expenditure exceeds income at certain points within the year. There are also risks which need to be managed.

There is therefore a need for cash at a sufficient level to fund expenditure as noted in the general reserve section below. The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. As such, there is a need for reserves. This is highlighted in the income and technology reserve sections below.

The reserves policy sets out the criteria used to designate UCAS' reserves and explains the reasoning behind putting each reserve in place. Where the full value of any reserve cannot be designated from available funds, the reserve will be partially set aside, with the aspiration to build the full reserve in subsequent years.

The policy is reviewed annually, to take account of changes to the external environment and the performance of current operations.

For the purposes of this policy, the calculation of the reserves held in the UCAS Group balance sheet is based on the net assets, excluding the UCAS Pension & Life Assurance Scheme (PLAS) pension scheme liability, minus tangible and intangible fixed assets.

	2024 actual	2024 target	2023 actual	2023 target
Value of reserves	£34.3m	£35.0m	£32.6m	£34.9m

Significant investment continues to be made to deliver the strategy. While the reserves target overall is similar to prior year, the reduction in the USS pension reserve has been offset by an increase in the income and technology reserve.

When considering the appropriateness of the level of reserves for the UCAS Group (the Charity and its subsidiaries), the Directors have regard to the strategic risks facing the business and their possible financial implications, and the current business plan which includes the availability of cash in the bank and investment funds and the need for reserves to offset significant timing differences in the receipt of cash, particularly at the year end, when cash balances are typically at their lowest levels. The establishment of appropriate levels of reserves is therefore considered important to the continued operation of UCAS.

Funds analysis

		2024 £m	2023 £m	Change %	Ratio %
Designated reserves		17.6	15.2	15.8	32.7
General reserves	Intangible assets	11.5	11.4	0.9	21.4
	Fixed assets	7.2	7.8	(7.7)	13.4
	Free reserves	17.5	15.1	15.9	32.5
Total funds		**53.8**	**49.5**		**100.0**

The following unrestricted reserves have been identified (none of UCAS' reserves is deemed to be restricted):

General reserves

UCAS' income is seasonal, largely due to the application cycles, while expenditure is relatively constant throughout the year. There are also risks to be managed. There is, therefore, a need for cash at a sufficient level to fund expenditure. The total value of liquid assets (cash plus investment fund) that UCAS should look to maintain at any given time as general reserves, is based on the following assumptions:

- Two and half months' working capital
- New initiatives or opportunities with expenditure needed ahead of income being received.
- As both PLAS and USS pension schemes are in surplus, they are not included in the overall general reserve for 2023/24.

The value of general reserves (unrestricted reserves minus pension liability) as at 31 July 2023 was £36.2m (2023 £34.3m).

Income reserve

	2024	2023
Value of income reserve	£5.9m	£4.1m

The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. They therefore consider it important to establish sufficient reserves to protect against any unforeseen reduction in income.

The Directors have therefore designated a specific reserve to protect against any strategic risks that could lead to a loss of income and to support strategic initiatives. Each risk identified at the corporate level, where a potential financial loss is highlighted, is assigned a likelihood in percentage terms.

This percentage is multiplied by the estimated loss, to arrive at a corresponding value. The total of all amounts is reflected in the final value of the income reserve.

Technology reserve

	2024	2023
Value of technology reserve	£11.7m	£11.1m

Acknowledging the dependency of technology, coupled with the risks of operational failure and the serious compromise of sensitive or personal data, leading to reputational damage, the Directors believe a designated technology reserve should be held. Investment in technology must continue to ensure successful delivery of core services, as well as security and recovery provision. The Directors therefore consider it essential to hold sufficient reserves for this purpose. UCAS' technology spend can be segmented into three core areas:

- Tier one – architectural building blocks for the future and security and recovery provision
- Tier two – technology suppliers
- Tier three – other smaller technology suppliers

The target value should represent the annual cost of tier one.

Investment policy

UCAS' Articles of Association allow the Group to make such investments, including securities or property as may be thought fit, subject to legal and constitutional conditions and consents. This also allows the Group to subscribe for interests in any company or undertaking established, with the intention of directly or indirectly benefiting the Group. All cash funds generated by UCAS, or any subsidiary companies, will be invested and managed through UCAS, in accordance with all legal requirements, and with regard to UCAS' reserves policy, and both short-term and long-term working capital requirements. The funds to be invested represent the excess of cash reserves over the amount needed to fund investment in the company's infrastructure.

UCAS is committed to investing its funds on a socially responsible basis. UCAS believes that to accord with its values when investing its funds, regard must be made to environmental, social, governance, (ESG) and sustainability issues. In making investment decisions, UCAS expects its appointed Investment Managers to promote ESG and sustainability characteristics while avoiding investments that may impede such characteristics. The objective for the fund is to achieve a balance of income and capital growth, while at least maintaining the real capital value of the investment funds in the long term. UCAS seeks an annual return equal to three percentage points above the Consumer Prices Index (CPI) over a rolling five years, and the fund is benchmarked against the Asset Risk Consultants (ARC) Charity Sterling Steady Growth Index or suitable equivalent. The investment policy was reviewed by the Board in 2023/24.

The performance of the fund up to September 2024 is below the stated objectives and some of the underperformance of the investment portfolio is due to ethical restrictions. For managed funds, the appointed investment manager may use their discretion in selecting the most appropriate investments, subject to the risk appetite and ethical parameters set out in UCAS' investment policy which is monitored, along with investment managers performance, by the Finance Committee.

Employee engagement

UCAS is driven to be an employer of choice, where its people flourish, perform, achieve, and belong. This is considered through both the external lens, to attract new talent and skills, but also through an internal lens, ensuring UCAS retains, develops, engages, and manages colleagues effectively. This is achieved through:

- Providing a performance framework that measures and rewards success, with clear career pathways and growth opportunities, supported by quarterly Celebrating U awards.
- Ensuring all UCAS leaders are role models for the UCAS values in action (Be Ambitious, Be Smart, Be Inclusive, Be Trusted). A new programme 'Brilliant Basics' for all managers was delivered in 2023/24.
- Ensuring the right capability within the workforce, knowing what skills and knowledge are required to execute the strategy.
- Holding regular wellbeing events, having a team of fully trained mental health first aiders, a staff consultation group, and the chance to take volunteer days.
- Promoting a hybrid way of working where people can work in ways which suits both the business and individual success.
- An update and review on people initiatives and metrics at Board and Remuneration Committee meetings.

Equality and inclusion

UCAS believes that each individual has something unique to offer, and realises the value this has for UCAS' community and the work it does. UCAS is firmly committed to advancing EDI and this will be measured and evident through its workforce demographics and employee experience and satisfaction scores.

UCAS gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities. All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by UCAS. UCAS does not condone or tolerate any form of discrimination in its recruitment or employment practices.

Key updates for 2023/24 include:

- The Wellbeing Group have continued to work closely with colleagues driving UCAS' EDI agenda, ensuring the impact of intersectionality on wellbeing is acknowledged.
- EDI training was delivered to each business unit by UCAS' Inclusion and Sustainability Adviser.
- UCAS continued to promote its commitment to wellbeing through an established group of 'champions'. Through helpful information, campaigns, and speakers, the wellbeing champions have focused on women's health, men's health, and mental and physical wellbeing.
- Attended the Menopause Friendly Employer Awards 2023 as UCAS champions inclusivity and support for individuals navigating the menopause with a community group and a dedicated SharePoint site.
- A selection of sessions and activities for Pride Month were delivered such as 'Supporting LGBTQ+ People at work', 'Inclusive Language' and an external guest speaker.

The Directors' Report and incorporated Strategic Report were approved by the Board on 05 December 2024, and signed on its behalf by:

Professor Edward Peck CBE, DL, FAcSS, PhD
Interim Chair

Date: 05 December 2024

INDEPENDENT AUDITOR'S REPORT

For the year ended 31 July 2024.

Opinion

We have audited the financial statements of The Universities and Colleges Admissions Service (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise the Consolidated and Charity Statements of Financial Activities (incorporating an income and expenditure account), the Consolidated and Charity Statements of Financial Position, the Consolidated and Charity Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of Directors other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of Directors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report and the strategic report, prepared for the purposes of company law and included within the Report of the Directors, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report and the strategic report, included within the Report of the Directors, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and parent charitable company'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 trustees either intend to liquidate the group or parent charitable company 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of the Directors, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing data analytics, analytical review, test of controls and substantive tests of details over a sample of income transactions.

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

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's trustees 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 charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HCatchpool

Hannah Catchpool (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP,
Statutory Auditor

Chartered Accountants
25 Farringdon Street,
London,
EC4A 4AB

Date: 05 December 2024

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 July 2024.

		Group		Charity	
		Unrestricted Funds		Unrestricted Funds	
		2024	2023	2024	2023
	Notes	£'000	£'000	£'000	£'000
Income from charitable activities:					
Provider and applicant fees	3	31,907	31,502	31,907	31,502
Other income	3	455	539	5,577	6,001
Raising funds:					
Income from trading activities	3	23,401	21,276	-	-
Gift Aid		-	-	1,003	-
Investment income	3	1,445	722	1,416	695
Total income		**57,208**	**54,039**	**39,903**	**38,198**
Expenditure					
Raising funds	4	(22,484)	(20,473)	(44)	(45)
Charitable activities	4	(33,343)	(33,381)	(38,479)	(37,791)
Total expenditure		**(55,827)**	**(53,854)**	**(38,523)**	**(37,836)**
Net gain/(loss) on investments	9	415	(765)	415	(765)
Net income		**1,798**	**(580)**	**1,796**	**(403)**
Other recognised gains/(losses):					
Remeasurements of defined benefit obligation	19	2,505	494	2,505	494
Net movement in funds		**4,303**	**(86)**	**4,301**	**91**
Reconciliation of funds:					
Total funds brought forward		49,459	49,545	50,341	50,250
Total funds carried forward		53,761	49,459	54,641	50,341

CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL POSITION

For the year ended 31 July 2024.

	Notes	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Fixed assets					
Goodwill	7	-	124	-	124
Other intangible assets	7	11,504	11,276	9,562	9,335
Total intangible assets		11,504	11,400	9,562	9,459
Tangible assets	8	7,234	7,770	7,223	7,746
Investments	9	11,097	9,685	11,097	9,685
Investment in subsidiaries	10	-	-	1,026	1,026
		29,835	28,855	28,908	27,916
Current assets					
Debtors - falling due within one year	11	9,232	10,200	6,827	7,295
Cash at bank and in hand		23,228	22,886	23,058	22,504
		32,460	33,086	29,885	29,799
Current liabilities					
Creditors amounts falling due within one year	12	(8,454)	(10,016)	(4,072)	(4,909)
Net current assets		24,006	23,070	25,813	24,890
Creditors: amounts falling due after more than one year					
Deposit from property tenant		(80)	(80)	(80)	(80)
		(80)	(80)	(80)	(80)
Net assets excluding pension scheme liability		53,761	51,845	54,641	52,727
Deduct:					
Defined benefit pension scheme liability	19	-	(2,386)	-	(2,386)
Net assets		53,761	49,459	54,641	50,341
Funds					
Unrestricted funds: designated	16	17,603	15,184	17,603	15,184
Unrestricted funds: general	17	36,158	36,661	37,037	37,542
Pension scheme liability	19	-	(2,386)	-	(2,386)
Called up share capital		-	-	1	1
Total funds		53,761	49,459	54,641	50,341

The financial statements on pages 32 to 65 were approved by the Board of Directors and authorised for issue on 05 December 2024.

Signed on behalf of the Board

Professor Edward Peck CBE, DL, FAcSS, PhD
Interim Chair

CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS

For the year ended 31 July 2024.

		Group		Charity	
		2024	2023	2024	2023
	Notes	£'000	£'000	£'000	£'000
Net cash flow from operating activities		4,792	3,680	4,311	1,615
Cash flow from investing activities					
Interest received on bank and cash balances		1,145	456	1,116	431
Gift Aid income from subsidiary		-	-	-	1,614
Purchase of intangible fixed assets	7	(4,481)	(5,524)	(3,760)	(4,229)
Purchase of tangible fixed assets	8	(364)	(676)	(362)	(676)
Cash Investment	9	(750)	(1,000)	(750)	(1,000)
Net cash used in investing activities		(4,450)	(6,744)	(3,756)	(3,860)
Net increase/(decrease) in cash and cash equivalents		342	(3,062)	554	(2,244)
Cash and cash equivalents at the beginning of the reporting period		22,886	25,948	22,504	24,749
Cash and cash equivalents at the end of the reporting period		23,228	22,886	23,058	22,504

Notes to the statements of cash flows		Group		Charity	
		2023	2023	2023	2023
	Notes	£'000	£'000	£'000	£'000
Operating surplus for the financial year		(11)	(483)	(983)	(279)
Adjustments for:					
Decrease/(increase) in debtors	11	971	(1,219)	1,472	(1,677)
(Decrease)/increase in creditors	12	(1,562)	1,207	(837)	(174)
Depreciation and amortisation	7 & 8	4,427	3,746	3,744	3,316
Impairment of fixed assets	7 & 8	850	336	797	336
Remeasurement of USS liability	19	118	92	118	93
Net cash flow from operating activities		4,792	3,680	4,311	1,615

NOTES TO THE FINANCIAL ACCOUNTS

For the year ended 31 July 2024.

1. Principal accounting policies

The following accounting policies have been used consistently, in dealing with items that are considered material in relation to the Group's and Charitable Company's accounts.

General information

UCAS is a private limited company by guarantee, without share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company. UCAS is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). The address of the Group's registered office and principal place of business is: Rosehill, New Barn Lane, Cheltenham GL52 3LZ.

The Group consists of UCAS and its subsidiaries. The Group's principal activities, and the nature of the Group's operations, are as described in the Report of the Directors.

Basis of accounting

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'). The accounts comply with the following:

- The Companies Act 2006
- The Statement of Recommended Practice (SORP), Accounting and Reporting by Charities, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).
- The Charities and Trustee Investment (Scotland) Act 2005
- The Charities Accounts (Scotland) Regulations 2006 (as amended)

The Charitable Company has availed itself of Section 4 of Schedule 1, Part 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) regulations 2008, and adapted the Companies Act formats, to reflect the special nature of the Charitable Company's activities.

The Charitable Company constitutes a public benefit entity, as defined by FRS 102.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

Throughout the year, the Trustees at the Board meetings and through the relevant Committees review the financial performance, business planning and the financial outlook and scenarios.

Financial modelling of income, surplus and cash has been conducted through to 2026/27 and was presented to the Board as part of the business planning agenda in June 2024. As at July 2024, UCAS has a cash balance of £23.2m and an investment fund of £11.1m.

As such, the Trustees consider there are no material uncertainties that would cast significant doubt around the Group's and the Charitable Company's ability to operate as a going concern.

Basis of consolidation

The financial statements consolidate the results of UCAS and its wholly owned subsidiaries (see Note 10). The consolidation is prepared on a line-by-line basis. Intragroup transactions, balances and realised profits have been eliminated on consolidation. A separate Statement of Financial Activities for the charity is also presented in accordance with Charities SORP (FRS 102).

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the parent Charity.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued, and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent consideration acquired is recognised as goodwill.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Charitable Company.

Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies), are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to income or expenditure, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Income

All income is included in the Statement of Financial Activities, in respect of the services provided during the period, and is stated net of value added tax.

Income is recognised when the Group has entitlement to the funds and it is probable that the income will be received and the amount can be measured reliably against an invoice, contract or agreement. Income attributable to the financial period is recognised as follows:

- Provider and applicant income, grants, and other income is accounted for on a receivable basis.
- Other income includes income from the provision of training, the UCAS search tool facility available to providers, other consultancy work, subscriptions, and student financial assessment. For subscriptions, income is recognised over the life of the subscription, during which time the service is delivered in full.
- Income from trading operations includes marketing services and income from events. For these categories, income is recognised in line with when the services are delivered, and is deferred as necessary.
- The Group and Charitable Company receive income from investments. This is accounted for on a receivable basis.
- The Charitable Company also receives gift aid income from the trading subsidiary UCAS Media Limited, which is accounted for on a receivable basis.

Income is shown in two main categories:

- Income from charitable activities includes capitation fees from higher education providers, application fees, grants, and other income.
- Income from raising funds includes income from trading subsidiaries and investment income.

Expenditure

All expenditure is accounted for on an accruals basis, and has been classified under the headings:

- costs of charitable activities
- costs of raising funds

Costs of charitable activities relate to costs incurred in delivering UCAS' charitable objects. These costs include those related to operating UCAS' core admissions services, as well as the development, implementation, and maintenance of our infrastructure capabilities.

Costs of raising funds relate primarily to the activities of the trading subsidiary, UCAS Media Limited. These costs are incurred in generating trading income.

Support costs are incurred in the process of supporting the above activities, and are allocated to those activities on the number of employees basis.

Investment policy

Investments in subsidiary undertakings are measured at cost, less any impairments recognised.

Other fixed asset investments are valued at their market value, per the Rathbone Greenbank investment report on the last day of the accounting period. Changes in the valuation of the investments during the year are shown as unrealised gains or losses. Gains or losses arising from the disposal of investment assets are disclosed as being realised, being the difference between the sales proceeds, and the market value at the start of the year.

Tangible fixed assets and depreciation

In UCAS and its subsidiaries, tangible fixed assets are capitalised where the individual cost of an item exceeds £5,000, or if an item is a component of a larger asset. Tangible fixed assets are initially measured at cost, and subsequently measured at cost, net of depreciation, and any impairment losses. Depreciation is provided against tangible fixed assets, other than freehold land, at the following straight-line rates. This reflects the anticipated useful lives, and estimated residual values:

Category	Rates applied
Computer hardware	Three years
Office equipment	Four years
Motor vehicles	Four years
Other plant, furniture and equipment	Ten years
Freehold building	Fifty years

During the year, the capitalisation policy was reviewed, with the following changes made to the qualifying costs section:

- The paragraphs regarding the considerations for capitalised costs and operating costs have been reworded to simplify the position.
- The current policy refers to 'staff costs'. This has been replaced with 'resource costs (staff and contractors)'.

Where elements of the freehold buildings are rented under formal lease arrangements, the directors consider whether this element of the buildings is required to be accounted for as mixed-use property under FRS 102.

Intangible assets and amortisation

Intangible fixed assets – goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five years, which represents the period over which the goodwill is expected to give rise to economic benefits. Amortisation is charged to the expenditure: charitable activities line on the statement of financial activities.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible fixed assets – other than goodwill

Internally developed software is initially recognised at cost and, once it becomes available to use, amortised over the expected useful life of that software prior to replacement (up to a maximum of five years, depending on the characteristics of the asset). Ahead of the completion of internally developed software, the cumulative direct cost of resources and services incurred during development are held as Software work in progress and are not amortised until the asset is in use.

Intangible assets arising on a business combination are recognised separately from goodwill if the intangible asset is both separable and arises from legal or contractual rights. Intangible assets acquired on a business combination are initially recognised at cost (the fair value of the asset at acquisition date) and, once it becomes available to use, amortised over the useful life of that software.

Capitalised software licences are initially recognised at cost and then amortised over the shorter of five years or the agreed licence period.

Intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:

Category	Rates applied
Software (internally developed)	Five years
Licences	The shorter of five years or the period of the license

Impairment policy

An assessment is made at each reporting date, whether there are indications a fixed asset may be impaired, or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets, and their recoverable amounts – being the higher of fair value less costs to sell, and value in use – are recognised as impairment losses in income or expenditure.

Any impairment loss recognised for goodwill is not reversed. For fixed assets other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income or expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted, to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Policy on capitalisation of software development costs

Only expenditure of substantial amounts for enhancements on authorised projects, incurred in direct relation to the project, may be incorporated into capitalised software development costs. In general, costs incurred necessarily, and exclusively, in the creation of an asset that will deliver future economic benefit, are capitalised and amortised over the useful life of that asset, subject to the amortisation periods set out above. This will not generally include any pre-development costs, such as feasibility studies or market research. However, this will include any beta testing period, where an application has been made available to customers in a pre-final version for feedback, with a view to further enhancements before release into production.

Development is deemed to end when the application is released into production. Any subsequent development expenditure is deemed to be continuous improvement, and would not be considered for capitalisation, unless it contributes to a significant increase in the economic value of the asset. Capitalised development expenditure is initially recognised at cost, and subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Leases

The Group as lessee – operating leases, and the annual rentals are charged to income or expenditure on a straight-line basis over the lease term. Rent free periods, or other incentives received for entering into an operating lease, are accounted for as a reduction to the expense, and are recognised on a straight-line basis over the lease term.

Cash and cash equivalents

These amounts comprise cash at the bank and in hand, as well as short-term deposits, typically with a short maturity of three months or less from the date of acquisition.

Financial instruments

The Group has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102, in full, to all its financial instruments.

Financial assets and financial liabilities are recognised when the Group and Charitable Company become a party to the contractual provisions of the instrument, and are offset only when the Group and Charitable Company currently have a legally enforceable right to set off the recognised amounts, and intend either to settle on a net basis, or to simultaneously realise the asset and settle the liability.

Trade, group, and other debtors

Trade, group, and other debtors (including accrued income), which are receivable within one year, and which do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being the transaction price less any amounts settled, and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected, according to the original terms of the contract. Impairment losses are recognised in profit or loss, for the excess of the carrying value of the trade debtor over the present value of the future cash flows, discounted using the original effective interest rate. Subsequent reversals of an impairment loss, that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Creditors

Trade, deposits, group, and other creditors, including accruals, payable within one year and in more than one year, that do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being transaction price less any amounts settled.

Taxation

The parent company is a registered charity and, as such, is exempt from taxation of its income and gains falling within Part II of the Corporation Tax Act 2010, or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that they are applied to its charitable objectives. Any tax charge arising in the subsidiaries are mitigated via the payment of Gift Aid to the parent charity.

Employee benefits

The Group's holiday entitlement year runs from April to March, and employees are entitled to carry forward any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits, is recognised immediately as an expense, when the Group is demonstrably committed to terminate the employment of an employee, or to provide termination benefits.

Retirement benefits

The Group participates in three pension schemes.

- UCAS Pension and Life Assurance Scheme (1993) is a defined benefit scheme. The scheme was closed to future accrual of benefits on 31 December 2017. The assets and liabilities of the scheme are held in a separate trust, and the net defined benefit asset/liability represents the present value of the defined benefit obligation, minus the fair value of plan assets, out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds, with terms and currencies consistent with those of the benefit obligations.

  Gains or losses recognised in Statement of Financial Activities:

  – The change in the net defined benefit liability arising from employee service during the year, is recognised as an employee cost.

  – Net interest on the net defined benefit asset/liability comprises the interest cost on the defined benefit obligation, and interest income on the plan assets. This is calculated by multiplying the fair value of the plan assets at the beginning of the period, by the rate used to discount the benefit obligations.

  Gains or losses recognised in other comprehensive income:

  – Actuarial gains and losses.

  – The difference between the interest income on the plan assets, and the actual return on the plan assets.

- UCAS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions, and a scheme-wide contribution rate is set. UCAS 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', UCAS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme. Since UCAS has entered into an agreement (the 'Recovery Plan') that determines how each employer in the scheme will fund the overall deficit, UCAS recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit), and therefore an expense is recognised.

- UCAS DC Pensions Savings Scheme is a defined contribution schemes with associated life assurance attachment. The employer liability towards these schemes is limited to the contributions made on a regular monthly basis. These are subject to an upper limit, graduated on the option made by the employee to the scheme. These contributions are charged to the Statement of Financial Activities as they become due.

Further details of the accounting adopted for these schemes is detailed in note 19 to these accounts.

Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Directors, for the general objectives of the Group, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds set aside by the Directors for specific purposes.

2. Staff numbers and costs

The average monthly number of employees during the year was as follows:

	Group		Charity	
	2024	2023	2024	2023
	No.	No.	No.	No.
Application services	462	447	462	447
Commercial management	3	4	-	-
Sales and commercial administration	118	95	-	-
	583	546	462	447

The aggregate payroll costs of these persons were as follows:

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Salaries	26,137	23,598	17,883	16,950
Social security costs	2,855	2,595	2,301	2,107
Defined contribution pension cost	1,541	1,354	1,280	1,097
Pensions costs - multi-employer DB scheme	563	639	476	600
	31,096	28,186	21,940	20,754
Capitalised	(2,663)	(1,865)	(2,663)	(1,865)
	28,433	26,321	19,277	18,889

While all staff are employed through the Charity, those staff that are conducting non primary purpose activities through UCAS Media Limited are excluded from the Charity numbers. Group numbers include all staff.

Employer costs relating to Defined Contribution (DC) and Defined Benefit (DB) pension schemes are analysed separately.

During the year, restructure costs of £193k (2023: £16k) were incurred of which £193k (2023: £16k) were statutory and non-statutory/voluntary payments, to align staff capability to new roles. Such costs are recognised as expenses immediately within expenditure, included in the salary amounts above and included in the table below where appropriate. At the reporting date, all such payments had either been made, or were due to be made to employees participating in consultation. An amount of £82k was unpaid at 31 July 2024.

Included in the above table are costs for the following numbers of employees, whose emoluments (including benefits in kind, but not pension costs) fell within the following bands:

	Group		Charity	
	2024	**2023**	**2024**	**2023**
	No.	**No.**	**No.**	**No.**
£60,001 - £70,000	57	33	54	27
£70,001 - £80,000	24	24	21	18
£80,001 - £90,000	22	9	16	6
£90,001 - £100,000	1	2	1	1
£100,001 - £110,000	4	4	4	4
£110,001 - £120,000	-	2	-	2
£120,001 - £130,000	3	1	3	1
£130,001 - £140,000	1	-	-	-
£140,001 - £150,000	1	-	1	-
£150,001 - £160,000	-	2	-	2
£160,001 - £170,000	-	1	-	-
£170,001 - £180,000	1	-	1	-
£200,001 - £210,000	1	-	-	-
£210,001 - £220,000	-	1	-	1
£250,001 - £260,000	1	-	1	-

Pension scheme contributions paid by the Group in respect of the people listed above amounted to:

	Group		Charity	
	2024	**2023**	**2024**	**2023**
	£'000	**£'000**	**£'000**	**£'000**
UCAS DC Pensions Savings Scheme	410	227	373	155
Universities Superannuation Scheme (USS)	513	591	447	559
Total	**923**	818	**820**	714

The key management personnel of UCAS comprises the Executive Team as listed on page 66. The total remuneration of the executive team is as follows:

	Charity	Charity
	2024	**2024**
	£'000	**£'000**
Total employee benefits	1,346	1,161
Employer's social security	175	144
Employer's pension costs	184	231
Total	**1,705**	**1,536**

Directors

During the year a Student Trustee sat on the Board to whom an agreed nominal payment of £1,000 was made as part of their appointment. No other Directors received remuneration for services to the Charity (2023: nil). Travelling expenses of £29,273 were reimbursed to the Directors (2023: £19,977), in respect of attendance at meetings. During the year, no emoluments were paid to non-executive Directors of UCAS Media Limited (2023: £nil).

Professional indemnity insurance

The Charitable Company paid a premium of £2,000 (2023 £5,115) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

3. Income

	2024	2023
	£'000	£'000
Institutional and applicant fees		
Provider fees	15,837	15,723
Applicant fees	16,070	15,779
	31,907	31,502
Other income		
Data services sales	52	72
Brand and data charge	3,777	3,407
Management and resourcing recharge	1,345	2,055
Fraud grant	67	67
Other income	336	400
	5,577	6,001
Investment income	1,416	695
Charity income excluding gift aid	38,900	38,198
Trading operations		
UCAS Media Limited	23,401	21,276
Investment income	29	27
	23,430	21,303
Intercompany	(5,122)	(5,462)
Group income	57,208	54,039

UCAS Media Limited's principal business activity is the provision of marketing services to higher education providers and commercial clients, seeking to make contact with applicants, and prospective applicants to higher education courses.

The majority of the accounting profits of the trading subsidiary are gift aided to the parent company under the deed of covenant. A gift aid payment of £1,003k (2023: £nil) is due from UCAS Media Limited to UCAS.

4. Expenditure

Group:	Direct staff costs	Direct costs	Brand and data	Other support costs	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Cost of investments	-	44	-	-	44	45
Commercial activities	7,577	8,127	3,777	2,959	22,440	20,428
	7,577	8,171	3,777	2,959	22,484	20,473
Charitable activities						
Admissions service	12,475	2,941	(3,777)	8,619	20,258	23,094
Special projects	1,728	5,057	-	2,427	9,212	7,061
Analysis and research	2,364	294	-	1,215	3,873	3,226
	16,566	8,292	(3,777)	12,261	33,343	33,381
Total expenditure of the group	**24,144**	**16,463**	-	**15,220**	**55,827**	**53,854**

Analysis of support costs	Raising funds	Admissions service	Special projects	Analysis & research	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	108	593	-	-	701	787
Finance	1,348	620	-	1	1,969	2,196
Human resources	468	854	374	187	1,883	1,686
Information technology	1,007	4,720	1,619	810	8,156	8,304
Facilities	-	1,548	435	218	2,201	2,124
General management	27	284	-	-	311	365
Total support costs	**2,959**	**8,619**	**2,428**	**1,216**	**15,220**	**15,462**

Analysis of governance costs	Total 2024	Total 2023
	£'000	£'000
Internal audit	95	82
External audit	67	60
Legal & professional consulting	294	455
Trustees	104	80
Other governance costs	141	110
Total governance costs	**701**	**787**

Charity:	Direct staff costs	Direct costs	Other support costs	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Cost of investments	-	44	-	44	45
	-	44	-	44	45
Charitable activities					
Admissions service	12,150	2,886	10,356	25,392	27,571
Special projects	1,728	5,057	2,428	9,213	6,994
Analysis and research	2,364	294	1,216	3,874	3,226
	16,242	8,237	14,000	38,479	37,791
Total expenditure of the charity	**16,242**	**8,281**	**14,000**	**38,523**	**37,836**

Analysis of support costs	Admissions service	Special projects	Analysis & research	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000
Governance	682	-	-	682	770
Finance	992	-	1	993	1,181
Human resources	1,095	374	187	1,656	1,497
Information technology	5,727	1,619	810	8,156	8,304
Facilities	1,548	435	218	2,201	2,124
General management	312	-	-	312	365
Total support costs	**10,356**	**2,428**	**1,216**	**14,000**	**14,241**

Analysis of governance costs	Total 2024	Total 2023
	£'000	£'000
Internal audit	95	86
External audit	48	42
Legal & professional consulting	294	452
Trustees	104	80
Other governance costs	141	110
Total governance costs	**682**	**770**

5. Taxation

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Current tax				
UK corporation tax	-	-	-	-

Factors affecting the tax charge for the year:

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Net income for the year before tax	4,056	734	4,053	911
Tax on income at standard CT rate of 25%	771	140	770	173
Effects of:				
Income not taxable for tax purposes	(771)	(140)	(770)	(173)
Total current tax charge	-	-	-	-

6. Net income for the year is stated after charging

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Depreciation of tangible fixed assets	900	789	885	774
Amortisation of intangible assets	3,527	2,621	2,859	2,206
Impairment of intangible assets	850	336	797	336
Operating lease costs	6	7	6	7
Auditor's remuneration - audit fees	67	60	48	42
Auditor's remuneration - taxation compliance services	6	6	4	4
Internal auditor's remuneration	95	82	95	82
And after crediting:				
Interest on deposits receivable	1,222	520	1,193	493
Dividends receivable on investment portfolio	223	202	223	202

7. Intangible assets

Consolidated:	Goodwill	Licences	Software	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2023	1,601	1,008	27,529	2,013	32,151
Additions	-	6	721	3,754	4,481
Transfers	-	-	4,364	(4,364)	-
Disposals	(240)	-	(1,974)	-	(2,214)
At 31 July 2024	1,361	1,014	30,640	1,403	34,418
Amortisation and impairment					
At 1 August 2023	1,477	872	18,402	-	20,751
Amortisation charge for the year	40	44	3,443	-	3,527
Impairment charge for the year	84	-	766	-	850
Disposals	(240)	-	(1,974)	-	(2,214)
At 31 July 2024	1,361	916	20,637	-	22,914
Net book value					
At 31 July 2023	124	136	9,127	2,013	11,400
At 31 July 2024	-	98	10,003	1,403	11,504

Charity:	Goodwill	Licences	Software	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2023	240	1,008	24,623	2,013	27,884
Additions	-	6	-	3,754	3,760
Transfers	-	-	4,364	(4,364)	-
Disposals	(240)	-	(1,574)	-	(1,814)
At 31 July 2024	-	1,014	27,413	1,403	29,830
Amortisation and impairment					
At 1 August 2023	116	872	17,437	-	18,425
Amortisation charge for the year	40	44	2,775	-	2,859
Impairment charge for the year	84	-	713	-	797
Disposals	(240)	-	(1,574)	-	(1,814)
At 31 July 2024	-	916	19,351	-	20,267
Net book value					
At 31 July 2023	124	136	7,186	2,013	9,459
At 31 July 2024	-	98	8,062	1,403	9,562

A decision was made in the year to decommission the UCAS International standalone app at the end of the 2024 application cycle, and to support international applicants through the central systems. Amortisation and impairment charges are reflected in Expenditure: Charitable activities in the Statement of Financial Activities.

8. Tangible assets

Consolidated:	Land	Freehold Buildings	Hardware & equipment	Vehicles	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 August 2023	3,150	7,365	4,386	15	-	14,916
Additions	-	90	34	-	240	364
Disposals	-	(44)	(233)	-	-	(277)
Transfer	-	147	-	-	(147)	-
At 31 July 2024	3,150	7,558	4,187	15	93	15,003
Depreciation						
At 1 August 2023	-	3,338	3,793	15	-	7,146
Disposals	-	(44)	(233)	-	-	(277)
Depreciation charge for the year	-	678	222	-	-	900
At 31 July 2024	-	3,972	3,782	15	-	7,769
Net book value						
At 31 July 2023	3,150	4,027	593	-	-	7,770
At 31 July 2024	3,150	3,586	405	-	93	7,234

Charity:	Land	Freehold Buildings	Hardware & equipment	Vehicles	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 August 2023	3,150	7,324	3,442	15	-	13,931
Additions	-	89	33	-	240	362
Disposals	-	(44)	(190)	-	-	(234)
Transfer	-	147	-	-	(147)	-
At 31 July 2024	3,150	7,516	3,285	15	93	14,059
Depreciation						
At 1 August 2023	-	3,296	2,874	15	-	6,185
Disposals	-	(44)	(190)	-	-	(234)
Depreciation charge for the year	-	679	206	-	-	885
At 31 July 2024	-	3,931	2,890	15	-	6,836
Net book value						
At 31 July 2023	3,150	4,028	568	-	-	7,746
At 31 July 2024	3,150	3,585	395	-	93	7,223

9. Investments

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Opening value	9,685	9,120	9,685	9,120
Cash Investment	750	1,000	750	1,000
Interest and dividends	300	384	300	384
Net unrealised gain/(loss)	415	(765)	415	(765)
Charges for the period	(44)	(45)	(44)	(45)
VAT payable on charges	(9)	(9)	(9)	(9)
Closing value	11,097	9,685	11,097	9,685

VAT is payable on investment management charges. Gross charges are deducted from the portfolio, with the VAT element reclaimed via the Charitable Company's VAT return.

Income receivable from dividends and interest is reinvested in the portfolio.

Investments comprise:	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bonds	2,663	2,417	2,663	2,417
UK Equities	3,899	3,579	3,899	3,579
Overseas Equities	2,869	1,863	2,869	1,863
Property	185	196	185	196
Alternative assets	1,386	1,425	1,386	1,425
Cash	95	205	95	205
	11,097	9,685	11,097	9,685

The Directors do not consider any individual investment to be material in the context of the investment portfolio.

10. Subsidiary undertakings (Charity only)

	Holding (£1) Ordinary Shares	Proportion of nominal value held directly	Cost (£'000)	Nature of business	Country of incorporation and registration number
UCAS Media Limited	1,000	100%	1,026	Marketing services	England and Wales 02737300
UCAS Consultancy and Insights Limited (dormant)	1	100%	-	Marketing services	England and Wales 11737961

The statutory accounts of UCAS Media Limited are fully audited and published separately. Refer to note 20 for a summary of the trading results of UCAS Media Limited.

UCAS Consultancy and Insights Limited is not trading.

11. Debtors

Amounts falling due within one year	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors	5,033	5,600	12	55
Amounts owed by subsidiaries	-	-	4,050	4,579
Other debtors	54	114	54	114
Prepayments and accrued income	3,546	3,541	2,328	2,168
Value Added Tax	599	945	383	379
	9,232	10,200	6,827	7,295

12. Creditors

Amounts falling due within one year	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	2,247	3,721	1,984	2,978
Social security and other taxes	709	706	709	706
Other creditors	506	446	400	343
Accruals and deferred income	4,992	5,143	979	882
	8,454	10,016	4,072	4,909

Deferred income	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Deferred income at 1 August	3,873	2,503	39	44
Deferred income released during the year	(3,873)	(2,503)	(39)	(44)
Income deferred during the year	3,615	3,873	38	39
Deferred income at 31 July	3,615	3,873	38	39

Deferred income relates to advertising income, events income, and income from subscriptions. For advertising campaigns and events, income is deferred on the basis of when the service is to be delivered. In the case of subscriptions, income is recognised over the life of the subscription, during which time, the service is delivered in full.

13. Financial Instruments

The carrying value of financial instruments for the Group and the Charitable Company, held at fair value, as at 31 July were:

	Group		Charity	
	2024	2023	2024	2023
Financial assets:	**£'000**	**£'000**	**£'000**	**£'000**
Investments	11,097	9,685	11,097	9,685
Total	11,097	9,685	9,685	9,685

14. Capital commitment

At 31 July the group had a capital commitment of £19k (2023: nil)

15. Commitments under operating leases

The total future minimum lease payments for both the Group and the Charitable Company, under non-cancellable operating leases of other assets, are as follows:

	2024	2023
Amounts due:	**£'000**	**£'000**
Within one year	4	5
Between one and five years	7	-
	11	5

16. Unrestricted funds: designated

	Technology reserve	Income reserve	Total	Total
	2024	2024	2024	2023
	£'000	£'000	£'000	£'000
Group				
Value at beginning of the year	11,059	4,125	15,184	13,643
Transfer into fund in the year	669	1,750	2,419	1,541
Value at end of the year	11,728	5,875	17,603	15,184
Charity				
Value at beginning of the year	11,059	4,125	15,184	13,643
Transfer into fund in the year	669	1,750	2,419	1,541
Value at end of the year	11,728	5,875	17,603	15,184

Designated reserves reflect the Directors' view of the funds required to be allocated to meet future obligations and to ensure the sustainability of the Group's and Charity's core operations. UCAS recognises that designated reserves should have a timeline for being utilised, but this timeline varies depending on which events occur. Further detail of the Reserves Policy is given in the Report of the Directors.

17. Unrestricted funds: general

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Value at beginning of the year	36,661	38,689	37,543	39,394
Surplus for the year	4,056	734	4,053	911
Transfer (to) designated funds	(2,419)	(1,541)	(2,419)	(1,541)
FRS102 pension adjustments	(2,140)	(1,221)	(2,140)	(1,221)
Value at end of the year	36,158	36,661	37,037	37,543

Funds are transferred between unrestricted designated and general funds to maintain key technology contracts, and to protect against loss of income through realisation of strategic risks (note 16) as agreed by the Directors in the Reserves Policy. It is likely the amounts above the reserves policy amounts will be used over the next few years given the investment levels are aligned to the existing strategy as well as the new corporate plan scheduled for release in early 2025.

18. Net assets by fund

Group

The consolidated net assets held as at 31 July 2024 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2024	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	11,728	5,875	-	-	17,603	15,184
Unrestricted funds: general	7,009	29,228	(80)	-	36,157	34,276
	18,737	35,103	(80)	-	53,759	49,460

The consolidated net assets held as at 31 July 2023 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2023	2023	2023	2023	2023	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	11,059	4,125	-	-	15,184	13,643
Unrestricted funds: general	8,112	28,630	(80)	(2,386)	34,276	35,901
	19,171	32,755	(80)	(2,386)	49,460	49,544

Charity

The consolidated net assets held as at 31 July 2024 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2024	2024	2024	2024	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	11,728	5,875	-	-	17,603	15,184
Unrestricted funds: general	5,057	32,061	(80)	-	37,037	35,156
	16,785	37,936	(80)	-	54,640	50,340

The consolidated net assets held as at 31 July 2023 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2023	2023	2023	2023	2023	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	11,059	4,125	-	-	15,184	13,643
Unrestricted funds: general	6,146	31,476	(80)	(2,386)	35,156	36,606
	17,205	35,601	(80)	(2,386)	50,340	50,249

19. Pension schemes

The Group participates in three pension schemes: one defined benefit pension scheme, one defined benefit scheme that is accounted for as if it were a defined contribution scheme (as required by FRS 102 section 28 'Employee Benefits'), and one defined contribution schemes. Employees join the appropriate scheme, depending on their employment terms. The total cost to the Group for the year ended 31 July 2024, in respect of pension contributions, which have been allocated between expenditure categories in proportion to staff costs, and charged to the consolidated Statement of Financial Activities as appropriate, are as follows:

	2024	2023
	£'000	£'000
Defined contribution schemes	1,541	1,354
Multi-employer defined benefit scheme	563	639
	2,104	1,993

At 31 July, there were outstanding employer's and employees' contributions, including any additional voluntary contributions to the schemes, included in social security and other taxes within the creditors note, as follows:

	2024	2023
	£'000	£'000
Defined contribution scheme	206	214
Multi-employer defined benefit scheme	86	86
	292	300

UCAS Pension and Life Assurance Scheme (1993)

The scheme was closed to future accrual of benefits on 31 December 2017. Active members of the scheme at the closure date became 'active deferred' members, and transferred to UCAS' Defined Contribution pension scheme. The UCAS Pension and Life Assurance Scheme currently has 40 active deferred members, 170 preserved members, and 182 pensioners. The assets of the scheme are held in a separate, trustee-administered fund.

The most recent comprehensive actuarial valuation of the plan assets, and the present value of the defined benefit obligation, was carried out at 31 July 2022.

The triennial funding review, as at 31 July 2022, identified a surplus in the longer-term assets over liabilities of £2,872k (2019: deficit of £6,590k).

Given the scheme is in surplus, it was agreed with the scheme that from May 2023 no further additional deficit contributions would be made, and this decision would be reviewed again at the next triennial valuation. During the year to 31 July 2024, UCAS made additional contributions of £nil (2023: £0.8m).

The principal assumptions used in the calculation of the present value of the defined benefit obligation include:

Assumptions	**31 July 2024**	**31 July 2023**
	Per cent:	Per cent:
Discount rate	5.03	5.08
Salary increase (Pre 2030)	2.89	2.97
Salary increase (Post 2030)	3.69	3.77
Inflation (RPI)	3.19	3.27
Inflation (CPI) (Pre 2030)	2.39	2.47
Inflation (CPI) (Post 2030)	3.19	3.27
Pension increases (Pre-April 2005)	4.24	4.25
Pension increases (Post-April 2005)	2.1	2.13
Mortality base table	S4PxA	S3PxA
Projection basis	CMI 2023	CMI 2022
Long term improvement trend	1.00	1.00
Percentage of death rates applied (male)	100	101
Percentage of death rates applied (female)	100	103

The current life expectancies on retirement at age 65 are:	**31 July 2024**	**31 July 2023**
	Years	Years
Male currently aged 45	22.00	22.10
Female currently aged 45	24.70	24.60
Male currently aged 65	21.10	21.20
Female currently aged 65	23.60	23.50

Amounts recognised in the Statement of Financial Activities (SoFA), in respect of the defined benefit scheme, are as follows:

	2024	2023
	£'000	£'000
Past service cost	-	-
Net interest on net defined benefit liability	-	-
Total operating charge	-	-

Changes in the fair value of the scheme assets	**31 July 2024**	**31 July 2023**
	£'000	£'000
Fair value of scheme assets at the beginning of the year	38,453	48,838
Interest income on plan assets	1,768	1,595
Employer contributions	-	820
Benefits paid	(1,363)	(1,195)
Remeasurement gain / (loss)	1,174	(11,605)
Expenses and insurance premiums paid	(247)	-
Fair value of scheme assets at the end of the year	39,785	38,453

Amounts recognised in the balance sheet	**2024**	**2023**
	£'000	£'000
Fair value of scheme assets	39,785	38,453
Present value of scheme liabilities	(34,667)	(35,493)
Irrecoverable (surplus)	(5,118)	(2,960)
Balance sheet liability	-	-

The analysis of the scheme assets at the reporting date was as follows:

	31 July 2024	31 July 2023
	Per cent:	Per cent:
Equities	26.6	28.4
Bonds (non-gilt)	15.6	11.4
LDI funds	32.8	33.3
Multi-asset growth	24.2	26.1
Cash and net current assets	0.8	0.8
	100.0	**100.0**

The Scheme invests in a mix of equity, bonds, diversified growth, and liability-driven investment funds, managed by State Street, M&G, Troy Trojan, CT and CT Global.

Universities Superannuation Scheme (USS)

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), and the resulting expense in income or expenditure in accordance with section 28 of FRS 102. The Directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme, and have therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements. Where a participating employer in the USS Scheme ceases to participate and is unable to meet its share of the Scheme liabilities, these liabilities remain within the Scheme and the remaining participating employers continue to support the scheme as a whole.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2023. The legislative deadline for completing the next triennial valuation is 30 June 2027.

Since the institution cannot identify its share of Retirement Income Builder section of the Scheme assets and liabilities, the following disclosures reflect those relevant for the section as a whole.

The 2023 valuation was the seventh valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. 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.

Defined benefit liability numbers for the scheme, for accounting purposes, have been produced using the following assumptions as at 31 March 2024 and 2023:

	2024	**2023**
Discount rate	4.7 per cent	4.6 per cent
Pensionable salary growth	n/a	n/a
Pensions increases (CPI)	3.0 per cent	3.0 per cent

The main demographic assumption used relates to mortality. The mortality assumptions used in these figures are as follows:

	2024	**2023**
Mortality base table	Pre-retirement: 101% of S2PMA "light" for males and 95% of S3PFA for females Post-retirement: 101% of S2PMA "light" for males and 95% of S3PFA for females	Pre-retirement: 101% of S2PMA "light" for males and 95% of S3PFA for females Post-retirement: 101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% and a long-term improvement rate of 1.8% p.a. for males, and 1.6% p.a. for females	CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% 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:

	31 July 2024	31 July 2023
	Years	Years
Male currently aged 45	25.4	26.0
Female currently aged 45	27.2	27.4
Male currently aged 65	23.7	24.0
Female currently aged 65	25.6	25.6

	2024	2032
Calculated based on existing benefits	£bn	£bn
Scheme assets	74.8	69.1
Total scheme liabilities	75.0	71.1
FRS102 total scheme deficit	-0.2	-2.0
FRS 102 total funding level	100%	97%

Total Actuarial Gain featured in the Statement of Financial Activities

The Statement of Financial Activities (SoFA) includes a total actuarial gain for the Universities Superannuation Scheme (USS) of £2,505k, (2023: £494k), comprising an actuarial gain on scheme liabilities of £2,505k.

	2024	2023
Amounts recognised in the Balance Sheet	£'000	£'000
Liabilities at beginning of the year	(2,387)	(2,788)
Interest costs	(118)	(93)
Remeasurement of the scheme liabilities	2,505	494
Balance sheet liability at end of year	-	(2,386)

At 31 July 2024, UCAS had 32 active members participating in the scheme.

The total pension cost for the group was £564k (2023: £669k). This includes £59k (2023: £57k) outstanding employer's contributions at 31 July 2024 included in social security and other taxes within the creditors note. The contribution rate payable by the Company was 14.5 per cent of annual pensionable salaries.

UCAS DC Pensions Savings Scheme

UCAS implemented auto-enrolment on 1 January 2014. 148 employees were auto-enrolled in the scheme at that time, and re-enrolment assessments are carried out every subsequent three years. Following the transfer of members from the UCAS Pension and Life Assurance Scheme on its closure, the current scheme membership is 529 (2023: 517).

As contributions are treated on the basis of defined contributions, and ultimate benefits are formed from the scheme operated by an external provider, the Group has no underlying liability.

The total pension cost for the group was £1,541k (2023: £1,324k). This includes £231k (2023: £211k) outstanding employer's contributions as at 31 July 2024 included in social security and other taxes within the creditors note.

20. Trading results of UCAS Media Limited

UCAS Media Limited, registered in England, company number 2737300.

	Notes	2024	2023
		£'000	£'000
Turnover	2	23,414	21,292
Distribution costs		(11,277)	(10,935)
Brand and data charge	3	(3,777)	(3,407)
		8,360	6,950
Expenses			
Administrative		(7,386)	(7,086)
Total administrative expenses		(7,386)	(7,086)
Operating profit / (loss)		974	(136)
Interest receivable		29	27
Profit/(loss) Profit before tax	3	**1,003**	**(109)**
Taxation	5	-	-
Profit/(loss) after tax		**1,003**	**(109)**

The aggregate amount of the capital and reserves of UCAS Media Limited, as at 31 July 2024, was £147k (2023: £147k). Aggregate current assets were £6,626k (2023: £7,866k), and aggregate liabilities were £8,413k (2023: £9,686k).

21. Related party transactions

Directors

The Directors of UCAS hold a variety of senior positions at educational providers, and other organisations, many of which undertake transactions with UCAS on a regular basis. Such transactions are undertaken on normal commercial terms and the Directors make annual declarations confirming the position they hold in these organisations. The educational providers do not meet the definition of related parties, but the existence of the relationship is included here in the interest of transparency. Therefore, full details of the value of such transactions, or the balances outstanding between UCAS (or its subsidiary undertakings) and these organisations, are not provided.

The Universities and Colleges Admissions Service, and wholly owned subsidiaries

The following related party transactions and balances are included in the accounts of the Charitable Company, in respect of its related party subsidiary companies:

2024	Intercompany debtor as at 31 July 2024 **£'000**	Conference attendance fees charged to parent **£'000**	Staff costs recharged to subsidiary **£'000**	Brand & data charges to subsidiary **£'000**	Management charge to subsidiary **£'000**	Gift Aid distribution to parent **£'000**
UCAS Media Limited	4,050	(13)	3,027	3,777	1,345	1,003

2023	Intercompany debtor as at 31 July 2023 **£'000**	Conference attendance fees charged to parent **£'000**	Staff costs recharged to subsidiary **£'000**	Brand & data charges to subsidiary **£'000**	Management charge to subsidiary **£'000**	Gift Aid distribution to parent **£'000**
UCAS Media Limited	4,579	(16)	2,025	3,407	2,055	-

22. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are those used by the actuary in calculating the Group's defined benefit pension scheme liability (see note 19 for details), and those involved in estimating an intangible software asset's likely useful life upon capitalisation and impairment (see policy on capitalisation of software assets for details).

Critical areas of judgement

Senior management exercise judgement in determining that an internally-generated asset may be capitalised as an intangible asset, by reference to the likelihood that future economic benefit will be delivered by the asset, as well as the level of completeness of the asset. Details of UCAS' policy on capitalisation of software development costs is given in note 1.

Senior management also exercise judgement in reviewing any potential impairment of tangible or intangible assets which is determined by future economic value or if the asset is no longer in use.

UCAS participates in Universities Superannuation Scheme (USS), a multi-employer hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. UCAS is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, the scheme is accounted for as if it were a wholly defined contribution scheme (see note 19 for details).

The charity commenced the rental of part of one of the floors at the Rosehill site during 2018/19. Under FRS 102, where a discrete element of a property is leased to a third party, consideration needs to be given as to whether this constitutes a mixed-use property, which would necessitate that the rented element should be accounted for as an investment property and held at market value. UCAS reassessed this arrangement for 2023/24 and concluded that this continues to not be captured by the mixed-use rules, due to factors including the use of a shared reception, entrance through a shared corridor, and use of certain shared facilities. This view is also supported by the short-term arrangements in place. This mixed-use property assessment will continue to be kept under review.

Board structure

Chair	Professor Edward Peck CBE Chair 3	(Interim Chair 09 July 2024, Deputy Chair)
	Mrs Trudy Norris-Grey Chair 3, 4	(resigned 09 July 2024)
Directors	Professor Colin Bailey CBE 1	
	Mr Simon Bates 2, 4	
	Dr Ben Calvert 3	(appointed 21 August 2023)
	Ms Pat Carvalho 2, Chair 4	
	Mr Thomas Chambers Chair 3, Chair 4	(resigned 03 July 2024)
	Mr Mark Felix Chair 1, 3	(Senior Independent Director)
	Ms Caroline Hoddinott OBE 1	
	Mr Daragh Kelly	(appointed 24 October 2024)
	Professor James Miller FRSE	
	Professor Malcolm Press CBE 4	
	Mr Shuvo Saha	
	Ms Melody Stephen	(resigned 20 August 2024)
	Mr Justin van Wijngaarden Chair 2, 4	(appointed 24 October 2024)
Co-opted Board members	Mr Alistair Jarvis CBE	
Co-opted Committee members	Ms Zelina Harrington-Greenwood 1	(appointed 12 April 2024)
	Ms Joanne Jones 2	(resigned 09 February 2024)
	Ms Sarah Randall-Paley MBE Chair 1	(resigned 28 March 2024)
	Professor Wendy Robinson 1	
	Ms Eileen Schofield 2	(appointed 26 April 2024)
	Ms Camille Stallard 2	
Committees	1. Audit Committee	2. Finance Committee
	3. Nominations Committee	4. Remuneration Committee
Company secretary	Mrs Tessa Yates	
Executive team	Dr Jo Saxton CBE	Chief Executive (appointed 15 January 2024)
	Dame Clare Marchant	Chief Executive (resigned 17 September 2023)
	Mr Kevin Allison	Chief Financial Officer
	Dr Katie Bell	Chief Marketing Officer (resigned 10 May 2024)
	Mrs Elaine Chandler	Chief People Officer
	Mr John Cope	Executive Director of Strategy, Policy and Public Affairs (resigned 05 February 2024)
	Ms Fiona Johnston	Chief Customer Officer
	Mr Chris Kirk	Director of UCAS International (resigned 31 March 2024)
	Mr Sander Kristel	Chief Digital and Data Officer (Interim Chief Executive 17 September 2023 to 14 January 2024)
	Mr David Penney	Chief Communications and Marketing Officer (appointed 01 June 2024)

Registered office

Rosehill
New Barn Lane
Cheltenham
Gloucestershire
GL52 3LZ

Auditors

External auditor

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Internal auditor*

KPMG LLP
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

Bankers

Barclays plc
128 High Street
Cheltenham
Gloucestershire
GL50 1EL

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Actuary

Little & Company Actuaries & Consultants Ltd
i2 Office
450 Brook Drive
Green Park
Reading
RG2 6UU

Investment managers

Rathbone Greenbank Investments
8 Finsbury Circus
London
EC2M 7AZ

© UCAS 2025

All rights reserved.

UCAS is a registered trade mark.

UCAS, a company limited by guarantee, is registered in England and Wales.
Registered number: 2839815.

Registered charity number:
1024741 (England and Wales) and SC038598 (Scotland)

Publication reference: 25-010624

Published by: UCAS, Rosehill, New Barn Lane, Cheltenham, GL52 3LZ.

THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

England & Wales - Charity number 1024741

Accounts

Consolidated and charity statements of financial activities
(incorporating an income and expenditure account)
for the year ended 31 July 2023

		Group		Charity	
		Unrestricted Funds		Unrestricted Funds	
		2023	2022	2023	2022
	Notes	£'000	£'000	£'000	£'000
Income from charitable activities:					
Provider and applicant fees	3	31,502	32,224	31,502	32,224
Other income	3	539	536	6,001	5,662
Raising funds:					
Income from trading activities	3	21,276	20,836	-	-
Gift Aid		-	-	-	1,614
Investment income	3	722	226	695	220
Total income		**54,039**	**53,822**	**38,198**	**39,720**
Expenditure					
Raising funds	4	(20,473)	(19,261)	(45)	(28)
Charitable activities	4	(32,067)	(29,430)	(36,477)	(34,556)
Total expenditure		**(52,540)**	**(48,691)**	**(36,522)**	**(34,584)**
Net (loss) on investments	9	(765)	(418)	(765)	(418)
Net income		**734**	**4,713**	**911**	**4,718**
Other recognised (losses)/gains:					
Remeasurements of defined benefit obligation	18	(820)	5,638	(820)	5,638
Net movement in funds		**(86)**	**10,351**	**91**	**10,356**
Reconciliation of funds:					
Total funds brought forward		49,545	39,194	50,250	39,913
Total funds carried forward		49,459	49,545	50,341	50,250

Consolidated and charity statements of financial position
for the year ended 31 July 2023

	Notes	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Fixed assets					
Goodwill	7	124	164	124	164
Other intangible assets	7	11,276	9,005	9,335	7,944
Total intangible assets		11,400	9,169	9,459	8,108
Tangible assets	8	7,770	7,883	7,746	7,844
Investments	9	9,685	9,120	9,685	9,120
Investment in subsidiaries	10	-	-	1,026	1,026
		28,855	26,173	27,916	26,098
Current assets					
Debtors - falling due within one year	11	10,200	9,100	7,295	7,353
Cash at bank and in hand		22,886	25,948	22,504	24,749
		33,086	35,048	29,799	32,102
Current liabilities					
Creditors amounts falling due within one year	12	(10,016)	(8,809)	(4,909)	(5,083)
Net current assets		23,070	26,239	24,890	27,019
Creditors: amounts falling due after more than one year					
Deposit from property tenant		(80)	(80)	(80)	(80)
		(80)	(80)	(80)	(80)
Net assets excluding pension scheme liability		51,845	52,332	52,727	53,037
Deduct:					
Defined benefit pension scheme liability	18	(2,386)	(2,788)	(2,386)	(2,788)
Net assets		49,459	49,544	50,341	50,249
Funds					
Unrestricted funds: designated	15	15,184	13,643	15,184	13,643
Unrestricted funds: general	16	36,661	38,689	37,542	39,393
Pension scheme liability	18	(2,386)	(2,788)	(2,386)	(2,788)
Called up share capital		-	-	1	1
Total funds		49,459	49,544	50,341	50,249

The financial statements on pages 32 to 63 were approved by the Board of Directors, and authorised for issue on 07 December 2023.

Signed on behalf of the Board

Trudy Norris-Grey
Chair

- UCAS Group Stakeholder Pension Plan (2007), and UCAS Group Stakeholder Pension Plan (2014), are defined contribution schemes with associated life assurance attachment. The employer liability towards these schemes is limited to the contributions made on a regular monthly basis. These are subject to an upper limit, graduated on the option made by the employee to the scheme. These contributions are charged to the Statement of Financial Activities as they become due.

Further details of the accounting adopted for these schemes is detailed in note 18 to these accounts.

Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Directors, for the general objectives of the Group, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds set aside by the Directors for specific purposes.

2. Staff numbers and costs

The average monthly number of employees during the year was as follows:

	Group		Charity	
	2023	2022	2023	2022
	No.	No.	No.	No.
Application services	447	396	447	396
Commercial management	4	3	-	-
Sales and commercial administration	95	81	-	-
	546	480	447	396

The aggregate payroll costs of these persons were as follows:

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Salaries	23,598	19,618	16,950	12,689
Social security costs	2,595	2,197	2,107	1,840
Defined contribution pension cost	1,354	1,076	1,097	832
Pensions costs - multi-employer DB scheme	639	654	600	654
	28,186	23,545	20,754	16,015
Capitalised	(1,865)	(1,574)	(1,865)	(1,574)
	26,321	21,971	18,889	14,441
Restructure costs	11	19	11	19
	26,332	21,990	18,900	14,460

Notes to the Financial Accounts
for the year ended 31 July 2023

4. Expenditure

Group:	Direct staff costs £'000	Direct costs £'000	Brand and data £'000	Other support costs £'000	Total 2023 £'000	Total 2022 £'000
Raising funds						
Cost of investments	-	45	-	-	45	28
Commercial activities	6,282	8,508	3,407	2,231	20,428	19,233
	6,282	8,553	3,407	2,231	20,473	19,261
Charitable activities						
Admissions service	12,002	3,576	(3,407)	9,609	21,780	22,237
Special projects	1,206	3,452	-	2,403	7,061	4,530
Analysis and research	1,812	195	-	1,219	3,226	2,663
	15,020	7,223	(3,407)	13,231	32,067	29,430
Total expenditure of the group	**21,302**	**15,776**	**-**	**15,462**	**52,540**	**48,691**

Analysis of support costs	Raising funds £'000	Admissions service £'000	Special projects £'000	Analysis & research £'000	Total 2023 £'000	Total 2022 £'000
Governance	103	684	-	-	787	716
Finance	528	1,650	-	18	2,196	2,052
Human resources	431	753	335	167	1,686	1,576
Information technology	1,142	4,690	1,648	824	8,304	8,974
Facilities	-	1,494	420	210	2,124	2,240
General management	27	338	-	-	365	378
Total support costs	**2,231**	**9,609**	**2,403**	**1,219**	**15,462**	**15,936**

Analysis of governance costs	Total 2023 £'000	Total 2022 £'000
Internal audit	82	89
External audit	60	53
Legal & professional consulting	455	427
Trustees	80	53
Other governance costs	110	94
Total governance costs	**787**	**716**

Notes to the Financial Accounts
for the year ended 31 July 2023

5. Taxation

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Current tax				
UK corporation tax	-	-	-	-

Factors affecting the tax charge for the year:

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Net income for the year before tax	734	4,713	911	4,718
Tax on income at standard CT rate of 19%	140	895	173	896
Effects of:				
Income not taxable for tax purposes	(140)	(895)	(173)	(896)
Total current tax charge	-	-	-	-

6. Net income for the year is stated after charging

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Depreciation of tangible fixed assets	789	444	774	421
Amortisation of intangible assets	2,621	2,669	2,206	2,381
Impairment of intangible assets	336	-	336	-
Operating lease costs	7	3	7	3
Auditor's remuneration - audit fees	61	58	42	48
Auditor's remuneration - taxation compliance services	6	8	4	6
Internal auditor's remuneration	82	89	82	89
And after crediting:				
Interest on deposits receivable	520	57	493	51
Dividends receivable on investment portfolio	202	169	202	169

THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

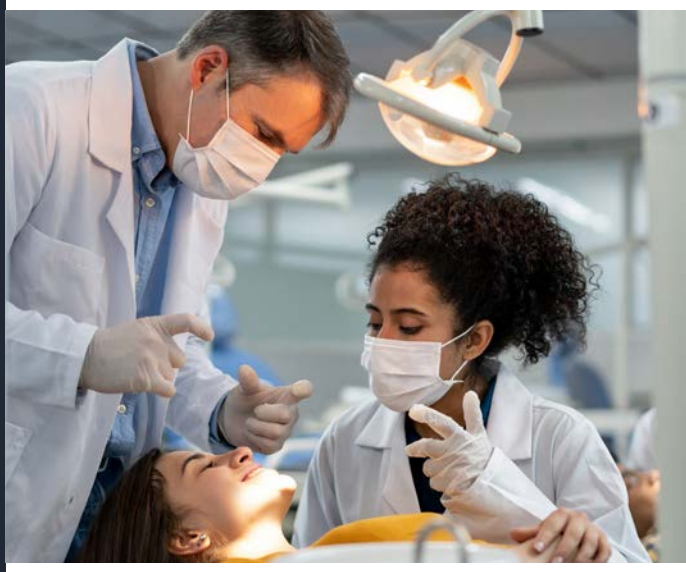
England & Wales - Charity number 1024741

Accounts

UCAS DIRECTORS' REPORT AND CONSOLIDATED ACCOUNTS

For the year ended
31 July 2022

UCAS



CONTENTS

Financial statements for the year ended 31 July 2022

03	LEGAL AND ADMINISTRATIVE INFORMATION
06	REPORT OF THE DIRECTORS (INCLUDING THE GROUP STRATEGIC REPORT)
29	INDEPENDENT AUDITOR'S REPORT
34	CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL ACTIVITIES
36	CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL POSITION
38	CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS
40	NOTES TO THE FINANCIAL ACCOUNTS

Registered company number: 2839815
Registered charity number in England and Wales: 1024741
Charity registered in Scotland: SC038598

LEGAL AND ADMINISTRATIVE INFORMATION

For the year ended 31 July 2022

BOARD STRUCTURE

Chair	Mrs Trudy Norris-Grey	
Directors	Professor Edward Peck CBE	(Deputy Chair)
	Mr Thomas Chambers	(Senior Independent Director)
	Professor Colin Bailey CBE	
	Mr Mark Felix	
	Mr Andrew Forbes	(resigned 15 March 2022)
	Ms Pat Carvalho	(appointed 09 May 2022)
	Ms Caroline Hoddinott OBE	
	Professor Dame Sally Mapstone	
	Mr Thomas Newman	(resigned 24 August 2022)
	Professor Malcolm Press CBE	
	Mrs Katharine Purser	(resigned 05 October 2022)
	Professor Colin Riordan	(appointed 10 August 2021)
	Mr Shuvo Saha	
	Ms Melody Stephen	(appointed 27 October 2022)
	Mr Simon Bates	(appointed 17 October 2022)
Co-opted Board members	Mr Simon Bates	(06 May 2022 to 17 October 2022)
	Mr Alistair Jarvis CBE	(appointed 10 October 2022)
Company secretary	Mrs Tessa Yates	
Executive team	Mrs Clare Marchant	Chief Executive
	Mr Kevin Allison	Chief Financial Officer
	Dr Katie Bell	Chief Marketing Officer
	Mrs Elaine Chandler	Executive Director of People
	Mr John Cope	Executive Director of Strategy, Policy and Public Affairs
	Ms Fiona Johnston	Chief Product Officer
	Mr Sander Kristel	Chief Operating Officer
	Mr Chris Kirk	Director of UCAS International (appointed 20 June 2022)
	Mr Aaron Powell	Chief Digital and Data Officer and MD UCAS International Limited (resigned 31 October 2021)

REGISTERED OFFICE

Rosehill
New Barn Lane
Cheltenham
Gloucestershire
GL52 3LZ

AUDITORS

External auditor

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Internal auditor

PricewaterhouseCoopers LLP
2 Glass Wharf
Bristol
BS2 0FR

BANKERS

Barclays plc
128 High Street
Cheltenham
Gloucestershire
GL50 1EL

SOLICITORS

Wiggin LLP
Jessop House
Jessop Avenue
Cheltenham
Gloucestershire
GL50 3WG

ACTUARY

Little & Company Actuaries & Consultants Ltd
i2 Office
450 Brook Drive
Green Park
Reading
RG2 6UU

INVESTMENT MANAGERS

Rathbone Greenbank Investments
8 Finsbury Circus
London
EC2M 7AZ

REPORT OF THE DIRECTORS

For the year ended 31 July 2022

The Directors of The Universities and Colleges Admissions Service, also known as UCAS (the 'Charity'), who are also Trustees of the Charity, are responsible for the financial and organisational control and management of UCAS.

The Directors present their report for the year ended 31 July 2022. This report is deemed to encompass all matters which are required to be included in both the Strategic and Directors' Reports of the Charity.

GOVERNANCE, ORGANISATIONAL STRUCTURE, AND MANAGEMENT

UCAS was incorporated on 27 July 1993. It is a private company limited by guarantee, without share capital. It is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). Its governing document is the Articles of Association (the 'Articles'). UCAS is also a registered trademark.

UCAS is governed by a Board of thirteen Directors (the 'Board') supported by one co-opted member, which usually meets four times a year to discharge its duties. It delegates to UCAS' Executive Team such powers as are necessary for the day-to-day management of the Charity. The Board adopts the Charity Governance Code.

The Board is supported by four subcommittees (the Finance, Audit, Remuneration, and Nominations Committees). They meet regularly to carry out responsibilities delegated by the Board.

The Board also receives advice from the UCAS Council, an advisory body comprising around 36 members, that represents the interests of UCAS' customers, and other key stakeholders. The role of the UCAS Council is to challenge and inform the work of the Board, give feedback to the Board on UCAS' performance, and inform the strategic direction of UCAS.

The 'Matters Reserved for the Board', 'Terms of Reference' for the subcommittees and UCAS Council, and details of UCAS Council members, are published on **ucas.com**.

SUBCOMMITTEE MEMBERSHIP DURING 2021/22 WAS:

* Co-opted Committee member

Audit Committee:

- Ms Sarah Randall-Paley (Chair)*^
- Professor Colin Bailey CBE
- Mr Mark Felix
- Ms Caroline Hoddinott OBE
- Professor Wendy Robinson*

Finance Committee:

- Mr Thomas Chambers (Chair)
- Ms Pat Carvalho (appointed 09 May 2022)
- Ms Joanne Jones*
- Mr Thomas Newman (resigned 24 August 2022)
- Ms Liz Rylatt* (resigned 21 April 2022)
- Mr Simon Bates (appointed 17 October 2022)
- Ms Camille Stallard* (appointed 14 October 2022)

Nominations Committee:

- Mrs Trudy Norris-Grey (Chair)
- Mr Andrew Forbes (resigned 15 March 2022)
- Professor Dame Sally Mapstone
- Professor Edward Peck CBE
- Mrs Katharine Purser (resigned 05 October 2022)
- Mr Mark Felix (appointed 15 March 2022)

Remuneration Committee:

- Mr Thomas Chambers (Chair)
- Mr Thomas Newman (resigned 24 August 2022)
- Mrs Trudy Norris-Grey
- Mrs Katharine Purser (resigned 05 October 2022)

^ The Chair of Audit Committee attends a Board meeting on an annual basis and upon request from the Chair if required.

OTHER DIRECTORS' REPORT DISCLOSURES

Disclosures required by the Companies Act 2006 to be included in the directors' report about engagement with employees, suppliers, customers and other stakeholders, and energy and carbon reporting have been included below in the Strategic Report section of this report.

DIRECTORS' RECRUITMENT, APPOINTMENT, AND TRAINING

UCAS' Articles determine the constitution of the Board and appointment of Directors.

All Directors and co-opted Committee members are independently selected, and formally appointed on merit for an initial fixed term of up to four years. This is based on their specific skills, experience, and expertise, against objective criteria. With due regard for the benefits of diversity on the Boards and Committees, UCAS' recruitment processes are formal, rigorous, transparent, proportionate, and appropriate to each vacancy. This enables the widest choice of candidates to be considered.

All new Board and Committee members receive an induction pack of essential governance (including managing conflicts), and UCAS documents. They are also invited to attend a formal induction session, covering UCAS' operations. This includes meeting members of the Executive Team. Thereafter, they receive updates which can include legal and regulatory developments, Charity Commission, and other relevant guidance. Board and Committee members are given the opportunity to have ongoing learning and development, as well as visits to the Rosehill site to expand their knowledge of UCAS' operational developments.

UCAS regularly conducts a skills gap analysis, to inform succession planning, and enable specific training needs to be identified.

UCAS also conducts annual Board effectiveness reviews, which enable the Board to regularly consider its effectiveness, and that of its subsidiaries and Committees.

SUBSIDIARIES

UCAS owns 100 per cent of the share capital of its subsidiaries, UCAS Media Limited, UCAS International Limited and UCAS Consultancy and Insights Limited. UCAS Media Limited is used for non-primary purpose trading activities, while UCAS International Limited and UCAS Consultancy and Insights Limited are not trading.

During 2021/22, a business review of UCAS International was conducted. The review concluded that Myriad by UCAS is well placed to support the delivery of UCAS' strategic objectives, that a close working relationship with UCAS is essential, and that a simplified organisation and governance structure makes future strategic opportunities easier. It was decided that the best way to unlock these benefits was to transfer the trade and assets of UCAS International to UCAS (hive up). This transaction was supported by external legal, tax and accounting advice, and completed in the year.

Profit from the subsidiaries is gift aided back to the charity under deed of covenant for the purposes of investment in new, and improvements to existing, products and services. Our investment is customer led, using insight and data to prioritise those investments that are most important to our customers. In 2021/22 our investment from gift aid was used for a number of developments including but not limited to; admissions reform, and further improvements to our information, advice and insight for all our stakeholders.

The profit before tax and Gift Aid donations, for UCAS Media Limited, during the year ended 31 July 2022, amounted to £1,613,202, which represented a decrease of 21.9 per cent over the profit for the year ended 31 July 2021. The reduction in profit during the year was due to an increase in costs, notably distribution costs.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the strategic report, the Directors' report, and the accounts, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare accounts for each financial year, which give a true and fair view of the state of affairs, the incoming resources and application of resources, including of income and expenditure, of the Charitable Company, and the Group for that period.

In preparing these accounts, the Directors are required to:

- select suitable accounting policies, and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis, unless it is inappropriate to presume the Group and Charitable Company will continue in business

The Directors are responsible for keeping proper accounting records that show and explain both the Group's and Charitable Company's transactions, with reasonable accuracy, at any time, and the financial position of the Group and Charitable Company, and enable them to ensure the accounts comply with the Companies Act 2006, Charities and Trustees Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulation 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company, and for taking reasonable steps for the prevention and detection of fraud, and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's websites. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Given the composition of the Board, UCAS does have a relationship with the employing organisations of some of its Directors. However, all Directors have a legal obligation to act in the best interests of UCAS and in accordance with UCAS' governing document, and to avoid situations where there may be a potential conflict of interest. On accepting membership as a Director of the UCAS Board or a Director of a UCAS trading subsidiary, a Director shall supply to the Company Secretary an entry to the Declarations of Interests Register. The Company Secretary is responsible for maintaining the register and each Director is to communicate with the Company Secretary any significant additions or deletions from his/her entry as soon as practicable.

Notwithstanding any declaration made on the register, a Director shall make a further declaration of any duality or conflict of interests or conflict of loyalty at any meeting of the Board meeting where decisions are to be made on the supply of goods or services to the Company or other matters with potential financial consequences, and shall be bound by the provision of the Companies Act 2006. All such declarations are minuted.

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

The Charitable Company paid a premium of £6,307 (2021: £5,215) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each Director confirms, in so far as he or she is aware, that there is no relevant information of which UCAS' auditors are unaware. As Directors, they have taken all the steps they ought to have taken, to make themselves aware of any relevant audit information, and to establish that UCAS' auditors are aware of that information.

AUDITORS

RSM UK Audit LLP was reappointed as auditor for the year ended 31 July 2022 and has indicated their willingness to continue in office.

REMUNERATION

UCAS operates a structured pay framework, which rewards employees based on performance. All salary levels are benchmarked externally, to ensure consistency and alignment with the sector and national markets. Every 3 years each role is benchmarked, and this was conducted in 21/22. The remuneration for UCAS' Executive Team is subject to external benchmarking, with a separate meeting held regarding CEO remuneration. Awards given are reviewed and approved by UCAS' Remuneration Committee.

OBJECTIVES AND ACTIVITIES:

Public benefit

The Directors have reviewed the Charity's aims and objectives, and complied with their duties in the Charities Act 2011, with due regard to the Charity Commission's guidance on public benefit exercising any powers or duties where the guidance is relevant.

UCAS is an independent charity, focused on connecting people to their future. The charitable objectives are 'to advance and to assist in the advancement of education in universities and other higher, further, or secondary establishments, insofar as such advancement and assistance shall be exclusively charitable in nature, in particular, but without prejudice to the foregoing, by providing and maintaining an organisation to facilitate the consideration by such universities and other higher, further, or secondary education establishments of applications for admission to, and to assist applicants in gaining access to, such universities and educational establishments'.

UCAS does not conduct any fundraising activities, nor use any fundraising agencies, and has received no complaints in this regard in this or the prior period.

UCAS provides public benefit by providing information, advice, and admissions services to inspire and facilitate progression in education. The section below outlines how UCAS delivers public benefit through these services.

Information and advice services

Our aim is to support people in making well-informed choices about their post-secondary education, using our in-depth insight about how and when students make their decisions to make this as personalised, engaging and informative service as possible.

UCAS supports students throughout their journey to post-secondary study, from initial research, refinement of options, final decision-making, and transition to their chosen destination. We provide information and advice through our national programme of exhibitions, enabling students to meet representatives from universities, colleges and employers, explore and narrow down their choices. Our online content expands beyond traditional Higher Education (HE), covering the range of destinations available to students, including apprenticeships, employment and gap years.

We attract over 32 million people from across the world to our website, **ucas.com**, where visitors can use our search tool to explore and filter over 50,000 undergraduate (UG), postgraduate (PG), and conservatoire courses. Students can also explore the latest degree and higher apprenticeship opportunities through the 'UCAS Hub' which provides students with all the tools and information they need, in one place, and for free. When it comes to exploring subjects, considering apprenticeships, shortlisting options, and writing an impactful personal statement or CV, the 'UCAS Hub' has comprehensive, personalised and engaging content. Each student has their own dashboard which they can customise and tailor to their needs, organise tools, and tick off their to do list. The 'UCAS Hub' is their space to explore and prepare for their future.

Not everyone has access to the same levels of support and advice, either from parents/guardians or their school and college advisers when considering what to do when they leave secondary education, or when thinking about higher education as an adult. We work in partnership with charities and other organisations to provide practical and inspiring information, advice, and resources for underrepresented groups, including students with disabilities, care leavers, those with parental or caring responsibilities, and estranged students.

Enabling people to make the right choices about their post-secondary education delivers public benefit by enabling people to fulfil their potential. Choice of the right subject, university, college or employer contributes to improving widening participation, student retention, and successful progression to a degree, employment, or further study, and, ultimately, value for money for the taxpayer.

Admissions services

While our core purpose is to provide an accessible and trusted undergraduate admissions service, we also provide admissions services for conservatoires and postgraduate courses as well as a route through to applying for apprenticeships.

In offering centralised services, UCAS enables universities, colleges and employers to connect with a wide range of potential students in a more efficient and effective way across the UK and globally. We help to manage risks from fluctuating numbers of applications, and deliver cost-effective, efficient services to help universities and colleges plan and manage admissions decision-making. For undergraduate admissions, we provide data and services to support contextualised admissions that take account of students' educational backgrounds, and help universities evaluate the effectiveness of widening participation activities. Our centralised services, with a common application process, and agreed timescales and business rules, also facilitates student choice, and supports fairness and transparency.

We employ robust eligibility criteria to our higher education provider customers, to ensure students, parents, teachers, and advisers can be confident the universities and colleges applied to are bona fide course providers, offering quality courses of educational benefit.

To support public and policy debate about participation trends including widening access, UCAS publishes comprehensive analysis and insight about who is applying to higher education, receiving offers, and securing places. Taking into account the characteristics of the applicant population, and patterns of applications, offers, and acceptances, our analysis shows that at an aggregate level, admissions to full-time, undergraduate higher education are fair.

UCAS published a specific impact report in 2022 which is available on **ucas.com**. The report provides an overview of the last year to give our stakeholders a sense of the value UCAS has delivered on behalf of our customers. UCAS' role in providing a UK-wide admissions service, on behalf of all its customers, is not taken for granted. We continue to innovate and reform. We have a critical role in proactively helping shape current and future HE admissions reform. We strive to ensure that students from more than 200 countries have fair and transparent choice and can make aspirational choices, regardless of their background or circumstance.

STRATEGIC REPORT

Achievements and performance

UCAS' core purpose is to run an accessible, trusted, and personalised undergraduate admissions and information service. UCAS' vision is to be the go-to place for UK higher education, apprenticeships, and lifelong learning. Its mission is to inspire and empower people, providers, and employers to achieve their potential and thrive through choices in education, skills, and learning.

UCAS' strategy *Discover Your Future* (2020 to 2025) focuses on delivery of six strategic objectives. Examples of progress against these objectives during 2021/22 are outlined below.

1. INSPIRE AND EMPOWER PEOPLE TO MAKE ASPIRATIONAL CHOICES ABOUT HIGHER EDUCATION AND LEARNING

- The strategy to be the 'go to place for information, advice and guidance' for students, advisors, learning providers and business is moving forwards at a pace and UCAS' ambition to drive parity of student-choice amongst the variety of higher education options remains high. The website, **ucas.com**, has received over 135 million page views from around 22 million users in the last year.
- UCAS is proud of its unrivalled reach across the student audience: in the last year it has registered over 1.5 million users on its pre-applicant database, around 1 million users on its student and graduate databases, and has placed around 600,000 students in universities, conservatoires and colleges across the United Kingdom.
- The user audience for **ucas.com** extends beyond students themselves, and UCAS has over 30,000 users who are schools or college advisors and parents. New content supporting their desire to give better and more independent advice and guidance has been generated for this important group of people who are critical influencers in the student journey.
- UCAS has increased its reach across learners from all socio-economic backgrounds, nationally and internationally, with over 81,000 UK applicants from the most deprived areas being accepted into higher education in 2021 and will continue to develop innovative tools to engage and inform students, whoever they are and wherever they are.
- Adding more relevant and aspirational information to the **ucas.com** website is key in the enablement of learner choice. In the last year UCAS has significantly invested in the user experience and ease of access.

135 MILLION

page views of **ucas.com**

- The addition of subject guides, city guides and jobs guides has significantly enhanced the search experience, and many of the university's profiles have now been enhanced with more dynamic content.
- A new suite of information and advice about jobs and careers has been exceptionally well received by potential students and early careers' employees: with over 1.2m users completing the Careers Quiz (**https://www.ucas.com/explore/career-quiz**) which was launched late Summer 2021.
- The careers section of the website has been further developed with the launch of a new section on apprenticeships and the addition of 50 employer profiles which explain their organisations and the types of roles they are looking to hire. Of the 750,000 registered on UCAS this year, 342,000 (46%) said they were also interested in an apprenticeship. UCAS will be continuing to enhance the provision of interactive materials and tools to enable the students to make an informed choice about their Post 18 options.

48 EVENTS

attended by over 150,000 students

- The UCAS 'Create your future' and 'UCAS fairs' returned with high energy and unprecedented levels of attendance this year. 48 face to face events were held in venues across the country including large 'flagship' events in London, Birmingham and Manchester, as well as taking the universities fair to locations such as Belfast, Cardiff and Inverness. UCAS has engaged with over 150,000 students across these events. This year, for the first time, employers were also invited to attend, and not only did they raise awareness of their corporate product and services but they were also able to provide face to face insight about their apprenticeships and graduate employment roles. This was extremely well received by the audience and their advisors, and 99% of the attendees have asked that UCAS continue to invite businesses and public sector employers to the UCAS fairs.
- The admissions service remains at the core of UCAS, and the availability of information, advice and guidance during the critical Clearing period is of utmost importance to the students. This year, UCAS has launched a series of podcasts, and Facebook-live sessions which cover everything that a student needs to know about the journey to university and the choices available to them should they need to use the Clearing service.
- Another area of further expansion this year has been the accommodation section on the website, where information about accommodation in the university or college locations is provided, as well as a 'help-list' of what a student needs to do to apply for accommodation, and other topics such as 'what they need to pack'.
- Student satisfaction, an example of a KPI used to track this strategic objective, remains high at over 90%.

2. DELIVER TRUSTED AND FLEXIBLE ADMISSIONS SERVICES FOR THE DIGITAL AGE

- Successfully delivered the UCAS Undergraduate, UCAS Conservatoires, and UCAS Postgraduate admissions services, supporting over 749,000 applicants, with 562,000 of those securing a place and almost 414,000 securing their first choice on an undergraduate degree course.
- New widening participation data was developed and incorporated into the application process, such as refugee status, military family background and care status. With these new questions and improvements, students can tell us more about their personal background, such as whether they have left care or are estranged from families. This means that universities and colleges have access to invaluable contextual information about an applicant and can offer them tailored support to make their transition into higher education experience much improved.
- The new application interface for students has been continuously improved, supporting a more seamless student journey and leading to a 10% reduction in calls.
- Products were continually improved such as Clearing Plus and the Record of Prior Acceptance, vastly improving the digital clearing experience. Over 56,000 students were successfully placed through Clearing in a higher education institution.
- Engagement throughout the year continued on UCAS' ambitious programme of student centered reform for undergraduate admissions, including on personal statements, numbers of choices and references. During the year complexity in the process was reduced and cycle dates have been simplified.

IMPROVED

Customer Journey – Single sign-on – Enhanced payment service

- Single sign-on has been extended so our customers only need to log-in once to access our platforms, including externally hosted ones, again reducing confusion and call-volumes.
- A new payment service has been implemented to provide enhanced support for peak transaction requirements and fewer duplicate transactions, reducing both costs and administration effort, but, most importantly, improving the customer journey.
- Provider satisfaction, a KPI for this strategic objective, increased during the year and is in excess of 90%.

3. BE THE GO-TO PLACE FOR HIGHER EDUCATION DATA-DRIVEN INSIGHTS

- UCAS provides valuable insight and efficiencies for the education and training sector through analytics, open access data, and policy research, including for the Department for Education, regulators, devolved nations, employers, apprenticeship providers, universities, colleges, think tanks, and awarding organisations. This continues to expand, especially through user friendly and transparent data dashboards freely available to the public. In 2021/22 over 8 million data points were published for public good benefit.
- We have continued to dramatically expand our external outputs and ability to influence government policy. This year UCAS covered the following areas:
  - To align with National Inclusion Week, we worked with LGBT+ charity Stonewall to release research into the experiences of LGBT+ students preparing to start college and university. This discovered a positive picture, with many viewing university or college an opportunity to be themselves. This was not however the case for trans people who reported having a much tougher time and facing greater discrimination.
  - Welcomed by the Minister for Disabled People, we published *What is the experience of disabled students in education?* in collaboration with international education business, Pearson. It provided new insight into disabled students in education, examines each impairment category and looks at how disability intersects with other personal characteristics to understand patterns and preferences.
  - To support the growing profile of UCAS International, we published *Where Next? What influences the choices international students make?*, in conjunction with US-based charity College Board. This research provides new and interesting insight into the attributes and mindset of undergraduate international students in a changing landscape.
  - In collaboration with Health Education England we considered how to improve recruitment of nurses given the shortages in this occupation. *Next Steps: Who are the 'future nurses'?* explored how to improve the recruitment of the tens of thousands of people considering the nursing profession, including those looking to retrain into Nursing later in their career. This included considering greater use of Nursing Apprenticeships to increase choice.
- Our impact in shaping government's handling of results across the four nations though regular meetings with Ministers and their officials was expanded. This included direct briefings with the Secretary of State and HE/FE Minister on numerous occasions in the lead up to Results Day on UCAS' insight and data around applicant behaviour, predicted grade inflation, rising demand, increased interest in apprenticeships, and potential risks in a dynamic Clearing.

8 MILLION

data points published
for public good benefit.

- A number of insightful, real time surveys were conducted using UCAS expertise or third parties when needed; informing both products and services, and on behalf of external customers, stakeholders or government; helping to position UCAS as the go to place for student insight. In particular, in the run up to Confirmation and Clearing we ran a number of pulse surveys, with fast turnaround times, to capture real time student insight on intentions and emotions.
- Qualitative KPIs are in place such as UCAS' policy outputs (as outlined above), in addition to quantitative KPIs with an increase to 8 million data points published during the year.

4. CONNECT THE WORLD TO UK HIGHER EDUCATION

- 2021/22 saw a record number of non-EU applicants apply to UK universities through UCAS, with 112,000 UG applicants (a 10% increase on the previous year) with the most significant growth from China, India and Nigeria. EU UG applications continue to decline, down by over 50% since 2019 to 23,880.
- In October 2021, to support the Department for Education's (DfE's) International Education Strategy, Myriad by UCAS went live, UCAS' mobile-first platform connecting international students to UK post-graduate higher education. Myriad is now directly referenced by the DfE in the latest versions of the strategy.
- The formal launch event of Myriad by UCAS took place in February 2022. This was a major step in building UCAS' global reputation for admissions and opened by the Minister for Higher and Further Education.
- Myriad by UCAS is growing to become a one-stop-shop to help prospective International PG students. In Spring 2022 UCAS also launched a partnership with Pearson for users to book and take the required English language tests required for any Visa application
- Over 2021/22 Myriad by UCAS has had downloads from individuals in 186 markets and by the end of 2021/22 we had onboarded a number of providers on to Myriad's advance service.
- To further ensure the Myriad platform was created through a journey with the UK Higher Education sector, to meet both expectations and needs, UCAS undertook a wide-reaching and comprehensive series of engagement activity with universities, including: delivering several group information sessions, liaison with university Vice Chancellors, representation at mission groups and forums, running a sequence of platform-shaping focus groups, working closely with The British Universities' International Liaison Association (BUILA) International Directors, and hosting approximately 70+ 1-to-1 meetings.

10% INCREASE

Non-EU UG Applicants
112,000 applied through UCAS

- Throughout 2021/22 UCAS also supported international advisers and undergraduate applicants with information and advice, including Facebook Live sessions, WeChat updates, adviser webinars and joint virtual activities with stakeholders.
- A KPI for this strategic objective is the number of markets of active users. This was 186 markets which demonstrates the extensive early reach of the products.

5. EMBED EFFICIENCY AND VALUE IN EVERYTHING WE DO

- Commercial planning was put in place across the organisation but notably linked to both the technology decommissioning plan and programme increment (PI) planning, with this driving a proactive approach to reviewing business need, engaging with the market and benchmarking to develop and execute the appropriate sourcing model, delivering value for money.

AUTOMATED TRANSFERS OF PRE-ACCEPTED APPLICANT DATA FROM PROVIDERS

INTERNAL VOLUNTEERING PROGRAMME

- UCAS partnered with a new supplier to implement a new omnichannel platform to support customer contact. This platform routes all contacts to staff via a single source, embedding the contact application through UCAS' CRM system directly. UCAS will continue to innovate to provide more and more comprehensive self-serve options 24/7 – meeting customers' needs.
- The internal volunteering programme where staff from all over UCAS work on the phones in the customer experience centre during results and deadline days was expanded. This increases knowledge, customer service, as well as delivering savings.
- New frameworks were put in place to procure external resource to support initiatives in an effective and efficient manner.
- A new Record of Prior Acceptance API was developed to enable automated transfers of pre-accepted applicant data from providers' student record systems to UCAS.
- Income, surplus and cash are KPIs which are reported at each Board meeting, and these results (outlined in this report) are broadly in line with expectations.

6. BE AN EMPLOYER OF CHOICE WHERE PEOPLE FLOURISH, PERFORM, ACHIEVE AND BELONG

- Improvements were made to ways of working, wellbeing and pay and benefits, resulting in a staff survey where 82% of UCAS colleagues would recommend UCAS to friends and family as a great place to work, 90% of colleagues state that UCAS truly supports flexible ways of working and 89% of UCAS' workforce state their managers genuinely care about their wellbeing. 85% of colleagues state they are proud to work for UCAS.

82%

would recommend UCAS to friends and family as a great place to work

- Following extensive engagement with the workforce regarding the future of UCAS' workplace, UCAS have re-shaped its ways of working, with all colleagues choosing either a hybrid or home-working contract. UCAS have upgraded its technology and made significant investment in the workspace to offer a best in class, collaborative hybrid experience for its people, both those in the office and at home.
- UCAS have invested in career pathways as well as developing a digital career academy and a sales and marketing academy. These academies provide technical and professional development, allowing UCAS colleagues to progress and develop their professional careers.
- UCAS provided a cost of living support package to staff which included a range of non-financial support measures alongside extraordinary, goodwill payments payable across three months starting in December.

90%

state that UCAS truly supports flexible ways of working

- UCAS continued its focus on colleague wellbeing, with several online events and collaborative sessions including resilience, managing anxiety, financial wellbeing, and the continuation of our Mental Health First Aider scheme. UCAS also merged wellbeing events and challenges with fund raising for the events in Ukraine.
- UCAS has increased its focus on equality, diversity, and inclusion (EDI). UCAS completed an independent EDI accessibility audit to make sure its office facilities are inclusive. Changes that resulted from this audit included, new gender-neutral facilities, a new 'quiet' room that is used for well-being purposes as well as a multi-faith prayer room and inclusion of multi-level surfaces and desk spaces for those with mobility issues. EDI champions have been appointed to support employee well-being and inclusivity which has led to colleagues establishing groups and networks such as the Menopause at work group.

85%

state they are proud to work for UCAS

- There are a number of people KPIs in place including FTE, unplanned turnover, and absence. Year on year improvements across these measures have been made. UCAS also met the target for achieving and maintaining an employee advocacy score of 80% (Actual 82%).

PLANS FOR THE FUTURE

UCAS is on an ambitious journey to be the go-to place for UK higher education, apprenticeships, and lifelong learning.

It aims to do this by inspiring and empowering people, providers, and employers to achieve their potential and to thrive through making choices that are right for them in education, skills, and learning.

The delivery of the 2020-2025 Strategy is well underway, and while ensuring that UCAS continues to provide an outstanding admissions service, UCAS is now further investing in areas of technology and digital marketing that will establish it as the first port of call for students, advisors and employers for data, insights, advice and guidance.

Over the coming two years, UCAS will enhance its engagement across the devolved nations and continue to seek customer and stakeholder feedback to push forward on reimagining the admissions service, following the implementation of both a significant improvement to the look and feel of the application process – and the data captured. This is particularly key in the context of the lifelong learning policy, with the lifelong loan entitlement an area of development, recognising that the building blocks for reforming the apprenticeships offer help UCAS prepare for a landscape where modular and bite size learning is the norm.

Therefore, UCAS will be continuing to enhance and develop apprenticeship services that will provide students and their advisors with information, advice and guidance on this alternative higher education learning route. A 'state-of-the-art' jobs portal will enable students to search for apprenticeships and graduate jobs, and which will provide a streamlined application facility akin to the university admissions service.

UCAS will also engage with industry to ensure that the apprentice jobs are brought to the attention of these students at the right time and in the right place. Employers will also be able to engage with potential apprenticeships through a 'jobs matching service'.

Further growth in active users and students registering on the 'pre applicant database' will be achieved by continuing to improve the student engagement and interactive student experience on the **ucas.com** website.

The student 'discovery' journey, from initial awareness of higher education through to making choices and applications, will see further changes regarding personalisation and higher interactivity. New sections of the website will be evolved, such as the Careers, and student finance, health and wellbeing.

A 'course personalisation engine' has been developed for implementation to recommend courses to students based on their specific needs, which will further help support students make the choices that are right for them.

The UCAS Fairs and Events will be further developed, with more activities and presentations for the students to partake in when they attend. UCAS is also planning to ensure that students from all parts of the UK are able to attend a fair within an hour's commute: this is an ambition as part of the Fair Access initiative.

A programme of work focused on fair access is developing services and tools to engage with schools and colleges to ensure that students from all backgrounds are supported through their considerations leading to post 18 decisions. UCAS is also working with local area 'widening access' groups to provide data and insights particularly as in the context of a growing UK 18 year old population, and a likely shift towards more selectivity in admissions, it is critical that UCAS proactively supports this by reaching those that are 'hard to reach'. In particular, UCAS is developing an 'Outreach Connection Service' to raise awareness of the support available to less advantaged students, and to make it easier for schools and students to navigate and connect to the range of help on offer from universities and third sector charities.

UCAS will also continue to work with Universities UK, UKCISA, DfE, DIT and other representative bodies to grow the demand for UK HE in emerging markets globally. While the UCAS International subsidiary has begun the dissolution process, an international advisory subgroup has been established to continue to benefit from the skills and expertise of its members.

UCAS data products and services will continue to mature, and more products are being developed that will address the needs of both its Higher Education and its industry customers. This includes enhancing the ability to gather, interpret and provide customer insights with a focus on driving value from internal surveys capabilities to become the go to place for youth insights.

SECTION 172 STATEMENT

The Board of Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company in achieving its charitable purpose and, in doing so, to have regard (amongst other matters) to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly as between members of the company.

Throughout this report, we have summarised our governance framework and how we are engaged with stakeholders during the year. The Trustees have considered the views and needs of key stakeholders in Board discussions and decision making. The following points are not intended to be an exhaustive list but are illustrative of how the Trustees have fulfilled these duties during the year.

Engagement with stakeholders

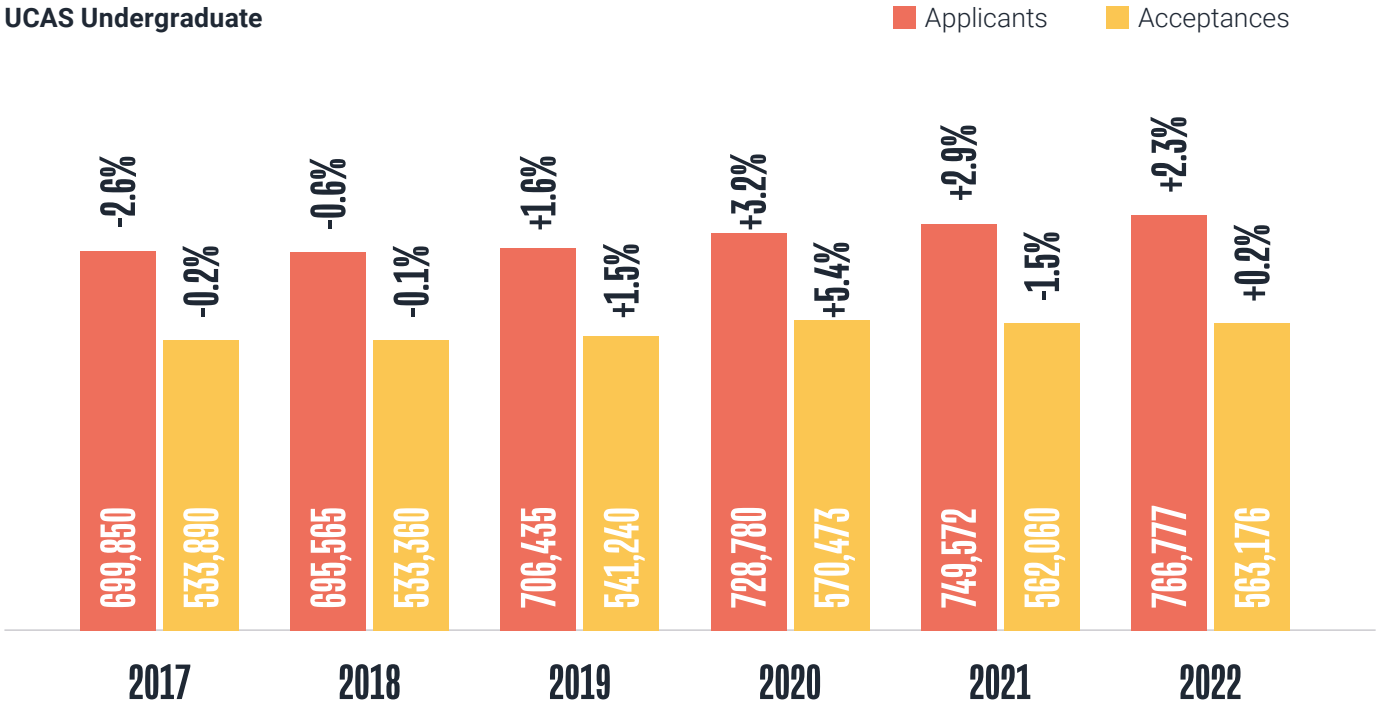
- As stakeholder engagement is key to the delivery of the strategy, the Chief Executive provides an update at each Board meeting which includes all the customer and stakeholder engagement that has occurred at an Executive level since the last meeting for discussion. Additional key updates are also provided to Trustees between meetings.
- Trustees are briefed on their duties during their induction and draw upon the regular updates from the Chief Executive to assist in their decision making. In addition to this, the risk management framework is used to identify and manage risks and a risk heatmap is provided at each Board meeting.
- The Chair of the Board continues to meet relevant stakeholders. On results day, some of the Trustees were present at the Cheltenham office and met with students, government, sector agencies and suppliers, and listened to calls from applicants.
- External speakers focussing on the external environment are now a standing item for each UCAS Council meeting. All Trustees are invited to join for this item.
- The process for providing feedback from the UCAS Council to Trustees has been reviewed and strengthened to enable key stakeholders' input on upcoming Board discussions.

- The Trustees review financial and operational performance, as well as information covering areas such as external drivers which includes the number of applications, staff including UCAS' people plans, pensions, delivery, and key risks. This information is provided to the Trustees through routine reports circulated in advance of each Board meeting which were then reviewed, discussed and approved, as necessary.
- A number of key publications were issued over the course of the year across a range of subjects as outlined in the achievements and performance section of the Directors report.
- Conferences and exhibitions have restarted face to face with record numbers for the annual Teachers and Advisers Conference in February, a successful, in person launch of Myriad, by UCAS, and a record attendance at the Manchester student facing exhibition. Over 400 people from the admissions community also came together in person at UCAS' Annual Admissions conference.
- UCAS continues to work closely with DfE officials, UUK, and the devolved nations on a range of topics.

Engagement with employees

- The UCAS Values in Action Framework was refreshed which sets the tone of our business. It defines our culture, by describing how our values should play out in our day-to-day working lives. The framework provides behavioural indicators for each of the values, to give clarity about what is expected. The new values are Be Ambitious; Be Smart; Be Inclusive; Be Trusted.
- How and where employees work is a contributing factor when choosing whether to work for UCAS. A significant proportion of the office has now been refurbished to support our hybrid way of working with the latest technology and workstations. UCAS also completed an independent EDI accessibility audit to make sure our office facilities are inclusive.
- The Executive team are actively involved in the engagement of staff through frequent briefings, use of internal communication tools, and regular CEO stand ups and newsletters to provide updates on business developments and to answer questions directly.
- One of the main focuses in EDI is improving talent acquisition and implementing inclusive attitudes and structures to ensure we eradicate any form of bias throughout the recruitment process. EDI champions have been appointed to support employee well-being and inclusivity. This has also led to staff establishing groups and networks, such as the Menopause at Work group, with their own events and Q&A's.
- Approved the cost of living support package to staff.

APPLICANT NUMBERS FOR THE UNDERGRADUATE SCHEME

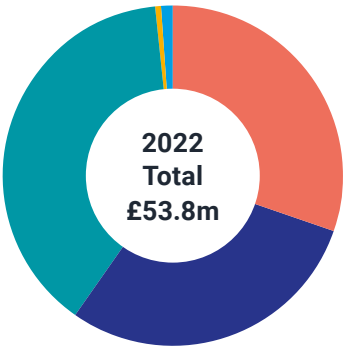


FINANCIAL REVIEW

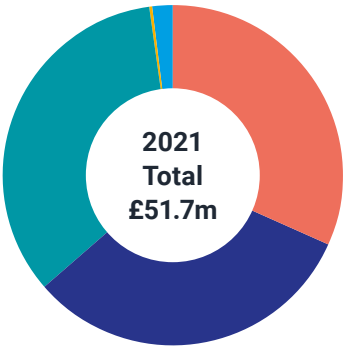
The applicant numbers detailed above, and the associated income disclosed below, are some of the key performance indicators used to measure the performance of the charity. The performance of UCAS Media Limited, as detailed below, is also considered a key indicator of the Group's performance.

Total group income increased by 4.1 per cent, to £53.8m. The increase in income was driven by trading activities primarily due to the return of physical events as the Covid-19 restrictions were lifted.

Total income (note 3) in 2022 vs. 2021 is shown below:



Provider fees	30.5%
Applicant fees	29.4%
UCAS Media	38.7%
Investment income	0.4%
Other	1.0%



Provider fees	31.9%
Applicant fees	31.8%
UCAS Media	34.1%
Investment income	0.3%
Other	1.8%

Expenditure (note 4) is further broken down below, showing expenditure by business area.

Digital and Data	42%
Operations	13%
IAG*, Marketing, and Sales	28%
Support**	17%

Digital and Data	44%
Operations	13%
IAG*, Marketing, and Sales	23%
Support**	20%

* IAG – Information, advice and guidance
** Support includes pension gains/losses

Expenditure increased during the year primarily due to an increased level of investment to accelerate the progress of the strategy. It is also worth noting that there were some cost reductions in 2020/21 linked to the lockdown impositions of Covid-19, notably physical events, which have now returned.

Looking ahead, UCAS will continue to manage its expenditure in order to deliver the strategy in an effective and efficient manner.

Cash reserves for the Group decreased from £26.3m to £25.9m due to a transfer to the investment fund.

UCAS also holds a liquid investment portfolio, containing a combination of bonds, equities, and property. This year has seen the investment increase by 8.5 per cent to a value of £9.1m as at 31 July 2022 (2021: £8.5m value) due to a transfer from the cash reserves offsetting a decline in performance linked to market conditions.

Details of UCAS' pension arrangements, including two final salary schemes, and two money purchase arrangements, are set out in note 18 of the accounts. The net charge for the UCAS Pension and Life Assurance Scheme (PLAS) for the year ended 31 July 2022 is £0.1m (2021: £0.2m), included in note 18, after cash contributions of £1.0m (2020: £1.0m). The contributions were made under a formal agreement with the Trustees of the pension scheme, to alleviate the pension Trustees' measure of the deficiency of net assets in the scheme. In the year ended 31 July 2022, the actuarial gain on the scheme liabilities more than offset the return on scheme assets, totalling £5.6m, were recognised in other comprehensive income (2021: gain £4.8m). As a result, the scheme is now in surplus (£2.9m) compared with a deficit of £6.6m in 2021. As this surplus is not recoverable, it has not been recognised on the Balance Sheet. In the coming year, a triennial valuation will be completed and as part of this process, the formal agreement regarding the additional contributions will be reviewed. While the scheme is in surplus at year end, no changes can be made to the additional contributions until the triennial valuation process is completed.

Under FRS 102, the Group has also recognised the present value of future deficit contributions payable to the Universities Superannuation Scheme (USS) pension scheme, resulting in a deficit of £2.8m (2021: £1.3m) being recognised on the balance sheet.

The Group's financial reserves mainly comprise cash at bank, and liquid investment funds. The main purpose of these reserves is to maintain sufficient finance for the Group's planned future operations and activities. The main financial risk arising from the Group's operations and activities, is liquidity risk. The Group funds its operations and activities from operating income and cash reserves.

The Group made no political contributions or donations during the two years ended 31 July 2022. As a registered charity, UCAS seeks to benefit from the appropriate tax exemptions where it can.

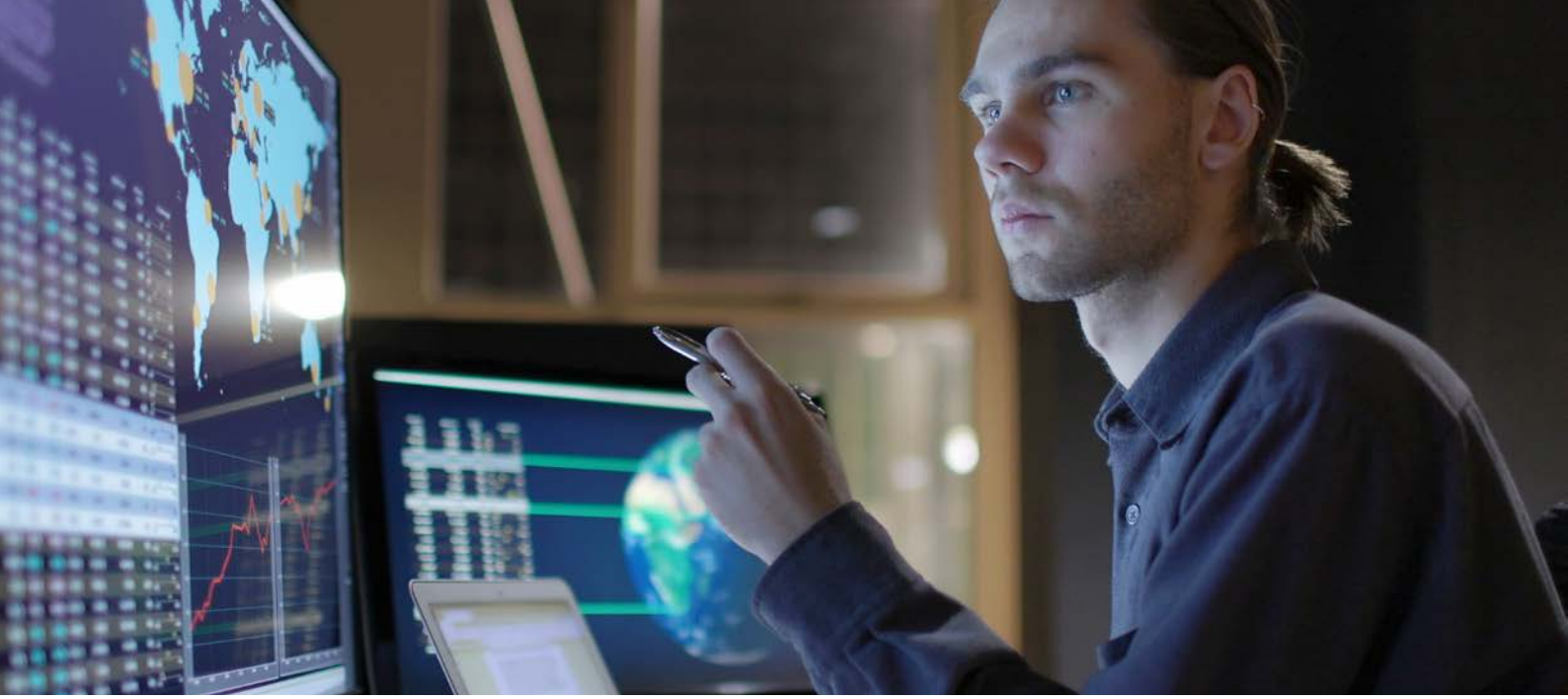
STREAMLINED ENERGY AND CARBON REPORTING

This report was undertaken in accordance with the Streamlined Energy and Carbon ("SECR") Reporting requirements outlined in the Companies Act (2006) for large quoted and unlisted companies which requires the Universities and Colleges Admissions Service (UCAS) to report on its Greenhouse Gas (GHG) emissions. This report contains details on annual GHG emissions, total energy consumption from our Cheltenham office, transport assets, and energy efficiency actions implemented for each financial year. This report contains our SECR disclosure for the 2021/22 financial year.

During the reporting year UCAS built and commissioned a new smaller data centre to support its operations. Compared to the previous data centre, it is expected that energy consumption from supply and cooling will be reduced by 50%, increasing the energy efficiency of our operations. UCAS has completed the retrofit of LED lighting in the east-wing of the Rosehill office. All refurbished office spaces and meeting rooms are now fitted with LED lamps which are forecast to reduce energy consumption from lighting by 50% and have a longer service lifetime.

Previous retrofit of the heating systems at the Rosehill offices have also helped to improve the overall heating efficiency by 20%. This included the replacement of older condensing boilers with new high efficiency condensing units, and the replacement of conventional heating pumps with variable speed inverter drives. In addition, existing gas-fired water heaters have been replaced with efficient electrically heated tanks. Further efficiency updates to the BMS monitoring and control system will allow UCAS to maximise free cooling and heating, further increasing energy efficiency and reducing the annual energy demand.

Over 2021/22 we have collected primary data for our Cheltenham office site including: electricity consumption (kWh), electricity transmission and distribution (kWh losses) and natural gas consumption (kWh). Transport data has been collated from our small fleet of owned vehicles (business mileage), our grey fleet mileage, and hire and staff car usage. All primary data used within this report is from 1st August 2021 – 31st July 2022, covering our financial year. The scope of our GHG emissions calculation covers all of UCAS' operations from our head office, as a consolidated group report.



Emissions source	GHC Scope	2019/20 (1 Aug – 31Jul)*	2020/21 (1 Aug – 31 Jul)*	2021/22 (1 Aug – 31 Jul)*	% Change vs 2019/20
Electricity	Scope 2	994,890	951,587	878,861	-11.7%
Natural Gas	Scope 1	513,883	456,354	352,937	-31.3%
Owned Vehicles	Scope 1	57,908	1,497	11,559	-80.0%
Grey Fleet	Scope 3	54,410	2,760	46,869	-13.9%
Total Energy Consumption (kWh)		**1,621,091**	**1,412,197**	**1,290,226**	**-20.4%**

*Reporting unit kilowatts per hour (kWh)

In accordance with the SECR Emissions Reporting requirements outlined in the Companies Act for large companies our GHG disclosure for the 2021/22 financial year is listed below. Results have been split by Scope and source as outlined by the GHG Protocol calculation methodology and compared against our 2019/20 baseline results.

GHG Emissions Scope	2019/20 (1 Aug – 31 Jul)*	2020/21 (1 Aug – 31 Jul)*	2021/22 (1 Aug – Jul)*	% Change vs 2019/20
Scope 1	108.64	84.29	67.56	-37.8%
Scope 2	254.29	221.85	186.51	-26.6%
Scope 3	12.95	0.69	11.54	-10.9%
Total GHG Emissions*	**375.89**	**306.84**	**265.71**	**-29.3%**
GHG Emissions Intensity**	**7.54**	**5.94**	**4.96**	**-34.3%**
GHG Emissions Intensity***	**0.07**	**0.06**	**0.05**	**-28.6%**

*Results unit tonnes CO2e
**Results unit tonnes CO2e/£M Gross Income
***Results unit tonnes CO2e/m2

Moving forwards, UCAS are continuing to implement measures to further reduce UCAS' annual energy demand. For example, the LED replacement program will be rolled out to the west-wing of the Rosehill office by Spring 2023.

RISK MANAGEMENT

The Directors have given consideration to the significant risks UCAS is exposed to and have satisfied themselves that controls are in place to mitigate those risks.
The UCAS Board seeks to manage and mitigate risk, particularly through the activities of its Audit Committee. Working in conjunction with the Executive Team, the Audit Committee monitors the following activity:

1. Risk management – the Corporate Risk Management Framework sets out UCAS' approach to risk management, covering the end-to-end process, roles, and responsibilities, and defining the scope of its activities.

The Directors consider the key principal strategic risks to be monitored currently are:

- Compromise of sensitive or personal data – we continue to make improvements to our technical security, in response to the constantly changing cyber threat landscape. We have robust security incident management procedures, backup and recovery plans, as well as a comprehensive plan for business continuity and recovery which we test. UCAS have engaged with other organisations to share knowledge and learnings regarding cyber security. We also continue to run awareness campaigns, to increase the vigilance and diligence of our employees, and help mitigate the risk of a compromise of sensitive or personal data.
- Inability to attract and retain a sufficient number of specialist skills – The recruitment market for certain skills remains competitive and therefore to help mitigate this risk, a more structured approach to sourcing and resourcing has been implemented, along with talent mobility and adjustments to internal processes. The targeted focus from UCAS on headhunting and networking continues to yield more positive results with an increase in offers made for the 'hard to recruit' roles.

Strategic risks are reviewed by the Executive Team on a regular basis, and UCAS' corporate risk exposure is reported to all meetings of the Audit Committee and UCAS Board. Tactical risks at a business unit level are reviewed frequently.

2. Internal audit – PricewaterhouseCoopers (PwC), as UCAS' internal auditor, undertakes a series of audits in which they review the organisation's activities and governance functions, and report their findings to the Audit Committee. A risk-based approach is taken to the development of the annual audit plan. This is agreed with, and guided by, the Executive Team and the Audit Committee. The 2021/22 audit programme included reviews such as commercial subsidiaries, cyber security, customer disaffiliation, and financial controls. In addition, PwC also conducted an advisory report regarding ways of workings, as well as right-sourcing. Internal audit is conducted in conjunction with the external audit function, provided by RSM Audit UK LLP.

3. Health and safety – UCAS maintains a dedicated and centrally-managed health, safety, and environmental function. This role undertakes regular reviews of operational activities, and provides advice, including risk assessments, as well as wellbeing developments, reporting to the Chief Executive and Audit Committee, through the Executive sponsor for health and safety. The priorities are to maintain a healthy and safe environment for the UCAS workforce, ensure compliance with relevant health and safety legislation and regulation, ensure the requirements of the Energy Savings Opportunities Scheme (ESOS) are being satisfied, and effectively manage UCAS' environmental impact and wellbeing.

RESERVES POLICY

The aim of the reserves policy is to protect UCAS from unforeseen financial challenges, while making funds available for investment in future activities.

Due to the cyclical nature of the annual application cycles, UCAS' income can vary seasonally. By contrast, expenditure is, for the most part, incurred evenly throughout the year. This can cause timing issues, where expenditure exceeds income at certain points within the year. There are also risks which need to be managed.

There is therefore a need for cash at a sufficient level to fund expenditure as noted in the general reserve section below.

The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. As such, there is a need for reserves. This is highlighted in the income and technology reserve sections below.

The reserves policy sets out the criteria used to designate UCAS' reserves and explains the reasoning behind putting each reserve in place. Where the full value of any reserve cannot be designated from available funds, the reserve will be partially set aside, with the aspiration to build the full reserve in subsequent years.

The policy is reviewed annually, to take account of changes to the external environment and the performance of current operations.

For the purposes of this policy, the calculation of the reserves held in the UCAS Group balance sheet is based on the net assets, excluding the UCAS Pension & Life Assurance Scheme (PLAS) pension scheme liability, minus tangible and intangible fixed assets. The PLAS pension liability has been excluded from the total, as UCAS has committed to a multi-year scheme recovery plan, which can be met from projected future income without significant impact on its planned levels of charitable activity. UCAS has also set aside two years of recovery payments in the general reserve, equivalent to £2.0m as at 31 July 2022.

The value of the reserves target is currently £35.0m (2021 £27.2m) based on the definition in the reserves policy versus actual reserves of £35.1m. (2021 £34.7m). As UCAS has met its reserves policy, significant investment continues to be made to deliver the Discover your Future strategy which is available at **ucas.com**. The year on year increase in the reserves target (+£7.8m) is largely linked to this significant investment, as there are a number of initiatives/ opportunities where expenditure is needed ahead of income being received. As such a new reserve has been established for this. An increase in the technology reserve as well as the USS liability are the other factors behind the increase in target reserves.

The amounts above the reserves policy are likely to be used over the next few years given the investment levels are aligned to the 2020 to 2025 strategy. The level of investment is a further material step up for the organisation and is targeted in areas such as reform, higher and degree apprenticeships service, international, as well as information, advice and guidance. Further examples are outlined in the plans for the future section above.

When considering the appropriateness of the level of reserves for the UCAS Group (the Charity and Subsidiaries), the Directors have regard to the strategic risks facing the business and their possible financial implications, and the current business plan which includes the availability of cash in the bank and investment funds and the need for reserves to offset significant timing differences in the receipt of cash, particularly at the year end, when cash balances are typically at their lowest levels. The establishment of appropriate levels of reserves is therefore considered important to the continued operation of UCAS.

The Directors have noted that UCAS Media and UCAS International are wholly owned subsidiaries of UCAS, which Gift Aid their profits to the Charity. It was therefore not considered appropriate to devise a separate reserves policy for UCAS Media or UCAS International. The total balance sheet fund value is £49.4m.

The following unrestricted reserves have been identified (none of UCAS' reserves are deemed to be restricted):

GENERAL RESERVES

UCAS' income is seasonal, largely due to the application cycles, while expenditure is relatively constant throughout the year. There are also risks to be managed. There is, therefore, a need for cash at a sufficient level to fund expenditure. The total value of liquid assets (cash plus investment fund) that UCAS should look to maintain at any given time as general reserves, is based on the following assumptions:

- Two and half months' working capital
- Two years of PLAS deficit recovery plan payments
- USS liability (as per balance sheet)
- New initiatives or opportunities with expenditure needed ahead of income being received.

As UCAS has entered into a multi-year deficit recovery plan for the PLAS pension scheme, and because two years of PLAS deficit recovery payments and the USS balance sheet liability are now included in the general reserve, it is not considered necessary to designate a separate pension reserve. The value of general reserves (unrestricted reserves minus pension liability) as at 31 July 2022 was £35.9m (2021 £27.2m).

INCOME RESERVE

The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. They therefore consider it important to establish sufficient reserves to protect against any unforeseen reduction in income. The Directors have therefore designated a specific reserve to protect against any strategic risks that could lead to a loss of income. Each risk identified at the corporate level, where a potential financial loss is highlighted, is assigned a likelihood in percentage terms. This percentage is multiplied by the estimated loss, to arrive at a corresponding value. The total of all amounts is reflected in the final value of the income reserve. The value of this reserve as at 31 July 2022 was £4.1m (2021 £4.0m).

TECHNOLOGY RESERVE

Acknowledging the dependency of technology, coupled with the risks of operational failure and the serious compromise of sensitive or personal data, leading to reputational damage, the Directors believe a designated technology reserve should be held. Investment in technology must continue to ensure successful delivery of core services, as well as security and recovery provision. The Directors therefore consider it essential to hold sufficient reserves for this purpose. UCAS' technology spend can be segmented into three core areas:

- Tier one – architectural building blocks for the future and security and recovery provision
- Tier two – technology suppliers
- Tier three – other smaller technology suppliers

The target value should represent the annual cost of tier one. The value of this reserve as at 31 July 2022 was £9.5m (2021 £8.0m).

INVESTMENT POLICY

UCAS' Memorandum of Association allows the Group to make such investments, including securities or property as may be thought fit, subject to legal and constitutional conditions and consents. This also allows the Group to subscribe for interests in any company or undertaking established, with the intention of directly or indirectly benefiting the Company. All cash funds generated by UCAS, or any subsidiary companies, will be invested and managed through UCAS, in accordance with all legal requirements, and with regard to UCAS' reserves policy, and both short-term and long-term working capital requirements. The funds to be invested represent the excess of cash reserves over the amount needed to fund investment in the company's infrastructure. The objective for the fund is to achieve a balance of income and capital growth, while at least maintaining the real capital value of the investment funds in the long term. UCAS seeks an annual return equal to three percentage points above the consumer prices index (CPI) over a rolling five years, and the fund is benchmarked against the Asset Risk Consultants (ARC) Charity Sterling Steady Growth Index or suitable equivalent. The investment manager has not been in place for 5 years but the performance of the fund up to September 2022 is below the stated objectives.

For managed funds, the appointed investment manager may use their discretion in selecting the most appropriate investments, subject to the risk appetite and ethical parameters set out in UCAS' investment policy which is monitored, along with investment managers performance, by Finance Committee.

EMPLOYEE ENGAGEMENT

UCAS is driven to be an employer of choice, where our people flourish, perform, achieve, and belong.

This is achieved through:

- providing a performance framework that measures and rewards success
- clear career pathways and growth opportunities
- ensuring all our leaders are role models for the UCAS values in action
- offering learning academies linked to career frameworks, and promoting a balanced approach to development
- having multiple ways to communicate to and engage with colleagues, including through the staff consultation group and our wellbeing group. We also encourage and support our employee community groups (e.g. menopause champions)
- promoting a hybrid way of working where people can work in way which suits both the business and individual success, while also creating a culture space within the office where people can connect and collaborate
- an update and review on people initiatives and metrics at Board and Audit Committee meetings, with a more detailed review also undertaken by Remuneration Committee.

EQUALITY AND INCLUSION

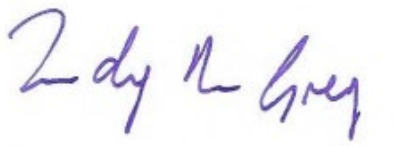
At UCAS everyone, no matter their identity, background or abilities, can Discover their Future. We believe that each individual is different with something unique to offer, and we realise the value this has for our UCAS community and the work we do. We are firmly committed to advancing equality, diversity and inclusion and this will be measured and evident through our workforce demographics and employee experience and satisfaction scores.

UCAS gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities. All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by UCAS. UCAS do not condone or tolerate any form of discrimination in our recruitment or employment practices.

Key updates which were discussed by the Directors for 2021/22 include:

- One of the strategic objectives of UCAS' strategy 'Discover your Future' is to be an employer of choice, where our people flourish, perform and achieve. At the Board strategy day in December, 'belong' was added to this objective, alongside a new set of workforce outcomes and new targets.
- Workforce metrics such as FTE, absence, turnover, and workforce profile were discussed, along with gender and ethnicity pay gaps. A specific paper was discussed and approved by the Board regarding the EDI framework, the strategy and the speed and scope of ambition in relation to targets.
- This year as the future of hybrid working became a reality, we invested in a digital way of gauging engagement sentiment on an ongoing basis. A new employee experience platform was put in place. As previously mentioned, our higher scoring areas included employer advocacy and wellbeing and well as flexibility, support from managers and communication from the leadership.
- We also continued our elevated focus on wellbeing, with a number of online events and collaborative sessions including, resilience, managing anxiety, financial wellbeing and the continuation of our Mental Health First Aider scheme. Combining wellbeing with our EDI communities, the menopause champion community has put in lots of efforts to improve awareness and support to colleagues and their managers
- UCAS has increased its focus on equality, diversity, and inclusion (EDI). UCAS completed an independent EDI accessibility audit to make sure its office facilities are inclusive. As an example, the office is fully accessible to support current and future employees with a disability with the inclusion of multi-level surfaces and appropriate signage.

The Directors' report and incorporated Strategic report were approved by the Board on 07 December 2022, and signed on its behalf by:



Trudy Norris-Grey
Chair
Date: 07 December 2022

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICES

For the year ended 31 July 2022

OPINION

We have audited the financial statements of The Universities and Colleges Admissions Service (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Consolidated and Charity Statements of Financial Activities (incorporating an income and expenditure account), the Consolidated and Charity Statements of Financial Position, the Consolidated and Charity Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2022; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

BASIS FOR OPINION

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Report of Directors other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of Directors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the directors' report and the strategic report, prepared for the purposes of company law and included within the Report of the Directors, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report and the strategic report, included within the Report of the Directors, have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities set out on page 27, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and parent charitable company'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 trustees either intend to liquidate the group or parent charitable company 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.

THE EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of the Directors, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud.

Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing data analytics, analytical review, test of controls and substantive tests of details over a sample of income transactions.

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

USE OF OUR REPORT

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

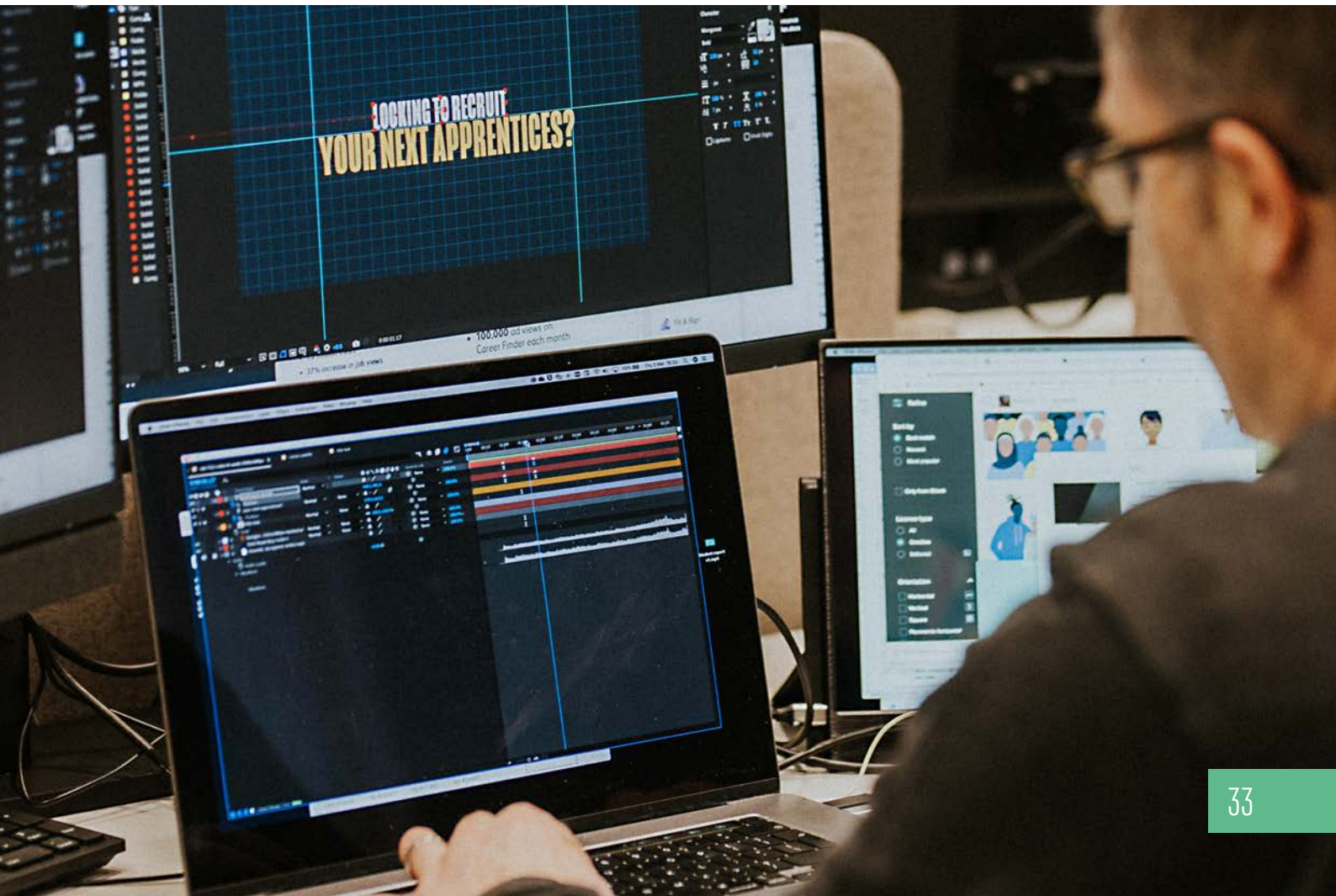
Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other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

RSM UK Audit LLP

HANNAH CATCHPOOL (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP,
Statutory Auditor
Chartered Accountants
25 Farringdon Street,
London,
EC4A 4AB

Date: 19th December 2022

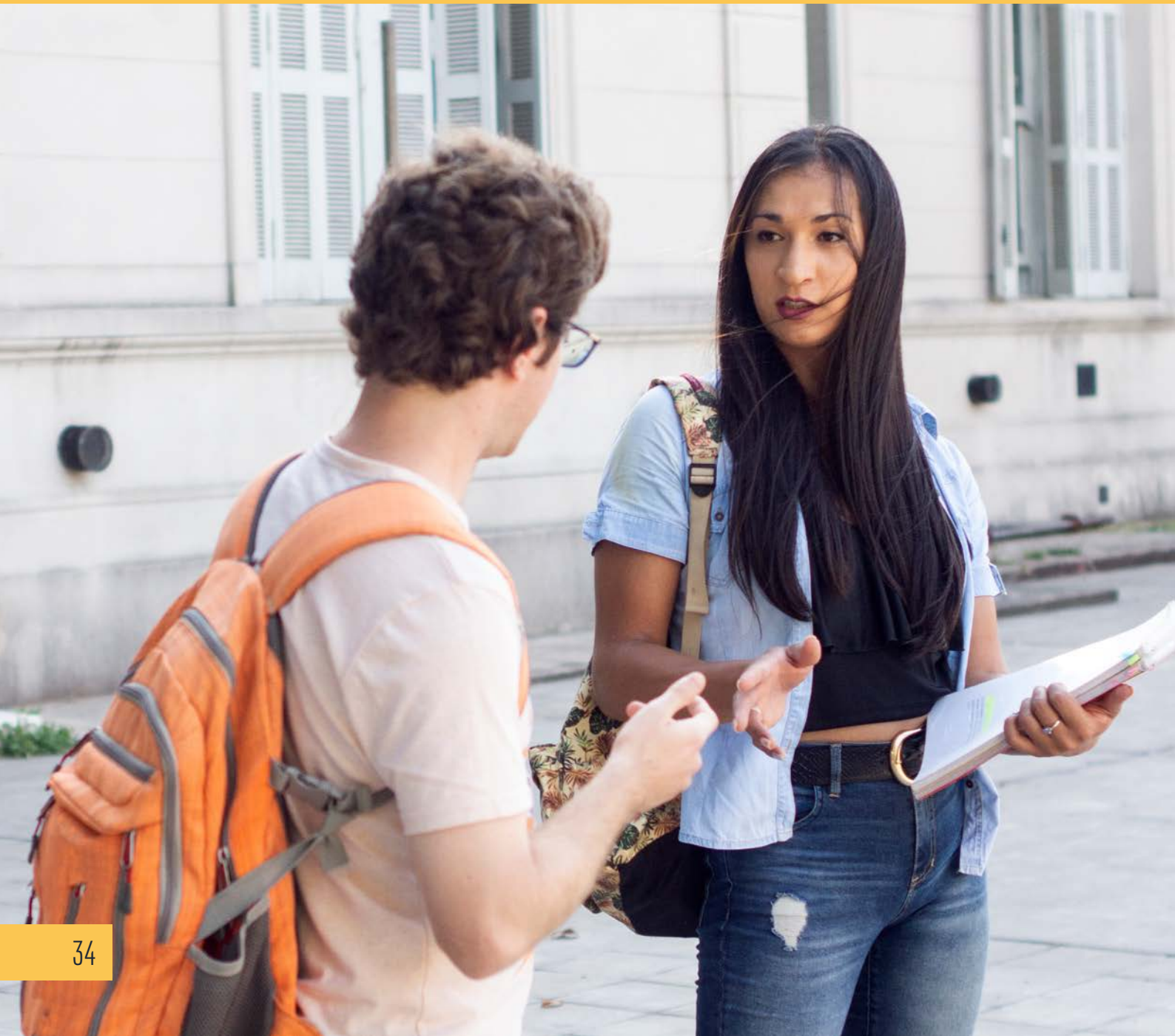
RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

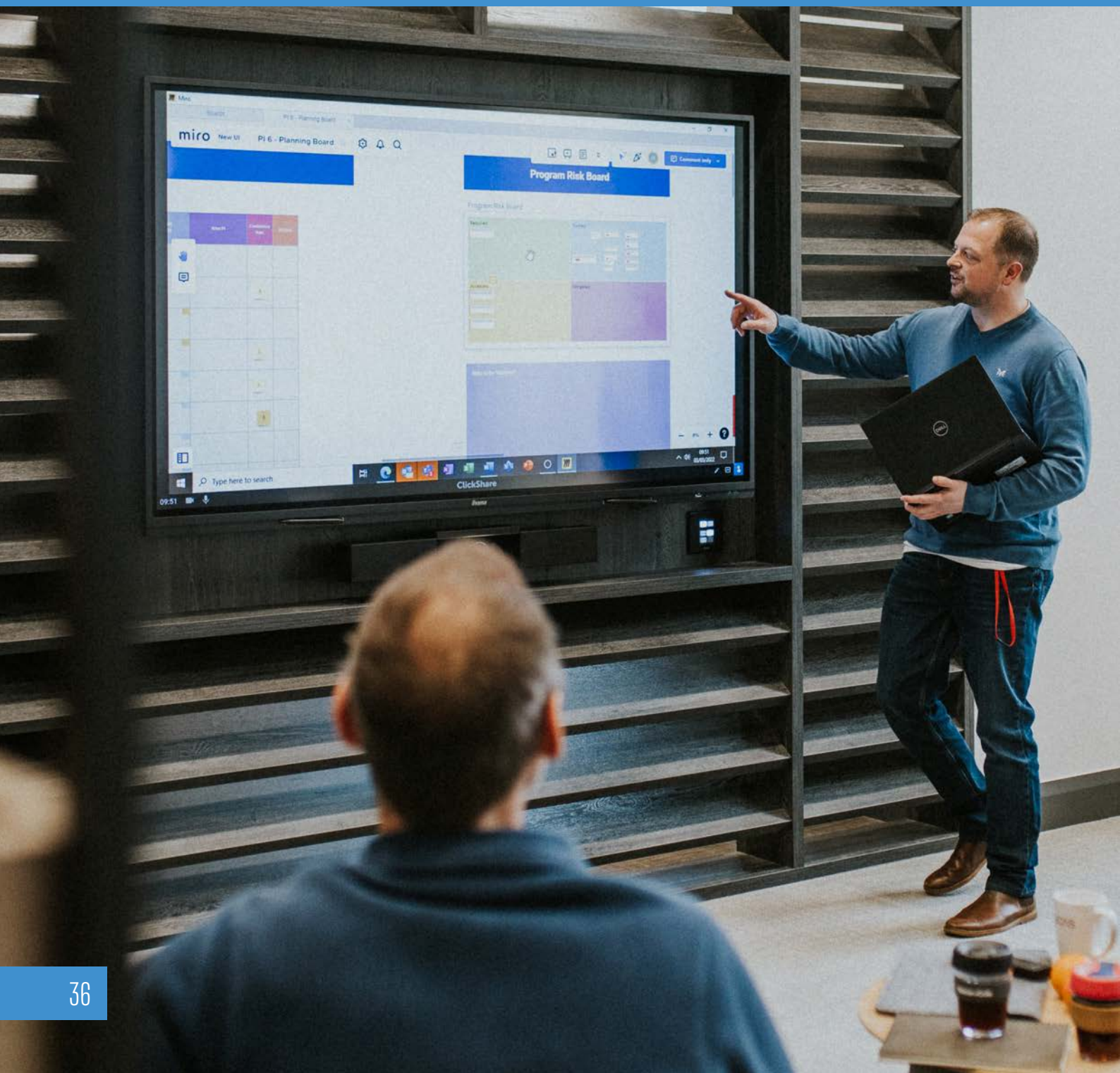
For the year ended 31 July 2022



	Notes	Group Unrestricted Funds 2022 £'000	Group Unrestricted Funds 2021 £'000	Charity Unrestricted Funds 2022 £'000	Charity Unrestricted Funds 2021 (restated) £'000
Income from charitable activities:					
Provider and applicant fees	3	32,224	32,943	32,224	32,943
Other income	3	536	954	5,662	6,041
Raising funds:					
Income from trading activities	3	20,836	17,652	-	-
Gift Aid		-	-	1,614	2,066
Investment income	3	226	179	220	179
Total income		**53,822**	**51,728**	**39,720**	**41,229**
Expenditure					
Raising funds	4	(19,261)	(15,547)	(28)	(63)
Charitable activities	4	(29,430)	(25,368)	(34,556)	(30,354)
Total expenditure		**(48,691)**	**(40,915)**	**(34,584)**	**(30,417)**
Net (loss) / gain on investments	9	(418)	1,362	(418)	1,362
Net income		**4,713**	**12,175**	**4,718**	**12,174**
Other recognised gains:					
Remeasurements of defined benefit obligation	18	5,638	4,844	5,638	4,844
Net movement in funds		**10,351**	**17,019**	**10,356**	**17,018**
Reconciliation of funds:					
Total funds brought forward		39,194	22,175	39,913	22,895
Total funds carried forward		49,545	39,194	50,269	39,913

CONSOLIDATED AND CHARITY STATEMENTS OF FINANCIAL POSITION

For the year ended 31 July 2022



	Notes	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 (restated) £'000
Fixed assets					
Goodwill	7	164	204	164	204
Other intangible assets	7	9,005	7,569	7,944	6,513
Total intangible assets		9,169	7,773	8,108	6,717
Tangible assets	8	7,883	6,361	7,844	6,298
Investments	9	9,120	8,403	9,120	8,403
Investment in subsidiaries	10	-	-	1,026	1,026
		26,173	22,537	26,098	22,444
Current assets					
Debtors - falling due within one year	11	9,100	8,455	7,353	5,290
Cash at bank and in hand		25,948	26,325	24,749	25,161
		35,048	34,780	32,102	30,451
Current liabilities					
Creditors amounts falling due within one year	12	(8,809)	(10,150)	(5,083)	(5,007)
Net current assets		26,239	24,630	27,019	25,444
Creditors: amounts falling due after more than one year					
Deposit from property tenant		(80)	(80)	(80)	(80)
		(80)	(80)	(80)	(80)
Net assets excluding pension scheme liability		52,332	47,087	53,037	47,808
Deduct:					
Defined benefit pension scheme liability	18	-	(6,560)	-	(6,560)
Defined contribution pension scheme provision	18	(2,788)	(1,333)	(2,788)	(1,333)
Net assets		49,544	39,194	50,249	39,915
Funds					
Unrestricted funds: designated	15	13,643	12,000	13,643	12,000
Unrestricted funds: general	16	38,689	35,087	39,393	35,785
Pension scheme liability	18	(2,788)	(7,893)	(2,788)	(7,893)
Called up share capital		-	-	1	24
Total funds	15	49,544	39,194	50,249	39,915

The financial statements on pages 34 to 71 were approved by the Board of Directors, and authorised for issue on 07 December 2022.
Signed on behalf of the Board

Trudy Norris-Grey, Chair

CONSOLIDATED AND CHARITY STATEMENTS OF CASH FLOWS

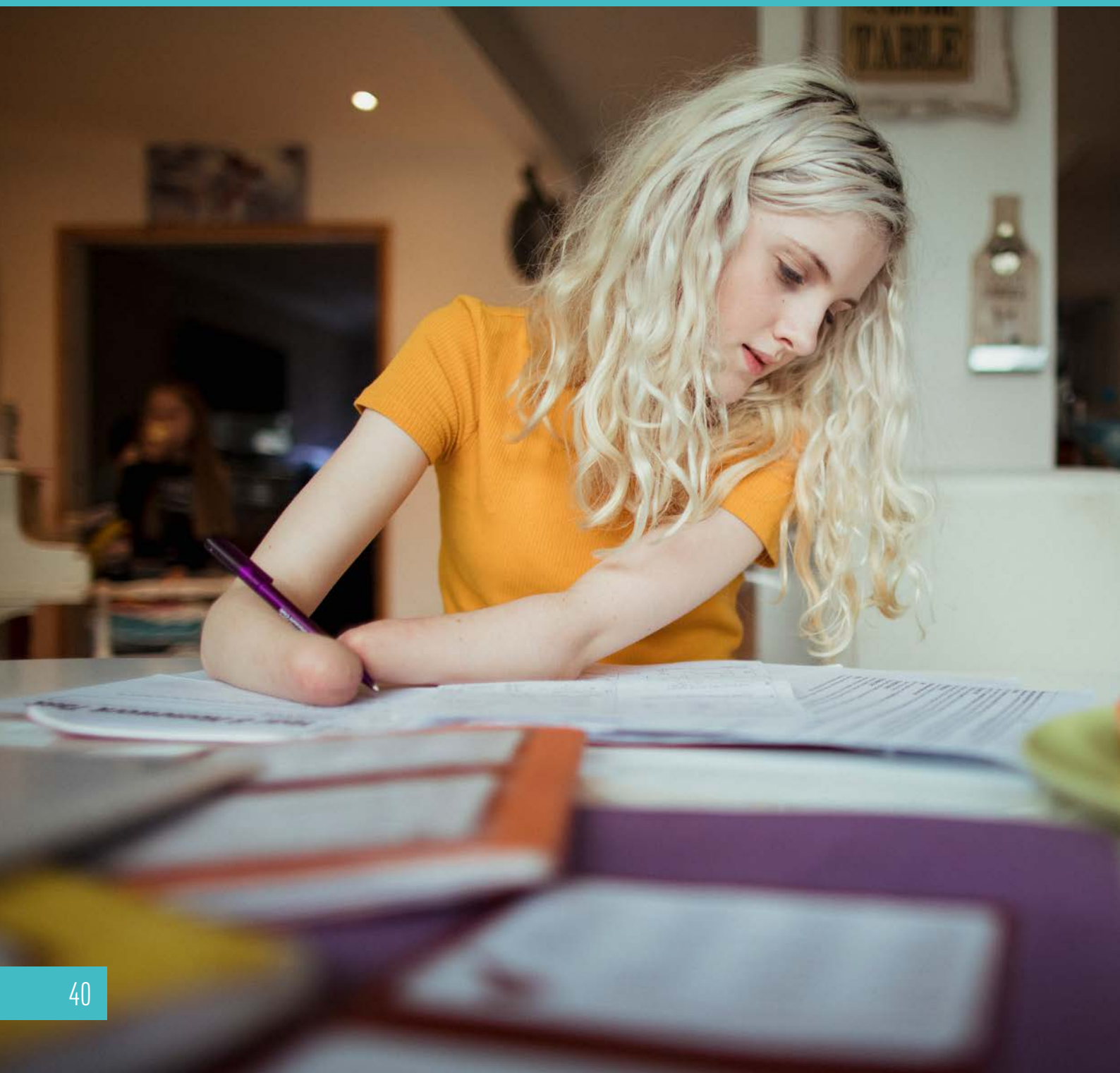
For the year ended 31 July 2022

		Group		Charity	
		2022	2021	2022	2021 (restated)
	Notes	£'000	£'000	£'000	£'000
Net cash flow from operating activities		6,599	12,379	4,210	11,605
Cash flow from investing activities					
Interest received on bank and cash balances		57	33	51	33
Gift Aid income from subsidiary		-	-	2,066	1,668
Purchase of intangible fixed assets	7	(4,065)	(4,022)	(3,772)	(3,646)
Purchase of tangible fixed assets	8	(1,967)	(574)	(1,967)	(514)
Cash Investment	9	(1,000)	-	(1,000)	-
Net cash used in investing activities		(6,975)	(4,563)	(4,622)	(2,460)
Net increase/(decrease) in cash and cash equivalents		(376)	7,816	(412)	9,146
Cash and cash equivalents at the beginning of the reporting period		26,325	18,508	25,161	16,015
Cash and cash equivalents at the end of the reporting period		25,948	26,325	24,749	25,161

Notes to the statements of cash flows		Group		Charity	
		2022	2021	2022	2021 (restated)
	Notes	£'000	£'000	£'000	£'000
Operating surplus / (deficit) for the financial year		4,939	10,710	3,336	8,643
Adjustments for:					
(Increase) / decrease in debtors	11	(644)	(27)	(2,535)	786
Increase / (decrease) in creditors	12	(1,342)	(789)	76	(22)
Depreciation and amortisation	7 & 8	3,113	2,870	2,800	2,583
Impairment of fixed assets	7 & 8	-	557	-	557
Remeasurement of USS liability	18	1,435	(120)	1,435	(120)
FRS102 pension adjustment	18	(902)	(822)	(902)	(822)
Net cash flow from operating activities		6,599	12,379	4,210	11,605

NOTES TO THE FINANCIAL ACCOUNTS

For the year ended 31 July 2022



1. PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been used consistently, in dealing with items that are considered material in relation to the Group's and Charitable Company's accounts.

General information

UCAS is a private limited company by guarantee, without share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company. UCAS is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). The address of the Group's registered office and principal place of business is: Rosehill, New Barn Lane, Cheltenham GL52 3LZ.

The Group consists of UCAS and its subsidiaries. The Group's principal activities, and the nature of the Group's operations, are as described in the Report of the Directors.

Basis of accounting

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'). The accounts comply with the following:

- The Companies Act 2006
- The Statement of Recommended Practice (SORP), Accounting and Reporting by Charities, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 01 January 2019
- The Charities and Trustee Investment (Scotland) Act 2005
- The Charities Accounts (Scotland) Regulations 2006 (as amended)

The Charitable Company has availed itself of Section 4 of Schedule 1, Part 1 of the large- and medium-sized Companies and Groups (Accounts and Reports) regulations 2008, and adapted the Companies Act formats, to reflect the special nature of the Charitable Company's activities.

The Charitable Company constitutes a public benefit entity, as defined by FRS 102.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

Throughout the year, the Trustees at the Board meetings and through the relevant Committees review the financial performance, business planning and the financial outlook and scenarios.

Financial modelling of income, surplus and cash has been conducted through to 2024/25 and was presented to the Board as part of the business planning agenda in June. As at July 2022, UCAS has a cash balance of £26m and an investment fund of £9.1m.

As such, the Trustees consider there are no material uncertainties that would cast significant doubt around the Group's and the Charitable Company's ability to operate as a going concern.

Basis of consolidation

Assets and liabilities of the subsidiaries are consolidated on a line-by-line basis using acquisition accounting. They include the assets and liabilities of UCAS Media Limited, a wholly owned subsidiary of UCAS. All financial statements are made up to 31 July.

All intra-group transactions, balances, and unrealised gains on transactions between group companies, are eliminated on consolidation.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the parent Charity.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent consideration acquired is recognised as goodwill.

The transfer of the trade and assets of UCAS International Limited on 27 May 2022 met the definition of a group reconstruction and the criteria of section 27.4 of the Charities SORP (FRS 102) and has therefore been accounted for as a merger within the financial statements of the Charitable Company. By restating the Charitable Company's comparatives, the assets, liabilities and reserves of the Charitable Company and UCAS International Limited have been aggregated as of 20 October 2020 (the date the Charitable Company acquired the share capital of UCAS International Limited) within the Balance Sheet of the Charitable Company and the aggregated results of the two entities have been shown within the activities of the Charitable Company from the acquisition date. The carrying amounts of the assets, liabilities and reserves in UCAS International Limited have been accounted for at their fair value at the date of the original acquisition of shares and the results of UCAS International Limited have not been aggregated within the Charitable Company's activities prior to the date that UCAS International Limited joined the Group.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Charitable Company.

Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies), are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to income or expenditure, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Income

All income is included in the Statement of Financial Activities, in respect of the services provided during the period, and is stated net of value added tax.

Income is recognised in the accounts when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Income is shown in two main categories:

- Income from charitable activities includes capitation fees from higher education providers, application fees, grants, and other income.
- Income from raising funds includes income from trading subsidiaries and investment income.

Provider and applicant income, grants, and other income is accounted for on a receivable basis. Other income includes income from the provision of training, the UCAS search tool facility available to providers, other consultancy work, subscriptions, and student financial assessment. For subscriptions, income is recognised over the life of the subscription, during which time the service is delivered in full. Income received from the Coronavirus Job Retention Scheme (CJRS) is also included in other income.

Income from trading operations includes marketing services and income from events. For these categories, income is recognised in line when the services are delivered, and is deferred as necessary.

The Group and Charitable Company also receive income from investments. This is accounted for on a receivable basis.

Expenditure

All expenditure is accounted for on an accruals basis, and has been classified under the headings:

- costs of charitable activities
- costs of raising funds

Costs of charitable activities relate to costs incurred in delivering UCAS' charitable objects. These costs include those related to operating UCAS' core admissions services, as well as the development, implementation, and maintenance of our infrastructure capabilities.

Costs of raising funds relate primarily to the activities of the trading subsidiary, UCAS Media Limited. These costs are incurred in generating trading income.

Support costs are incurred in the process of supporting the above activities, and are allocated to those activities on the basis set out in note 4.

Investment policy

Investments in subsidiary undertakings are measured at cost, less any impairments recognised.

Other fixed asset investments are valued at their market value, per the Rathbone Greenbank investment report on the last day of the accounting period. Changes in the valuation of the investments during the year are shown as unrealised gains or losses. Gains or losses arising from the disposal of investment assets are disclosed as being realised, being the difference between the sales proceeds, and the market value at the start of the year.

Tangible fixed assets and depreciation

Tangible fixed assets costing over £5,000 in UCAS and its subsidiaries are capitalised. Tangible fixed assets are initially measured at cost, and subsequently measured at cost, net of depreciation, and any impairment losses. Depreciation is provided against tangible fixed assets, other than freehold land, at the following straight-line rates. This reflects the anticipated useful lives, and estimated residual values:

- Freehold buildings 50 years
- Computer hardware Three years
- Office equipment Four years
- Other plant Ten years
- Motor vehicles Four years

During the year, the capitalisation policy was reviewed, with no changes made.

Where elements of the freehold buildings are rented under formal lease arrangement, the directors consider whether this element of the buildings is required to be accounted for as mixed-use property under FRS 102.

Intangible assets and amortisation

Intangible fixed assets – goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years, which represents the period over which the goodwill is expected to give rise to economic benefits. Amortisation is charged to the expenditure: charitable activities line on the statement of financial activities.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible fixed assets – other than goodwill

Internally developed software is initially recognised at cost and, once it becomes available to use, amortised over the expected useful life of that software prior to replacement (up to a maximum of five years, depending on the characteristics of the asset). Ahead of the completion of internally developed software, the cumulative direct cost of resources and services incurred during development are held as Software work in progress.

Intangible assets arising on a business combination are recognised separately from goodwill if the intangible asset is both separable and arises from legal or contractual rights. Intangible assets acquired on a business combination are initially recognised at cost (the fair value of the asset at acquisition date) and, once it becomes available to use, amortised over the useful life of that software.

Capitalised software licences are initially recognised at cost and then amortised over the shorter of five years or the agreed licence period.

Intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

- Software (internally developed)
  Five years
- Licences
  The shorter of five years or the period of the licence

Impairment policy

An assessment is made at each reporting date, whether there are indications a fixed asset may be impaired, or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets, and their recoverable amounts – being the higher of fair value less costs to sell, and value in use – are recognised as impairment losses in income or expenditure.

Any impairment loss recognised for goodwill is not reversed. For fixed assets other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income or expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted, to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Policy on capitalisation of software development costs

Only expenditure of substantial amounts for enhancements on authorised projects, incurred in direct relation to the project, may be incorporated into capitalised software development costs. In general, costs incurred necessarily, and exclusively, in the creation of an asset that will deliver future economic benefit, are capitalised and amortised over the useful life of that asset, subject to the amortisation periods set out above. This will not generally include any pre-development costs, such as feasibility studies or market research. However, this will include any beta testing period, where an application has been made available to customers in a pre-final version for feedback, with a view to further enhancements before release into production.

Development is deemed to end when the application is released into production. Any subsequent development expenditure is deemed to be continuous improvement, and would not be considered for capitalisation, unless it contributes to a significant increase in the economic value of the asset. Capitalised development expenditure is initially recognised at cost, and subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Leases

The Group as lessee – operating leases, and the annual rentals are charged to income or expenditure on a straight-line basis over the lease term. Rent free periods, or other incentives received for entering into an operating lease, are accounted for as a reduction to the expense, and are recognised on a straight-line basis over the lease term.

Cash and cash equivalents

These amounts comprise cash at the bank and in hand, as well as short-term deposits, typically with a short maturity of three months or less from the date of acquisition.

Financial instruments

The Group has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102, in full, to all its financial instruments.

Financial assets and financial liabilities are recognised when the Group and Charitable Company become a party to the contractual provisions of the instrument, and are offset only when the Group and Charitable Company currently have a legally enforceable right to set off the recognised amounts, and intend either to settle on a net basis, or to simultaneously realise the asset and settle the liability.

Trade, group, and other debtors

Trade, group, and other debtors (including accrued income), which are receivable within one year, and which do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being the transaction price less any amounts settled, and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected, according to the original terms of the contract. Impairment losses are recognised in profit or loss, for the excess of the carrying value of the trade debtor over the present value of the future cash flows, discounted using the original effective interest rate. Subsequent reversals of an impairment loss, that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Creditors

Trade, group, and other creditors, including accruals, payable within one year, that do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being transaction price less any amounts settled.

Taxation

The parent company is a registered charity and, as such, is exempt from taxation of its income and gains falling within Part II of the Corporation Tax Act 2010, or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that they are applied to its charitable objectives. Any tax charge arising in the subsidiaries are mitigated via the payment of Gift Aid to the parent charity.

Employee benefits

The costs of short-term employee benefits are recognised as a liability, and an expense.

The Group's holiday entitlement year runs from April to March, and employees are entitled to carry forward any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits, is recognised immediately as an expense, when the Group is demonstrably committed to terminate the employment of an employee, or to provide termination benefits.

Retirement benefits

The Group participates in four pension schemes.

- UCAS Pension and Life Assurance Scheme (1993) is a defined benefit scheme. The scheme was closed to future accrual of benefits on 31 December 2017. The assets and liabilities of the scheme are held in a separate trust, and the net defined benefit asset/liability represents the present value of the defined benefit obligation, minus the fair value of plan assets, out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds, with terms and currencies consistent with those of the benefit obligations.

  Gains or losses recognised in Statement of Financial Activities:

  – The change in the net defined benefit liability arising from employee service during the year, is recognised as an employee cost.

  – Net interest on the net defined benefit asset/liability comprises the interest cost on the defined benefit obligation, and interest income on the plan assets. This is calculated by multiplying the fair value of the plan assets at the beginning of the period, by the rate used to discount the benefit obligations.

  Gains or losses recognised in other comprehensive income:

  – Actuarial gains and losses.

  – The difference between the interest income on the plan assets, and the actual return on the plan assets.

- UCAS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions, and a scheme-wide contribution rate is set. UCAS 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', UCAS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme. Since UCAS has entered into an agreement (the 'Recovery Plan') that determines how each employer in the scheme will fund the overall deficit, UCAS recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit), and therefore an expense is recognised.
- UCAS Group Stakeholder Pension Plan (2007), and UCAS Group Stakeholder Pension Plan (2014), are defined contribution schemes with associated life assurance attachment. The employer liability towards these schemes is limited to the contributions made on a regular monthly basis. These are subject to an upper limit, graduated on the option made by the employee to the scheme. These contributions are charged to the Statement of Financial Activities as they become due.

Further details of the accounting adopted for these schemes is detailed in note 18 to these accounts.

Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Directors, for the general objectives of the Group, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds set aside by the Directors for specific purposes.

2. STAFF NUMBERS AND COSTS

The average monthly number of employees during the year was as follows:

	Group		Charity	
	2022	2021	2022	2021 (restated)
	No.	No.	No.	No.
Application and administrative services	396	362	396	362
Commercial activities	84	81	-	-
	480	443	396	362

The aggregate payroll costs of these persons were as follows:

	Group		Charity	
	2022	2021	2022	2021 (restated)
	£'000	£'000	£'000	£'000
Salaries	19,618	17,746	12,689	11,558
Social security costs	2,197	1,867	1,840	1,574
Defined contribution pension cost	1,076	1,213	832	1,684
Pensions costs - multi-employer DB scheme	654	674	654	(64)
	23,545	21,500	16,015	14,752
Capitalised	(1,574)	(2,091)	(1,574)	(2,091)
	21,971	19,409	14,441	12,661
Restructure costs	19	444	19	291
	21,990	19,853	14,460	12,952

While all staff are employed through the Charity, those staff that are conducting commercial activities through UCAS Media are excluded from the Charity numbers. Group numbers include all staff.

Employer costs relating to Defined Contribution (DC) and Defined Benefit (DB) pension schemes are analysed separately.

During the year, redundancy costs of £19k (2021: £444k) were incurred (of which £19k (2021: £142k) were statutory and non-statutory/voluntary payments), to align staff capability to new roles. Such costs are recognised as expenses immediately within expenditure, and are included in the table below where appropriate. At the reporting date, all such payments had either been made, or were due to be made to employees participating in consultation.

Included in the table on page 47 are costs for the following numbers of employees, whose emoluments (including benefits in kind, but not pension costs) fell within the following bands:

	Group		Charity	
	2022	2021	2022	2021 (restated)
	No.	No.	No.	No.
£60,001 - £70,000	13	14	12	12
£70,001 - £80,000	15	12	14	10
£80,001 - £90,000	8	6	8	5
£90,001 - £100,000	2	2	1	2
£100,001 - £110,000	2	1	2	1
£110,001 - £120,000	2	-	2	-
£130,001 - £140,000	1	1	1	1
£140,001 - £150,000	-	2	-	2
£150,001 - £160,000	1	-	1	-
£160,001 - £170,000	2	-	1	-
£170,001 - £180,000	-	1		1
£220,001 - £230,000	1	-	1	-

The key management personnel of UCAS comprises the Executive Team, which includes the Chief Executive, Chief Operating Officer, Chief Financial Officer, Executive Director of People, Chief Product Officer, Chief Marketing Officer, Executive Director of Strategy, Policy and Public Affairs and, Director of UCAS International. Changes above reflect the return of some key management personnel (including the Chief Executive) to full pay following voluntary reductions during the pandemic and the realignment of the performance year resulting in timing changes of payments.

The total employee benefits, including employer pension contributions of the key management personnel of UCAS Group, were £1,275,133, (2021: £1,386,850), and employer NI contributions for these personnel were £149,540 (2021: £128,436).

Pension scheme contributions paid by the Group in respect of the people listed above amounted to £689,422 (2021: £611,105). The pension scheme contributions paid by the Charity in respect of the people listed above amounted to £624,323 (2021: £547,427). In the year 2021/22, the contribution to the USS scheme was £583,058 (2021: £571,205), and to the UCAS Group Stakeholder Pension Plan was £106,365 (2021: £46,008).

Directors

None of the Directors received remuneration for services to the Charity (2021: nil). Travelling expenses of £11,905 were reimbursed to the Directors (2021: £nil), in respect of attendance at meetings. During the year, no emoluments were paid to non-executive Directors of UCAS Media Limited (2021: £nil).

Professional indemnity insurance

The Charitable Company paid a premium of £6,307 (2021 £5,215) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

3. INCOME

	2022 £'000	2021 £'000
Institutional and applicant fees		
Provider fees	16,414	16,508
Applicant fees	15,810	16,435
	32,224	32,943
Other income		
Data services sales	72	158
Brand and data charge	3,340	3,001
Management and resourcing recharge	1,786	2,086
Fraud grant	67	67
Other income	397	729
	5,662	6,041
Investment income	220	179
Charity income excluding gift aid	38,106	39,163
Trading operations		
UCAS Media Limited	20,841	17,652
Investment income	6	-
	20,847	17,652
Intercompany	(5,131)	(5,087)
Group income	53,822	51,728

UCAS Media's principal business activity is the provision of marketing services to commercial clients, higher education providers seeking to make contact with applicants, and prospective applicants to higher education courses.

The majority of the accounting profits of the trading subsidiary are Gift Aided to the parent company under the deed of covenant. A Gift Aid payment of £1,613k (2021: £2,066k) from UCAS Media to UCAS will be paid by 30 April 2023.

4. EXPENDITURE

GROUP

	Direct staff costs	Direct costs	Brand and data	Other support costs	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Cost of investments	-	28	-	-	28	63
Commercial activities	6,470	6,608	3,340	2,815	19,233	15,484
	6,470	6,636	3,340	2,815	19,261	15,547
Charitable activities						
Admissions service	10,494	4,035	(3,340)	11,048	22,237	16,452
Special projects	1,263	2,495	-	772	4,530	6,805
Analysis and research	1,202	160	-	1,301	2,663	2,111
	12,959	6,690	(3,340)	13,121	29,430	25,368
Total expenditure of the group	**19,429**	**13,326**	-	**15,936**	**48,691**	**40,915**

Analysis of support costs	Raising funds	Admissions service	Special projects	Analysis & research	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	55	661	-	-	716	826
Finance	993	1,045	-	14	2,052	1,727
Human resources	388	934	95	159	1,576	1,222
Information technology	1,352	6,177	542	903	8,974	10,604
Facilities	-	1,880	135	225	2,240	1,036
General management	27	351	-	-	378	283
Total support costs	**2,815**	**11,048**	**772**	**1,301**	**15,936**	**15,699**

Analysis of governance costs	Total 2022	Total 2021
	£'000	£'000
Internal audit	89	81
External audit	53	41
Legal & professional consulting	427	539
Trustees	53	44
AGM	-	0
Other governance costs	94	121
Total governance costs	**716**	**826**

CHARITY:

	Direct staff costs	Direct costs	Other support costs	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Cost of investments	-	28	-	28	63
	-	28	-	28	63
Charitable activities					
Admissions service	10,424	4,158	12,781	27,363	21,437
Special projects	1,263	2,495	772	4,530	6,805
Analysis and research	1,202	160	1,301	2,663	2,111
	12,889	6,813	14,854	34,556	30,354
Total expenditure of the charity	**12,889**	**6,841**	**14,854**	**34,584**	**30,417**

Analysis of support costs	Admissions service	Special projects	Analysis & research	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000
Governance	701	-	-	701	796
Finance	1,107	-	14	1,121	1,174
Human resources	1,186	95	159	1,440	1,015
Information technology	7,529	542	903	8,974	10,604
Facilities	1,880	135	225	2,240	1,037
General management	378	-	-	378	283
Total support costs	**12,781**	**772**	**1,301**	**14,854**	**14,907**

Analysis of governance costs	Total 2022	Total 2021
	£'000	£'000
Internal audit	89	81
External audit	43	30
Legal & professional consulting	422	520
Trustees	53	44
Other governance costs	94	121
Total governance costs	**701**	**796**

5. TAXATION

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Current tax				
UK corporation tax	-	-	-	-

Factors affecting the tax charge for the year:

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Net income for the year before tax	4,712	12,175	4,718	12,174
Tax on income at standard CT rate of 19%	895	2,313	896	2,313
Effects of:				
Income not taxable for tax purposes	(895)	(2,313)	(896)	(2,313)
Total current tax charge	-	-	-	-

6. NET INCOME FOR THE YEAR IS STATED AFTER CHARGING

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Depreciation of tangible fixed assets	444	70	421	38
Amortisation of intangible assets	2,669	2,748	2,381	2,545
Impairment of intangible assets	-	557	-	557
Operating Lease costs	3	18	3	18
Auditor's remuneration - audit fees	58	41	48	33
Auditor's remuneration - taxation compliance services	8	7	6	4
Internal auditor's remuneration	89	81	89	81
And after crediting:				
Interest on deposits receivable	57	33	51	33
Dividends receivable on investment portfolio	169	146	169	146

7. INTANGIBLE ASSETS

CONSOLIDATED

	Goodwill	Licences	Software	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2021	1,601	869	24,881	1,868	29,219
Additions	-	-	419	3,646	4,065
Disposals	-	-	(6,321)	-	(6,321)
Transfers	-	-	4,299	(4,299)	-
At 31 July 2022	1,601	869	23,278	1,215	26,963
Amortisation and impairment					
At 1 August 2021	1,397	838	19,210	-	21,445
Disposals	-	-	(6,321)	-	(6,321)
Amortisation charge for the year	40	15	2,614	-	2,669
At 31 July 2022	1,437	854	15,503	-	17,794
Net book value					
At 1 August 2021	204	31	5,671	1,868	7,774
At 31 July 2022	164	15	7,775	1,215	9,169

CHARITY

	Goodwill	Licences	Software	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2021	240	869	23,562	1,868	26,540
Additions	-	-	127	3,646	3,772
Disposals	-	-	(6,321)	-	(6,321)
Transfers	-	-	4,299	(4,299)	-
At 31 July 2022	240	869	21,667	1,215	23,992
Amortisation and impairment					
At 1 August 2021	36	838	18,949	-	19,823
Amortisation charge for the year	40	16	2,325	-	2,381
Disposals	-	-	(6,321)	-	(6,321)
At 31 July 2022	76	854	14,953	-	15,884
Net book value					
At 1 August 2021	204	30	4,615	1,868	6,717
At 31 July 2022	164	15	6,714	1,215	8,108

Amortisation charges are reflected in Expenditure: Charitable activities in the Statement of Financial Activities.

8. TANGIBLE ASSETS

CONSOLIDATED

	Land	Freehold Buildings	Hardware and equipment	Vehicles	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 August 2021	3,150	5,679	4,866	15	-	13,710
Additions	-	1,240	622	-	105	1,967
Disposals	-	(187)	(711)	-	-	(898)
At 31 July 2022	3,150	6,731	4,777	15	105	14,778
Depreciation						
At 1 August 2021	-	2,589	4,745	15	-	7,349
Disposals	-	(187)	(711)	-	-	(898)
Depreciation charge for the year	-	335	109	-	-	444
At 31 July 2022	-	2,737	4,143	15	-	6,895
Net book value						
At 1 August 2021	3,150	3,090	121	-	-	6,361
At 31 July 2022	3,150	3,994	634	-	105	7,883

CHARITY

	Land	Freehold Buildings	Hardware and equipment	Vehicles	Work in progress	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 August 2021	3,150	5,637	3,913	15	-	12,715
Additions	-	1,240	622	-	105	1,967
Disposals	-	(187)	(702)	-	-	(889)
At 31 July 2022	3,150	6,690	3,833	15	105	13,793
Depreciation						
At 1 August 2021	-	2,547	3,855	15	-	6,417
Disposals	-	(187)	(702)	-	-	(889)
Depreciation charge for the year	-	335	86	-	-	421
At 31 July 2022	-	2,695	3,239	15	-	5,949
Net book value						
At 1 August 2021	3,150	3,090	58	-	-	6,298
At 31 July 2022	3,150	3,995	594	-	105	7,844

9. INVESTMENTS

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Opening value	8,403	6,971	8,403	6,971
Cash Investment	1,000	-	1,000	-
Interest and dividends	169	146	169	146
Net unrealised (loss)/gains	(418)	1,362	(418)	1,362
Charges for the period	(28)	(63)	(28)	(63)
VAT payable on charges	(6)	(13)	(6)	(13)
Closing value	9,120	8,403	9,120	8,403

VAT is payable on investment management charges. Gross charges are deducted from the portfolio, with the VAT element reclaimed via the Charitable Company's VAT return.

Income receivable from dividends and interest is reinvested in the portfolio.

Investments comprise:

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
UK bonds	824	1,084	824	1,084
Overseas bonds	299	-	299	-
Equities				
UK	3,261	3,198	3,261	3,198
Europe	766	549	766	549
North America	1,395	1,062	1,395	1,062
Asia Pacific	133	266	133	266
Emerging markets	127	161	127	161
Property	235	364	235	364
Alternative assets	1,559	1,549	1,559	1,549
Cash	520	170	520	170
	9,120	8,403	9,120	8,403

The Directors do not consider any individual investment to be material in the context of the investment portfolio.

10. SUBSIDIARY UNDERTAKINGS (CHARITY ONLY)

Name of undertaking	Class of shareholding	Proportion of nominal value held directly	Cost (£'000)	Nature of business
UCAS Media Limited	Ordinary	100%	1,026	Marketing services
UCAS International Limited	Ordinary	100%	-	Educational support services
UCAS Consultancy and Insights	Ordinary	100%	-	Marketing services

UCAS Media Limited, registered in England, is a wholly owned subsidiary of the Charitable Company, UCAS, with issued share capital of 1,000 ordinary shares (2021: 1,000 shares). This investment is held at a carrying amount of £1,025,768 (2021: £1,025,768). The principal activity of the company is to assist the parent company in achieving its objective, through the provision of marketing services concerned with higher education. Profits of the subsidiary company are transferred under the Gift Aid regime to the parent company.

During the prior year, the Charitable Company acquired 100% of the issued share capital of UCAS International Limited, registered in England. During this financial year, the Charitable Company acquired the entire trade and assets of UCAS International Limited at which point, the company ceased trading (refer to note 20). The transfer of the trade and assets of UCAS International Limited on 27 May 2022 met the definition of a group reconstruction and the criteria of section 27.4 of the Charities SORP (FRS 102) and has therefore been accounted for under merger accounting principles (refer to accounting policies). This investment is held at a carrying amount of £1 (2021: £1 (prior to merger accounting £1,453,282). The principal activity of the company is now that of a dormant company.

UCAS Consultancy and Insights is not trading.

The registered office of all subsidiaries is Rosehill, New Barn Lane, Cheltenham, Gloucestershire, United Kingdom, GL52 3LZ.

The statutory accounts of UCAS Media Limited are fully audited and published separately. Refer to note 19 for a summary of the trading results of UCAS Media Limited.

11. DEBTORS

Amounts falling due within one year	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	5,251	4,972	50	167
Amounts owed by subsidiaries	-	-	4,587	2,535
Other debtors	127	116	50	109
Prepayments and accrued income	2,757	3,219	1,971	2,140
Value Added Tax	965	148	695	339
	9,100	8,455	7,353	5,290

12. CREDITORS

Amounts falling due within one year	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	3,212	2,732	2,623	2,290
Social security and other taxes	650	489	650	489
Other creditors	358	314	291	247
Accruals and deferred income	4,589	6,615	1,519	1,981
	8,809	10,150	5,083	5,007

Deferred income	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Deferred income at 1 August	4,252	4,599	38	126
Deferred income released during the year	(4,252)	(4,599)	(38)	(126)
Income deferred during the year	2,503	4,252	44	38
Deferred income at 31 July	2,503	4,252	44	38

Deferred income relates to advertising income, events income, and income from subscriptions. For advertising campaigns and events, income is deferred on the basis of when the service is to be delivered. In the case of subscriptions, income is recognised over the life of the subscription, during which time, the service is delivered in full.

13. FINANCIAL INSTRUMENTS

The carrying value of financial instruments for the Group and the Charitable Company, held at fair value, as at 31 July were:

	Group		Charity	
	2022	2021	2022	2021
Financial assets:	£'000	£'000	£'000	£'000
Cash	25,948	26,325	24,749	25,161
Trade debtors	5,251	4,972	50	167
Other debtors	127	116	4,637	2,644
Accrued income	120	475	10	6
Investments	9,120	8,403	9,120	8,403
Total	40,566	40,291	39,592	36,381
Financial liabilities:				
Trade creditors	3,212	2,732	2,623	2,290
Other creditors	358	314	291	247
Accrued expenditure	2,090	2,367	1,479	1,947
Total	5,660	5,413	4,393	4,484

14. COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments for both the Group and the Charitable Company, under non-cancellable operating leases of other assets, are as follows:

	2022	2021
Amounts due:	£'000	£'000
Within one year	7	9
Between one and five years	5	13
	12	22

15. UNRESTRICTED FUNDS: DESIGNATED

	Technology reserve	Income reserve	Total	Total
	2022	2022	2022	2021
	£'000	£'000	£'000	£'000
Group				
Value at beginning of the year	8,000	4,000	12,000	11,200
Transfer into fund in the year	1,541	102	1,643	800
Value at end of the year	9,541	4,102	13,643	12,000
Charity				
Value at beginning of the year	8,000	4,000	12,000	11,200
Transfer into fund in the year	1,541	102	1,643	800
Value at end of the year	9,541	4,102	13,643	12,000

Designated reserves reflect the Directors' view of the funds required to be allocated to meet future obligations and to ensure the sustainability of the Group's and Charity's core operations. Further detail of the Reserves Policy is given in the Report of the Directors.

16. UNRESTRICTED FUNDS: GENERAL

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Value at beginning of the year	35,087	24,654	35,785	25,353
Surplus/(deficit) for the year	4,712	12,175	4,718	12,174
Transfer (to) designated funds	(1,643)	(800)	(1,643)	(800)
FRS102 pension adjustments	533	(942)	533	(942)
Value at end of the year	38,689	35,087	39,393	35,785

Funds are transferred between unrestricted designated and general funds to maintain key technology contracts, and to protect against loss of income through realisation of strategic risks (note 16) as agreed by the Directors in the Reserves Policy. It's likely that the amounts above the reserves policy will be used over the next few years given the investment levels are aligned to the 2020 to 2025 strategy.

17. NET ASSETS BY FUND

Group

The consolidated net assets held as at 31 July 2022 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2022	2022	2022	2022	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	9,541	4,102	-	-	13,643	12,000
Unrestricted funds: general	7,512	31,257	(80)	(2,788)	35,901	27,194
	17,053	35,359	(80)	(2,788)	49,544	39,194

The consolidated net assets held as at 31 July 2021 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2021	2021	2021	2021	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	8,000	4,000	-	-	12,000	11,200
Unrestricted funds: general	6,134	29,033	(80)	(7,893)	27,194	10,975
	14,134	33,033	(80)	(7,893)	39,194	22,175

Charity

The net assets held as at 31 July 2022 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2022	2022	2022	2022	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	9,541	4,102	-	-	13,643	12,000
Unrestricted funds: general	6,411	33,063	(80)	(2,788)	36,606	28,555
	15,952	37,165	(80)	(2,788)	50,249	40,555

The net assets held as at 31 July 2021 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2021	2021	2021	2021	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	8,000	4,000	-	-	12,000	10,000
Unrestricted funds: general	5,015	30,874	(80)	(7,893)	27,915	19,499
	13,015	34,874	(80)	(7,893)	39,915	29,499

18. PENSION SCHEMES

The Group participates in four pension schemes: one defined benefit pension scheme, one defined benefit scheme that is accounted for as if it were a defined contribution scheme (as required by FRS 102 section 28 'Employee Benefits'), and two defined contribution schemes. Employees join the appropriate scheme, depending on their employment terms. The total cost to the Group for the year ended 31 July 2022, in respect of pension contributions, which have been allocated between expenditure categories in proportion to staff costs, and charged to the consolidated Statement of Financial Activities as appropriate, are as follows:

	2022	2021
	£'000	£'000
Defined contribution schemes	1,076	1,213
Multi-employer defined benefit scheme	654	674
	1,730	1,887

At 31 July, there were outstanding employer's and employees' contributions, including any additional voluntary contributions to the schemes, included in social security and other taxes within the creditors note, as follows:

	2022	2021
	£'000	£'000
Defined benefit scheme	86	86
Defined contribution scheme	170	135
Multi-employer defined benefit scheme	84	82
	340	303

UCAS Pension and Life Assurance Scheme (1993)

The scheme was closed to future accrual of benefits on 31 December 2017. Active members of the scheme at the closure date became 'active deferred' members, and transferred to UCAS' Group Stakeholder Plan at that time. The UCAS Pension and Life Assurance Scheme currently has 46 active deferred members, 185 preserved members, and 169 pensioners. The assets of the scheme are held in a separate, trustee-administered fund.

The most recent comprehensive actuarial valuation of the plan assets, and the present value of the defined benefit obligation, was carried out at 31 July 2019.

The triennial funding review, as at 31 July 2019, identified an initial deficit in the longer-term assets over liabilities of £6,590k (2016: deficit of £9,216k). The main contributing factor to the decrease in the deficit was the return on investments.

The Directors and the pension scheme Trustees agreed a plan to address the pension deficit. During the year to 31 July 2022, UCAS made additional contributions of £1.0m (2021: £1.0m).

The principal assumptions used in the calculation of the present value of the defined benefit obligation include:

Assumptions	**31 July 2022**	**31 July 2021**
	Per cent:	Per cent:
Discount rate	3.52	1.62
Salary increase	3.92	3.84
Inflation (RPI)	3.42	3.34
Inflation (CPI)	2.72	2.84
Pension increases (Pre-April 2005)	4.23	4.22
Pension increases (Post-April 2005)	2.28	2.25
Revaluation in deferment (CPI max 5.0 per cent)	2.72	2.84
Revaluation in deferment (CPI max 2.5 per cent)	3.42	3.14
Mortality base table	S3PxA	S3PxA
Projection basis	CMI 2021	CMI 2020
Long term improvement trend	1.00	1.00
Percentage of death rates applied (m)	101	100
Percentage of death rates applied (f)	103	100

Life expectancies from age 65 years	**31 July 2022**	**31 July 2021**
	Years	Years
Male currently aged 45	22.70	22.70
Female currently aged 45	25.10	25.20
Male currently aged 65	21.70	21.70
Female currently aged 65	23.90	24.10

Amounts recognised in the Statement of Financial Activities (SoFA), in respect of the defined benefit scheme, are as follows:

	2022 £'000	2021 £'000
Past service cost	-	4
Net interest on net defined benefit liability	98	173
Total operating charge	98	177

Charges in the fair value of the scheme assets	**31 July 2022** £'000	**31 July 2021** £'000
Fair value of scheme assets at the beginning of the year	59,283	55,773
Interest income on plan assets	959	819
Employer contributions	1,020	1,020
Benefits paid	(1,161)	(1,088)
Remeasurement gain	(11,263)	2,759
Fair value of scheme assets at the end of the period	48,838	59,283

Changes in the present value of the defined benefit obligation	**31 July 2022** £'000	**31 July 2021** £'000
Present value of scheme liabilities at the beginning of the period	65,843	68,020
Past service cost	-	4
Interest cost	1,057	992
Benefits paid	(1,161)	(1,088)
Actuarial loss on liabilities	(19,839)	(2,085)
Present value of scheme liabilities at the end of the period	45,900	65,843

Amounts to be recognised in the balance sheet	**2022** £'000	**2021** £'000
Fair value of scheme assets	48,838	59,283
Present value of scheme liabilities	(45,900)	(65,843)
Irrecoverable surplus/(deficit)	(2,938)	
Balance sheet liability	-	(6,560)

Total Actuarial Loss featured in the Statement of Financial Activities

The Statement of Financial Activities (SoFA) includes a total actuarial gain/loss for the UCAS Pension and Life Assurance Scheme (1993) of £5,638k, gain (2021: £4,844k, loss), comprising a remeasurement loss on scheme assets of £11,263k and an actuarial gain on scheme liabilities of £19,839k.

The actuarial loss on plan assets was (£10.3m), (2021: return £3.6m). The analysis of the scheme assets at the reporting date was as follows:

	31 July 2022	31 July 2021
	Per cent:	Per cent:
Equities	37.0	29.7
Bond (non-gilt)	16.7	18.2
LDI funds	18.3	26.4
Multi-asset growth	27.4	25.3
Cash and net current assets	0.6	0.4
Benefits paid	100.0	100.0

The Scheme invests in a mix of equity, bond, diversified growth, and liability-driven investment funds, managed by State Street, BMO, and Baillie Gifford.

Universities Superannuation Scheme (USS)

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), and the resulting expense in income or expenditure in accordance with section 28 of FRS 102. The Directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme, and have therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2020.

Since the institution cannot identify its share of Retirement Income Builder section of the Scheme assets and liabilities, the following disclosures reflect those relevant for the section as a whole.

The 2020 valuation was the sixth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £66.5 billion, and the value of the Scheme's technical provisions was £80.6 billion, indicating a shortfall of £14.1 billion.

Defined benefit liability numbers for the scheme, for accounting purposes, have been produced using the following assumptions as at 31 March 2022 and 2021:

	2022	2021
Discount rate	2.8 per cent	2.15 per cent
Pensionable salary growth	n/a	n/a
Pensions increases (CPI)	2.1 per cent	2.50 per cent

The main demographic assumption used relates to the mortality assumptions. These assumptions have been updated for the 31 March 2022 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2021 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2022	**2021**
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2019 with a smoothing parameter of 7.5 and a long-term improvement rate of 1.5 per cent p.a. for males, and 1.25 per cent p.a. for females	CMI_2017 with a smoothing parameter of 8.5 and a long-term improvement rate of 1.8 per cent p.a. for males, and 1.6 per cent p.a. for females

The current life expectancies on retirement at age 65 are:

	31 July 2022	**31 July 2021**
	Years	Years
Male currently aged 45	25.9	26.7
Female currently aged 45	27.3	27.9
Male currently aged 65	23.9	24.7
Female currently aged 65	25.5	26.1

	2022	**2021**
	£bn	£bn
Scheme assets	66.5	80.6
Total scheme liabilities	80.6	95.5
FRS102 total scheme deficit	14.1	14.9
FRS 102 total funding level	83%	84%

Amounts recognised in the Balance Sheet

	2022	2021
	£'000	£'000
Liabilities at beginning of the year	(1,333)	(1,432)
Interest costs	(20)	(21)
Remeasurement of the scheme liabilities	(1,435)	120
Balance sheet liability	(2,788)	(1,333)

At 31 July 2022, UCAS had 33 active members participating in the scheme.

The total pension cost for the group was £654k (2021: £674k). This includes £55k (2021: £54k) outstanding employer's contributions at 31 July 2022 included in social security and other taxes within the creditors note. The contribution rate payable by the Company was 21.6 per cent of annual pensionable salaries.

UCAS Group Stakeholder Pension Plan (2007)

As contributions are treated on the basis of defined contributions, and ultimate benefits are formed from the scheme operated by an external provider, the Group has no underlying liability.

UCAS Group Stakeholder Pension Plan (2014)

UCAS implemented auto-enrolment on 1 January 2014. 148 employees were auto-enrolled in the scheme at that time, and re-enrolment assessments are carried out every subsequent three years. Following the transfer of members from the UCAS Pension and Life Assurance Scheme on its closure, the current scheme membership is 457 (2021: 403).

As contributions are treated on the basis of defined contributions, and ultimate benefits are formed from the scheme operated by an external provider, the Group has no underlying liability.

The total pension cost for the Group, for both contribution schemes, was £1,800k (2021: £1,598k). This includes £168k (2021: £135k) outstanding employer's contributions as at 31 July 2022 included in social security and other taxes within the creditors note.

19. TRADING RESULTS OF UCAS MEDIA LIMITED

UCAS Media Limited, registered in England, company number 2737300.

	Notes	2022	2022
		£'000	£'000
Turnover	2	20,841	17,651
Distribution costs		(8,841)	(5,827)
Brand and data charge	3	(3,340)	(3,001)
		8,660	8,823
Expenses			
Administrative		(7,053)	(6,757)
Total administrative expenses		(7,053)	(6,757)
Operating profit		1,607	2,066
Interest receivable		6	-
Profit before tax	3	**1,613**	**2,066**
Taxation	5	-	-
Profit after tax		**1,613**	**2,066**

The aggregate amount of the capital and reserves of UCAS Media Limited, as at 31 July 2022, was £256k (2021: £256k). Aggregate assets were £7,179k (2021: £7,066k), and aggregate liabilities were £8,025k (2021: £7,931k).

20. GROUP RECONSTRUCTION (CHARITY ONLY)

On 27th May 2022, the trade and assets of UCAS International Limited were transferred to the parent Charitable Company, UCAS, for cash consideration of £1,606,023. As this transaction meets the definition of a group reconstruction and the criteria of section 27.4 of the Charities SORP (FRS 102), it has been accounted for as a merger within the Charitable company financial statements.

Subsequent to the above, the following transactions between the charity and UCAS International Limited took place:

1. Capitalisation of the £1,500,00 loan between the charity and UCAS International Limited.

2. Bonus issue of 1,453,282 £1 shares from UCAS International Limited to the charity.

3. A reduction in UCAS International Limited share capital of £2,976,875 therefore decreasing the number of shares in UCAS International Limited held by the charity.

4. Gift Aid distribution of £1,453,282 taxable profit from UCAS International Limited to the charity.

5. Distribution from UCAS International to the charity by means of Dividend payment of remaining assets £152,740.

The assets, liabilities and reserves of the Charitable Company and UCAS International Limited have been aggregated as of 20 October 2020 (the date the Charitable Company acquired the share capital of UCAS International Limited) within the Balance Sheet of the Charitable Company and the aggregated results of the two entities have been shown within the activities of the Charitable Company from the acquisition date. The assets, liabilities and reserves in UCAS International Limited have been restated to their fair value at the date of the original acquisition to bring these into the Charitable Company at that date. The following table sets out the book values of the identifiable assets and liabilities acquired (at the original acquisition date) and their fair value:

	Book value	Revaluation	Fair value
	£'000	£'000	£'000
Fixed assets			
Intangible fixed assets	-	1,260	1,260
Current assets			
Debtors due within one year	12	-	12
Current liabilities			
Creditors: amounts falling due within one year	(59)	-	(59)
Net assets	(47)	1,260	1,213
Goodwill			240
			1,453
Satisfied by:			
Cash consideration			1,453
			1,453

The results of UCAS International Limited have not been aggregated within the Charitable Company's activities prior to the date that UCAS International Limited joined the Group.

21. RELATED PARTY TRANSACTIONS

Directors

The Directors of UCAS hold a variety of senior positions at educational providers, and other organisations, many of which undertake transactions with UCAS on a regular basis. Such transactions are undertaken on an 'arm's length' basis, and the Directors make annual declarations confirming the position they hold in these organisations. The educational providers do not meet the definition of related parties, but the existence of the relationship is included here in the interest of transparency. Therefore, full details of the value of such transactions, or the balances outstanding between UCAS (or its subsidiary undertakings) and these organisations, are not provided.

During the year, no non-executive Director of UCAS Media Limited was paid emoluments (2021: £nil).

The Universities and Colleges Admissions Service, and wholly owned subsidiaries

The following related party transactions and balances are included in the accounts of the Charitable Company, in respect of its related party subsidiary companies:

	2022					
	Intercompany debtor as at 31 July 2022	Conference attendance fees charged to parent	Staff costs recharged to subsidiary	Brand & data charges to subsidiary	Management charge to subsidiary	Gift Aid distribution to parent
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
UCAS Media Limited	4,587	(5)	3,584	3,340	1,786	1,614
UCAS International Limited	-	-	406	-	90	-

	2021					
	Intercompany debtor as at 31 July 2022	Conference attendance fees charged to parent	Staff costs recharged to subsidiary	Brand & data charges to subsidiary	Management charge to subsidiary	Gift Aid distribution to parent
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
UCAS Media Limited	-	-	3,390	3,001	2,086	2,066
UCAS International Limited	1,200	-	249	50	115	-

22. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are those used by the actuary in calculating the Group's defined benefit pension scheme liability (see note 18 for details), and those involved in estimating an intangible software asset's likely useful life upon capitalisation and impairment (see policy on capitalisation of software assets for details).

Critical areas of judgement

Senior management exercise judgement in determining that an internally-generated asset may be capitalised as an intangible asset, by reference to the likelihood that future economic benefit will be delivered by the asset, as well as the level of completeness of the asset. Details of UCAS' policy on capitalisation of software development costs is given in note 1.

Senior management also exercise judgement in reviewing any potential impairment of tangible or intangible assets which is determined by future economic value or if the asset is no longer in use.

UCAS participates in Universities Superannuation Scheme (USS), a multi-employer hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. UCAS is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, the scheme is accounted for as if it were a wholly defined contribution scheme (see note 19 for details).

The charity commenced the rental of part of one of the floors at the Rosehill site during 2018/19. Under FRS 102, where a discrete element of a property is leased to a third party, consideration needs to be given as to whether this constitutes a mixed-use property, which would necessitate that the rented element should be accounted for as an investment property and held at market value. It is UCAS' view that this arrangement does not get captured by the mixed-use rules, due to factors including the use of a shared reception, entrance through a shared corridor, and use of certain shared facilities.

© UCAS 2022

All rights reserved.

UCAS is a registered trade mark.

UCAS, a company limited by guarantee, is registered in England and Wales.
Registered number: 2839815.

Registered charity number:
1024741 (England and Wales) and SC038598 (Scotland)

Publication reference: MD-7992

Published by: UCAS, Rosehill, New Barn Lane, Cheltenham, GL52 3LZ.

THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

England & Wales - Charity number 1024741

Accounts

UCAS DIRECTORS' REPORT AND CONSOLIDATED ACCOUNTS

For the year ended 31 July 2021

UCAS

CONTENTS

31 JULY 2021

3	LEGAL AND ADMINISTRATIVE INFORMATION
5	REPORT OF THE DIRECTORS (INCLUDING THE GROUP STRATEGIC REPORT)
25	INDEPENDENT AUDITOR'S REPORT
30	CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL ACTIVITIES
32	CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL POSITION
34	CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS
36	NOTES TO THE FINANCIAL ACCOUNTS

Registered company number: 2839815
Registered charity number in England and Wales: 1024741
Charity registered in Scotland: SC038598

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 JULY 2021

BOARD STRUCTURE

CHAIR	Professor Koen Lamberts	(resigned 10 December 2020)
	Mrs Trudy Norris-Grey	(appointed 11 December 2020)
DIRECTORS	Dr David Ashton	(resigned 31 January 2021)
	Professor Colin Bailey CBE	(appointed 10 December 2020)
	Professor Joy Carter CBE DL (Deputy Chair)	(resigned 10 December 2020)
	Mr Thomas Chambers	(Senior Independent Director from 11 December 2020)
	Mr Mark Felix	
	Mr Andrew Forbes	
	Ms Caroline Hoddinott OBE	
	Professor Sally Mapstone	
	Mr Thomas Newman	
	Professor Edward Peck CBE	(Deputy Chair from 11 December 2020)
	Mr Gerry Pennell OBE	(resigned 13 May 2021)
	Professor Malcolm Press	
	Mrs Katharine Purser	(appointed 14 May 2021)
	Professor Colin Riordan	(appointed 10 August 2021)
	Mr Shuvo Saha	(appointed 01 May 2021)
	Professor Elizabeth Treasure	(resigned 14 July 2021)
COMPANY SECRETARY	Mrs Tessa Yates	
EXECUTIVE TEAM	Mrs Clare Marchant	Chief Executive
	Mr Kevin Allison	Chief Financial Officer
	Mrs Katie Bell	Chief Marketing Officer (appointed 1 February 2021)
	Mrs Elaine Chandler	Director of People
	Mr John Cope	Director of Strategy, Policy and Public Affairs (appointed 1 March 2021)
	Ms Fiona Johnston	Chief Product Officer
	Mr Sander Kristel	Chief Operating Officer
	Mr Aaron Powell	Chief Digital and Data Officer and MD UCAS International Limited (resigned 31 October 2021)
	Ms Helen Thorne MBE	Director of External Relations (resigned 31 October 2020)

REGISTERED OFFICE

Rosehill
New Barn Lane
Cheltenham
Gloucestershire
GL52 3LZ

AUDITORS

External auditor
RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Internal auditor
PricewaterhouseCoopers LLP
2 Glass Wharf
Bristol
BS2 0FR

BANKERS

Barclays plc
128 High Street
Cheltenham
Gloucestershire
GL50 1EL

SOLICITORS

Wiggin LLP
Jessop House
Jessop Avenue
Cheltenham
Gloucestershire
GL50 3WG

ACTUARY

Little and Company Actuaries and Consultants Ltd
i2 Office
450 Brook Drive
Green Park
Reading
RG2 6UU

INVESTMENT MANAGERS

Rathbone Greenbank Investments
8 Finsbury Circus
London
EC2M 7AZ

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED
31 JULY 2021

The Directors of The Universities and Colleges Admissions Service, also known as UCAS (the 'Charity'), who are also Trustees of the Charity, are responsible for the financial and organisational control and management of UCAS.

The Directors present their report for the year ended 31 July 2021. This report is deemed to encompass all matters which are required to be included in both the Strategic and Directors' Reports of the Charity.

GOVERNANCE, ORGANISATIONAL STRUCTURE, AND MANAGEMENT

UCAS was incorporated on 27 July 1993. It is a private company limited by guarantee, without share capital. It is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). Its governing document is the Articles of Association (the 'Articles'). UCAS is also a registered trademark.

UCAS is governed by a Board of thirteen Directors (the 'Board'), which usually meets five times a year to discharge its duties. It delegates to UCAS' Executive Team such powers as are necessary for the day-to-day management of the Charity. The Board adopts the Charity Governance Code.

The Board is supported by four subcommittees (the Finance, Audit, Remuneration, and Nominations Committees). They meet regularly to carry out responsibilities delegated by the Board.

The Board also receives advice from the UCAS Council, an advisory body comprising around 35 members, that represents the interests of UCAS' customers, and other key stakeholders. The role of the UCAS Council is to challenge and inform the work of the Board, give feedback to the Board on UCAS' performance, and inform the strategic direction of UCAS.

The 'Matters Reserved for the Board', 'Terms of Reference' for the subcommittees and UCAS Council, and details of UCAS Council members, are published on **ucas.com**.

SUBCOMMITTEE MEMBERSHIP DURING 2020/21 WAS:

Audit Committee:

- Ms Sarah Randall-Paley* (Chair from 10 March 2021)
- Dr David Ashton (Chair) (resigned 31 January 2021)
- Professor Colin Bailey CBE (appointed 10 December 2020)
- Mr Mark Felix (appointed 10 December 2020)
- Ms Caroline Hoddinott OBE
- Dr Jim McGeorge* (resigned 31 March 2021)
- Professor Malcolm Press (resigned 10 December 2020)
- Professor Wendy Robinson* (appointed 31 March 2021)

Finance Committee:

- Mr Thomas Chambers (Chair)
- Professor Joy Carter CBE DL (resigned 10 December 2020)
- Ms Joanne Jones*
- Mr Thomas Newman
- Ms Liz Rylatt*

Nominations Committee:

- Professor Koen Lamberts (Chair) (resigned 10 December 2020)
- Mrs Trudy Norris-Grey (Chair) (appointed 11 December 2020)
- Mr Andrew Forbes
- Professor Sally Mapstone
- Professor Edward Peck CBE
- Mrs Katharine Purser (appointed 14 May 2021)

Remuneration Committee:

- Mr Thomas Chambers (Chair)
- Professor Koen Lamberts (resigned 10 December 2020)
- Professor Joy Carter CBE DL (resigned 10 December 2020)
- Mr Thomas Newman
- Mrs Trudy Norris-Grey (appointed 11 December 2020)
- Mrs Katharine Purser (appointed 14 May 2021)
- Professor Elizabeth Treasure (resigned 14 July 2021)

(*Co-opted Committee member)

OTHER DIRECTORS' REPORT DISCLOSURES

Disclosures required by the Companies Act 2006 to be included in the directors' report about engagement with employees, suppliers, customers and other stakeholders, and energy and carbon reporting have been included below in the Strategic Report section of this report.

DIRECTORS' RECRUITMENT, APPOINTMENT, AND TRAINING

UCAS' Articles determine the constitution of the Board and appointment of Directors.

All Directors and co-opted Committee members are independently selected, and formally appointed on merit for an initial fixed term of up to four years. This is based on their specific skills, experience, and expertise, against objective criteria. With due regard for the benefits of diversity on the Boards and Committees, UCAS' recruitment processes are formal, rigorous, transparent, proportionate, and appropriate to each vacancy. This enables the widest choice of candidates to be considered.

All new Board and Committee members receive an induction pack of essential governance (including managing conflicts), and UCAS documents. They are also invited to attend a formal induction session, covering UCAS' operations. This includes meeting members of the Executive Team. Thereafter, they receive training which typically includes regular updates on legal and regulatory developments, Charity Commission, and other relevant guidance. Board and Committee members are given the opportunity to have ongoing learning and development, including site visits, to expand their knowledge of UCAS' operational developments.

UCAS regularly conducts a skills gap analysis, to inform succession planning, and enable specific training needs to be identified.

UCAS also conducts annual Board effectiveness reviews, which enable the Board to regularly consider its effectiveness, and that of its subsidiaries and Committees.

SUBSIDIARIES

UCAS owns 100 per cent of the share capital of its subsidiaries, UCAS Media Limited, UCAS International Limited and UCAS Consultancy and Insights Limited. UCAS Media Limited is used for non-primary purpose trading activities, UCAS International Limited supports international students and their agents and advisers apply for postgraduate courses in the UK, and UCAS Consultancy and Insights Limited is not trading.

Profit from UCAS Media and UCAS International is gift aided back to the charity for the purposes of investment in new, and improvements to existing, products and services. Our investment is customer led, using insight and data to prioritise those investments that are most important to our customers. In 2020/21 our investment from gift aid was used for a number of developments including but not limited to; our new UCAS application, admissions reform, and further improvements to our information, advice and insight for all our stakeholders.

The profit before tax and Gift Aid donations, for UCAS Media Limited, during the year ended 31 July 2021, amounted to £2.1m, which represented an increase of 24.0 per cent over the profit for the year ended 31 July 2020. The increase in profit was due to an increase in revenue which grew by 1.1 per cent (2020: decrease of 14.9 per cent) to £17.7m (2020: £17.5m), coupled with savings in expenditure. Physical events revenue was again impacted this year by Covid-19 but this was mitigated by growth in other sectors.

In October 2020, UCAS acquired 100% of the shares of a student mobile application start-up (UK Unifyed Ltd which is now UCAS International) to create a UK gateway for international postgraduate students. The deficit for the year was £0.6m with investment in the product prior to launch.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the strategic report, the Directors' report, and the accounts, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare accounts for each financial year, which give a true and fair view of the state of affairs, the incoming resources and application of resources, including of income and expenditure, of the Charitable Company, and the Group for that period.

In preparing these accounts, the Directors are required to:

- select suitable accounting policies, and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis, unless it is inappropriate to presume the Group and Charitable Company will continue in business

The Directors are responsible for keeping proper accounting records that show and explain both the Group's and Charitable Company's transactions, with reasonable accuracy, at any time, and the financial position of the Group and Charitable Company, and enable them to ensure the accounts comply with the Companies Act 2006, Charities and Trustees Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulation 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company, and for taking reasonable steps for the prevention and detection of fraud, and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's websites. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Given the composition of the Board, UCAS does have a relationship with the employing organisations of some of its Directors. However, all Directors have a legal obligation to act in the best interests of UCAS and in accordance with UCAS' governing document, and to avoid situations where there may be a potential conflict of interest. On accepting membership as a Director of the UCAS Board or a Director of a UCAS trading subsidiary, a Director shall supply to the Company Secretary an entry to the Declarations of Interests Register. The Company Secretary is responsible for maintaining the register and each Director is to communicate with the Company Secretary any significant additions or deletions from his/her entry as soon as practicable.

Notwithstanding any declaration made on the register, a Director shall make a further declaration of any duality or conflict of interests or conflict of loyalty at any meeting of the Board meeting where decisions are to be made on the supply of goods or services to the Company or other matters with potential financial consequences, and shall be bound by the provision of the Companies Act 2006. All such declarations are minuted.

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

The Charitable Company paid a premium of £5,215 (2020: £3,142) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each Director confirms, in so far as he or she is aware, that there is no relevant information of which UCAS' auditors are unaware. As Directors, they have taken all the steps they ought to have taken, to make themselves aware of any relevant audit information, and to establish that UCAS' auditors are aware of that information.

AUDITORS

RSM UK Audit LLP was reappointed as auditor for the year ended 31 July 2021.

REMUNERATION

UCAS operates a structured pay framework, which rewards employees based on performance. All salary levels are benchmarked externally, to ensure consistency and alignment with the sector and national markets. The remuneration for UCAS' Executive Team is subject to external benchmarking, with a separate meeting held regarding CEO remuneration. Awards given are reviewed and approved by UCAS' Remuneration Committee.

OBJECTIVES AND ACTIVITIES:

Public benefit

The Directors have reviewed the Charity's aims and objectives, and complied with their duties in the Charities Act 2011, with due regard to the Charity Commission's guidance on public benefit exercising any powers or duties where the guidance is relevant.

UCAS is an independent charity, focused on connecting people to their future. The charitable objectives are 'to advance and to assist in the advancement of education in universities and other higher, further, or secondary establishments, insofar as such advancement and assistance shall be exclusively charitable in nature, in particular, but without prejudice to the foregoing, by providing and maintaining an organisation to facilitate the consideration by such universities and other higher, further, or secondary education establishments of applications for admission to, and to assist applicants in gaining access to, such universities and educational establishments'.

UCAS does not conduct any fundraising activities, nor use any fundraising agencies, and has received no complaints in this regard.

UCAS provides public benefit by providing information, advice, and admissions services to inspire and facilitate progression in education. The section below outlines how UCAS delivers public benefit through these services.

Information and advice services

Our aim is to help people make well-informed choices about their post-secondary education, using our in-depth insight about how and when students make their decisions.

UCAS supports students throughout their journey to post-secondary study, from initial research, refinement of options, final decision-making, and transition to their chosen destination. We provide information and advice through our national programme of physical and virtual exhibitions, enabling students to meet representatives from universities and colleges, explore and narrow down their choices. Our online content expands beyond traditional Higher Education (HE), covering the range of destinations available to students, including apprenticeships and teacher training.

We attract over 32 million people from across the world to our website, ucas.com, where visitors can use our search tool to explore and filter over 50,000 undergraduate, postgraduate, and conservatoire courses. Students can also explore the latest degree and higher apprenticeship opportunities through the 'UCAS Hub' which provides students with all the tools and information they need, in one place, and for free. When it comes to exploring subjects, considering apprenticeships, shortlisting their final five, and writing an impactful personal statement or CV, the 'UCAS Hub' has it covered. Each student has their own dashboard which they can customise and tailor to their needs, organise tools, and tick off their to do list. The 'UCAS Hub' is their space, and their future.

Not everyone has access to the same levels of support and advice when considering what to do when they leave school or college, or when thinking about higher education as an adult. We work in partnership with charities and other organisations to provide practical and inspiring information, advice, and resources for underrepresented groups, including students with disabilities, care leavers, those with parental or caring responsibilities, and estranged students.

Enabling people to make the right choices about their post-secondary education delivers public benefit by enabling people to fulfil their potential. Choice of the right subject and university or college contributes to improving widening participation, student retention, and successful progression to a degree, employment, or further study, and, ultimately, value for money for the taxpayer.

Admissions services

While our core purpose is to provide an accessible and trusted undergraduate admissions service, we also provide admissions services for conservatoires, postgraduate courses, and teacher training programmes.

In offering centralised services, UCAS enables universities and colleges to connect with a wide range of potential students in a more efficient and effective way across the UK and globally. We help to manage risks from fluctuating numbers of applications, and deliver cost-effective, efficient services to help universities and colleges plan and manage admissions decision-making. For undergraduate admissions, we provide data and services to support contextualised admissions that take account of students' educational backgrounds, and help universities evaluate the effectiveness of widening participation activities. Our centralised services, with a common application process, and agreed timescales and business rules, also facilitates student choice, and supports fairness and transparency.

We employ robust eligibility criteria to our higher education provider customers, to ensure students, parents, teachers, and advisers can be confident the universities and colleges applied to are bona fide course providers, offering quality courses of educational benefit.

To support public and policy debate about participation trends including widening access, UCAS publishes comprehensive analysis and insight about who is applying to higher education, receiving offers, and securing places. Taking into account the characteristics of the applicant population, and patterns of applications, offers, and acceptances, our analysis shows that at an aggregate level, admissions to full-time higher education are fair.

UCAS will publish a specific impact report in early 2022 which will be available on ucas.com. The report will provide an overview of the last year to give our stakeholders a real sense of the value UCAS has delivered on behalf of our customers. UCAS' role in providing a UK-wide admissions service, on behalf of all its customers, is not to be taken for granted. We will continue to innovate and reform. We have a critical role in proactively helping shape current HE admissions reviews. We want to make sure that students from more than 200 countries have fair and transparent choice and can make aspirational choices, regardless of their background or circumstance.

STRATEGIC REPORT

Achievements and performance

UCAS' core purpose is to run an accessible, trusted, and personalised undergraduate admissions and information service. Our strategy *Discover Your Future* (2020 to 2025) focuses on delivery of six strategic objectives. Examples of progress against these objectives during 2020/21 are outlined below.

1. Inspire and empower people to make aspirational choices about higher education and learning

- Invested in more personalised, relevant, and far-reaching social media content, including expanding our presence to TikTok, to support student decision-making during the COVID-19 pandemic. This included more Live Q&A sessions for both applicants and pre-applicants, with dedicated sessions for international students. Across the year our social media content attracted 1.7 million interactions.
- We have increased our engagement with the pre-applicant audience through a series of virtual exhibitions attracting as many as 20,000 registrations for one event. Our overall pre-applicant audience has almost doubled in two years to over 500,000. We have achieved this through expanding our breadth of content to include practical content on future pathways and giving parity to apprenticeships, as well as offering deeper more inspirational content.
- Transformed our data reporting to be more accessible, easier to use, and insight driven, including the end of cycle 'Realising Ambition' report designed to support teachers and UCAS advisers to provide the best advice on options available for applicants.
- Our content for apprenticeships has improved leading to job views on Career Finder increasing by 43% and more than 50,000 registered 'apprenticeship seekers' who have signed up to our new alerts service.
- Clearing Plus returned for a second year as a smart, fair, and personal way for students to find courses that they might not otherwise have thought about.
- Released a pilot historic entry grades tool, which shows advisers the grades students held when they were accepted onto courses during the 2017 – 2019 application cycles providing a key step in providing transparency to the sector to underpin informed decision making.
- Traffic volumes on ucas.com is an example of a KPI used to track this strategic objective.

2. Deliver trusted and flexible admissions services for the digital age

- Successfully delivered the UCAS Undergraduate, UCAS Teacher Training, UCAS Conservatoires, and UCAS Postgraduate admissions services, supporting over 774,000 applicants, with 560,000 of those securing a place and almost 421,000 securing their first choice on an undergraduate degree course. This was in the context of a significant change in qualification awarding during the summer of 2020.
- Launched our new undergraduate interface for students which now brings together the ability to submit and track the progress of their application in one easy-to-use interface and eliminates multiple log ons.
- Simplified the cycle for applicants and providers with fewer deadline days, a single results day and new January deadline to provide schools with more time to support applicants after the Christmas break.
- Continuously improved products such as Clearing Plus, including allowing providers to upload courses in bulk and apply multiple sets of criteria.
- Launched our new Record of Prior Acceptance (RPA) service to give providers an efficient route to share details of students they recruit directly.
- We began work to improve our core services which includes the provision of an automated end to end testing suite for our core admissions system, creating greater flexibility and speed in development paths.
- Applicant numbers across all the different schemes is one of UCAS' KPIs

3. Be the go-to place for higher education data-driven insights

- Provided significant support throughout the sector with additional insight and analytics including for DfE and Awarding Bodies and expanded the use of transparent data dashboards freely available to the public.
- Delivered a number of new data products for customers including the Untapped Geographies and Leaky Hosepipe products to provide visualisations for Higher Education providers to support their recruitment and onboarding strategies.
- Utilised a variety of machine learning techniques to analyse and optimise commercial emails sends by UCAS Media for customers to predict which were the most likely to be opened based on the profile of the recipient.
- Shifted the dial on our outputs, combining policy and analysis to produce a series of forward-looking reports exploring widening access and participation, student choice, apprenticeships, and mental health.
- Conducted a number of insightful surveys using UCAS expertise or third parties when needed.
- Qualitative KPIs are in place such as UCAS' policy outputs, in addition to quantitative KPIs.

4. Connect the world to UK higher education

- 2020/21 saw a record number of non-EU applicants apply to UK universities through UCAS, with 102,000 applicants (a 14% increase on the previous year).
- There were record numbers of applicants placed at UK universities from China, India and the USA, as well as Malaysia and Nigeria.
- The acquisition of UCAS International Ltd in October 2020 supports this strategic objective as it provides a route to offer services to the international market that encourages and enables international students looking to, and when transitioning to, study in the UK. Technical, financial and legal due diligence was performed utilising third party specialists, along with third party valuation support, customer insight research and also a number of 1-to-1 interviews directly with representatives of Higher Education Providers (HEPs), international recruitment agents and international recruitment specialists.
- Since the acquisition, UCAS International Ltd has been developing and preparing to launch the service (now launched in October 2021), Myriad by UCAS, providing a one stop shop for international postgraduate applicants. This further development has been built out from significant primary and secondary research pieces with students, education agents and advisors, and HEPs.
- To ensure the Myriad platform was created through a journey with the UK Higher Education sector, to meet both expectations and needs, UCAS undertook a wide-reaching and comprehensive series of engagement activity with HEPs, including: delivering several group information sessions, liaison with university Vice Chancellors, representation at mission groups and forums, running a sequence of platform-shaping focus groups, working closely with BUILA International Directors, and hosting approximately 70+ 1-to-1 meetings.
- Throughout 2020/21 UCAS also supported international advisers and undergraduate applicants with information and advice, including Facebook Live sessions, WeChat updates, adviser webinars and joint virtual activities with stakeholders.
- UCAS Hub international traffic numbers is an example of a KPI in this area.

5. Embed efficiency and value in everything we do

- A significant new technology agreement with Infosys which enables UCAS to focus on delivering seamless customer service experiences through greater automation, innovation and efficiency.
- A continued focus on the supply chain which has delivered savings through better clarity of the business need, consolidating contracts, downscaling contracts to match usage, framework agreements, benchmarking of pricing, building competition and negotiating price reductions.
- Continuing to build out the 'Product' function in support of UCAS' digital strategy and 'product focussed, customer centric' business model while also ensuring that UCAS have better intelligence on the use and success of products. This is also supported by establishing the platform engineering function to ensure a faster pace and greater reliability in UCAS' product delivery.
- Implemented UCAS' first chatbot which is performing well.
- A continuation of the internal volunteering programme where staff from all over UCAS work on the phones in the customer experience centre during results and deadline days. This increases knowledge, customer service and intimacy across the organisation, as well as delivering savings.
- Income, surplus and cash are KPIs which are reported at each Board meeting.

6. Be an employer of choice where people flourish, perform, and achieve

- A new integrated HR, Payroll, Talent and Recruitment system implemented allowing managers, employees and recruitment candidates far greater and more efficient self-service.
- Continued investing in wellbeing and maturing the mental health first aiders scheme with significant support for staff throughout the further COVID-19 lockdowns. In our wellbeing staff survey, 99% of respondents agreed that UCAS cares about employee wellbeing.
- Developed and launched a new Leadership programme 'ULead' and successfully embedded the new talent framework 'Grow with UCAS', including launching our first Top Talent Programme and our 'UThrive' Graduate and Apprenticeship Programme.
- Commenced work on the re-purposing of the UCAS office to enable a move to a hybrid way of working, responding to UCAS' colleague feedback where majority of the workforce envisage returning to the office on average 2 days per week.
- Conducted a refresh of all our Equality, Diversity and Inclusion (EDI) data, resulting in over 70% of the workforce fully disclosing their equality data. Introduction of a new EDI framework and increasing the number of diverse applicants for our non-executive recruitment.
- There are a number of people KPIs in place including FTE, unplanned turnover, and absence.

PLANS FOR THE FUTURE

Building on the significant sector engagement on reform during 2021, UCAS will be continuing to seek customer and stakeholder feedback to reimagine the admissions service. We will be proactively updating the base technology of our core systems and launching a new datalink service for universities which will deliver efficiencies and flexibility in the ways in which we capture and share new information. UCAS is also exploring with the sector areas such as how students make application choices and decisions, to develop a series of changes which could be made ahead of implementation of a potential post qualifications model.

UCAS plays a critical and wide-ranging role in supporting widening participation, spanning from delivering personalised content about a range of post-secondary opportunities and student circumstances, to promoting a holistic and thorough understanding of an applicant's circumstance, to answering the strategic questions in widening access and participation through data, analysis and insights. UCAS is seeking to enhance its role in widening access and participation, and has recently committed to a significant, multi-year investment to support disadvantaged students.

Furthermore, the interests of disadvantaged students are central to our consideration regarding admissions reform and continuous improvement. Over the next few cycles, we will deliver a series of initiatives, including enhanced information, advice and guidance, new cohort-specific questions in the application, and increased transparency on grades on entry.

UCAS is making significant investment in the development of a higher and degree apprenticeships service, which will have at its core an outstanding information, advice and guidance provision, as well as the provision of accessible careers-assessment and careers-finder services that will support learners in making the choices that are right for them by helping them to navigate the pathways available through their higher education journeys.

Following the successful launch of the new virtual events platform, work has commenced in readiness for the next events series starting Autumn 2021 alongside looking at the requirements to support virtual conferences. Overall student satisfaction has increased from 5/10 to 7/10 with 20% of attendees rating it 10/10. Over the coming months the focus is on how we can provide a seamless customer journey, that enables multiple events to be run in parallel as part of a blended events model (i.e. combination of face to face and virtual events offering).

UCAS has partnered with Route 101 to implement a new omnichannel platform to support customer contact. This platform routes all contacts to staff via a single source, embedding the contact application through Salesforce directly. UCAS will continue to innovate and build on the success of the chatbot launched in January 2021, which will provide more and more comprehensive self-serve options 24/7 – meeting customers' needs when they want to contact us.

Following the launch of Myriad by UCAS in October 2021, UCAS will continue to develop the platform's existing functionality and ensure it meets the needs of customers and stakeholders in line with sector engagement, rolling feedback and market demand. The platform will continue to be student-centric, targeting the pain points of international applicants in order to deliver improvements to the student experience, deliver benefits to the UK HE sector and ultimately UK plc, enhance Myriad and UCAS' reputations, and build up a significant, diverse user base.

The focus for the coming year in commercial data products and services is threefold. Firstly, to grow the revenue we directly support through the delivery of data products with an associated increase in margin, all of which can be invested back into customer facing products and services in the charity. Secondly, to deliver new products to market which utilise machine learning to provide real-time and predictive recommendations to our customers and combining this with use of proprietary data sources to increase the value of our products to customers. Thirdly, we are committed to extending our support for internal business processes using our skills in data science.

Our work in delivering a data platform which supports innovative data mining is critical to achieving our goals to build a suite of data products which is of great value to customers and provides them with a product which cannot be obtained elsewhere.

Finally, how, and where employees work is a contributing factor when choosing whether to work for UCAS (either with a view to moving to UCAS, or away from UCAS) and Covid-19 has forced UCAS, along with many others, to broaden our horizons as to the art of the possible. Using the views and feedback from colleagues we will be repurposing Rosehill (the UCAS office) focusing on both the physical and technical environments needed to work in a hybrid way. Helping colleagues make the transition to this new way of working, as well as supporting managers to lead their teams though this change is a key priority for 2021/22. There will be focus on the new policies and behaviour frameworks that will help this change, as well as the engagement and wellbeing support throughout the immediate return to the office, through the transition and as we embed good habits to sustain best practice in the longer term.

SECTION 172 STATEMENT

The Board of Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company in achieving its charitable purpose and, in doing so, to have regard (amongst other matters) to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly as between members of the company.

Throughout this report, we have summarised our governance framework and how we are engaged with stakeholders during the year. The Trustees have considered the views and needs of key stakeholders in Board discussions and decision making. The following points are not intended to be an exhaustive list but are illustrative of how the Trustees have fulfilled these duties during the year.

Engagement with stakeholders

- Stakeholder engagement is one of the core ways that we deliver on Discover Your Future. Effective engagement provides us with opportunities to build and maintain confidence in UCAS and our products, and with the insight and intelligence we need for both operational purposes and to ensure our products and services are fit for purpose. During the year, the Trustees approved the approach and their responsibilities, recognising the importance of a number of external stakeholders such as applicants, providers, advisers, education and commercial customers, government and sector agencies, legal members and suppliers, as well as internal stakeholders.
- Following approval from UCAS' legal membership of universities and colleges in 2020 to recruit an independent Chair, Trudy Norris-Grey, was appointed. Professor Edward Peck became Deputy Chair of the Board, and Thomas Chambers was appointed as the Senior Independent Director.
- The Chair of the Board has engaged with a number of stakeholders as part of their induction and continues to meet regularly with Chairs of relevant bodies as well as groups of university leaders and employer organisations. On results day, some of the Trustees were present at the Rosehill location and they met with students, government, sector agencies, suppliers, and listened to calls from applicants.
- The governance arrangements for the UCAS Council have been clarified and the Council's impact, responsibilities, and its membership have been strengthened. Where possible, Council papers and meetings have been aligned to the UCAS Board which will aid decision making. Council agendas have also moved away from operational matters towards a greater focus on the external environment and shaping UCAS' policy work. The Council's membership has also broadened to better reflect the views of apprentices, employers, policy thinkers, students, and the sector as a whole.

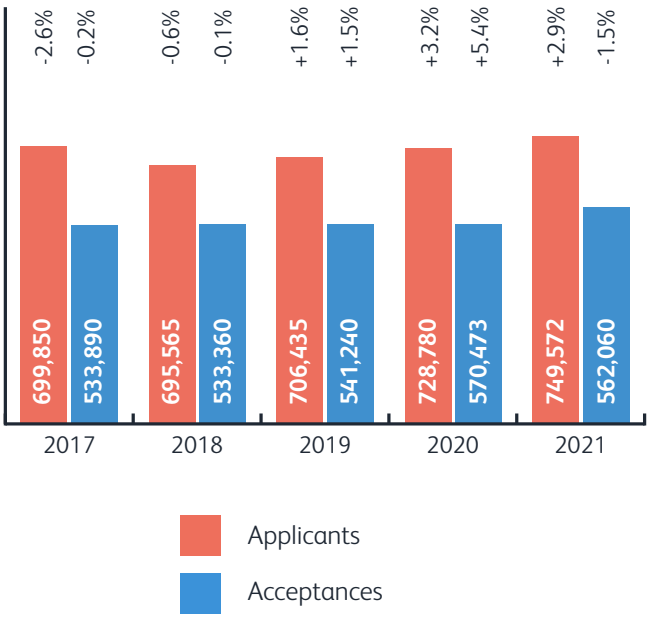
- The Trustees review financial and operational performance, as well as information covering areas such as external drivers which includes the number of applications, staff including UCAS' people promise, pensions, delivery, and key risks. This information is provided to the Trustees through routine reports circulated in advance of each Board meeting which were then reviewed, discussed and approved, as necessary.
- Key publications were issued over the course of the year such as on student mental health, and *Where Next? Improving the journey to becoming an apprentice* report in May which showed that over half of students looking to apply to higher education in 2022 said they are interested in apprenticeships, but many find it hard to get the information they need about them. UCAS' goal is for its service to be as strong for would-be apprentices as it is for prospective undergraduates, allowing students to explore their options in a truly comparable manner.
- Following stakeholder input, the Board initially paused the launch of Myriad by UCAS to conduct further stakeholder engagement. Subsequently and incorporating the further stakeholder feedback, the Board approved the launch of the Myriad platform, the new multi-language mobile app will support international students and their agents and advisers apply for postgraduate courses in the UK.
- UCAS have worked closely with DfE officials, UUK, and the devolved nations on the government's post qualification admissions (PQA) consultation. Our submission to the consultation was informed by extensive engagement with 180 universities and colleges, over 700 teachers and their representative bodies, and nearly 15,000 students. It also draws on UCAS data from the nearly three million applications each cycle.

Engagement with employees

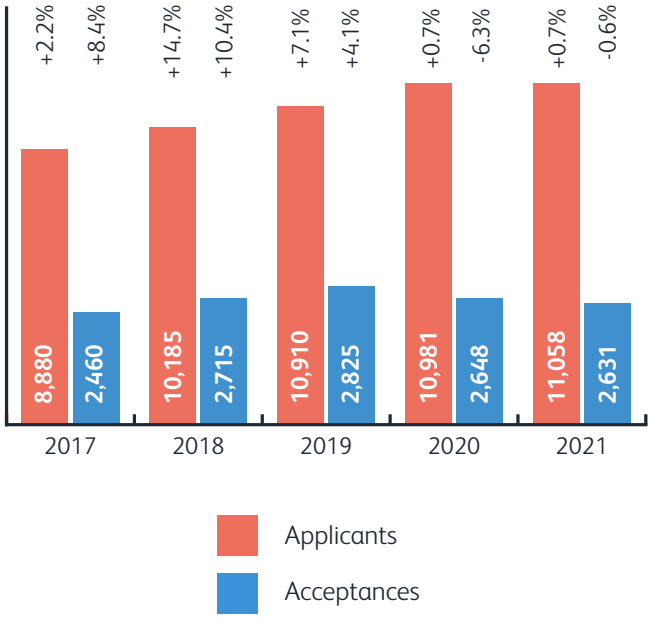
- In line with our objective of being an employer of choice, a significant amount of workforce improvement has been delivered to develop the culture, capacity and capability of the workforce, including, a much greater focus on absence and turnover management, new terms and conditions, a new pay and grading framework, a performance and potential framework as well as changes to staff engagement and wellbeing.
- How and where employees work is a contributing factor when choosing whether to work for UCAS and Covid-19 has forced UCAS, along with many others, to broaden our horizons as to the art of the possible. The Directors approved investment in the Rosehill site to re-purpose its use, redesigning the use of space and technology to allow a future flex approach, where colleagues can utilise the environment in which they think they excel best.
- The Executive team are actively involved in the engagement of staff through frequent briefings, use of internal communication tools, and regular CEO stand ups to provide updates on business developments and to answer questions directly.
- Further steps to improve equality and grow diversity and inclusion supported by data and a new EDI lead role has also been appointed to accelerate the delivery of a more ambitious set of targets in line with our 'Discover your Future' strategy.
- Continued investing in wellbeing with 99% of respondents believing that UCAS cares about employee wellbeing.

APPLICANT NUMBERS BY SCHEME

UCAS Undergraduate



UCAS Conservatoires

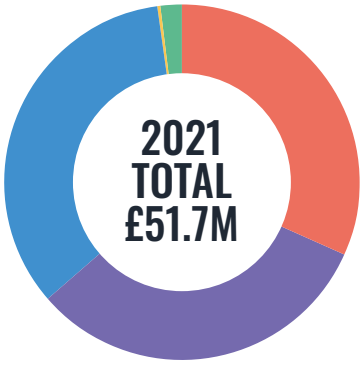


FINANCIAL REVIEW

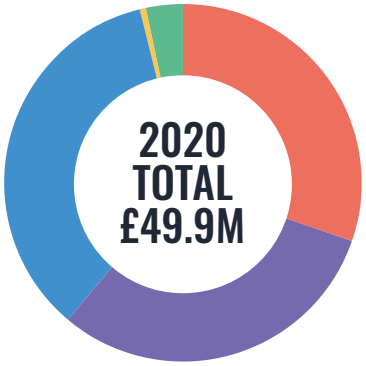
The applicant numbers detailed on page 17, and the associated income disclosed below, are some of the key performance indicators used to measure the performance of the charity. The performance of UCAS Media Limited, as detailed below, is also considered a key indicator of the Group's performance.

Total group income increased by 3.8 per cent, to £51.7m. An increase in income was seen from charitable activities which given the timing of the cycle was not impacted by Covid-19 in 2019/20. The year-on-year charity income growth was as a result of an increase in capitation and application income. The revenue generated by the commercial subsidiary UCAS Media increased by 1.3 per cent despite the impact of Covid-19 on physical events.

Total income (note 3) in 2021 vs. 2020 is shown below:



Provider fees	31.9%
Applicant fees	31.8%
UCAS Media	34.1%
Investment income	0.3%
Other	1.8%



Provider fees	30.5%
Applicant fees	30.8%
UCAS Media	35.0%
Investment income	0.6%
Other	3.1%

Expenditure (note 4) is further broken down below, showing expenditure by business area.

Digital & Data	47%
Operations	13%
Sales & Marketing	21%
Support	18%

Digital & Data	57%
Operations	11%
Sales & Marketing	18%
Support	14%

Expenditure was tightly controlled across all areas of the organisation, with cost savings being reinvested in developing key areas of the Group, to enhance the services available to UCAS' customers. An impairment review of development costs and contracts was conducted during the year which resulted in a charge of £0.6m (2020 £6.4m). This is a key driver of the lower year on year expenditure with other notable savings in pay and third-party contracts. It is also worth noting that there were some cost reductions linked to the lockdown impositions of Covid-19 albeit much lower than the impact on income. Some of these costs are set to return in 2021/22.

Looking ahead, UCAS will look to augment existing services, and develop new ones in response to strong value propositions and will actively manage product lifecycles to maximise efficiencies. The implementation of a new target operating model positioning UCAS as a 'Customer Centric, Product Focused' organisation also supports this enabling the delivery of innovation at pace.

During the course of the year, UCAS acquired 100% of the shares of a student mobile application start-up (UK Unifyed Ltd) and created UCAS International. The cost was £1.5m which was paid in cash and in its first year of trading recorded a deficit of £0.6m. There is a deferred and contingent consideration which would be funded by cash but it is not possible to quantify this as it is based on future revenue.

Cash reserves for the Group increased from £18.5m to £26.3m due to the net cash inflow from operating activities.

UCAS also holds a liquid investment portfolio, containing a combination of bonds, equities, and property. This year has seen the investment increase by 20.5 per cent to a value of £8.4m as at 31 July 2021 (2020: £7.0m value) as a result of market conditions.

Details of UCAS' pension arrangements, including two final salary schemes, and two money purchase arrangements, are set out in note 18 of the accounts. The net charge for the UCAS Pension and Life Assurance Scheme (PLAS) for the year ended 31 July 2021 is £0.2m (2020: £0.2m), included in note 18, after cash contributions of £0.8m (2020: £1.0m). The contributions were made under a formal agreement with the Trustees of the pension scheme, to alleviate the pension Trustees' measure of the deficiency of net assets in the scheme. In the year ended 31 July 2021, the return on scheme assets, and actuarial gain on the scheme liabilities totalling £4.8m positively impacted by market conditions, were recognised in other comprehensive income (2020: deficit £3.8m). The deficit recognised on the balance sheet decreased to £6.6m (2020: £12.2m).

Under FRS 102, the Group has also recognised the present value of future deficit contributions payable to the Universities Superannuation Scheme (USS) pension scheme, resulting in a deficit of £1.3m (2020: £1.4m) being recognised on the balance sheet.

The Group's financial reserves mainly comprise cash at bank, and liquid investment funds. The main purpose of these reserves is to maintain sufficient finance for the Group's planned future operations and activities. The main financial risk arising from the Group's operations and activities, is liquidity risk. The Group funds its operations and activities from operating income and cash reserves.

The Group made no political contributions or donations during the two years ended 31 July 2021. As a registered charity, UCAS seeks to benefit from the appropriate tax exemptions where it can.

STREAMLINED ENERGY AND CARBON REPORTING

UCAS is required to report under the Streamlined Energy and Carbon Reporting regulations. This report was undertaken in accordance with the Streamlined Energy and Carbon Reporting ("SECR") requirements outlined in the Companies Act (2006) for large quoted and unlisted companies which requires UCAS to report on its Greenhouse Gas (GHG) emissions. This report contains details on annual GHG emissions, total energy consumption from our Cheltenham head office, transport assets, and energy efficiency actions implemented for each financial year. This report contains our SECR disclosure for the 2020/21 financial year.

UCAS participated in the Energy Savings Opportunity Scheme (ESOS) during 2020/21. During the reporting year UCAS undertook a retrofit of the heating system at the Rosehill location which improves energy efficiency. In addition, existing gas-fired water heaters were replaced with efficient electrically heated tanks and the Building Management System was replaced with the most up to date Trend IQ control system to improve its environmental controls. It should also be noted that the lockdown impositions of Covid-19 have resulted in the Rosehill building having a significantly reduced occupancy, with a significant reduction in energy demand compared to our baseline reporting year (2019 financial year). Similarly, business travel was suspended, resulting in lower travel-related emissions.

Moving forwards UCAS are planning to construct a smaller data centre, which will have less energy demand in terms of cooling and power supply. UCAS are also planning to transition more of the building at the Rosehill location to LED lighting. These measures will help to further reduce UCAS' annual energy demand.

Over the year we have collected primary data for our head office site including: electricity consumption (kWh), electricity transmission and distribution (kWh) and natural gas consumption (kWh). Transport data has been collated from our small fleet of owned vehicles (business mileage) and our grey fleet mileage from hire and staff car usage. All primary data used within this report is from 01 August 2020 – 31 July 2021, covering our financial year. The scope of our GHG emissions calculation covers all of UCAS' operations from our head office, as a consolidated group report.

Emissions source	GHC Scope	1 Aug 2019 – 31 Jul 2020*	1 Aug 2020 – 31 Jul 2021*	Y.o.Y % change
Electricity	Scopes 2 & 3	994,890	951,587	-4.4%
Natural gas	Scope 1	513,883	456,354	-11.2%
Owned vehicles	Scope 1	57,908	1,497	-97.4%
Grey fleet	Scope 3	54,410	2,760	-94.9%
Total energy consumption (kWh)		**1,621,091**	**1,412,197**	**-12.9%**

*Reporting unit kilowatts per hour (kWh)

In accordance with the SECR Emissions Reporting requirements outlined in the Companies Act for large companies our GHG disclosure for the 2020/21 financial year is listed below. Results have been split by Scope and source as outlined by the BEIS and Greenhouse Gas Protocol Corporate Reporting Standard (GHG Protocol) methodology for compiling the GHG data and calculations using the 2020 Conversion Factors for Company Reporting published annually by Defra and BEIS. m2 has been as the measure for intensity given that most emissions are driven by the building.

GHG emissions scope	1 Aug 2019 – 31 Jul 2020	1 Aug 2020 – 31 Jul 2021	Y.o.Y % change
Scope 1	108.64	84.29	-22.4%
Scope 2	254.29	221.85	-12.8%
Scope 3	12.95	0.69	-94.7%
Total GHG emissions*	**375.89**	**306.84**	**-18.4%**
GHG emissions intensity**	**7.54**	**5.94**	**-21.2%**
GHG emissions intensity***	**0.07**	**0.06**	**-18.4%**

*Results unit tonnes CO_2e

**Results unit tonnes CO2e/£M Gross Income

***Results unit tonnes CO_2e/m^2

RISK MANAGEMENT

The Directors have given consideration to the significant risks UCAS is exposed to and have satisfied themselves that controls are in place to mitigate those risks. The UCAS Board seeks to manage and mitigate risk, particularly through the activities of its Audit Committee. Working in conjunction with the Executive Team, the Audit Committee monitors the following activity:

1. **Risk management** – the Corporate Risk Management Framework sets out UCAS' approach to risk management, covering the end-to-end process, roles, and responsibilities, and defining the scope of its activities.

   The Directors consider the key principal strategic risks to be monitored currently are:

   - Compromise of sensitive or personal data – we continue to make improvements to our technical security, in response to the constantly changing cyber threat landscape. We have robust security incident management procedures, backup and recovery plans, as well as a comprehensive plan for business continuity and recovery. We also continue to run awareness campaigns, to increase the vigilance and diligence of our employees, and help mitigate the risk of a compromise of sensitive or personal data.
   - Inability to attract and retain a sufficient number of specialist skills – The recruitment market for certain skills has become increasingly competitive, particularly due to most organisations now recruiting these roles with the option to work remotely, with London based organisations that attract higher salaries now drawing from a much wider pool. To help mitigate this risk, a more structured approach to sourcing and resourcing has been implemented, focusing on short term vs long term resource requirements, talent mobility and expediting internal processes.
   - Pensions deficit – There is currently a deficit on the UCAS Pension and Life Assurance Scheme (PLAS) and the Universities Superannuation Scheme (USS). With regard to PLAS, the Directors and the pension scheme Trustees have agreed a plan to address the deficit with additional employer contributions. At the time of preparing the financial statements, the latest valuation for the USS scheme was underway with an effective date of 31 March 2020 but remained incomplete. Since the year end the 2020 actuarial valuation has been completed and is outlined in Note 23 Post Balance Sheet Event.

   Strategic risks are reviewed by the Executive Team on a regular basis, and UCAS' corporate risk exposure is reported to all meetings of the Audit Committee and UCAS Board. Tactical risks at a business unit level are reviewed frequently.

2. **Internal audit** – PPricewaterhouseCoopers (PwC), as UCAS' internal auditor, undertakes a series of audits in which they review the organisation's activities and governance functions, and report their findings to the Audit Committee. A risk-based approach is taken to the development of the annual audit plan. This is agreed with, and guided by, the Executive Team and the Audit Committee. The 2020/21 audit programme included reviews such as homeworking controls, customer onboarding, contact centre, data platform, and cyber security. In addition, PwC also conducted an advisory report regarding product development, as well as fraud and verification. Internal audit is conducted in conjunction with the external audit function, provided by RSM.

3. **Health and safety** – UCAS maintains a dedicated and centrally-managed health, safety, and environmental function. This role undertakes regular reviews of operational activities, and provides advice, including risk assessments, as well as wellbeing developments, reporting to the Chief Executive and Audit Committee, through the Executive sponsor for health and safety. The priorities are to maintain a healthy and safe environment for the UCAS workforce, ensure compliance with relevant health and safety legislation and regulation (including the Government guidelines for Covid-19), ensure the requirements of the Energy Savings Opportunities Scheme (ESOS) are being satisfied, and effectively manage UCAS' environmental impact and wellbeing.

RESERVES POLICY

The aim of the reserves policy is to protect UCAS from unforeseen financial challenges, while making funds available for investment in future activities.

Due to the cyclical nature of the annual application cycles, UCAS' income can vary seasonally. By contrast, expenditure is, for the most part, incurred evenly throughout the year. This can cause timing issues, where expenditure exceeds income at certain points within the year. There are also risks which need to be managed.

There is therefore a need for cash at a sufficient level to fund expenditure as noted in the general reserve section below.

The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. As such, there is a need for reserves. This is highlighted in the income and technology reserve sections below.

The reserves policy sets out the criteria used to designate UCAS' reserves and explains the reasoning behind putting each reserve in place. Where the full value of any reserve cannot be designated from available funds, the reserve will be partially set aside, with the aspiration to build the full reserve in subsequent years.

The policy is reviewed annually, to take account of changes to the external environment and the performance of current operations.

For the purposes of this policy, the calculation of the reserves held in the UCAS Group balance sheet is based on the net assets, excluding the pension scheme liability, minus tangible and intangible fixed assets. The pension liability has been excluded from the total, as UCAS has committed to a multi-year scheme recovery plan, which can be met from projected future income without significant impact on its planned levels of charitable activity. UCAS has also set aside two years of recovery payments in the general reserve, equivalent to £2.0m as at 31 July 2021.

The value of the reserves target is currently £27.2m (2020 £26.4m) based on the definition in the reserves policy versus actual reserves of £34.7m. (2020 £25.5m). Now that UCAS has met its reserves policy, significant investment is now underway to deliver the Discover your Future strategy which is available at ucas.com. It's likely that the amounts above the reserves policy will be used over the next few years given the investment levels are aligned to the 2020 to 2025 strategy. The level of investment is a material step up for the organisation and is targeted in areas such as reform, higher and degree apprenticeships service, international, as well as information, advice and guidance. Further examples are outlined in the plans for the future section above.

When considering the appropriateness of the level of reserves for the UCAS Group (the Charity and Subsidiaries), the Directors have regard to the strategic risks facing the business and their possible financial implications, and the current business plan which includes the availability of cash in the bank and investment funds and the need for reserves to offset significant timing differences in the receipt of cash, particularly at the year end, when cash balances are typically at their lowest levels. The establishment of appropriate levels of reserves is therefore considered important to the continued operation of UCAS.

The Directors have noted that UCAS Media and UCAS International are wholly owned subsidiaries of UCAS, which Gift Aid their profits to the Charity. It was therefore not considered appropriate to devise a separate reserves policy for UCAS Media or UCAS International. The total balance sheet fund value is £39.2m.

The following unrestricted reserves have been identified (none of UCAS' reserves are deemed to be restricted):

GENERAL RESERVES

UCAS' income is seasonal, largely due to the application cycles, while expenditure is relatively constant throughout the year. There are also risks to be managed. There is, therefore, a need for cash at a sufficient level to fund expenditure. The total value of liquid assets (cash plus investment fund) that UCAS should look to maintain at any given time as general reserves, is based on the following assumptions:

- Two and half months' working capital
- Two years of PLAS deficit recovery plan payments
- USS liability (as per balance sheet)

As UCAS has entered into a multi-year deficit recovery plan for the UCAS Pension & Life Assurance Scheme (PLAS), and because two years of PLAS deficit recovery payments and the USS balance sheet liability are now included in the general reserve, it is not considered necessary to designate a separate pension reserve. The value of general reserves as at 31 July 2021 was £27.2m (2020 £11.0m).

INCOME RESERVES

The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. They therefore consider it important to establish sufficient reserves to protect against any unforeseen reduction in income. The Directors have therefore designated a specific reserve to protect against any strategic risks that could lead to a loss of income. Each risk identified at the corporate level, where a potential financial loss is highlighted, is assigned a likelihood in percentage terms. This percentage is multiplied by the estimated loss, to arrive at a corresponding value. The total of all amounts is reflected in the final value of the income reserve. The value of this reserve as at 31 July 2021 was £4.0m (2020 £3.2m).

TECHNOLOGY RESERVE

Acknowledging the dependency of technology, coupled with the risks of operational failure and the serious compromise of sensitive or personal data, the Directors believe a designated technology reserve should be held. Although UCAS has made significant historic investment in its technology, new development must continue to ensure successful delivery of core services, as well as security and recovery provision. The Directors therefore consider it essential to hold sufficient reserves for this purpose. UCAS' technology spend can be segmented into three core areas:

- Tier one – architectural building blocks for the future and security and recovery provision
- Tier two – technology suppliers
- Tier three – other smaller technology suppliers

The target value should represent the annual cost of tier one. The value of this reserve as at 31 July 2021 was £8.0m (2020 £8.0m).

INVESTMENT POLICY

UCAS' Memorandum of Association allows the Group to make such investments, including securities or property as may be thought fit, subject to legal and constitutional conditions and consents. This also allows the Group to subscribe for interests in any company or undertaking established, with the intention of directly or indirectly benefiting the Company. All cash funds generated by UCAS, or any subsidiary companies, will be invested and managed through UCAS, in accordance with all legal requirements, and with regard to UCAS' reserves policy, and both short-term and long-term working capital requirements. The funds to be invested represent the excess of cash reserves over the amount needed to fund investment in the company's infrastructure. The objective for the fund is to achieve a balance of income and capital growth, while at least maintaining the real capital value of the investment funds in the long term. UCAS seeks an annual return equal to three percentage points above the consumer prices index (CPI) over a rolling five years, and the fund is benchmarked against the Asset Risk Consultants (ARC) Charity Sterling Steady Growth Index or suitable equivalent. For managed funds, the appointed investment manager may use their discretion in selecting the most appropriate investments, subject to the risk appetite and ethical parameters set out in UCAS' investment policy which is monitored, along with investment managers performance, by Finance Committee.

EMPLOYEE ENGAGEMENT

Our 'People Promise' aims to deliver on our promise to be an employer that provides a place where people belong, flourish, perform, and achieve.

This is achieved through:

- providing a performance framework that measures and rewards success
- clear career pathways and growth opportunities
- ensuring all our leaders are role models for the UCAS values in action
- offering learning academies linked to career frameworks, and promoting a balanced approach to development
- having multiple ways to communicate to and engage with colleagues, including through the staff consultation group

- promoting a hybrid way of working where people are able to work in way which suits both the business and individual success, while also creating a culture space within the office where people can connect and collaborate
- an update and review on people promise at each Board meeting which is presented as part of the CEO update, covering areas such as talent and development. A more detailed review is also undertaken by Remuneration Committee.

EQUALITY AND INCLUSION

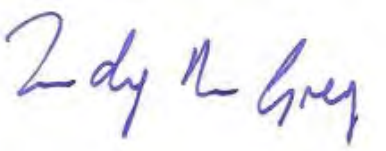
At UCAS everyone, no matter their identity, background or abilities, can Discover their Future. We believe that each individual is different with something unique to offer, and we realise the value this has for our UCAS community and the work we do. We are firmly committed to advancing equality, diversity and inclusion and this will be measured and evident through our workforce demographics and employee experience and satisfaction scores.

UCAS gives full and fair consideration to applications for employment from people with disabilities, having regard to their particular aptitudes and abilities. All reasonable adjustments are made for the continued employment and training, career development and promotion of people with disabilities employed by UCAS. UCAS do not condone or tolerate any form of discrimination in our recruitment or employment practices.

Key updates which were discussed by the Directors for 2020/21 include:

- As part of UCAS' 'People promise' strategic objective, the introduction of a strategic measure to improve employee diversity by 2025
- An established set of UCAS Executive EDI commitments, including flexible and remote working, collection of equality monitoring data and introducing diversity targets for UCAS employees and Board
- The introduction of an 'Equality, Diversity and Inclusion Lead' role to manage all EDI activities under a central scheme
- The development of UCAS' 'EDI Framework', to provide an assessment of organisational maturity and roadmap to improve this by 2025
- Increased employee equality monitoring data disclosure to 70% (this includes an increase of 70% for some protected characteristics (such as sexual orientation) as these were not previously collected
- The development of the office in consultation with employees to ensure this is inclusive, with recommendations made to improve accessibility and services. As an example, the redeveloped outside patio and meeting space is fully accessible to support current and future employees with a disability, and the new kitchen areas under construction will all have low level sinks.
- Development of talent attraction to improve content, networks and attraction tools
- Obtained Advance HE Affiliate membership
- Ongoing gender pay reporting

The Directors' Report and incorporated Strategic Report were approved by the Board on 09 December 2021, and signed on its behalf by:



Trudy Norris-Grey
Chair
Date: 09 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

FOR THE YEAR ENDED 31 JULY 2021

OPINION

We have audited the financial statements of The Universities and Colleges Admissions Service (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the Consolidated and Charity Statements of Financial Activities (incorporating an income and expenditure account), the Consolidated and Charity Statements of Financial Position, the Consolidated and Charity Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2021; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

BASIS FOR OPINION

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Report of Directors other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of Directors. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the directors' report and the strategic report, prepared for the purposes of company law and included within the Report of the Directors, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report and the strategic report, included within the Report of the Directors, have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities set out on page 6 the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and parent charitable company'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 trustees either intend to liquidate the group or parent charitable company 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.

THE EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the

financial statements including the Report of the Directors, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to UK General Data Protection Regulation (UK GDPR). .We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing data analytics, analytical review, test of controls and substantive tests of details over a sample of income transactions.

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

USE OF OUR REPORT

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's trustees 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 charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

HANNAH CATCHPOOL (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Date: 12 January 2022

RSM UK AUDIT LLP is eligible to act as an auditor, in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2021

		Group		Charity	
		Unrestricted Funds		Unrestricted Funds	
		2021	2020	2021	2020
Income	**Notes**	**£'000**	**£'000**	**£'000**	**£'000**
Income from charitable activities:					
Provider and applicant fees	3	32,943	30,560	32,943	30,560
Other income	3	954	1,528	6,206	7,296
Raising funds:					
Income from trading activities	3	17,652	17,459	-	-
Gift Aid		-	-	2,066	1,666
Investment income	3	179	311	179	289
Total income		**51,728**	**49,858**	**41,394**	**39,811**
Expenditure					
Raising funds	4	(15,547)	(15,162)	(63)	(20)
Charitable activities	4	(25,368)	(37,488)	(29,926)	(42,584)
Total expenditure		**(40,915)**	**(52,650)**	**(29,989)**	**(42,604)**
Net gain on investments	9	1,362	(372)	1,362	(372)
Net income		**12,175**	**(3,164)**	**12,767**	**(3,165)**
Other recognised gains:					
Remeasurements of defined benefit obligation	18	4,844	(3,390)	4,844	(3,390)
Net movement in funds		**17,019**	**(6,554)**	**17,611**	**(6,555)**
Reconciliation of funds:					
Total funds brought forward		22,175	28,729	22,944	29,499
Total funds carried forward		**39,194**	**22,175**	**40,555**	**22,944**

CONSOLIDATED AND CHARITY STATEMENTS OF FINANCIAL POSITION

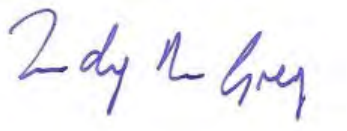
FOR THE YEAR ENDED
31 JULY 2021

REGISTERED COMPANY NUMBER: **2839815**

	Notes	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets					
Goodwill	7	204	-	-	-
Other intangible assets	7	7,569	7,056	5,178	6,174
Total intangible assets		7,773	7,056	5,178	6,174
Tangible assets	8	6,361	5,857	6,298	5,822
Investments	9	8,403	6,971	8,403	6,971
Investment in subsidiaries	10	-	-	2,479	1,026
		22,537	**19,884**	**22,358**	**19,993**
Current assets					
Debtors due within one year	11	8,455	8,501	5,924	5,744
Debtors due after more than one year	11	-	-	1,200	-
Cash at bank and in hand		26,325	18,508	23,961	16,015
		34,780	27,009	31,085	21,759
Current liabilities					
Creditors amounts falling due within one year	12	(10,150)	(10,939)	(4,915)	(5,029)
Net current assets		**24,630**	**16,070**	**26,170**	**16,730**
Creditors: amounts falling due after more than one year					
Deposit from property tenant		(80)	(100)	(80)	(100)
		(80)	**(100)**	**(80)**	**(100)**
Net assets excluding pension scheme liability		**47,087**	**35,854**	**48,448**	**36,623**
Deduct:					
Defined benefit pension scheme liability	18	(6,560)	(12,247)	(6,560)	(12,247)
Defined contribution pension scheme provision	18	(1,333)	(1,432)	(1,333)	(1,432)
Net assets		**39,194**	**22,175**	**40,555**	**22,944**
Funds					
Unrestricted funds: designated	15	12,000	11,200	12,000	11,200
Unrestricted funds: general	16	35,087	24,654	36,448	25,423
Pension scheme liability	18	(7,893)	(13,679)	(7,893)	(13,679)
Total funds		**39,194**	**22,175**	**40,555**	**22,944**

The financial statements on pages 30 to 71 were approved by the Board of Directors and authorised for issue on 09 December 2021.

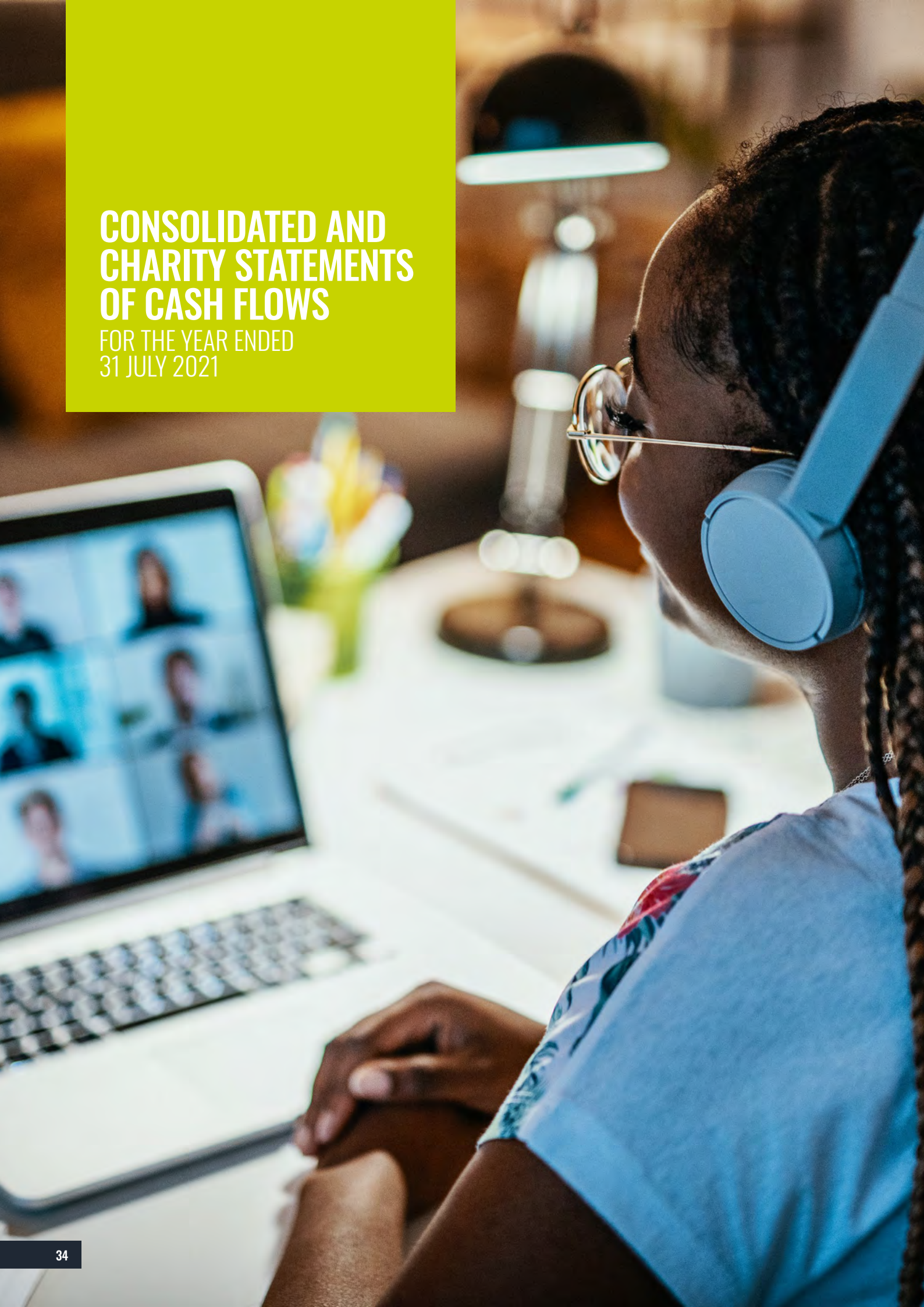
Signed on behalf of the Board



Trudy Norris-Grey
Chair

CONSOLIDATED AND CHARITY STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED
31 JULY 2021



	Notes	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Net cash flow from operating activities		**12,379**	**8,472**	**10,283**	**4,563**
Cash flow from investing activities					
Interest received on bank and cash balances		33	115	33	93
Gift Aid income from subsidiary		-	-	1,668	4,401
Purchase of intangible fixed assets	7	(4,022)	(5,214)	(2,071)	(4,304)
Purchase of tangible fixed assets	8	(574)	(74)	(514)	(74)
Acquisition of subsidiary	10	-	-	(1,453)	-
Net cash used in investing activities		**(4,563)**	**(5,173)**	**(2,337)**	**116**
Cash flow from financing activities					
Repayments of obligations under finance leases		-	(29)	-	(29)
Net cash used in financing activities		**-**	**(29)**	**-**	**(29)**
Change in cash and cash equivalents in the reporting period		7,816	3,270	7,946	4,650
Cash and cash equivalents at the beginning of the reporting period		18,508	15,238	16,015	11,365
Cash and cash equivalents at the end of the reporting period		**26,325**	**18,508**	**23,961**	**16,015**

NOTES TO THE STATEMENTS OF CASH FLOWS

	Notes	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Income for the year		51,728	49,858	41,394	39,811
Less Gift Aid income for the year		-	-	(2,066)	(1,666)
Expenditure in the year	4	(40,915)	(52,650)	(29,989)	(42,604)
Add back investment charges	9	63	20	63	20
Add back VAT reclaimed on investment charges	9	13	4	13	4
Less investment income	3	(179)	(311)	(179)	(289)
Operating surplus/(deficit)		**10,710**	**(3,079)**	**9,236**	**(4,724)**
(Increase)/decrease in debtors	11	46	(123)	(1,380)	1,899
Less increase/(decrease) in Gift Aid debtor		-	-	398	(2,735)
Debtor adjustment		(53)	29	(51)	26
Increase in creditors	12	(789)	1,059	(114)	(414)
Deposit received from tenant		(20)	(30)	(20)	(30)
Depreciation	8	122	596	90	553
Amortisation	7	2,748	4,400	2,509	4,367
Impairment and loss on disposal of fixed assets	7 & 8	557	7,503	557	7,503
Remeasurement of USS liability	18	(120)	(1,151)	(120)	(1,151)
FRS102 pension adjustment	18	(822)	(732)	(822)	(732)
Net cash flow from operating activities		**12,379**	**8,472**	**10,283**	**4,563**

NOTES TO THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

1. PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been used consistently, in dealing with items that are considered material in relation to the Group's and Charitable Company's accounts.

General information

UCAS is a private limited company by guarantee, without share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company. UCAS is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). The address of the Group's registered office and principal place of business is: Rosehill, New Barn Lane, Cheltenham GL52 3LZ.

The Group consists of UCAS and its subsidiaries. The Group's principal activities, and the nature of the Group's operations, are as described in the Report of the Directors.

Basis of accounting

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'). The accounts comply with the following:

- The Companies Act 2006
- The Statement of Recommended Practice (SORP), Accounting and Reporting by Charities, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 01 January 2019
- The Charities and Trustee Investment (Scotland) Act 2005
- The Charities Accounts (Scotland) Regulations 2006 (as amended)

The Charitable Company has availed itself of Section 4 of Schedule 1, Part 1 of the large- and medium-sized Companies and Groups (Accounts and Reports) regulations 2008, and adapted the Companies Act formats, to reflect the special nature of the Charitable Company's activities.

The Charitable Company constitutes a public benefit entity, as defined by FRS 102.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

Throughout the year, the Trustees at the Board meetings and through the relevant Committees review the financial performance, business planning and the financial outlook and scenarios.

Financial modelling of income, surplus and cash has been conducted through to 2023/24 and is presented to the Board as part of the business planning agenda in July. As at July 2021, UCAS has a cash balance of £26.3m and an investment fund of £8.4m.

As such, the Trustees consider there are no material uncertainties that would cast significant doubt around the Group's and the Charitable Company's ability to operate as a going concern.

Basis of consolidation

Assets and liabilities of the subsidiaries are consolidated on a line-by-line basis using acquisition accounting. They include the assets and liabilities of UCAS Media Limited and UCAS International Limited – wholly owned subsidiaries of UCAS. Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 July.

All intra-group transactions, balances, and unrealised gains on transactions between group companies, are eliminated on consolidation.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the parent Charity.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent consideration acquired is recognised as goodwill.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Charitable Company.

Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies), are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to income or expenditure, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Income

All income is included in the Statement of Financial Activities, in respect of the services provided during the period, and is stated net of value added tax.

Income is recognised in the accounts when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Income is shown in two main categories:

- Income from charitable activities includes capitation fees from higher education providers, application fees, grants, and other income.
- Income from raising funds includes income from trading subsidiaries and investment income.

Provider and applicant income, grants, and other income is accounted for on a receivable basis. Other income includes income from the provision of training, the UCAS search tool facility available to providers, other consultancy work, subscriptions, and student financial assessment. For subscriptions, income is recognised over the life of the subscription, during which time the service is delivered in full. Income received from the Coronavirus Job Retention Scheme (CJRS) is also included in other income.

Income from trading operations includes marketing services and income from events. For these categories, income is recognised in line when the services are delivered, and is deferred as necessary.

The Group and Charitable Company also receive income from investments. This is accounted for on a receivable basis.

Expenditure

All expenditure is accounted for on an accruals basis, and has been classified under the headings:

- costs of charitable activities
- costs of raising funds

Costs of charitable activities relate to costs incurred in delivering UCAS' charitable objects. These costs include those related to operating UCAS' core admissions services, as well as the development, implementation, and maintenance of our infrastructure capabilities.

Costs of raising funds relate primarily to the activities of the trading subsidiary, UCAS Media Limited. These costs are incurred in generating trading income.

Support costs are incurred in the process of supporting the above activities, and are allocated to those activities on the basis set out in note 4.

Investment policy

Investments in subsidiary undertakings are measured at cost, less any impairments recognised.

Other fixed asset investments are valued at their market value, per the Rathbone Greenbank investment report on the last day of the accounting period. Changes in the valuation of the investments during the year are shown as unrealised gains or losses. Gains or losses arising from the disposal of investment assets are disclosed as being realised, being the difference between the sales proceeds, and the market value at the start of the year.

Tangible fixed assets and depreciation

Tangible fixed assets costing over £5,000 in UCAS and its subsidiaries are capitalised. Tangible fixed assets are initially measured at cost, and subsequently measured at cost, net of depreciation, and any impairment losses. Depreciation is provided against tangible fixed assets, other than freehold land, at the following straight-line rates. This reflects the anticipated useful lives, and estimated residual values:

- Freehold buildings 50 years
- Computer hardware Three years
- Office equipment Four years
- Other plant Ten years
- Motor vehicles Four years

During the year, the capitalisation policy was reviewed, with no changes made.

Where elements of the freehold buildings are rented under formal lease arrangement, the directors consider whether this element of the buildings is required to be accounted for as mixed-use property under FRS 102.

Intangible assets and amortisation

Intangible fixed assets – goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years, which represents the period over which the goodwill is expected to give rise to economic benefits. Amortisation is charged to the expenditure: charitable activities line on the statement of financial activities.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible fixed assets – other than goodwill

Internally developed software is initially recognised at cost and, once it becomes available to use, amortised over the expected useful life of that software prior to replacement (up to a maximum of five years, depending on the characteristics of the asset). Ahead of the completion of internally developed software, the cumulative direct cost of resources and services incurred during development are held as Software work in progress.

Intangible assets arising on a business combination are recognised separately from goodwill if the intangible asset is both separable and arises from legal or contractual rights. Intangible assets acquired on a business combination are initially recognised at cost (the fair value of the asset at acquisition date) and, once it becomes available to use, amortised over the useful life of that software.

Capitalised software licences are initially recognised at cost and then amortised over the shorter of five years or the agreed licence period.

Intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:

- Software (internally developed) — Five years
- Licences — The shorter of five years or the period of the licence

Impairment policy

An assessment is made at each reporting date, whether there are indications a fixed asset may be impaired, or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets, and their recoverable amounts – being the higher of fair value less costs to sell, and value in use – are recognised as impairment losses in income or expenditure.

Any impairment loss recognised for goodwill is not reversed. For fixed assets other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income or expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted, to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Policy on capitalisation of software development costs

Only expenditure of substantial amounts for enhancements on authorised projects, incurred in direct relation to the project, may be incorporated into capitalised software development costs. In general, costs incurred necessarily, and exclusively, in the creation of an asset that will deliver future economic benefit, are capitalised and amortised over the useful life of that asset, subject to the amortisation periods set out above. This will not generally include any pre-development costs, such as feasibility studies or market research. However, this will include any beta testing period, where an application has been made available to customers in a pre-final version for feedback, with a view to further enhancements before release into production.

Development is deemed to end when the application is released into production. Any subsequent development expenditure is deemed to be continuous improvement, and would not be considered for capitalisation, unless it contributes to a significant increase in the economic value of the asset. Capitalised development expenditure is initially recognised at cost, and subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Leases

The Group as lessee – operating leases

All other leases are operating leases, and the annual rentals are charged to income or expenditure on a straight-line basis over the lease term. Rent free periods, or other incentives received for entering into an operating lease, are accounted for as a reduction to the expense, and are recognised on a straight-line basis over the lease term.

Cash and cash equivalents

These amounts comprise cash at the bank and in hand, as well as short-term deposits, typically with a short maturity of three months or less from the date of acquisition.

Financial instruments

The Group has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102, in full, to all its financial instruments.

Financial assets and financial liabilities are recognised when the Group and Charitable Company become a party to the contractual provisions of the instrument, and are offset only when the Group and Charitable Company currently have a legally enforceable right to set off the recognised amounts, and intend either to settle on a net basis, or to simultaneously realise the asset and settle the liability.

Trade, group, and other debtors

Trade, group, and other debtors (including accrued income), which are receivable within one year, and which do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being the transaction price less any amounts settled, and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected, according to the original terms of the contract. Impairment losses are recognised in profit or loss, for the excess of the carrying value of the trade debtor over the present value of the future cash flows, discounted using the original effective interest rate. Subsequent reversals of an impairment loss, that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Creditors

Trade, group, and other creditors, including accruals, payable within one year, that do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being transaction price less any amounts settled.

Taxation

The parent company is a registered charity and, as such, is exempt from taxation of its income and gains falling within Part II of the Corporation Tax Act 2010, or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that they are applied to its charitable objectives. Any tax charge arising in the subsidiaries are mitigated via the payment of Gift Aid to the parent charity.

Employee benefits

The costs of short-term employee benefits are recognised as a liability, and an expense.

The Group's holiday entitlement year runs from April to March, and employees are entitled to carry forward any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits, is recognised immediately as an expense, when the Group is demonstrably committed to terminate the employment of an employee, or to provide termination benefits.

Retirement benefits

The Group participates in four pension schemes.

- UCAS Pension and Life Assurance Scheme (1993) is a defined benefit scheme. The scheme was closed to future accrual of benefits on 31 December 2017. The assets and liabilities of the scheme are held in a separate trust, and the net defined benefit asset/liability represents the present value of the defined benefit obligation, minus the fair value of plan assets, out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds, with terms and currencies consistent with those of the benefit obligations.

Gains or losses recognised in Statement of Financial Activities:

  - The change in the net defined benefit liability arising from employee service during the year, is recognised as an employee cost.
  - Net interest on the net defined benefit asset/liability comprises the interest cost on the defined benefit obligation, and interest income on the plan assets. This is calculated by multiplying the fair value of the plan assets at the beginning of the period, by the rate used to discount the benefit obligations.

Gains or losses recognised in other comprehensive income:

  - Actuarial gains and losses.
  - The difference between the interest income on the plan assets, and the actual return on the plan assets.

- UCAS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions, and a scheme-wide contribution rate is set. UCAS 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', UCAS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme. Since UCAS has entered into an agreement (the 'Recovery Plan') that determines how each employer in the scheme will fund the overall deficit, UCAS recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit), and therefore an expense is recognised.

- UCAS Group Stakeholder Pension Plan (2007), and UCAS Group Stakeholder Pension Plan (2014), are defined contribution schemes with associated life assurance attachment. The employer liability towards these schemes is limited to the contributions made on a regular monthly basis. These are subject to an upper limit, graduated on the option made by the employee to the scheme. These contributions are charged to the Statement of Financial Activities as they become due.

Further details of the accounting adopted for these schemes is detailed in note 18 to these accounts.

Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Directors, for the general objectives of the Group, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds set aside by the Directors for specific purposes.

2. STAFF NUMBERS AND COSTS

The average monthly number of employees during the year was as follows:

	Group		Charity	
	2021 No.	2020 No.	2021 No.	2020 No.
Application and administrative services	358	390	358	390
Commercial activities	85	78	-	-
	443	**468**	**358**	**390**

The aggregate payroll costs of these persons were as follows:

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Salaries	17,746	18,286	11,352	14,115
Social security costs	1,867	2,004	1,553	1,727
Defined contribution pension cost	1,213	1,034	998	884
Pensions costs – multi-employer DB scheme	674	683	610	624
	21,500	22,007	14,513	17,350
Capitalised	(2,091)	(730)	(2,016)	(730)
	19,409	**21,277**	**12,497**	**16,620**
Restructure costs	444	497	291	441
	19,853	**21,774**	**12,788**	**17,061**

While all staff are employed through the Charity, those staff that are conducting commercial activities through UCAS Media are excluded from the Charity numbers. Group numbers include all staff.

Employer costs relating to Defined Contribution (DC) and Defined Benefit (DB) pension schemes are analysed separately.

During the year, redundancy costs of £444k (2020: £497k) were incurred (of which £142k (2020: £161k) were statutory and non-statutory/voluntary payments), to align staff capability to new roles. Such costs are recognised as expenses immediately within expenditure, and are included in the table below where appropriate. At the reporting date, all such payments had either been made, or were due to be made to employees participating in consultation.

Included in the above table are costs for the following numbers of employees, whose emoluments (including benefits in kind, but not pension costs) fell within the following bands:

	Group		Charity	
	2021 No.	2020 No.	2021 No.	2020 No.
£60,001 - £70,000	14	15	12	11
£70,001 - £80,000	12	11	10	11
£80,001 - £90,000	6	2	5	2
£90,001 - £100,000	2	5	2	4
£100,001 - £110,000	1	1	1	1
£120,001 - £130,000	-	1	-	1
£130,001 - £140,000	1	1	1	1
£140,001 - £150,000	2	2	2	2
£150,001 - £160,000	-	1	-	-
£170,001 - £180,000	1	-	1	-
£190,001 - £200,000	-	1	-	1

The key management personnel of UCAS comprises the Executive Team, which includes the Chief Executive, Chief Digital and Data Officer and Managing Director UCAS International, Chief Operations Officer, Chief Financial Officer, Director of Human Resources, Chief Marketing Officer, Director of Strategy, Policy and Public Affairs and Director, Digital Transformation Programme. During the course of 2020/21, it also included the Director of External Relations (resigned October 2020) but this position has now been removed from the Executive Team structure.

The Chief Executive (in band £170,001 — £180,000 above) received total employee benefits, including pension contributions, of £213,853 (2020: £231,673), and the associated NI contributions were £24,936 (2020: £23,795). The total employee benefits, including employer pension contributions of the key management personnel of UCAS, were £1,386,850, (2020: £1,324,584), and employer NI contributions for these personnel were £128,436 (2020: £143,490).

Pension scheme contributions paid by the Group in respect of the people listed above amounted to £611,105 (2020: £603,240). The pension scheme contributions paid by the Charity in respect of the people listed above amounted to £547,427 (2020: £527,733). In the year 2020/21, the contribution to the USS scheme was £571,205 (2020: £545,519), and to the UCAS Group Stakeholder Pension Plan was £46,008 (2020: £58,021).

Directors

None of the Directors received remuneration for services to the Charity (2020: nil). Travelling expenses of £nil were reimbursed to the Directors (2020: eleven Directors, £4,152), in respect of attendance at meetings. During the year, no emoluments were paid to non-executive Directors of UCAS Media Limited (2020: £nil) and UCAS International Limited.

Professional indemnity insurance

The Charitable Company paid a premium of £5,215 (2020 £3,142) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

3. INCOME

	2021 £'000	2020 £'000
Institutional and applicant fees		
Provider fees	16,508	15,216
Applicant fees	16,435	15,344
	32,943	**30,560**
Other income		
Data services sales	158	298
Brand and data charge	3,051	3,030
Management and resourcing recharge	2,201	2,738
Fraud grant	67	67
Other income	729	1,163
	6,206	**7,296**
Investment income	179	289
Charity income excluding Gift aid	**39,328**	**38,145**
Trading operations		
UCAS Media Limited	17,652	17,460
Investment income	-	22
	17,652	**17,482**
Intercompany	(5,252)	(5,769)
Group income	**51,728**	**49,858**

UCAS Media's principal business activity is the provision of marketing services to commercial clients, higher education providers seeking to make contact with applicants, and prospective applicants to higher education courses.

The majority of the accounting profits of the trading subsidiary are Gift Aided to the parent company under the deed of covenant. A Gift Aid payment of £2,066k (2020: £1,666k) from UCAS Media to UCAS will be paid by 30 April 2022.

4. EXPENDITURE

GROUP:	Direct staff costs	Direct costs	Brand and data	Other support costs	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Cost of investments	-	63	-	-	63	20
Commercial activities	6,347	3,578	3,051	2,508	15,484	15,142
	6,347	3,641	3,051	2,508	15,547	15,162
Charitable activities						
Admissions service	6,047	2,350	(3,051)	11,106	16,452	18,517
Special projects	2,512	3,516	-	777	6,805	16,966
Analysis and research	738	65	-	1,308	2,111	2,005
	9,297	5,931	(3,051)	13,191	25,368	37,488
Total expenditure of the group	**15,644**	**9,572**	**-**	**15,699**	**40,915**	**52,650**

Analysis of support costs	Raising funds	Admissions service	Special projects	Analysis & research	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	79	747	-	-	826	892
Finance	629	1,084	-	14	1,727	2,039
Human resources	442	584	74	123	1,222	1,059
Information technology	1,325	7,572	641	1,067	10,604	11,626
Facilities	-	870	62	104	1,036	1,524
General management	34	249	-	-	283	413
Total support costs	**2,508**	**11,106**	**777**	**1,308**	**15,699**	**17,553**

Analysis of governance costs	Total 2021	Total 2020
	£'000	£'000
Internal audit	81	48
External audit	41	32
Legal and professional consulting	539	619
Trustees	44	47
AGM	-	9
Other governance costs	121	138
Total governance costs	**826**	**892**

The support costs detailed above have been allocated to the activities listed on the basis of:

- direct cost allocation (governance and finance costs)
- departmental headcount (human resources, IT, and facilities costs)
- income (general management costs)

CHARITY:

	Direct staff costs	Direct costs	Other support costs	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Cost of investments	-	63	-	63	20
	-	63	-	63	20
Charitable activities					
Admissions service	5,882	2,307	12,821	21,010	24,153
Special projects	2,512	3,516	777	6,805	15,300
Analysis and research	738	65	1,308	2,111	3,131
	9,132	5,888	14,906	29,926	42,584
Total expenditure of the group	**9,132**	**5,951**	**14,906**	**29,989**	**42,604**

Analysis of support costs	Admissions service	Special projects	Analysis & research	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000
Governance	796	-	-	796	879
Finance	1,159	-	14	1,173	1,457
Human resources	817	74	123	1,014	1,059
Information technology	8,896	641	1,067	10,604	13,240
Facilities	870	62	104	1,036	1,524
General management	283	-	-	283	413
Total support costs	**12,821**	**777**	**1,308**	**14,906**	**18,572**

Analysis of governance costs	Total 2021	Total 2020
	£'000	£'000
Internal audit	81	48
External audit	27	28
Legal and professional consulting	523	610
Trustees	44	47
AGM	-	9
Other governance costs	121	138
Total governance costs	**796**	**879**

The support costs detailed above have been allocated to the activities listed on the basis of:

- direct cost allocation (governance and finance costs)
- departmental headcount (human resources, IT, and facilities costs)
- income (general management costs)

5. TAXATION

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Current tax				
UK corporation tax	-	-	-	-

Factors affecting the tax charge for the year:

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Net income for the year before tax	12,175	(3,164)	12,767	(3,165)
Tax on income at standard CT rate of 19 per cent	2,313	(601)	2,426	(601)
Effects of: Income not taxable for tax purposes	(2,313)	601	(2,426)	601
Total current tax charge	-	-	-	-

6. NET INCOME FOR THE YEAR IS STATED AFTER CHARGING

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Depreciation of tangible fixed assets	70	596	38	553
Impairment of tangible fixed assets	-	161	-	161
Amortisation of intangible assets	2,748	4,400	2,509	4,366
Impairment of intangible assets	557	6,282	557	6,282
Loss on disposal of intangible assets	-	1,060	-	1,060
Operating Lease costs	18	20	18	20
Auditor's remuneration - audit fees	41	32	27	22
Auditor's remuneration - taxation compliance services	7	10	4	5
Internal auditor's remuneration	81	48	81	48
And after crediting:				
Interest on deposits receivable	33	115	33	93
Dividends receivable on investment portfolio	146	196	146	196

7. INTANGIBLE ASSETS

CONSOLIDATED:	Goodwill £'000	Licences £'000	Software £'000	Work in progress £'000	Total £'000
Cost					
At 1 August 2020	1,361	869	24,736	4,243	31,209
Additions – Internally developed	-	-	807	1,715	2,522
Additions – on acquisition of subsidiary	240	-	-	1,260	1,500
Transfers	-	-	1,643	(1,643)	-
At 31 July 2021	1,601	869	27,186	5,575	35,231
Amortisation and impairment					
At 1 August 2020	1,361	823	18,819	3,150	24,153
Impairment charge for the year	-	-	-	557	557
Amortisation charge for the year	36	15	2,697	-	2,748
At 31 July 2021	1,397	838	21,516	3,707	27,458
Net book value					
At 1 August 2020	-	46	5,917	1,093	7,056
At 31 July 2021	204	31	5,670	1,868	7,773

Amortisation and impairment charges are reflected in Expenditure: Charitable activities in the Statement of Financial Activities.

CHARITY:

	Licences £'000	Software £'000	Work in progress £'000	Total £'000
Cost				
At 1 August 2020	869	23,794	4,243	28,907
Additions	-	431	1,640	2,071
Transfers	-	1,643	(1,643)	-
At 31 July 2021	869	25,869	4,239	30,978
Amortisation and impairment				
At 1 August 2020	823	18,760	3,150	22,733
Impairment charge for the year	-	-	557	557
Amortisation charge for the year	15	2,494	-	2,509
At 31 July 2021	838	21,254	3,707	25,799
Net book value				
At 1 August 2020	46	5,034	1,093	6,173
At 31 July 2021	31	4,615	532	5,178

Amortisation charges are reflected in Expenditure: Charitable activities in the Statement of Financial Activities.

As at 31 July 2021, intangible assets with the following carrying values and remaining amortisation periods were considered to be material in the context of the Group and the Charitable Company:

	Carrying amount (£'000)	Remaining amortisation period (Years)
Asset description		
Undergraduate adviser portal	507	2.7
Undergraduate agent portal	551	4.8

8. TANGIBLE ASSETS

CONSOLIDATED:

	Land	Buildings and contents	Hardware and equipment	Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2020	3,150	5,181	4,829	15	13,175
Additions	-	498	76	-	574
Disposals	-	-	(39)	-	(39)
At 31 July 2021	3,150	5,679	4,866	15	13,710
Depreciation					
At 1 August 2020	-	2,641	4,662	15	7,318
Disposals	-	-	(39)	-	(39)
Depreciation charge for the year	-	(52)	122	-	70
At 31 July 2021	-	2,589	4,745	15	7,349
Net book value					
At 1 August 2020	3,150	2,540	167	-	5,857
At 31 July 2021	3,150	3,090	121	-	6,361

CHARITY:

	Land	Buildings and contents	Hardware and equipment	Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2020	3,150	5,139	3,934	15	12,238
Additions	-	498	16	-	514
Disposals	-	-	(37)	-	(37)
At 31 July 2021	3,150	5,637	3,913	15	12,715
Depreciation					
At 1 August 2020	-	2,599	3,802	15	6,416
Disposals	-	(52)	(37)	-	(89)
Depreciation charge for the year	-	-	90	-	90
At 31 July 2021	-	2,547	3,855	15	6,417
Net book value					
At 1 August 2020	3,150	2,540	132	-	5,822
At 31 July 2021	3,150	3,090	58	-	6,298

9. INVESTMENTS

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Opening value	6,971	7,171	6,971	7,171
Interest and dividends	146	196	146	196
Net unrealised gain	1,362	(372)	1,362	(372)
Charges for the period	(63)	(20)	(63)	(20)
VAT payable on charges	(13)	(4)	(13)	(4)
Closing value	8,403	6,971	8,403	6,971

VAT is payable on investment management charges. Gross charges are deducted from the portfolio, with the VAT element reclaimed via the Charitable Company's VAT return.

Income receivable from dividends and interest is reinvested in the portfolio.

Investments comprise:	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
UK bonds	1,084	1,292	1,084	1,292
Equities				
UK	3,198	3,016	3,198	3,016
Europe	549	286	549	286
North America	1,062	448	1,062	448
Asia Pacific	266	215	266	215
Emerging markets	161	168	161	168
Property	364	332	364	332
Alternative assets	1,549	1,172	1,549	1,172
Cash	170	41	170	41
	8,403	6,971	8,403	6,971

The Directors do not consider any individual investment to be material in the context of the investment portfolio.

10. SUBSIDIARY UNDERTAKINGS (CHARITY ONLY)

Name of undertaking	Class of shareholding	Proportion of nominal value held directly	Cost (£'000)	Nature of business
UCAS Media Limited	Ordinary	100%	1,026	Marketing services
UCAS International Limited	Ordinary	100%	1,453	Educational support services
UCAS Consultancy and Insights	Ordinary	100%	-	Marketing Services

UCAS Media Limited, registered in England, is a wholly owned subsidiary of the Charitable Company, UCAS, with issued share capital of 1,000 ordinary shares (2020: 1,000 shares). This investment is held at a carrying amount of £1,025,768 (2020: £1,025,768). The principal activity of the company is to assist the parent company in achieving its objective, through the provision of marketing services concerned with higher education. Profits of the subsidiary company are transferred under the Gift Aid regime to the parent company.

During the year, the Charitable Company acquired 100% of the issued share capital of UCAS International Limited, registered in England. This investment is held at a carrying amount of £1,453,282. The principal activity of the company is educational support services. Profits of the subsidiary company are transferred under the Gift Aid regime to the parent company.

UCAS Consultancy and Insights is not trading.

The statutory accounts of UCAS Media Limited and UCAS International Limited are fully audited and published separately. Refer to notes 19 and 20 for a summary of the trading results of UCAS Media Limited and UCAS International Limited respectively.

Acquisition of UCAS International Limited

On 20 October 2020, the Charitable Company acquired 100% of the issued share capital of UCAS International Limited for consideration of £1,453,282. The principal activity of UCAS International Limited is Educational support services.

The acquisition has been accounted for under the purchase method. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the Group:

	Book Value £'000	Revaluation £'000	Fair value to Group £'000
Fixed assets			
Intangible fixed assets	-	1,260	1,260
Current assets			
Debtors due within one year	12	-	12
Current liabilities			
Creditors: amounts falling due within one year	(59)	-	(59)
Net assets	**(47)**	**1,260**	**1,213**
Goodwill			240
			1,453
Satisfied by:			
Cash consideration			1,453
			1,453

11. DEBTORS

	Group		Charity	
Amounts falling due within one year	**2021**	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Trade debtors	4,972	5,581	149	535
Amounts owed by subsidiaries	-	-	3,280	2,963
Other debtors	116	73	115	66
Prepayments and accrued income	3,219	2,847	2,140	2,180
Value-added tax	148	-	240	-
	8,455	**8,501**	**5,924**	**5,744**

	Group		Charity	
Amounts falling due after more than one year	**2021**	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Amounts owed by subsidiaries	-	-	1,200	-
	-	**-**	**1,200**	**-**

12. CREDITORS

Amounts falling due within one year	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	2,732	2,180	2,231	1,690
Social security and other taxes	489	1,824	489	1,330
Other creditors	314	254	247	254
Accruals and deferred income	6,615	6,681	1,948	1,755
	10,150	**10,939**	**4,915**	**5,029**

Deferred income	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Deferred income at 31 July	4,599	3,016	126	210
Deferred income released during the year	(4,599)	(3,016)	(126)	(210)
Income deferred during the year	4,252	4,599	38	126
Deferred income at 31 July	**4,252**	**4,599**	**38**	**126**

Deferred income relates to advertising income, events income, and income from subscriptions. For advertising campaigns and events, income is deferred on the basis of when the service is to be delivered. In the case of subscriptions, income is recognised over the life of the subscription, during which time, the service is delivered in full.

13. FINANCIAL INSTRUMENTS

The carrying value of financial instruments for the Group and the Charitable Company as at 31 July were:

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Financial assets:				
Cash	26,325	18,508	23,961	16,015
Trade debtors	5,567	5,581	149	535
Other debtors	116	73	3,395	3,029
Accrued income	475	101	6	48
Investments	8,403	6,971	8,403	6,971
Total	**40,886**	**31,234**	**38,393**	**27,624**
Financial liabilities:				
Trade creditors	3,327	2,180	2,231	1,690
Other creditors	314	254	247	254
Accrued expenditure	2,367	3,122	1,914	2,633
Total	**6,008**	**5,556**	**4,392**	**4,577**

14. COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments for both the Group and the Charitable Company, under non-cancellable operating leases, are as follows:

Amounts due:	2021 £'000	2020 £'000
Within one year	9	28
Between one and five years	13	35
	22	**63**

15. UNRESTRICTED FUNDS: DESIGNATED

	Technology reserve 2021 £'000	Income reserve 2021 £'000	Total 2021 £'000	Total 2020 £'000
Group				
Value at beginning of the year	8,000	3,200	11,200	10,000
Movement in the year	-	800	800	1,200
Value at end of the year	**8,000**	**4,000**	**12,000**	**11,200**
Charity				
Value at beginning of the year	8,000	3,200	11,200	10,000
Movement in the year	-	800	800	1,200
Value at end of the year	**8,000**	**4,000**	**12,000**	**11,200**

Designated reserves reflect the Directors' view of the funds required to be allocated to meet future obligations and to ensure the sustainability of the Group's and Charity's core operations. Further detail of the Reserves Policy is given in the Report of the Directors.

16. UNRESTRICTED FUNDS: GENERAL

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Value at beginning of the year	24,654	30,901	25,423	31,671
Surplus / (deficit) for the year	12,175	(3,164)	12,767	(3,165)
Transfer (to)/from designated funds	(800)	(1,200)	(800)	(1,200)
FRS102 pension adjustments	(942)	(1,883)	(942)	(1,883)
Value at end of the year	**35,087**	**24,654**	**36,448**	**25,423**

Funds are transferred between unrestricted designated and general funds to maintain key technology contracts, and to protect against loss of income through realisation of strategic risks (note 16) as agreed by the Directors in the Reserves Policy. It's likely that the amounts above the reserves policy will be used over the next few years given the investment levels are aligned to the 2020 to 2025 strategy.

17. NET ASSETS BY FUND

Group

The consolidated net assets held as at 31 July 2021 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2021	2021	2021	2021	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	8,000	4,000	-	-	12,000	11,200
Unrestricted funds: general	6,134	29,033	(80)	(7,893)	27,194	10,975
	14,134	**33,033**	**(80)**	**(7,893)**	**39,194**	**22,175**

The consolidated net assets held as at 31 July 2020 for the various funds were as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2020	2020	2020	2020	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	8,000	3,200	-	-	11,200	10,000
Unrestricted funds: general	4,913	19,841	(100)	(13,679)	10,975	18,729
	12,913	**23,041**	**(100)**	**(13,679)**	**22,175**	**28,729**

Charity

The net assets held as at 31 July 2021 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2021	2021	2021	2021	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	8,000	4,000	-	-	12,000	10,000
Unrestricted funds: general	3,476	33,053	(80)	(7,893)	28,555	19,499
	11,476	**37,053**	**(80)**	**(7,893)**	**40,555**	**29,499**

The net assets held as at 31 July 2020 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2020	2020	2020	2020	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	8,000	3,200	-	-	11,200	10,000
Unrestricted funds: general	3,995	21,527	(100)	(13,679)	11,743	19,499
	11,995	**24,727**	**(100)**	**(13,679)**	**22,943**	**29,499**

18. PENSION SCHEMES

The Group participates in four pension schemes: one defined benefit pension scheme, one defined benefit scheme that is accounted for as if it were a defined contribution scheme (as required by FRS 102 section 28 'Employee Benefits'), and two defined contribution schemes. Employees join the appropriate scheme, depending on their employment terms. The total cost to the Group for the year ended 31 July 2021, in respect of pension contributions, which have been allocated between expenditure categories in proportion to staff costs, and charged to the consolidated Statement of Financial Activities as appropriate, are as follows:

	2021 £'000	2020 £'000
Defined contribution schemes	1,213	1,034
Multi-employer defined benefit scheme	674	683
	1,887	**1,717**

At 31 July, there were outstanding employer's and employees' contributions, including any additional voluntary contributions to the schemes, included in social security and other taxes within the creditors note, as follows:

	2021 £'000	2020 £'000
Defined benefit scheme	86	82
Defined contribution scheme	135	131
Multi-employer defined benefit scheme	82	92
	303	**305**

UCAS Pension and Life Assurance Scheme (1993)

The scheme was closed to future accrual of benefits on 31 December 2017. Active members of the scheme at the closure date became 'active deferred' members, and transferred to UCAS' Group Stakeholder Plan at that time. The UCAS Pension and Life Assurance Scheme currently has 50 active deferred members, 181 preserved members, and 165 pensioners. The assets of the scheme are held in a separate, trustee-administered fund.

The most recent comprehensive actuarial valuation of the plan assets, and the present value of the defined benefit obligation, was carried out at 31 July 2019.

The triennial funding review, as at 31 July 2019, identified an initial deficit in the longer-term assets over liabilities of £6,590k (2016: deficit of £9,216k). The main contributing factor to the decrease in the deficit was the return on investments.

The Directors and the pension scheme Trustees to agree a plan to address the pension deficit. During the year to 31 July 2021, UCAS made additional contributions of £819k.

The principal assumptions used in the calculation of the present value of the defined benefit obligation include:

Assumptions	**31 July 2021** Per cent	**31 July 2020** Per cent
Discount rate	1.62	1.47
Salary increase	3.84	3.50
Inflation (RPI)	3.34	3.00
Inflation (CPI)	2.84	2.10
Pension increases (pre-April 2005)	4.22	4.15
Pension increases (post-April 2005)	2.25	2.15
Revaluation in deferment (CPI max 5.0 per cent)	2.84	2.10
Revaluation in deferment (CPI max 2.5 per cent)	3.14	2.10
Mortality base table	SP3xA	SP3xA
Projection basis	CMI 2020	CMI 2019
Long term improvement trend	1.00	1.00
Percentage of death rates applied	100	100

Life expectancies from age 65 years	31 July 2021 Years	31 July 2020 Years
Male currently aged 45	22.70	22.70
Female currently aged 45	25.20	25.20
Male currently aged 65	21.70	21.70
Female currently aged 65	24.10	24.00

Amounts recognised in the Statement of Financial Activities (SoFA), in respect of the defined benefit scheme, are as follows:

	2021 £'000	2020 £'000
Past service cost	4	-
Net interest on net defined benefit liability	173	200
Total operating charge	**177**	**200**

Changes in the fair value of the scheme assets	31 July 2021 £'000	31 July 2020 £'000
Fair value of scheme assets at the beginning of the year	55,773	50,617
Interest income on plan assets	819	1,108
Employer contributions	1,020	986
Benefits paid	(1,088)	(1,063)
Remeasurement gain	2,759	4,125
Fair value of scheme assets at the end of the period	59,283	55,773

Changes in the present value of the defined benefit obligation	31 July 2021	31 July 2020
	£'000	£'000
Present value of scheme liabilities at the beginning of the period	68,020	60,260
Past service cost	4	-
Interest cost	992	1,308
Benefits paid	(1,088)	(1,063)
Expenses and insurance premiums paid	-	-
Actuarial (gain)/loss on liabilities	(2,085)	7,515
Present value of scheme liabilities at the end of the period	**65,843**	**68,020**
Amounts to be recognised on the balance sheet		
Fair value of scheme assets	59,283	55,773
Present value of scheme liabilities	(65,843)	(68,020)
Balance sheet liability	**(6,560)**	**(12,247)**

Total Actuarial Loss featured in the Statement of Financial Activities

The Statement of Financial Activities (SoFA) includes a total actuarial gain/loss for the UCAS Pension and Life Assurance Scheme (1993) of £4,844k, gain (2020: £3,390k, loss), comprising a remeasurement gain on scheme assets of £2,759k and an actuarial gain on scheme liabilities of £2,085k.

The actuarial return on plan assets was £3.6m (2020: £5.2m). The analysis of the scheme assets at the reporting date was as follows:

	31 July 2021	31 July 2020
	Per cent:	Per cent:
Equities	29.7	24.9
Bond (non-gilt)	18.2	22.7
LDI funds	26.4	27.9
Multi-asset growth	25.3	24.0
Cash and net current assets	0.4	0.5
	100.0	**100.0**

The Scheme invests in a mix of equity, bond, diversified growth, and liability-driven investment funds, managed by State Street, BMO, and Baillie Gifford.

Universities Superannuation Scheme (USS)

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), and the resulting expense in income or expenditure in accordance with section 28 of FRS 102. The Directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and have therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2018.

Since the institution cannot identify its share of Retirement Income Builder section of the Scheme assets and liabilities, the following disclosures reflect those relevant for the section as a whole.

The 2018 valuation was the fifth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £63.7 billion, and the value of the Scheme's technical provisions was £67.3 billion, indicating a shortfall of £3.6 billion.

Defined benefit liability numbers for the scheme, for accounting purposes, have been produced using the following assumptions as at 31 March 2021 and 2020:

	2021	2020
Discount rate	2.15 per cent	2.55 per cent
Pensionable salary growth	n/a	n/a
Pensions increases (CPI)	2.50 per cent	2.05 per cent

The main demographic assumption used relates to the mortality assumptions. These assumptions have been updated for the 31 March 2021 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2019 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2021	2020
Mortality base table	**Pre-retirement:** 71 per cent of AMC00 (duration 0) for males, and 112 per cent of AFC00 (duration 0) for females **Post-retirement:** 97.6 per cent of SAPS S1NMA 'light' for males, and 102.7 per cent of RFV00 for females	**Pre-retirement:** 71 per cent of AMC00 (duration 0) for males, and 112 per cent of AFC00 (duration 0) for females **Post-retirement:** 97.6 per cent of SAPS S1NMA 'light' for males, and 102.7 per cent of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long-term improvement rate of 1.8 per cent p.a. for males, and 1.6 per cent p.a. for females	CMI_2017 with a smoothing parameter of 8.5 and a long-term improvement rate of 1.8 per cent p.a. for males, and 1.6 per cent p.a. for females

The current life expectancies on retirement at age 65 are:	31 July 2021 Years	31 July 2020 Years
Male currently aged 45	26.70	26.30
Female currently aged 45	27.90	27.70
Male currently aged 65	24.70	24.40
Female currently aged 65	26.10	25.90

	2021 £bn	2020 £bn
Scheme assets	80.6	66.5
Total scheme liabilities	95.5	79.7
FRS 102 total scheme deficit	14.9	13.2
FRS 102 total funding level	84%	83%

Amounts recognised in the balance sheet	2021 £'000	2020 £'000
Liabilities at beginning of the year	(1,432)	(2,529)
Interest costs	(21)	(54)
Remeasurement of the scheme liabilities	120	1,151
Balance sheet liability	(1,333)	(1,432)

At 31 July 2021, UCAS had 37 active members participating in the scheme.

The total pension cost for the group was £674k (2020: £683k). This includes £54k (2020: £57k) outstanding employer's contributions at 31 July 2021 included in social security and other taxes within the creditors note. The contribution rate payable by the Company was 21.1 per cent of annual pensionable salaries.

UCAS Group Stakeholder Pension Plan (2007)

As contributions are treated on the basis of defined contributions, and ultimate benefits are formed from the scheme operated by an external provider, the Group has no underlying liability.

UCAS Group Stakeholder Pension Plan (2014)

UCAS implemented auto-enrolment on 1 January 2014. 148 employees were auto-enrolled in the scheme at that time, and re-enrolment assessments are carried out every subsequent three years. Following the transfer of members from the UCAS Pension and Life Assurance Scheme on its closure, the current scheme membership is 403 (2020: 415).

As contributions are treated on the basis of defined contributions, and ultimate benefits are formed from the scheme operated by an external provider, the Group has no underlying liability.

The total pension cost for the Group, for both contribution schemes, was £1,598k (2020: £1,034k). This includes £135k (2020: £136k) outstanding employer's contributions as at 31 July 2021 included in social security and other taxes within the creditors note.

19. TRADING RESULTS OF UCAS MEDIA LIMITED

UCAS MEDIA LIMITED, REGISTERED IN ENGLAND, COMPANY NUMBER **2737300.**

	Notes	2021 £'000	2020 £'000
Turnover	2	17,651	17,460
Distribution costs		(5,827)	(5,978)
Brand and data charge	3	(3,001)	(3,030)
		8,823	**8,452**
Expenses			
Administrative		(6,757)	(6,806)
Total administrative expenses		(6,757)	(6,806)
Operating profit		**2,066**	**1,646**
Interest receivable		-	20
Profit before tax	3	**2,066**	**1,666**
Taxation	5	-	-
Profit after tax		**2,066**	**1,666**

The aggregate amount of the capital and reserves of UCAS Media Limited, as at 31 July 2021, was £259k (2020: £259k). Aggregate assets were £7,066k (2020: £8,217k), and aggregate liabilities were £7,931k (2020: £8,880k).

20. TRADING RESULTS OF UCAS INTERNATIONAL LIMITED – FROM ACQUISITION DATE TO 31 JULY 2021

UCAS INTERNATIONAL LIMITED, REGISTERED IN ENGLAND, COMPANY NUMBER **12083693.**

	Notes	2021 £'000
Turnover	2	-
Brand and data charge	3	(50)
Expenses		
Administrative		(504)
Total administrative expenses		(554)
Operating profit / (loss) and profit / (loss) before tax		**(554)**
Interest receivable		-
Profit / (loss) before tax	3	**(554)**
Taxation	5	-
Profit / (loss) after tax		**(554)**

The aggregate amount of the capital and reserves of UCAS International Limited, as at 31 July 2021, was (£601k). Aggregate assets were £1,374k, and aggregate liabilities were £1,975k.

21. RELATED PARTY TRANSACTIONS

Directors

The Directors of UCAS hold a variety of senior positions at educational providers, and other organisations, many of which undertake transactions with UCAS on a regular basis. Such transactions are undertaken on an 'arm's length' basis, and the Directors make annual declarations confirming the position they hold in these organisations. The educational providers do not meet the definition of related parties, but the existence of the relationship is included here in the interest of transparency. Therefore, full details of the value of such transactions, or the balances outstanding between UCAS (or its subsidiary undertakings) and these organisations, are not provided.

During the year, no non-executive Director of UCAS Media Limited or UCAS International Limited was paid emoluments (2020: £nil).

The Universities and Colleges Admissions Service, and wholly owned subsidiary

The following related party transactions and balances are included in the accounts of the Charitable Company, in respect of its related party subsidiary companies:

	2021					
	Intercompany debtor as at 31 July 2021 £'000	Conference attendance fees charged to parent £'000	Staff costs recharged to subsidiary £'000	Brand and data charges to subsidiary £'000	Management charge to subsidiary £'000	Gift Aid distribution to parent £'000
UCAS Media Limited	-	-	3,390	3,001	2,086	2,066
UCAS International Limited	1,200	-	-	50	115	-

	2020					
	Intercompany debtor as at 31 July 2020 £'000	Conference attendance fees charged to parent £'000	Staff costs recharged to subsidiary £'000	Brand and data charges to subsidiary £'000	Management charge to subsidiary £'000	Gift Aid distribution to parent £'000
UCAS Media Limited	-	(1)	2,835	3,030	2,738	1,666
UCAS International Limited	-	-	-	-	-	-

22. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are those used by the actuary in calculating the Group's defined benefit pension scheme liability (see note 18 for details), and those involved in estimating an intangible software asset's likely useful life upon capitalisation and impairment (see policy on capitalisation of software assets for details).

On the acquisition of UCAS International Limited, that occurred on 20 October 2020, the Directors of the Group considered the fair value of the assets and liabilities acquired and identified a separately identifiable intangible asset, in addition to the assets and liabilities included on the acquisition balance sheet of UCAS International, in the form of partially developed software. The fair value on acquisition of this intangible asset has been determined as £1,260,000 and this has been recognised separately from goodwill. In determining the fair value on acquisition, the Directors used estimates and assumptions based on market data and a third-party valuation.

Critical areas of judgement

The Directors considered the useful economic life of goodwill for UCAS International Limited and concluded that the useful economic life is limited to 5 years, which represents the period over which the goodwill is expected to give rise to economic benefits. At the reporting date the carrying value of goodwill was £204,000 (2020: £nil). Amortisation of £36,000 (2020: £nil) was recognised in the year.

Senior management exercise judgement in determining that an internally-generated asset may be capitalised as an intangible asset, by reference to the likelihood that future economic benefit will be delivered by the asset, as well as the level of completeness of the asset. Details of UCAS' policy on capitalisation of software development costs is given in note 1.

Senior management also exercise judgement in reviewing any potential impairment of tangible or intangible assets which is determined by future economic value or the asset is no longer in use. During the year, this resulted in a charge of £0.6m.

UCAS participates in Universities Superannuation Scheme (USS), a multi-employer hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. UCAS is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, the scheme is accounted for as if it were a wholly defined contribution scheme (see note 18 for details).

The charity commenced the rental of part of one of the floors at the Rosehill site during 2018/19. Under FRS 102, where a discrete element of a property is leased to a third party, consideration needs to be given as to whether this constitutes a mixed-use property, which would necessitate that the rented element should be accounted for as an investment property and held at market value. It is UCAS' view that this arrangement does not get captured by the mixed-use rules, due to factors including the use of a shared reception, entrance through a shared corridor, and use of certain shared facilities.

23. POST BALANCE SHEET EVENT

Universities Superannuation Scheme (USS) Pension

Since the year end, the 2020 actuarial valuation has been completed and a new dual rate schedule of contributions has been agreed with an effective date of 1 October 2021. 'Leg 1' applies from 1 October 2021 and assumes the benefit change deed will be entered into on or before 28 February 2022 and overall contribution rates are set at 31.2% of salaries (previously 30.7%). 'Leg 2' is a backstop schedule of higher contributions should the recommended deed on benefit changes by the Joint Negotiating Committee not be executed by February 2022. In this scenario, higher deficit recovery contributions will commence from 1 October 2022 at 3% and then increase every 6 months until they reach 20% at 1 October 2025 (resulting in a total contribution rate of 57.0% from October 2025). Recalculating the USS provision on the basis of these contributions would result in an increased obligation to fund the deficit for 'Leg 1' of £3.5m, an increase of £2.2m, and for 'Leg 2' £5.9m, an increase of £4.6m. UCAS' Financial Statements for the year ended 31 July 2022 will reflect the outcome of 'Leg 1' or 'Leg 2', subject to any other changes in the financial and operational assumptions.

THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

England & Wales - Charity number 1024741

Accounts

UCAS DIRECTORS' REPORT AND CONSOLIDATED ACCOUNTS

For the year ended
31 July 2020

CONTENTS

31 JULY 2020

3	LEGAL AND ADMINISTRATIVE INFORMATION
5	REPORT OF THE DIRECTORS (INCLUDING THE GROUP STRATEGIC REPORT)
21	INDEPENDENT AUDITOR'S REPORT
25	CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL ACTIVITIES
27	CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL POSITION
29	CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS
31	NOTES TO THE FINANCIAL ACCOUNTS

Registered company number: 2839815
Registered charity number in England and Wales: 1024741
Charity registered in Scotland: SC038598

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 JULY 2020

BOARD STRUCTURE

CHAIR	Professor Sir Steve Smith	(resigned 31 August 2019)
	Professor Koen Lamberts	(appointed 01 September 2019)
DIRECTORS	Dr David Ashton	
	Professor Joy Carter CBE DL (Deputy Chair)	
	Mr Thomas Chambers	
	Mr Mark Felix	(appointed 01 September 2019)
	Mr Andrew Forbes	
	Ms Caroline Hoddinott OBE	(appointed 01 September 2019)
	Professor Sally Mapstone	
	Mr Thomas Newman	
	Professor Edward Peck	
	Mr Gerry Pennell OBE	
	Professor Malcolm Press	(appointed 01 September 2019)
	Professor Karen Stanton	(resigned 31 August 2019)
	Mrs Sian Thornhill	(resigned 31 August 2019)
	Professor Elizabeth Treasure	
COMPANY SECRETARY	Mrs Tessa Yates	
EXECUTIVE TEAM	Mrs Clare Marchant	Chief Executive
	Mr Kevin Allison	Director of Finance and Corporate Services
	Dr David Best	Director of Analysis and Insights (resigned 15 June 2020)
	Mrs Elaine Chandler	Executive Head of Human Resources
	Ms Fiona Johnston	Director of Operations (resigned 10 May 2020)
		Executive Business Sponsor, Digital Transformation (appointed 11 May 2020)
	Mr Sander Kristel	Executive Director, UCAS Media (resigned 10 May 2020)
		Chief Operations Officer (appointed 11 May 2020)
	Mr Aaron Powell	Chief Technology Officer (appointed 01 January 2019 – resigned 10 May 2020)
		Chief Digital and Data Officer (appointed 11 May 2020)
	Ms Helen Thorne MBE	Director of External Relations (resigned 31 October 2020)

REGISTERED OFFICE

Rosehill
New Barn Lane
Cheltenham
Gloucestershire
GL52 3LZ

AUDITORS

External auditor
RSM UK Audit LLP
Hartwell House
55 – 61 Victoria Street
Bristol
BS1 6AD

Internal auditor
PricewaterhouseCoopers LLP
2 Glass Wharf
Bristol
BS2 0FR

BANKERS

Barclays Business Banking
Britannia Warehouse
The Docks
Gloucester
GL1 2EH

SOLICITORS

Wiggin LLP
Jessop House
Jessop Avenue
Cheltenham
Gloucestershire
GL50 3WG

ACTUARY

Little and Company Actuaries and Consultants Ltd
i2 Office
450 Brook Drive
Green Park
Reading
RG2 6UU

INVESTMENT MANAGERS

Rathbone Greenbank Investments
8 Finsbury Circus
London
EC2M 7AZ

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED
31 JULY 2020

The Directors of The Universities and Colleges Admissions Service, also known as UCAS (the 'Charity'), who are also Trustees of the Charity, are responsible for the financial and organisational control and management of UCAS.

The Directors present their report for the year ended 31 July 2020. This report is deemed to encompass all matters which are required to be included in both the Strategic and Directors' Reports of the Charity.

GOVERNANCE, ORGANISATIONAL STRUCTURE, AND MANAGEMENT

UCAS was incorporated on 27 July 1993. It is a private company limited by guarantee, without share capital. It is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). Its governing document is the Articles of Association (the 'Articles'). UCAS is also a registered trademark.

UCAS is governed by a Board of thirteen Directors (the 'Board'), which usually meets five times a year to discharge its duties. It delegates to UCAS' Executive Team such powers as are necessary for the day-to-day management of the Charity. The Board adopts the Charity Governance Code.

The Board is supported by four subcommittees (the Finance, Audit, Remuneration, and Nominations Committees). They meet regularly to carry out responsibilities delegated by the Board.

The Board also receives advice from the UCAS Council, an advisory body comprising around 30 members, that represents the interests of UCAS' customers, and other key stakeholders. The role of the UCAS Council is to challenge and inform the work of the Board, give feedback to the Board on UCAS' performance, and inform the strategic direction of UCAS.

The 'Matters Reserved for the Board', 'Terms of Reference' for the subcommittees and UCAS Council, and details of UCAS Council members, are published on **ucas.com**.

SUBCOMMITTEE MEMBERSHIP DURING 2019/20 WAS:

Audit Committee:

- Dr David Ashton (Chair)
- Ms Caroline Hoddinott OBE (appointed 01 September 2019)
- Dr Jim McGeorge*
- Ms Sarah Randall-Paley*
- Professor Malcolm Press (appointed 01 September 2019)
- Mrs Sian Thornhill (resigned 31 August 2019)

Finance Committee:

- Mr Thomas Chambers (Chair)
- Professor Joy Carter CBE DL
- Ms Joanne Jones*
- Mr Thomas Newman
- Ms Liz Rylatt*

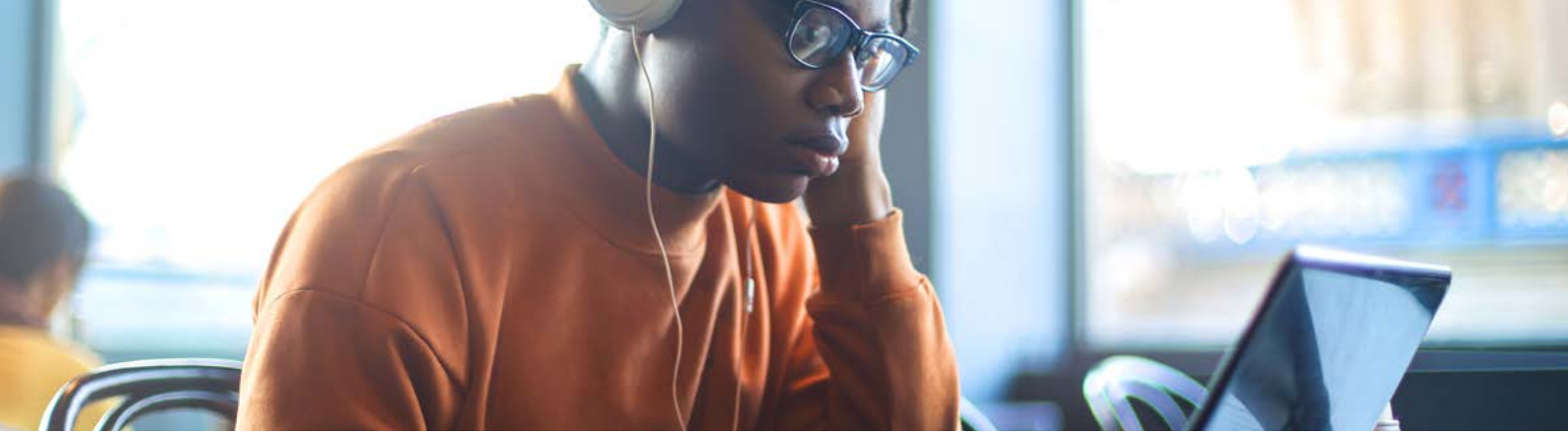
Nominations Committee:

- Professor Sir Steve Smith (Chair) (resigned 31 August 2019)
- Professor Koen Lamberts (Chair) (appointed 01 September 2019)
- Mr Andrew Forbes
- Professor Sally Mapstone
- Professor Edward Peck

Remuneration Committee:

- Professor Sir Steve Smith (Chair) (resigned 31 August 2019)
- Professor Koen Lamberts (Chair 01-18 September 2019) (appointed 01 September 2019)
- Mr Thomas Chambers (Chair from 19 September 2019)
- Professor Joy Carter CBE DL
- Mr Thomas Newman (appointed 19 September 2019)
- Professor Elizabeth Treasure

(*Co-opted Committee member)



OTHER DIRECTORS' REPORT DISCLOSURES

Disclosures required by the Companies Act 2006 to be included in the directors' report about engagement with employees, suppliers, customers and other stakeholders, and energy and carbon reporting have been included below in the Strategic Report section of this report.

DIRECTORS' RECRUITMENT, APPOINTMENT, AND TRAINING

UCAS' Articles determine the constitution of the Board and appointment of Directors.

All Directors and co-opted Committee members are independently selected, and formally appointed on merit for an initial fixed term of up to four years. This is based on their specific skills, experience, and expertise, against objective criteria. With due regard for the benefits of diversity on the Boards and Committees, UCAS' recruitment processes are formal, rigorous, transparent, proportionate, and appropriate to each vacancy. This enables the widest choice of candidates to be considered.

All new Board and Committee members receive an induction pack of essential governance (including managing conflicts), and UCAS documents. They are also invited to attend a formal induction session at UCAS' registered office, covering UCAS' operations. This includes meeting members of the Executive Team. Thereafter, they receive training which typically includes regular updates on legal and regulatory developments, Charity Commission, and other relevant guidance. Board and Committee members are given the opportunity to have ongoing learning and development, including site visits, to expand their knowledge of UCAS' operational developments.

UCAS regularly conducts a skills gap analysis, to inform succession planning, and enable specific training needs to be identified.

UCAS also conducts annual Board effectiveness reviews, which enable the Board to regularly consider its effectiveness, and that of its subsidiary and Committees.

SUBSIDIARIES

UCAS owns 100 per cent of the share capital of its subsidiaries, UCAS Media Limited and UCAS Consultancy and Insights Limited. UCAS Media Limited is used for non-primary purpose trading activities and UCAS Consultancy and Insights Limited is a dormant company.

Profit from UCAS Media is gift aided back to the charity for the purposes of investment in new, and improvements to existing, products and services. Our investment is customer led, using insight and data to prioritise those investments that are most important to our customers. In 2019/20 our investment from gift aid was used for a number of developments including but not limited to; creating a seamless student interface to Unibuddy within ucas.com, developing a beta version of a mobile app for students, development of an underlying data platform and continuous improvement to our portal for over 100,000 teachers and advisers around the world.

The profit before tax and Gift Aid donations, for UCAS Media Limited, during the year ended 31 July 2020, amounted to £1.7m, which represented a decrease of 61.2 per cent over the profit for the year ended 31 July 2019. The decrease in profit was due to a reduction in revenue which decreased by 14.9 per cent (2019: increase of 7.2 per cent) to £17.5m (2019: £20.5m). Revenue was impacted during the year by Covid-19.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the strategic report, the Directors' report, and the accounts, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare accounts for each financial year, which give a true and fair view of the state of affairs, the incoming resources and application of resources, including of income and expenditure, of the Charitable Company, and the Group for that period.

- select suitable accounting policies, and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis, unless it is inappropriate to presume the Group and Charitable Company will continue in business

The Directors are responsible for keeping proper accounting records that show and explain both the Group's and Charitable Company's transactions, with reasonable accuracy, at any time, and the financial position of the Group and Charitable Company, and enable them to ensure the accounts comply with the Companies Act 2006, Charities and Trustees Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulation 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company, and for taking reasonable steps for the prevention and detection of fraud, and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's websites. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The Charitable Company paid a premium of £3,142 (2019: £3,142) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each Director confirms, in so far as he or she is aware, that there is no relevant information of which UCAS' auditors are unaware. As Directors, they have taken all the steps they ought to have taken, to make themselves aware of any relevant audit information, and to establish that UCAS' auditors are aware of that information.

AUDITORS

RSM UK Audit LLP was reappointed as auditor at the Annual General Meeting of its members in February 2020 for the year ended 31 July 2020.

REMUNERATION

UCAS operates a structured pay framework, which rewards employees based on performance. All salary levels are benchmarked externally, to ensure consistency and alignment with the sector and national markets.

The remuneration for UCAS' Executive Team is subject to external benchmarking, with a separate meeting held regarding CEO remuneration. Awards given are reviewed and approved by UCAS' Remuneration Committee.

OBJECTIVES AND ACTIVITIES:

Public benefit

The Directors have reviewed the charity's aims and objectives, and complied with their duties in the Charities Act 2011, with due regard to the Charity Commission's guidance on public benefit exercising any powers or duties where the guidance is relevant.

UCAS is an independent charity, focused on connecting people to their future. The charitable objectives are 'to advance and to assist in the advancement of education in universities and other higher, further, or secondary establishments, insofar as such advancement and assistance shall be exclusively charitable in nature, in particular, but without prejudice to the foregoing, by providing and maintaining an organisation to facilitate the consideration by such universities and other higher, further, or secondary education establishments of applications for admission to, and to assist applicants in gaining access to, such universities and educational establishments'.

UCAS does not conduct any fundraising activities, nor use any fundraising agencies, and has received no complaints in this regard.

UCAS provides public benefit by providing information, advice, and admissions services to inspire and facilitate progression in education. The section below outlines how UCAS delivers public benefit through these services.

Information and advice services

Our aim is to help people make well-informed choices about their post-secondary education, using our in-depth insight about how and when students make their decisions.

UCAS supports students throughout their journey to post-secondary study, from initial research, refinement of options, final decision-making, and transition to their chosen destination. We provide information and advice to around 161,000 young people through our national programme of physical and virtual exhibitions, enabling them to meet representatives from universities and colleges, explore and narrow down their choices. Our online content expands beyond traditional HE, covering the range of destinations available to students, including apprenticeships and teacher training.

We attract over 30 million people from across the world to our website, ucas.com, where visitors can use our search tool to explore and filter over 40,000 undergraduate, postgraduate, and conservatoire courses. Students can also explore the latest degree and higher apprenticeship opportunities.

Not everyone has access to the same levels of support and advice when considering what to do when they leave school or college, or when thinking about higher education as an adult. We work in partnership with charities and other organisations to provide practical and inspiring information, advice, and resources for underrepresented groups, including students with disabilities, care leavers, those with parental or caring responsibilities, and estranged students.

Enabling people to make the right choices about their post-secondary education delivers public benefit by enabling people to fulfil their potential. Choice of the right subject and university or college contributes to improving widening participation, student retention, and successful progression to a degree, employment, or further study, and, ultimately, value for money for the taxpayer

Admissions services

While our core purpose is to provide an accessible and trusted undergraduate admissions service, we also provide admissions services for conservatoires, postgraduate courses, and teacher training programmes.

In offering centralised services, UCAS enables universities and colleges to connect with a wide range of potential students. We help to manage risks from fluctuating numbers of applications, and deliver cost-effective, efficient services to help universities and colleges plan and manage admissions decision-making. For undergraduate admissions, we provide data and services to support contextualised admissions that take account of students' educational backgrounds, and help universities evaluate the effectiveness of widening participation activities. Our centralised services, with a common application process, and agreed timescales and business rules, also facilitates student choice, and supports fairness and transparency.

We employ robust eligibility criteria to our higher education provider customers, to ensure students, parents, teachers, and advisers can be confident the universities and colleges applied to are bona fide course providers, offering quality courses of educational benefit.

To support public and policy debate about widening access and participation, UCAS publishes comprehensive analysis and insight about who is applying to higher education, receiving offers, and securing places. Taking into account the characteristics of the applicant population, and patterns of applications, offers, and acceptances, our analysis shows that at an aggregate level, admissions to full-time higher education are fair.

STRATEGIC REPORT

Achievements and performance

UCAS' core purpose is to run an accessible, trusted, and personalised undergraduate admissions and information service. Our strategy *Discover Your Future* (2020 to 2025) focuses on delivery of six strategic objectives. Examples of progress against these objectives during 2019/20 are outlined below.

1. Inspire and empower people to make aspirational choices about higher education and learning

- Invested in more personalised, relevant, and far reaching social media content to support student decision-making during the Covid-19 pandemic. This included Facebook Live Q&A sessions featuring a cross section of partners and government ministers. Across the year our social media content was seen more than 226 million times with almost 2.4 million interactions.
- Since its launch in Autumn 2019, the UCAS Student Hub, which provides personalised information and advice, has been accessed more than 337,000 times.
- 181,000 questions from students have been answered on social media over the year.
- Began the transformation of our data reporting to be more accessible, easier to use, and insight driven, including the end of cycle Realising Ambition report designed to support teachers and UCAS advisers to provide the best advice on options available for applicants.
- We partnered with Unibuddy, the BBC, and Which? to provide applicants with engaging and inspiring content.
- 47% of those registered on the Student Hub indicated they are also interested in apprenticeship opportunities, not just university. Content on the hub supporting this rapidly growing route was improved this year, with plans agreed to transform UCAS into a single destination for students to equally consider the range of options, including FE, apprenticeships, and higher technical qualifications.

2. Deliver trusted and flexible admissions services for the digital age

- Successfully delivered the UCAS Undergraduate, UCAS Teacher Training, UCAS Conservatoires, and UCAS Postgraduate admissions services, supporting over 760,000 applicants, with more than 570,000 of those securing a place.
- Made a step change towards the digitisation of Clearing:
  - Self-Release was launched, enabling applicants to decline their place in Track. In previous years, this had to be actioned by the provider.
  - Clearing Plus, a data led service that helps unplaced applicants find a course with vacancies and digitally express an interest in those they are matched to.
- Simplified and consolidated applicant decision making deadlines after the government announced a moratorium on all unconditional offer making.
- This year UCAS delivered continued and sustained enhancements to features and functionality of the Adviser Portal for teachers and advisers following the launch in March 2019 for their 2020 cohort. Based on customer feedback from around the world, the annual survey and interaction analysis, over 40 improvements have been delivered to co-ordinate with various deadlines and milestones, including improvement for pre and post submission to support advisers and their students.

3. Be the go-to place for higher education data-driven insights

- Published applicant statistics and analysis daily during Confirmation and Clearing, within nine working days of application deadlines, and within 25 working days of the end of cycle.
- Replaced previous PDF outputs with interactive data dashboards – both sector-level and securely for individual providers, allowing users to select, filter, and view different selections of data on a self-serve basis.
- Published nearly 3 million data points in an open data format to download, including equalities data covering applications, offers, and acceptances for UK students, by sex, ethnic group, area, and background.
- Responded to Covid-19 by publishing insight on HE admissions mid-cycle – drawing on UCAS' surveys and behavioural patterns in admissions data – via webinars for providers, think tanks such as HEPI, and sector media such as WonkHE.
- With permission from the DfE, integrated Free School Meal data into the multiple equality measure for use across the sector.
- Deposited admissions data within the ONS Secure Research Service, enabling safe access to HE admissions data to all accredited UK researchers.
- Throughout and beyond the lockdown period, UCAS provided the sector with highly valued insights into student opinion and concerns through a programme of surveys and webinars in partnership with Youthsight.

4. Connect the world to UK higher education

- UCAS continued to achieve high levels of customer satisfaction across students, teachers, advisers (all around 90%), as well as providers.
- Over 140,000 international students applied to UK higher education through UCAS.
- Supported EU advisers and students with enhanced information and advice during transitional arrangements leading to and following the UK's departure from the EU, including joint activities with stakeholders. UCAS has run online information sessions for EU advisers as well as working with UUK-i and UKCISA as key sector and student support organisations, delivered international Facebook Live sessions which covered the changes to fee and visa status for EU nationals.
- We saw an increase of 325 EU and international schools and agents as registered centres, taking the total to 5,373.

5. Embed efficiency and value in everything we do

- Successfully renegotiated contracts driving savings and improved performance.
- Supply chain consolidation, decommissioning and reduction in services generating savings.
- Implemented a new approach to delivery and to support this, adopted new ways of working in the form of established multi-disciplinary, customer-focused teams, that support iterative development and continuous improvement.
- Through the internal volunteering programme known as Project Octopus, staff from all over UCAS work on the phones in the customer experience centre during results and deadline days. This does not only save tens of thousands of pounds but also increases knowledge, customer service and intimacy across the organisation.

6. Be an employer of choice where people flourish, perform, and achieve

- Conducted a full review of UCAS' pay, reward, and wider terms and conditions, engaging with staff throughout the review.
- Implemented a new approach to total reward ensuring a fair, transparent, and simple scheme which rewards good performance.
- Continued investing in wellbeing and maturing the mental health first aiders scheme. Achieved a Gloucestershire Health workplace award showing UCAS as a "top example of a workplace that embeds wellbeing into the culture of the organisation and promotes health and wellbeing from the highest level." Absence levels were also lower than prior year.
- Significant support for staff throughout Covid-19 with UCAS implementing its fully remote working practices swiftly and with minimum disruption. A staff survey showed that in the height of lockdown, 95% of colleagues still felt connected to their teams with 81% still engaged in business delivery. 91% of line managers felt confident their teams were productive through a fully remote working environment.
- Launched a new *Talent Framework* which complements UCAS' performance framework, enabling colleagues to reach their full potential and providing UCAS with a 'grow your own' channel for succession planning.

PLANS FOR THE FUTURE

Successful delivery of the UCAS undergraduate admissions service is our first priority. As part of this, we have accelerated the greater personalisation of information and advice for prospective students with the new Student Hub and through the launch of Clearing Plus.

Early digital deliveries in 2020/21 include a Mobile app beta, a programme of digital events and conferences and an accommodation portal to provide a more connected journey as students transition to the next stage of their education journey. Significant deliveries, such as the 'My Application' initiative that will deliver a modern new user interface for Apply and Track, including enabling centralised log-in across the UCAS estate are planned within this financial year along with new insight product launches such as the 'Leaky Hosepipe' and continuous improvements to key customer products such as the adviser portal. UCAS began to expand on this priority by agreeing a strategy to transform into a single destination for students to equally consider and compare every option post-18 by fully encompassing further education options, higher technical education at Level 4/5, conservatoires, modular study, apprenticeships, and other high-quality routes.

This transformation will start with improved content on the Student Hub and an end to communications or insight work that furthers the misperception that UCAS only covers higher education and universities. This will be followed by embedding apprenticeships into UCAS' business through a suite of products and services to support employers, students, and providers. Importantly, we will also consider with government and regulators how to improve access to the most prestigious apprenticeships by applying UCAS' expertise in fair admissions.

UCAS is currently modelling options for post-qualification admissions and our modelling is feeding directly into government and stakeholder thinking on future admissions reform.

The UK's International Education Strategy aims to increase the number of international students from c.450,000 to over 600,000. To deliver this, UCAS will have to play a key role with new or improved relationships urgently needed with the Department for International Trade and international education teams at the DfE, especially as the UK agrees its future relationship with the European Union.

Moving away from reactive or end of cycle retrospective reports will be crucial if UCAS is to become a thought leader on education policy with a new two-year UCAS output grid under development for 2021-2023. This will set out strategically outputs and interventions across the policy issues UCAS cares about and is able to publish data-led policy work to inform the public debate. Issues include 'levelling up,' growing apprenticeships, widening participation to higher education, regional growth, trends in student behaviour, and the UK's international competitiveness.

UCAS will continue its activities to help mature students engage or re-engage with higher education; and improve our resources and support for students who apply independently, without the support of a school or college.

The drive to publish more data in an open format, with interactive, easy to use dashboards for a varied audience, will continue. This will be in line with the code of practice for statistics that UCAS voluntarily adopted this year and with advice from the UCAS open data task and finish group. The use of more automation and dashboards will enable the transformation of the data science service and will focus on the publication of more timely insights, relevant research, and forecasting based on UCAS and third-party data.

UCAS will respond swiftly to any changes needed in a post-Brexit environment, and we will continue where appropriate to collaborate with the Office for Students with their programme of activities and research.

We will continue to work closely with the DfE and governments across the devolved nations to support them with the development of options to attract and support students into postgraduate teacher training in England.

During 2019/20, UCAS Media launched a new strategy 'Connections that create value' with a focus to put clients at the heart of everything UCAS Media does and focus on delivering value rather than predominantly volume to customers. UCAS Media also launched a new advisory group in 2019/20 to support UCAS Media in its commitment to operate ethically, demonstrate integrity and act responsibly to its customers and wider stakeholders. Over the coming year, further progress will be made against the strategy and continue to develop and expand UCAS Media's portfolio of data, consultancy, and insight services in response to customer demand. Further work will also be conducted with the advisory group.

UCAS will continue to ensure value is delivered as a UK wide shared service. For example, efficiency savings through the optimisation of technology services, and more efficient procurement of goods and services. Additionally, to ensure we can respond to fast changing situations and fluctuations in demand, we're exploring the integration of an intelligent chatbot solution into our CRM.

SECTION 172 STATEMENT

The Board of Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company in achieving its charitable purpose and, in doing so, to have regard (amongst other matters) to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.

Throughout this report, we have summarised our governance framework and how we are engaged with stakeholders during the year. The Trustees have considered the views and needs of key stakeholders in Board discussions and decision making. The following points are not intended to be an exhaustive list but are illustrative of how the Trustees have fulfilled these duties during the year.

Engagement with employees

- The Executive team are actively involved in the engagement of staff through frequent briefings, use of internal communication tools, and regular CEO stand ups to provide updates on business developments and to answer questions directly.
- Conducted a full review of UCAS' pay, reward and wider terms and conditions, with staff engaged throughout the review.
- Continued investing in wellbeing and maturing the mental health first aiders scheme.
- In line with our objective of being an employer of choice, the Directors have recently been focused on mitigating employee risks arising from the Covid-19 pandemic, including wellbeing while working remotely.

Engagement with stakeholders

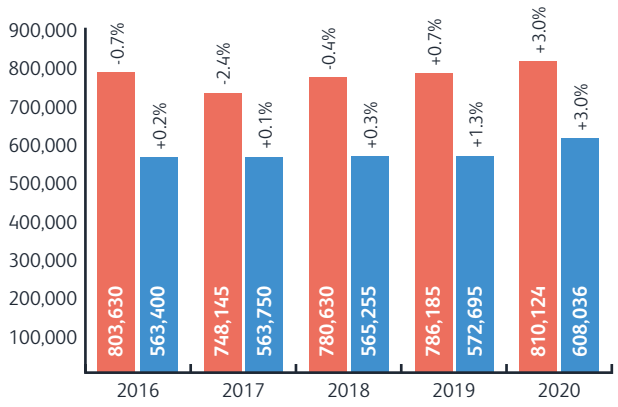
- The Trustees recognise the importance of a number of external stakeholders such as applicants, providers, advisers, education and commercial customers, government and sector agencies, legal members and suppliers, as well as internal stakeholders.
- The Trustees remain committed to effective engagement of all stakeholders and are mindful that the organisations success depends on its ability to engage effectively, work together constructively and to take stakeholder views into account.
- The Trustees also review financial and operational performance, as well as information covering areas such as external drivers which includes the number of applications, staff including UCAS' people promise, pensions, delivery, and key risks. This information is provided to the Trustees through routine reports circulated in advance of each Board meeting which were then reviewed, discussed and approved, as necessary.
- Responded to Covid-19 by publishing insight on HE admissions mid-cycle, drawing on UCAS's survey insight as well as observed behavioural patterns in admissions data, via webinars for provider audiences and through organisations such as HEPI and WonkHE.
- Conducted a Corporate Governance review leading to special resolutions being presented to legal members at the AGM which were approved.
- Following stakeholder consultation, the Board approved the new corporate strategy *Discover Your Future*.

APPLICANT NUMBERS BY SCHEME

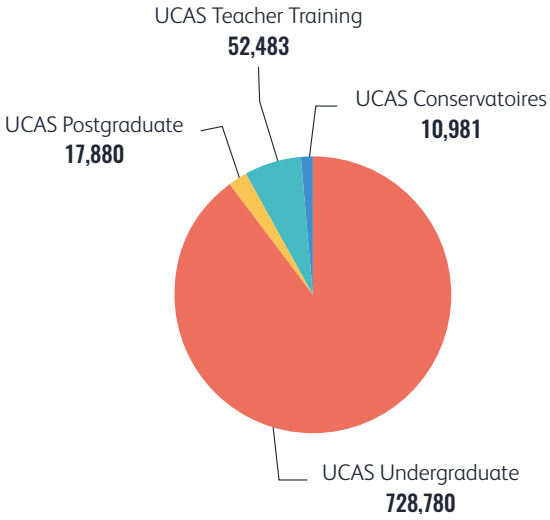
Applicants

Acceptances

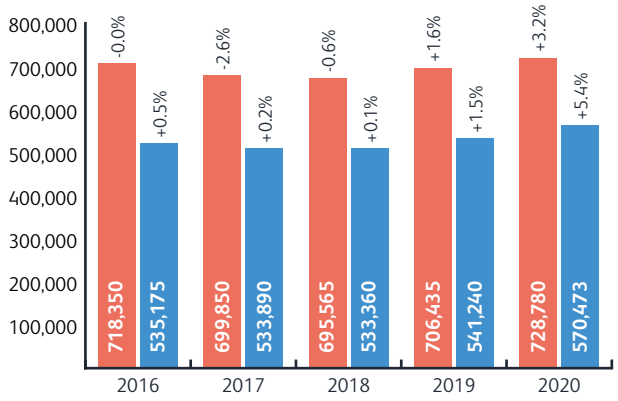
All schemes



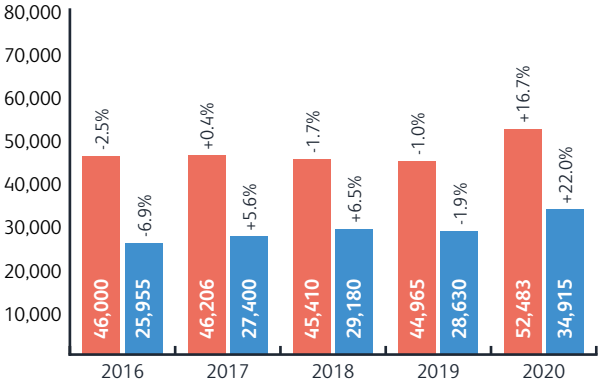
2020 applicants by scheme



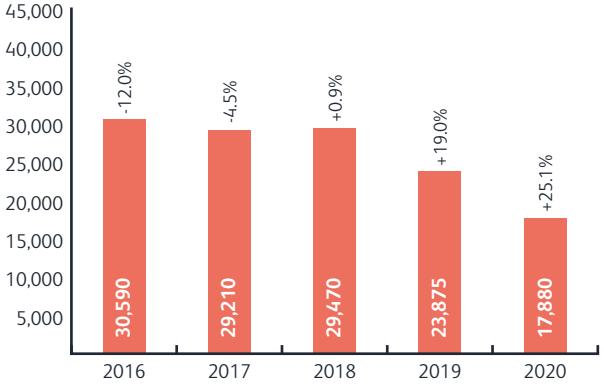
UCAS Undergraduate



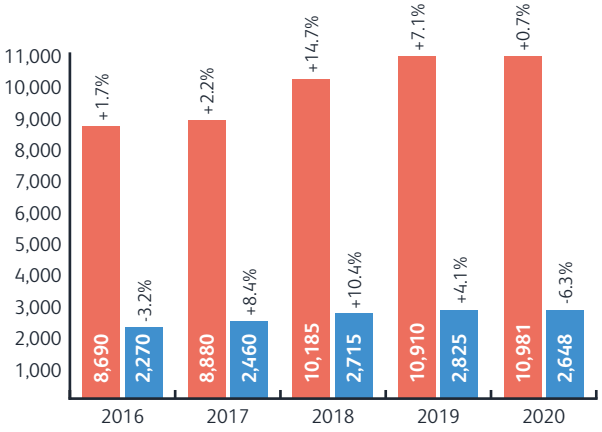
UCAS Teacher Training



UCAS Postgraduate



UCAS Conservatoires



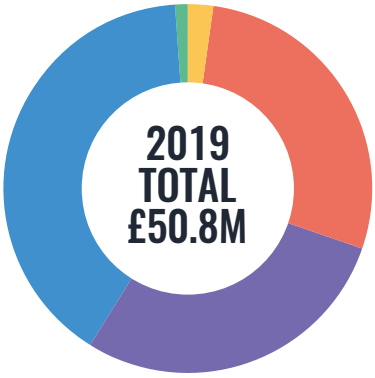
FINANCIAL REVIEW

The applicant numbers detailed on page 14, and the associated income disclosed below, are some of the key performance indicators used to measure the performance of the charity. The performance of UCAS Media Limited, as detailed below, is also considered a key indicator of the Group's performance.

Total income decreased by 1.8 per cent, to £49.9m. An increase in income was seen from charitable activities which given the timing of the cycle was not impacted by Covid-19 in 2019/20. The year-on-year charity income growth was as a result of an increase in capitation and application income. The revenue generated by the commercial subsidiary UCAS Media decreased by 14.9 per cent as this was negatively impacted by Covid-19, primarily through the cancellation of activities.

Total income (note 3) in 2020 vs. 2019 is shown below:

Provider fees	30.5%
Applicant fees	30.8%
UCAS Media	35.0%
Investment income	0.6%
Other	3.1%



Provider fees	28.8%
Applicant fees	28.0%
UCAS Media	40.3%
Investment income	0.5%
Other	2.3%

2020 expenditure (note 4) is further broken down below, showing expenditure by business area.

Digital & Data	37.0%
Operations	11.6%
Sales & Marketing	27.9%
Support	13.1%
Other	10.4%

Expenditure was tightly controlled across all areas of the organisation, with cost savings being reinvested in developing key areas of the Group, to enhance the services available to UCAS' customers. An impairment review of development costs and contracts was conducted during the year which resulted in a charge of £6.4m.

Looking ahead, UCAS will look to augment existing services, and develop new ones in response to strong value propositions and will actively manage product lifecycles to maximise efficiencies. The implementation of a new target operating model positioning UCAS as a 'Customer Centric, Product Focused' organisation also supports this enabling the delivery of innovation at pace.

Cash reserves for the Group increased from £15.2m to £18.5m due to the net cash inflow from operating activities.

UCAS also holds a liquid investment portfolio, containing a combination of bonds, equities, and property. This year has seen the investment decline by 2.8 per cent to a value of £7.0m as at 31 July 2020 (2019: £7.2m value) as a result of market conditions.

Details of UCAS' pension arrangements, including two final salary schemes, and two money purchase arrangements, are set out in note 19 of the accounts. The net charge for the UCAS Pension and Life Assurance Scheme (PLAS) for the year ended 31 July 2020 is £0.2m (2019: £0.7m), included in note 19, after cash contributions of £1.0m (2019: £1.0m). The contributions were made under a formal agreement with the Trustees of the pension scheme, to alleviate the pension Trustees' measure of the deficiency of net assets in the scheme. In the year ended 31 July 2020, the return on scheme assets, and actuarial losses on the scheme liabilities totalling (£3.4m) negatively impacted by market conditions, were recognised in other comprehensive income (2019: £3.8m). The deficit recognised on the balance sheet increased to £12.2m (2019: £9.6m).

Under FRS 102, the Group has also recognised the present value of future deficit contributions payable to the Universities Superannuation Scheme (USS) pension scheme, resulting in a deficit of £1.4m (2019: £2.5m) being recognised on the balance sheet.

The Group's financial reserves mainly comprise cash at bank, and liquid investment funds. The main purpose of these reserves is to maintain sufficient finance for the Group's planned future operations and activities. The main financial risk arising from the Group's operations and activities, is liquidity risk. The Group funds its operations and activities from operating income and cash reserves.

The Group made no political contributions or donations during the two years ended 31 July 2020. As a registered charity, UCAS seeks to benefit from the appropriate tax exemptions where it can.

STREAMLINED ENERGY AND CARBON REPORTING

UCAS is reporting for the first time under the Streamlined Energy and Carbon Reporting regulations. This report was undertaken in accordance with the Streamlined Energy and Carbon Reporting ("SECR") requirements outlined in the Companies Act (2006) for large quoted and unlisted companies which requires UCAS to report on its Greenhouse Gas (GHG) emissions. This report contains details on annual GHG emissions, total energy consumption from our Cheltenham head office, transport assets, and energy efficiency actions implemented for each financial year. This report contains our SECR disclosure for the 2019/20 financial year.

UCAS participated in the Energy Savings Opportunity Scheme (ESOS) during 2019/20. A number of recommendations made by the external assessor have been addressed to improve energy efficiency. Remaining recommendations which involve large scale adjustments will be considered as part of the capital budget.

Over the year we have collected primary data for our head office site, including: electricity consumption (kWh), electricity transmission and distribution (kWh) and natural gas consumption (kWh). Transport data has been collated from our small fleet of owned vehicles (business mileage) and our grey fleet mileage from hire and staff car usage. All primary data used within this report is from 01 August 2019 – 31 July 2020, covering our financial year. The scope of our GHG emissions calculation covers all of UCAS' operations from our head office, as a consolidated group report.

Emissions source	GHC Scope (GHG Protocol)	1 Aug 2019 – 31 Jul 2020*
Electricity	Scope 2	994,890
Natural gas	Scope 1	513,883
Owned vehicles	Scope 1	57,908
Grey fleet	Scope 3	54,410
Total energy consumption (kWh)		**1,621,091**

*Reporting unit kilowatts per hour (kWh)

In accordance with the SECR Emissions Reporting requirements outlined in the Companies Act for large companies our GHG disclosure for the financial year is listed below. Results have been split by Scope and source as outlined by the BEIS and Greenhouse Gas Protocol Corporate Reporting Standard (GHG Protocol) methodology for compiling the GHG data and calculations using the 2019 Conversion Factors for Company Reporting published annually by Defra and BEIS. m^2 has been used as the measure for intensity given that most emissions are driven by the building.

GHG emissions scope	1 Aug 2019 – 31 Jul 2020	Percentage of GHG emissions
Scope 1	108.64	28.9%
Scope 2	254.29	67.7%
Scope 3	12.95	3.4%
Total GHG emissions*	**375.88**	**100%**
GHG emissions intensity**	**0.07**	

*Results unit tonnes CO_2e

**Results unit tonnes CO_2e/m^2

RISK MANAGEMENT

The Directors have given consideration to the significant risks UCAS is exposed to and have satisfied themselves that controls are in place to mitigate those risks. The UCAS Board seeks to manage and mitigate risk, particularly through the activities of its Audit Committee. Working in conjunction with the Executive Team, the Audit Committee monitors the following activity:

1. **Risk management** – the Corporate Risk Management Framework sets out UCAS' approach to risk management, covering the end-to-end process, roles, and responsibilities, and defining the scope of its activities.

The Directors consider the key principal strategic risks to be monitored currently are:

- compromise of sensitive or personal data – we are continuing to make improvements to our technical security, in response to the constantly changing cyber threat landscape. We have robust security incident management procedures, as well as well-tested backup and recovery plans. We also continue to run awareness campaigns, to increase the vigilance and diligence of our employees, and help mitigate the risk of a compromise of sensitive or personal data.
- financial stability – we conduct horizon scanning, modelling, and forecasting on a rolling basis, to anticipate possible scenarios and their impact on UCAS' financial stability and sustainability. UCAS continues to build its reserves value towards the target amount outlined in the reserves policy in order to manage the risk within its appetite level.

Strategic risks are reviewed by the Executive Team on a regular basis, and UCAS' corporate risk exposure is reported to all meetings of the Audit Committee and UCAS Board. Tactical risks at a business unit level are reviewed frequently.

2. **Internal audit** – PricewaterhouseCoopers (PwC), as UCAS' internal auditor, undertakes a series of audits in which they review the organisation's activities and governance functions, and report their findings to the Audit Committee. A risk-based approach is taken to the development of the annual audit plan. This is agreed with, and guided by, the Executive Team and the Audit Committee. The 2019/20 audit programme included reviews such as our cyber security response plans, business case processes, student voice and purchase order controls. Internal audit is conducted in conjunction with the external audit function, provided by RSM.

3. **Health and safety** – UCAS maintains a dedicated and centrally-managed health, safety, and environmental function. This role undertakes regular reviews of operational activities, and provides advice, including risk assessments, reporting to the Chief Executive and Audit Committee, through the Executive sponsor for health and safety. The priorities are to maintain a healthy and safe environment for the UCAS workforce, ensure compliance with relevant health and safety legislation and regulation (including the recent Government guidelines for Covid-19), ensure the requirements of the Energy Savings Opportunities Scheme (ESOS) are being satisfied, and effectively manage UCAS' environmental impact.

RESERVES POLICY

The aim of the reserves policy is to protect UCAS from unforeseen financial challenges, while making funds available for investment in future activities.

Due to the recurring nature of the annual application cycles, UCAS' income can vary seasonally. By contrast, expenditure is, for the most part, incurred evenly throughout the year. This can cause timing issues, where expenditure exceeds income at certain points in the year. There are also risks which need to be managed including those outlined above. There is, therefore, a need for cash at a sufficient level to fund expenditure, as noted in the general reserve section below.

The Directors recognise that the sectors in which UCAS operates are constantly evolving and are subject to many external factors. As such, there is a need for reserves. This is highlighted in the income and technology reserve sections below.

The reserves policy sets out the criteria used to designate UCAS' reserves and explains the reasoning behind putting each reserve in place. Where the full value of any reserve cannot be designated from available funds, the reserve will be partially set aside, with the aspiration to build the full reserve in subsequent years.

The policy is reviewed annually, to take account of changes to the external environment, and the performance of current operations.

For the purposes of this policy, the calculation of the reserves held in the UCAS Group balance sheet is based on the net assets, excluding the pension scheme liability, minus tangible and intangible fixed assets. The pension liability has been excluded from the total, as UCAS has committed to a multi-year scheme recovery plan, which can be met from projected future income without significant impact on its planned levels of charitable activity. UCAS has also set aside two years of recovery payments in the general reserve, equivalent to £2.0m as at 31 July 2020.

The value of the reserves target is currently £26.4m based on the definition in the reserves policy versus actual reserves of £25.5m, which accounts for a shortfall of £0.9m. UCAS continues to work towards closing this gap by increasing its net cashflow from operating activities in order to meet the need outlined above.

When considering the appropriateness of the level of reserves for the UCAS Group (the Charity and subsidiaries), the Directors have regard to the strategic risks facing the business and their possible financial implications, and the current business plan. This includes the availability of cash in the bank and investment funds, and the need for reserves to offset significant timing differences in the receipt of cash, particularly at the year end, when cash balances are typically at their lowest levels. The establishment of appropriate levels of reserves is therefore considered important to the continued operation of UCAS.

The Directors have noted that UCAS Media is a wholly owned subsidiary of UCAS, which Gift Aids its profits to the Charity. It was therefore not considered appropriate to devise a separate reserves policy for UCAS Media.

The following unrestricted reserves have been identified (none of UCAS' reserves are deemed to be restricted):

GENERAL RESERVES

UCAS' income is seasonal, largely due to the application cycles, while expenditure is relatively constant throughout the year. There are also risks to be managed. There is, therefore, a need for cash at a sufficient level to fund expenditure. The total value of liquid assets (cash plus investment fund) that UCAS should look to maintain at any given time as general reserves, is based on the following assumptions:

- Two and half months' working capital
- Two years of PLAS deficit recovery plan payments
- USS liability (as per balance sheet)

As UCAS has entered into a multi-year deficit recovery plan for the UCAS Pension & Life Assurance Scheme, and because two years of PLAS deficit recovery payments and the USS balance sheet liability are now included in the general reserve, it is not considered necessary to designate a separate pension reserve. The value of general reserves as at 31 July 2020 was £11.0m.

INCOME RESERVE

The Directors recognise that the sectors in which UCAS operates are constantly evolving, and are subject to many external factors. They therefore consider it important to establish sufficient reserves to protect against any unforeseen reduction in income. The Directors have designated a specific reserve to protect against any strategic risks that could lead to a loss of income. Each risk identified at the corporate level, where a potential financial loss is highlighted, is assigned a likelihood in percentage terms. This percentage is multiplied by the estimated loss, to arrive at a corresponding value. The total of all amounts is reflected in the final value of the income reserve. The value of this reserve as at 31 July 2020 was £3.2m.

TECHNOLOGY RESERVE

Acknowledging the dependency of technology, coupled with the risks of operational failure and the serious compromise of sensitive or personal data, the Directors believe a designated technology reserve should be held. Although UCAS has made significant historic investment in its technology, new development must continue to ensure successful delivery of core services. The Directors therefore consider it essential to hold sufficient reserves for this purpose. UCAS' technology spend can be segmented into three core areas:

- Tier one – architectural building blocks for the future.
- Tier two – technology suppliers.
- Tier three – other smaller technology suppliers.

The target value should represent the annual cost of tier one, as this represents building blocks for the future. The value of this reserve as at 31 July 2020 was £8.0m.

INVESTMENT POLICY

UCAS' memorandum of association allows the Group to make such investments, including securities or property as may be thought fit, subject to legal and constitutional conditions and consents. This also allows the Group to subscribe for interests in any company or undertaking established, with the intention of directly or indirectly benefiting the Company. All cash funds generated by UCAS, or any subsidiary companies, will be invested and managed through UCAS, in accordance with all legal requirements, and with regard to UCAS' reserves policy, and both short-term and long-term working capital requirements. The funds to be invested represent the excess of cash reserves over the amount needed to fund investment in the company's infrastructure. The objective for the fund is to achieve a balance of income and capital growth, while at least maintaining the real capital value of the investment funds in the long term. UCAS seeks an annual return equal to three percentage points above the consumer prices index (CPI) over a period of at least five years, and the fund is benchmarked against the Asset Risk Consultants (ARC) Charity Sterling Steady Growth Index or suitable equivalent. For managed funds, the appointed investment manager may use their discretion in selecting the most appropriate investments, subject to the risk appetite and ethical parameters set out in UCAS' investment policy which is monitored by Finance Committee.

EMPLOYEE ENGAGEMENT

Our 'People Promise' aims to deliver on our promise to be an employer that provides a place where people flourish, perform, and achieve.

This is achieved through:

- providing a performance framework that measures and rewards success
- clear career pathways and growth opportunities
- ensuring all our leaders are role models for the UCAS values in action
- offering learning academies linked to career frameworks, and promoting a balanced approach to development
- having multiple ways to communicate to and engage with colleagues, including through the staff consultation group
- an update and review on people promise at each Board meeting which is presented as part of the CEO update, covering areas such as talent and development. A more detailed review is also undertaken by Remuneration Committee

EQUALITY AND INCLUSION

UCAS is committed to equality, and promotes an inclusive working environment and admissions service for its employees and customers, in line with the Equality Act 2010. Equality and inclusion are being driven forward internally, in the form of awareness campaigns and training, supporting our efforts to make UCAS an equal and inclusive place to work. UCAS is committed to equality and inclusion, and values diversity on its Board and Committees. The Board consults relevant guidance on equality, diversity and inclusion, to ensure the promotion of fairness and diversity in the selection process and seeks to maintain and enhance diversity through consulting best practice. Should any employee of UCAS become disabled during their time with us, we will actively make reasonable adjustments to their environment where possible. Recruitment, training, development and promotion of disabled persons should be identical to that of other employees.

Key updates for 2019/20 include:

- The introduction of an Equality, Diversity and Inclusion (EDI) policy
- EDI action plan (based on staff feedback)
- Established EDI champions and working group to deliver actions
- Staff training and information events
- Talent and attraction strategy to include focus on women in Technology roles
- Adjustments made to the office environment for disabled persons
- Ongoing gender pay reporting

The Directors' Report and incorporated Strategic Report were approved by the Board on 10 December 2020, and signed on its behalf by:

Professor Koen Lamberts

Chair

Date: 10 December 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE UNIVERSITIES AND COLLEGES ADMISSIONS SERVICE

FOR THE YEAR ENDED 31 JULY 2020

OPINION ON FINANCIAL STATEMENTS

We have audited the financial statements of The Universities and Colleges Admissions Service (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated and Charitable Company Cash Flow Statements 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2020; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

BASIS FOR OPINION

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the Report of the Directors other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Report of the Directors and the incorporated strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of Directors, and the incorporated strategic report, have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors and the incorporated strategic report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS

As explained more fully in the statement of trustees' responsibilities set out on page 7 the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and parent charitable company'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 trustees either intend to liquidate the group or parent charitable company 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.

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 exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's trustees 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 charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

HANNAH CATCHPOOL (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Hartwell House
55 – 61 Victoria Street
Bristol
BS1 6AD

Date: 20 December 2019

RSM UK AUDIT LLP is eligible to act as an auditor, in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2020

		Group		Charity	
		Unrestricted Funds		Unrestricted Funds	
		2020	2019	2020	2019
Income	**Notes**	**£'000**	**£'000**	**£'000**	**£'000**
Income from charitable activities:					
Provider and applicant fees	3	30,560	28,846	30,560	28,846
Other incoming resources	3	1,528	1,189	7,296	8,276
Raising funds:					
Income from trading activities	3	17,459	20,489	-	-
Gift Aid		-	-	1,666	8,650
Investment income	3	311	267	289	241
Total income		**49,858**	**50,791**	**39,811**	**46,013**
Expenditure					
Raising funds	4	(15,162)	(16,274)	(20)	(48)
Charitable activities	4	(37,488)	(29,665)	(42,584)	(36,759)
Total expenditure		**(52,650)**	**(45,939)**	**(42,604)**	**(36,807)**
Net gain on investments	9	(372)	205	(372)	205
Net income before tax		**(3,164)**	**5,057**	**(3,165)**	**9,411**
Taxation	5	-	-	-	-
Net income		**(3,164)**	**5,057**	**(3,165)**	**9,411**
Other recognised gains:					
Remeasurements of defined benefit obligation	19	(3,390)	(3,801)	(3,390)	(3,801)
Net movement in funds		**(6,554)**	**1,256**	**(6,555)**	**5,610**
Reconciliation of funds:					
Total funds brought forward		28,729	27,473	29,499	23,889
Total funds carried forward		**22,175**	**28,729**	**22,944**	**29,499**

There are no recognised surpluses or losses in the year, other than those included in the Statement of Financial Activities above. All the above results are derived from continuing activities.

CONSOLIDATED AND CHARITY STATEMENTS OF FINANCIAL POSITION

FOR THE YEAR ENDED
31 JULY 2020

	Notes	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Fixed assets					
Goodwill	7	-	-	-	-
Other intangible assets	7	7,056	13,584	6,174	13,577
Total intangible assets		7,056	13,584	6,174	13,577
Tangible assets	8	5,857	6,540	5,822	6,462
Investments	9	6,971	7,171	6,971	7,171
Investment in subsidiaries	10	-	-	1,026	1,026
		19,884	**27,295**	**19,993**	**28,236**
Current assets					
Debtors due within one year	11	8,501	8,378	5,744	7,643
Cash at bank and in hand		18,508	15,238	16,015	11,365
		27,009	23,616	21,759	19,008
Current liabilities					
Creditors amounts falling due within one year	12	(10,939)	(9,880)	(5,029)	(5,443)
Net current assets		**16,070**	**13,736**	**16,730**	**13,565**
Creditors: amounts falling due after more than one year					
Deposit from property tenant		(100)	(130)	(100)	(130)
Finance lease due after one year	15	-	-	-	-
		(100)	**(130)**	**(100)**	**(130)**
Net assets excluding pension scheme liability		**35,854**	**40,901**	**36,623**	**41,671**
Deduct:					
Defined benefit pension scheme liability	19	(12,247)	(9,643)	(12,247)	(9,643)
Defined contribution pension scheme provision	19	(1,432)	(2,529)	(1,432)	(2,529)
Net assets		**22,175**	**28,729**	**22,944**	**29,499**
Funds					
Unrestricted funds: designated	16	11,200	10,000	11,200	10,000
Unrestricted funds: general	17	24,654	30,901	25,423	31,671
Pension scheme liability	19	(13,679)	(12,172)	(13,679)	(12,172)
Total funds		**22,175**	**28,729**	**22,944**	**29,499**

The financial statements on pages 26 to 62 were approved by the Board of Directors and authorised for issue on 10 December 2020.

Professor Koen Lamberts
Chair

CONSOLIDATED AND CHARITY STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED
31 JULY 2020

	Notes	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Net cash flow from operating activities		**11,355**	**9,507**	**7,459**	**3,271**
Cash flow from investing activities					
Interest received on bank and cash balances		115	119	93	93
Gift Aid income from subsidiary		-	-	4,401	4,274
Purchase of intangible fixed assets	7	(5,214)	(4,732)	(4,304)	(4,732)
Purchase of tangible fixed assets	8	(74)	(11)	(74)	(12)
Net cash used in investing activities		**(5,173)**	**(4,624)**	**116**	**(377)**
Cash flow from financing activities					
Repayments of obligations under finance leases		(29)	(116)	(29)	(116)
Net cash used in financing activities		**(29)**	**(116)**	**(29)**	**(116)**
Change in cash and cash equivalents in the reporting period		3,270	6,615	4,650	6,966
Cash and cash equivalents at the beginning of the reporting period		15,238	8,623	11,365	4,399
Cash and cash equivalents at the end of the reporting period		**18,508**	**15,238**	**16,015**	**11,365**

NOTES TO THE STATEMENTS OF CASH FLOWS

	Notes	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Income for the year		49,858	50,791	39,811	46,013
Less Gift Aid income for the year		-	-	(1,666)	(8,650)
Expenditure in the year	4	(52,650)	(45,939)	(42,604)	(36,807)
Add back investment charges	9	20	48	20	48
Add back VAT reclaimed on investment charges	9	4	10	4	10
Less investment income	3	(311)	(267)	(289)	(241)
Operating surplus/(deficit)		**(3,079)**	**4,643**	**(4,724)**	**373**
(Increase)/decrease in debtors	11	(123)	(445)	1,899	(4,082)
Less increase/(decrease) in Gift Aid debtor		-	-	(2,735)	4,376
Debtor adjustment		29	87	26	87
Increase in creditors	12	1,059	866	(414)	575
Deposit received from tenant		(30)	80	(30)	80
Depreciation	8	596	671	553	603
Amortisation	7	4,400	3,992	4,367	3,986
Loss on disposal of fixed assets	7&8	7,503	-	7,503	-
Remeasurement of USS liability	19	(1,151)	1,705	(1,151)	1,705
FRS102 pension adjustment	19	(732)	(244)	(732)	(244)
Net cash flow from operating activities		**8,472**	**11,355**	**4,563**	**7,459**

NOTES TO THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED
31 JULY 2020

1. PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been used consistently, in dealing with items that are considered material in relation to the Group's and Charitable Company's accounts.

General information

UCAS is a private limited company by guarantee, without share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company. UCAS is registered as a company in England (number 2839815), as a charity in England and Wales (number 1024741), and as a cross-border charity in Scotland (number SC038598). The address of the Group's registered office and principal place of business is: Rosehill, New Barn Lane, Cheltenham GL52 3LZ.

The Group consists of UCAS and its subsidiaries. The Group's principal activities, and the nature of the Group's operations, are as described in the Report of the Directors.

Basis of accounting

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'). The accounts comply with the following:

- The Companies Act 2006.
- The Statement of Recommended Practice (SORP), Accounting and Reporting by Charities, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 01 January 2019.
- The Charities and Trustee Investment (Scotland) Act 2005.
- The Charities Accounts (Scotland) Regulations 2006 (as amended).

The Charitable Company has availed itself of Section 4 of Schedule 1, Part 1 of the large- and medium-sized Companies and Groups (Accounts and Reports) regulations 2008, and adapted the Companies Act formats, to reflect the special nature of the Charitable Company's activities.

The Charitable Company constitutes a public benefit entity, as defined by FRS 102.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

Throughout the year, the Trustees at the Board meetings and through the relevant Committees review the financial performance, business planning and the financial outlook and scenarios.

Financial modelling of income, surplus and cash has been conducted around a range of possible impacts from Covid-19 through to 2022/23, notably a possible reduction in the number of applications to Higher Education as well as potentially reduced commercial income. Mitigation measures were identified such as a reduction in employees and non-pay spend, as well as utilising the Coronavirus Job Retention Scheme and in some cases were implemented. As at July 2020, UCAS has a cash balance of £18.5m and an investment fund of £7.0m.

As such, the Trustees consider there are no material uncertainties that would cast significant doubt around the Group's and the Charitable Company's ability to operate as a going concern.

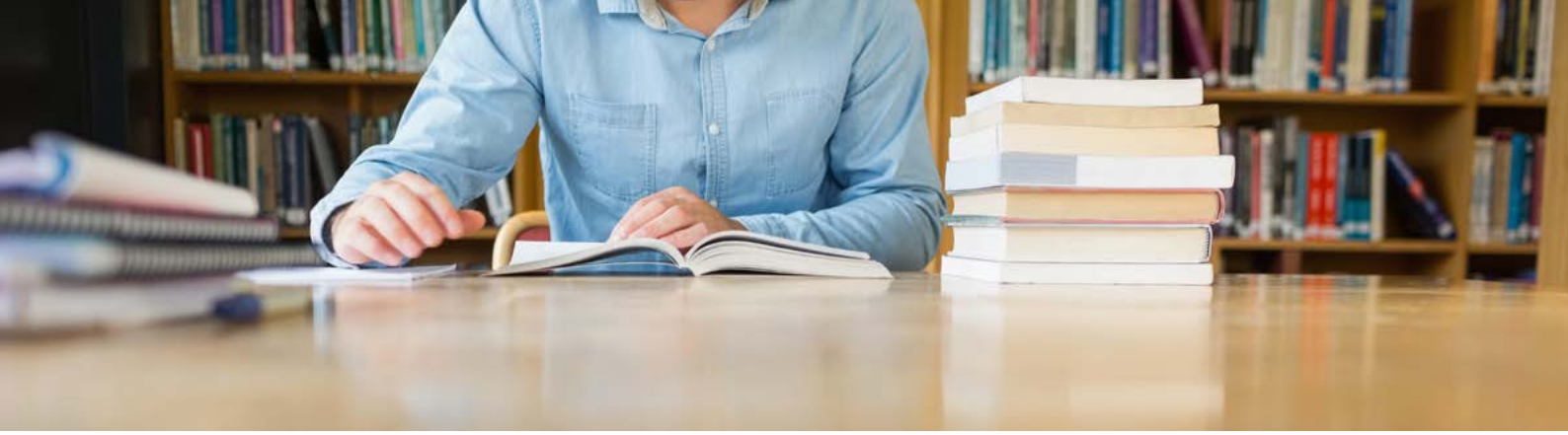
Basis of consolidation

Assets and liabilities of the subsidiaries are consolidated on a line-by-line basis using acquisition accounting. They include the assets and liabilities of UCAS Media Limited – a wholly owned subsidiary of UCAS.

All intra-group transactions, balances, and unrealised gains on transactions between group companies, are eliminated on consolidation.

Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Charitable Company.



Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies), are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Income

All income is included in the Statement of Financial Activities, in respect of the services provided during the period, and is stated net of value added tax.

Income is recognised in the accounts when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Income is shown in two main categories:

- Income from charitable activities includes capitation fees from higher education providers, application fees, grants, and other income.
- Income from raising funds includes income from trading subsidiaries and investment income.

Provider and applicant income, grants, and other income is accounted for on a receivable basis. Other income includes income from the provision of training, the UCAS search tool facility available to providers, other consultancy work, subscriptions, and student financial assessment. For subscriptions, income is recognised over the life of the subscription, during which time the service is delivered in full. Income received from the Coronavirus Job Retention Scheme (CJRS) is also included in other income.

Income from trading operations includes marketing services and income from events. For these categories, income is recognised in line when the services are delivered, and is deferred as necessary.

The Group and Charitable Company also receive income from investments. This is accounted for on a receivable basis.

Expenditure

All expenditure is accounted for on an accruals basis, and has been classified under the headings:

- costs of charitable activities
- costs of raising funds

Costs of charitable activities relate to costs incurred in delivering UCAS' charitable objects. These costs include those related to operating UCAS' core admissions services, as well as the development, implementation, and maintenance of our infrastructure capabilities. Also included in this category are costs incurred in delivering insight through UCAS' Analysis and Insights department.

Costs of raising funds relate primarily to the activities of the trading subsidiary, UCAS Media Limited. These costs are incurred in generating trading income.

Support costs are incurred in the process of supporting the above activities, and are allocated to those activities on the basis set out in note 4.

Investment policy

Investments in subsidiary undertakings are measured at cost, less any impairments recognised.

Other fixed asset investments are valued at their market value, per the Rathbone Greenbank investment report on the last day of the accounting period. Changes in the valuation of the investments during the year are shown as unrealised gains or losses. Gains or losses arising from the disposal of investment assets are disclosed as being realised, being the difference between the sales proceeds, and the market value at the start of the year.

Tangible fixed assets and depreciation

Tangible fixed assets costing over £5,000 in UCAS and UCAS Media Limited are capitalised. Tangible fixed assets are initially measured at cost, and subsequently measured at cost, net of depreciation, and any impairment losses. Depreciation is provided against tangible fixed assets, other than freehold land, at the following straight-line rates. This reflects the anticipated useful lives, and estimated residual values:

- Freehold buildings — 50 years
- Computer hardware — Three years
- Office equipment — Four years
- Other plant — Ten years
- Motor vehicles — Four years

During the year, the capitalisation policy was reviewed, with no changes made.

Where elements of the freehold buildings are rented under formal lease arrangement, the directors consider whether this element of the buildings is required to be accounted for as mixed-use property under FRS 102.

Intangible assets and amortisation

Internally developed software is capitalised, once it becomes available to use, over the expected useful life of that software prior to replacement (up to a maximum of five years, depending on the characteristics of the asset). Ahead of the completion of internally developed software, the cumulative direct cost of resources and services incurred during development are held as Software work in progress. Capitalised software licences are amortised over the shorter of five years or the agreed licence period.

- Goodwill — Five years
- Software (internally developed) — Five years
- Licences — The shorter of five years or the period of the licence

Impairment policy

An assessment is made at each reporting date, whether there are indications a fixed asset may be impaired, or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets, and their recoverable amounts – being the higher of fair value less costs to sell, and value in use – are recognised as impairment losses in profit or loss.

Any impairment loss recognised for goodwill is not reversed. For fixed assets other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss. On reversal of an impairment loss, the depreciation or amortisation is adjusted, to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Policy on capitalisation of software development costs

Only expenditure of substantial amounts for enhancements on authorised projects, incurred in direct relation to the project, may be incorporated into capitalised software development costs. In general, costs incurred necessarily, and exclusively, in the creation of an asset that will deliver future economic benefit, are capitalised and amortised over the useful life of that asset, subject to the amortisation periods set out above. This will not generally include any pre-development costs, such as feasibility studies or market research. However, this will include any beta testing period, where an application has been made available to customers in a pre-final version for feedback, with a view to further enhancements before release into production.

Development is deemed to end when the application is released into production. Any subsequent development expenditure is deemed to be continuous improvement, and would not be considered for capitalisation, unless it contributes to a significant increase in the economic value of the asset. Capitalised development expenditure is initially recognised at cost, and subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Leases

The Group as lessee – finance leases

An asset and corresponding liability are recognised for leasing agreements which transfer to the Group substantially all of the risks and rewards incidental to ownership ('finance leases'). The amount capitalised is the fair value of the leased asset or, if lower, the present value of the minimum lease payments payable during the lease term, both determined at inception of the lease.

Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss, so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The Group as lessee – operating leases

All other leases are operating leases, and the annual rentals are charged to profit or loss on a straight-line basis over the lease term. Rent free periods, or other incentives received for entering into an operating lease, are accounted for as a reduction to the expense, and are recognised on a straight-line basis over the lease term

Cash and cash equivalents

These amounts comprise cash at the bank and in hand, as well as short-term deposits, typically with a short maturity of three months or less from the date of acquisition.

Financial instruments

The Group has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102, in full, to all its financial instruments.

Financial assets and financial liabilities are recognised when the Group and Charitable Company become a party to the contractual provisions of the instrument, and are offset only when the Group and Charitable Company currently have a legally enforceable right to set off the recognised amounts, and intend either to settle on a net basis, or to simultaneously realise the asset and settle the liability.

Trade, group, and other debtors

Trade, group, and other debtors (including accrued income), which are receivable within one year, and which do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being the transaction price less any amounts settled, and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected, according to the original terms of the contract. Impairment losses are recognised in profit or loss, for the excess of the carrying value of the trade debtor over the present value of the future cash flows, discounted using the original effective interest rate. Subsequent reversals of an impairment loss, that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Creditors

Trade, group, and other creditors, including accruals, payable within one year, that do not constitute a financing transaction, are initially measured at the transaction price, and subsequently measured at amortised cost, being transaction price less any amounts settled.

Taxation

The parent company is a registered charity and, as such, is exempt from taxation of its income and gains falling within Part II of the Corporation Tax Act 2010, or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that they are applied to its charitable objectives. Any tax charge arising in the subsidiary is mitigated via the payment of Gift Aid to the parent charity.

Employee benefits

The costs of short-term employee benefits are recognised as a liability, and an expense.

The Group's holiday entitlement year runs from April to March, and employees are entitled to carry forward any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits, is recognised immediately as an expense, when the Group is demonstrably committed to terminate the employment of an employee, or to provide termination benefits.

Retirement benefits

The Group participates in four pension schemes.

- UCAS Pension and Life Assurance Scheme (1993) is a defined benefit scheme. The scheme was closed to future accrual of benefits on 31 December 2017. The assets and liabilities of the scheme are held in a separate trust, and the net defined benefit asset/liability represents the present value of the defined benefit obligation, minus the fair value of plan assets, out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds, with terms and currencies consistent with those of the benefit obligations.
- Gains or losses recognised in Statement of Financial Activities:
  - The change in the net defined benefit liability arising from employee service during the year, is recognised as an employee cost.
  - Net interest on the net defined benefit asset/liability comprises the interest cost on the defined benefit obligation, and interest income on the plan assets. This is calculated by multiplying the fair value of the plan assets at the beginning of the period, by the rate used to discount the benefit obligations..
- Gains or losses recognised in other comprehensive income:
  - Actuarial gains and losses.
  - The difference between the interest income on the plan assets, and the actual return on the plan assets.
- UCAS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions, and a scheme-wide contribution rate is set. UCAS 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', UCAS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme. Since UCAS has entered into an agreement (the 'Recovery Plan') that determines how each employer in the scheme will fund the overall deficit, UCAS recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit), and therefore an expense is recognised.
- UCAS Group Stakeholder Pension Plan (2007), and UCAS Group Stakeholder Pension Plan (2014), are defined contribution schemes with associated life assurance attachment. The employer liability towards these schemes is limited to the contributions made on a regular monthly basis. These are subject to an upper limit, graduated on the option made by the employee to the scheme. These contributions are charged to the Statement of Financial Activities as they become due.

Further details of the accounting adopted for these schemes is detailed in note 19 to these accounts.

Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Directors, for the general objectives of the Group, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds set aside by the Directors for specific purposes.

2. STAFF NUMBERS AND COSTS

The average monthly number of employees during the year was as follows:

	Group		Charity	
	2020 No.	2019 No.	2020 No.	2019 No.
Application and administrative services	390	390	390	390
Commercial activities	78	70	-	-
	468	**460**	**390**	**390**

The aggregate payroll costs of these persons were as follows:

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Salaries	18,286	17,482	14,115	13,652
Social security costs	2,004	1,920	1,727	1,655
Defined contribution pension cost	1,034	890	884	774
Other pension costs and current service cost	-	544	-	544
Pensions costs - multi-employer DB scheme	683	588	624	538
Capitalised	(730)	(3,802)	(730)	(3,802)
	21,277	**17,622**	**16,620**	**13,361**
Restructure costs	497	298	441	209

While all staff are employed through the Charity, those staff that are conducting commercial activities through UCAS Media are excluded from the Charity numbers. Group numbers include all staff.

Employer costs relating to Defined Contribution (DC) and Defined Benefit (DB) pension schemes are analysed separately.

During the year, redundancy costs of £497k (2019: £298k) were incurred (of which £161k (2019: £109k) were statutory and non-statutory/voluntary payments), to align staff capability to new roles. Such costs are recognised as expenses immediately within expenditure, and are included in the table below where appropriate. At the reporting date, all such payments had either been made, or were due to be made to employees participating in consultation.

Included in the above table are costs for the following numbers of employees, whose emoluments (including benefits in kind, but not pension costs) fell within the following bands:

	Group		Charity	
	2020 No.	2019 No.	2020 No.	2019 No.
£60,001 - £69,999	15	16	11	14
£70,001 - £79,999	11	11	11	10
£80,001 - £89,999	2	2	2	2
£90,001 - £99,999	5	4	4	3
£100,001 - £109,999	1	2	1	2
£120,001 - £129,999	1	3	1	2
£130,001 - £139,999	1	1	1	1
£140,001 - £149,999	2	1	2	1
£150,001 - £159,999	1	1	-	-
£190,001 - £199,999	1	-	1	-
£200,001 - £209,999	-	1	-	1

The key management personnel of UCAS comprises the Executive Team, which includes the Chief Executive, Chief Digital and Data Officer, Chief Operations Officer, Director of Finance and Corporate Services, Executive Head of HR, and Executive Sponsor – Digital Transformation. During the course of 2019/20, it also included the Director of Analysis and Insights (resigned June 2020) and Director of External Relations (resigned October 2020). Both positions have now been removed from the Executive Team structure.

The Chief Executive (in band £190,000 - £199,999 above) received total employee benefits, including pension contributions, of £231,673 (2019: £236,070), and the associated NI contributions were £24,936 (2019: £26,489). The total employee benefits, including employer pension contributions of the key management personnel of UCAS, were £1,324,584, (2019: £1,275,496), and employer NI contributions for these personnel were £143,490 (2019: £139,136). An independent review of key management personnel remuneration was conducted by the Remuneration Committee during 2019/20.

Pension scheme contributions paid by the Group in respect of the people listed above amounted to £603,240 (2019: £517,973). The pension scheme contributions paid by the Charity in respect of the people listed above amounted to £527,733 (2019: £458,305). In the year 2019/20, the contribution to the USS scheme was £545,519 (2019: £469,670), and to the UCAS Group Stakeholder Pension Plan was £58,021 (2019: £48,303).

Directors

None of the Directors received remuneration for services to the Charity (2019: nil). Travelling expenses of £4,152 were reimbursed to eleven of the Directors (2019: seven Directors, £2,548), in respect of attendance at meetings. During the year, no emoluments were paid to non-executive Directors of UCAS Media Limited (2019: £nil).

Professional indemnity insurance

The Charitable Company paid a premium of £3,142 (2019: £3,142) to indemnify Directors and officers against legal liabilities arising through wrongful acts in the performance of their duties. The policy excludes claims arising through malicious or intentional breach of conduct, dishonesty, or fraud.

3. INCOME

	2020 £'000	2019 £'000
Institutional and applicant fees		
Provider fees	15,216	14,615
Applicant fees	15,344	14,231
	30,560	**28,846**
Other income		
Data services sales	298	426
Licences sales	-	191
Brand and data charge	3,030	4,175
Management and resourcing recharge	2,738	2,912
Fraud grant	67	67
Other income	1,163	505
	7,296	**8,276**
Investment income	289	241
Charity income excluding Gift Aid	**38,145**	**37,363**
Trading operations		
UCAS Media Limited	17,460	20,509
Investment income	22	26
	17,482	**20,535**
Intercompany	(5,769)	(7,107)
Group income	**49,858**	**50,791**

UCAS Media's principal business activity is the provision of marketing services to commercial clients, higher education providers seeking to make contact with applicants, and prospective applicants to higher education courses.

The majority of the accounting profits of the trading subsidiary are Gift Aided to the parent company under the deed of covenant. A Gift Aid payment of £1,666k (2019: £4,297k) from UCAS Media to UCAS will be paid by 30 April 2021.

4. EXPENDITURE

GROUP:

	Direct staff costs	Direct costs	Brand and data	Other support costs	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Cost of investments	-	20	-	-	20	48
Commercial activities	5,576	3,735	3,030	2,801	15,142	16,226
	5,576	3,755	3,030	2,801	15,162	16,274
Charitable activities						
Admissions service	6,692	2,489	(3,030)	12,366	18,517	17,832
Special projects	3,421	12,536	-	1,009	16,966	8,932
Analysis and research	574	53	-	1,378	2,005	2,901
	10,687	15,078	(3,030)	14,753	37,488	29,665
Total expenditure of the group	**16,263**	**18,833**	**-**	**17,554**	**52,650**	**45,939**

Analysis of support costs	Raising funds	Admissions service	Special projects	Analysis & research	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	34	858	-	-	892	804
Finance	389	1,634	-	16	2,039	1,720
Human resources	70	818	64	107	1,059	1,041
Information technology	2,099	7,706	702	1,119	11,626	10,950
Facilities	-	1,145	243	136	1,524	1,455
General management	208	205	-	-	413	573
Total support costs	**2,800**	**12,366**	**1,009**	**1,378**	**17,553**	**16,543**

Analysis of governance costs	Total 2020	Total 2019
	£'000	£'000
Internal audit	48	43
External audit	32	27
Legal and professional consulting	619	466
Trustees	47	117
AGM	9	0
Other governance costs	138	151
Total governance costs	**892**	**804**

The support costs detailed above have been allocated to the activities listed on the basis of:

- direct cost allocation (governance and finance costs)
- departmental headcount (human resources, IT, and facilities costs)
- income (general management costs)

CHARITY:

	Direct staff costs	Direct costs	Other support costs	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Cost of investments	-	20	-	20	48
	-	20	-	20	48
Charitable activities					
Admissions service	5,643	2,636	15,874	24,153	24,919
Special projects	1,808	12,385	1,107	15,300	8,939
Analysis and research	1,487	53	1,591	3,131	2,901
	8,938	15,074	18,572	42,584	36,759
Total expenditure of the group	**8,938**	**15,094**	**18,572**	**42,604**	**36,807**

Analysis of support costs	Admissions service	Special projects	Analysis & research	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000
Governance	879	-	-	879	790
Finance	1,441	-	16	1,457	1,569
Human resources	888	64	107	1,059	1,041
Information technology	11,108	800	1,332	13,240	10,951
Facilities	1,145	243	136	1,524	1,454
General management	413	-	-	413	573
Total support costs	**15,874**	**1,107**	**1,591**	**18,572**	**16,378**

Analysis of governance costs	Total 2020	Total 2019
	£'000	£'000
Internal audit	48	43
External audit	28	21
Legal and professional consulting	610	460
Trustees	47	116
AGM	9	0
Other governance costs	138	150
Total governance costs	**879**	**790**

The support costs detailed above have been allocated to the activities listed on the basis of:

- direct cost allocation (governance and finance costs)
- departmental headcount (human resources, IT, and facilities costs)
- income (general management costs)

5. TAXATION

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Current tax				
UK corporation tax	-	-	-	-

Factors affecting the tax charge for the year:

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Net income for the year before tax	(3,164)	5,057	(3,165)	9,411
Tax on income at standard CT rate of 19 per cent	(601)	961	(601)	1,788
Effects of: Income not taxable for tax purposes	601	(961)	601	(1,788)
Total current tax charge	-	-	-	-

6. NET INCOME FOR THE YEAR IS STATED AFTER CHARGING

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Depreciation of tangible fixed assets	596	671	553	603
Impairment of tangible fixed assets	161	-	161	-
Amortisation of intangible assets	4,400	3,992	4,366	3,986
Impairment of intangible assets	6,282	-	6,282	-
Loss on disposal of intangible assets	1,060	-	1,060	-
Operating Lease costs	20	21	20	21
Auditor's remuneration - audit fees	32	27	22	21
Auditor's remuneration - taxation compliance services	10	9	5	8
Internal auditor's remuneration	48	43	48	43
And after crediting:				
Interest on deposits receivable	115	119	93	93

7. INTANGIBLE ASSETS

CONSOLIDATED:	Goodwill £'000	Licences £'000	Software £'000	Work in progress £'000	Total £'000
Cost					
At 31 July 2019	1,361	1,009	21,698	6,927	30,995
Additions	-	-		5,214	5,214
Transfers			6,838	(6,838)	-
Disposals	-	(140)	(3,800)	(1,060)	(5,000)
At 31 July 2020	1,361	869	24,736	4,243	31,209
Amortisation and impairment					
At 31 July 2019	1,361	938	15,112	-	17,411
Disposals	-	(140)	(3,800)	-	(3,940)
Impairment charge for the year	-	-	3,132	3,150	6,282
Amortisation charge for the year	-	25	4,375	-	4,400
At 31 July 2020	1,361	823	18,819	3,150	24,153
Net book value					
At 31 July 2019	-	71	6,586	6,927	13,584
At 31 July 2020	-	46	5,917	1,093	7,056

Amortisation charges are reflected in Expenditure: Charitable activities in the Statement of Financial Activities.

CHARITY:

	Licences £'000	Software £'000	Work in progress £'000	Total £'000
Cost				
At 31 July 2019	1,009	21,667	6,927	29,603
Additions	-		4,304	4,304
Transfers		5,927	(5,927)	0
Disposals	(140)	(3,800)	(1,060)	(5,000)
At 31 July 2020	869	23,794	4,243	28,907
Amortisation and impairment				
At 31 July 2019	938	15,087	-	16,025
Disposals	(140)	(3,800)	-	(3,940)
Impairment charge for the year		3,132	3,150	6,282
Amortisation charge for the year	25	4,340	-	4,366
At 31 July 2020	823	18,760	3,150	22,733
Net book value				
At 31 July 2019	71	6,580	6,927	13,577
At 31 July 2020	46	5,034	1,093	6,173

Amortisation charges are reflected in Expenditure: Charitable activities in the Statement of Financial Activities.

As at 31 July 2020, intangible assets with the following carrying values and remaining amortisation periods were considered to be material in the context of the Group and the Charitable Company:

	Carrying amount (£'000)	Remaining amortisation period (Years)
Asset description		
Undergraduate adviser portal	697	3.7
Undergraduate agent portal	501	3.6
Undergraduate collect tool	591	3.1
Clearing Plus tool	510	5.0

8. TANGIBLE ASSETS

CONSOLIDATED:

	Land	Buildings and contents	Hardware and equipment	Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 31 July 2019	3,150	5,682	13,795	15	22,642
Additions	-	46	29		74
Disposals	-	(547)	(8,995)	-	(9,541)
At 31 July 2020	3,150	5,181	4,829	15	13,175
Depreciation					
At 31 July 2019	-	2,665	13,422	15	16,102
Disposals	-	(547)	(8,995)	-	(9,541)
Depreciation charge for the year	-	362	235	-	596
Impairment charge for the year	-	161	-	-	161
At 31 July 2020	-	2,641	4,662	15	7,318
Net book value					
At 31 July 2019	3,150	3,017	373	-	6,540
At 31 July 2020	3,150	2,540	167	-	5,857

CHARITY:

	Land	Buildings and contents	Hardware and equipment	Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 31 July 2019	3,150	5,641	12,339	15	21,145
Additions	-	45	29	-	74
Disposals	-	(547)	(8,434)	-	(8,981)
At 31 July 2020	3,150	5,139	3,934	15	12,238
Depreciation					
At 31 July 2019	-	2,623	12,045	15	14,683
Depreciation on re-recognition	-	-	-		-
Disposals	-	(547)	(8,434)	-	(8,981)
Depreciation charge for the year	-	362	191	-	553
Impairment charge for the year		161			161
At 31 July 2020	-	2,599	3,802	15	6,416
Net book value					
At 31 July 2019	3,150	3,018	294	-	6,462
At 31 July 2020	3,150	2,540	132	-	5,822

9. INVESTMENTS

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Opening value	7,171	6,876	7,171	6,876
Interest and dividends	196	148	196	148
Net unrealised gain	(372)	205	(372)	205
Charges for the period	(20)	(48)	(20)	(48)
VAT payable on charges	(4)	(10)	(4)	(10)
Closing value	6,971	7,171	6,971	7,171

VAT is payable on investment management charges. Gross charges are deducted from the portfolio, with the VAT element reclaimed via the Charitable Company's VAT return.

Income receivable from dividends and interest is reinvested in the portfolio.

Investments comprise:	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
UK bonds	1,292	1,272	1,292	1,272
Equities				
UK	3,016	3,275	3,016	3,275
Europe	286	287	286	287
North America	448	196	448	196
Asia Pacific	215	218	215	218
Emerging markets	168	182	168	182
Property	332	344	332	344
Alternative assets	1,172	1,052	1,172	1,052
Cash	41	345	41	345
	6,971	7,171	6,971	7,171

The Directors do not consider any individual investment to be material in the context of the investment portfolio.

10. SUBSIDIARY UNDERTAKINGS (CHARITY ONLY)

Name of undertaking	Class of shareholding	Proportion of nominal value held directly	Cost (£'000)	Nature of business
UCAS Media Limited	Ordinary	100%	1,026	Marketing services
UCAS Consultancy and Insights	Ordinary	100%	-	Marketing services

UCAS Media Limited, registered in England, is a wholly owned subsidiary of the Charitable Company, UCAS, with issued share capital of 1,000 ordinary shares (2019: 1,000 shares). This investment is held at a carrying amount of £1,025,768 (2019: £1,025,768). The principal activity of the company is to assist the parent company in achieving its objective, through the provision of marketing services concerned with higher education. Profits of the subsidiary company are transferred under the Gift Aid regime to the parent company.

UCAS Media's accounts are fully audited, and published separately. For summary results of UCAS Media Limited, refer to note 20.

11. DEBTORS

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	5,581	5,370	535	244
Amounts owed by subsidiary	-	-	2,963	5,063
Other debtors	73	54	66	76
Prepayments and accrued income	2,847	2,673	2,180	1,979
Value-added tax	-	281	-	281
	8,501	**8,378**	**5,744**	**7,643**

12. CREDITORS

Amounts falling due within one year	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors	2,180	2,607	1,690	2,008
Social security and other taxes	1,824	781	1,330	469
Finance leases due within one year	-	29	-	29
Other creditors	254	326	254	327
Accruals and deferred income	6,681	6,137	1,755	2,610
	10,939	**9,880**	**5,029**	**5,443**

Deferred income	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Deferred income at 31 July 2019	3,016	2,878	210	138
Deferred income released during the year	(3,016)	(2,878)	(210)	(138)
Income deferred during the year	4,599	3,016	126	210
Deferred income at 31 July 2020	**4,599**	**3,016**	**126**	**210**

Deferred income relates to advertising income, events income, and income from subscriptions. For advertising campaigns and events, income is deferred on the basis of when the service is to be delivered. In the case of subscriptions, income is recognised over the life of the subscription, during which time, the service is delivered in full.

13. FINANCIAL INSTRUMENTS

The carrying value of financial instruments for the Group and the Charitable Company as at 31 July were:

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Financial assets:				
Measured at amortised cost				
Cash	18,508	15,238	16,015	11,365
Trade debtors	5,581	5,370	535	244
Other debtors	73	54	3,029	5,139
Accrued income	101	473	48	73
Measured at market value through profit or loss				
Investments	6,971	7,171	6,971	7,171
Total	**31,234**	**28,306**	**27,624**	**25,018**
Financial liabilities:				
Trade creditors	2,180	2,607	1,690	2,008
Other creditors	254	355	254	356
Accrued expenditure	3,122	2,963	2,633	2,456
Total	**5,556**	**5,925**	**4,577**	**4,820**

14. COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments for both the Group and the Charitable Company, under non-cancellable operating leases, are as follows:

Amounts due:	2020 £'000	2019 £'000
Within one year	28	28
Between one and five years	35	63
	63	**91**

15. COMMITMENTS UNDER FINANCE LEASES

Obligations under finance leases are secured by the related assets. Finance charges relating to the lease are set at 0 per cent per annum.

The total future minimum lease payments for both the Group and the Charitable Company, under non-cancellable finance leases, are as follows:

Amounts due:	2020 £'000	2019 £'000
Within one year	-	29
Between one and five years	-	-
	-	**29**

Finance lease payments represent rentals payable by the Group for certain items of equipment. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The lease term is three years. All leases are on a fixed repayment basis, and no arrangements have been entered into for contingent rental payments.

16. UNRESTRICTED FUNDS: DESIGNATED

	Technology reserve 2020 £'000	Income reserve 2020 £'000	Total 2020 £'000	Total 2019 £'000
Group				
Value at beginning of the year	8,000	2,000	10,000	11,200
Movement in the year		1,200	1,200	(1,200)
Value at end of the year	**8,000**	**3,200**	**11,200**	**10,000**
Charity				
Value at beginning of the year	8,000	2,000	10,000	11,200
Movement in the year		1,200	1,200	(1,200)
Value at end of the year	**8,000**	**3,200**	**11,200**	**10,000**

Designated reserves reflect the Directors' view of the funds required to be allocated to meet future obligations and to ensure the sustainability of the Group's and Charity's core operations. Further detail of the Reserves Policy is given on page 18 of the Report of the Directors

17. UNRESTRICTED FUNDS: GENERAL

	Group		Charity	
	2020 £'000	**2019 £'000**	**2020 £'000**	**2019 £'000**
Value at beginning of the year	30,901	23,183	31,671	19,599
(Deficit)/surplus for the year	(3,164)	5,057	(3,165)	9,411
Transfer (to)/from designated funds	(1,200)	1,200	(1,200)	1,200
FRS102 pension adjustments	(1,883)	1,461	(1,883)	1,461
Value at end of the year	**24,654**	**30,901**	**25,423**	**31,671**
Unrestricted funds: designated	11,200	10,000	11,200	10,000
Unrestricted funds: general	24,654	30,901	25,423	31,671
Pension	(13,679)	(12,172)	(13,679)	(12,172)
	22,175	**28,729**	**22,944**	**29,499**

Funds are transferred between unrestricted designated and general funds to maintain key technology contracts, and to protect against loss of income through realisation of strategic risks (note 16) as agreed by the Directors in the Reserves Policy.

18. NET ASSETS BY FUND

Group

The consolidated net assets held as at 31 July 2020 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2020	2020	2020	2020	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	8,000	3,200	-	-	11,200	10,000
Unrestricted funds: general	4,913	19,841	(100)	(13,679)	10,975	18,729
	12,913	**23,041**	**(100)**	**(13,679)**	**22,175**	**28,729**

Charity

The net assets held as at 31 July 2020 for the various funds are as follows:

	Fixed assets (excl. investments)	Net current assets and investments	Long term liabilities	Pension scheme liability	Total	Total
	2020	2020	2020	2020	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds: designated	8,000	3,200	-	-	11,200	10,000
Unrestricted funds: general	3,995	21,527	(100)	(13,679)	11,743	19,499
	11,995	**24,727**	**(100)**	**(13,679)**	**22,943**	**29,499**

19. PENSION SCHEMES

The Group participates in four pension schemes: one defined benefit pension scheme, one defined benefit scheme that is accounted for as if it were a defined contribution scheme (as required by FRS 102 section 28 'Employee Benefits'), and two defined contribution schemes. Employees join the appropriate scheme, depending on their employment terms. The total cost to the Group for the year ended 31 July 2020, in respect of pension contributions, which have been allocated between expenditure categories in proportion to staff costs, and charged to the consolidated statement of financial activities as appropriate, are as follows:

	2020 £'000	2019 £'000
Defined benefit scheme	-	544
Defined contribution schemes	1,034	890
Multi-employer defined benefit scheme	683	588
	1,717	**2,022**

At 31 July, there were outstanding employer's and employees' contributions, including any additional voluntary contributions to the schemes, as follows:

	2020 £'000	2019 £'000
Defined benefit scheme	82	75
Defined contribution scheme	131	113
Multi-employer defined benefit scheme	92	83
	305	**271**

UCAS Pension and Life Assurance Scheme (1993)

The scheme was closed to future accrual of benefits on 31 December 2017. Active members of the scheme at the closure date became 'active deferred' members, and transferred to UCAS' Group Stakeholder Plan at that time. The UCAS Pension and Life Assurance Scheme currently has 56 active deferred members, 179 preserved members, and 162 pensioners. The assets of the scheme are held in a separate, trustee-administered fund.

The most recent comprehensive actuarial valuation of the plan assets, and the present value of the defined benefit obligation, was carried out at 31 July 2019.

The triennial funding review, as at 31 July 2019, identified an initial deficit in the longer-term assets over liabilities of £6,590k (2016: deficit of £9,216k). The main contributing factor to the decrease in the deficit was the return on investments.

The Directors and the pension scheme Trustees to agree a plan to address the pension deficit. During the year to 31 July 2020, UCAS made additional contributions of £986k, with this amount set to increase by 3.5 per cent each year, until 31 July 2025.

The principal assumptions used in the calculation of the present value of the defined benefit obligation include:

Assumptions	**31 July 2020**	**31 July 2019**
	Per cent	**Per cent**
Discount rate	1.47	2.19
Salary increase	3.50	3.83
Inflation (RPI)	3.00	3.33
Inflation (CPI)	2.10	2.43
Pension increases (pre-April 2005)	4.15	4.21
Pension increases (post-April 2005)	2.15	2.25
Revaluation in deferment (CPI max 5.0 per cent)	2.10	2.43
Revaluation in deferment (CPI max 2.5 per cent)	2.10	2.43
Mortality base table	SP3xA	SP3xA
Projection basis	CMI 2019	CMI 2018
Long term improvement trend	1.00	1.00
Percentage of death rates applied	100	100

Life expectancies from age 65 years	31 July 2020 Years	31 July 2019 Years
Male currently aged 45	22.7	22.6
Female currently aged 45	25.2	25.0
Male currently aged 65	21.7	21.6
Female currently aged 65	24.0	23.9

Amounts recognised in the Statement of Financial Activities (SoFA), in respect of the defined benefit scheme, are as follows:

	2020 £'000	2019 £'000
Past service cost	-	544
Net interest on net defined benefit liability	200	153
Total operating charge	**200**	**697**

Changes in the fair value of the scheme assets	31 July 2020 £'000	31 July 2019 £'000
Fair value of scheme assets at the beginning of the year	50,617	46,103
Employer contributions	986	963
Interest income on plan assets	1,108	1,251
Contribution by scheme participants	-	-
Benefits paid	(1,063)	(1,153)
Expenses and term assurance premium	-	-
Remeasurement gain	4,125	3,453
Fair value of scheme assets at the end of the period	**55,773**	**50,617**

Changes in the present value of the defined benefit obligation	31 July 2020 £'000	31 July 2019 £'000
Present value of scheme liabilities at the beginning of the period	60,260	52,210
Past service cost	-	544
Interest cost	1,308	1,405
Benefits paid	(1,063)	(1,153)
Expenses and insurance premiums paid	-	-
Actuarial loss on liabilities	7,515	7,254
Present value of scheme liabilities at the end of the period	**60,020**	**60,260**
Amounts to be recognised on the balance sheet		
Fair value of scheme assets	55,773	50,617
Present value of scheme liabilities	(68,020)	(60,260)
Balance sheet liability	**(12,247)**	**(9,643)**

Total Actuarial Loss featured in the Statement of Financial Activities

The Statement of Financial Activities (SoFA) includes a total actuarial loss for the UCAS Pension and Life Assurance Scheme (1993) of £3,390k (2019: £3,801k, loss), comprising a remeasurement gain on scheme assets of £4,125k and an actuarial loss on scheme liabilities of £7,515k.

The actuarial return on plan assets was £5.2m (2019: £4.7m). The analysis of the scheme assets at the reporting date was as follows:

	31 July 2020 Per cent:	31 July 2019 Per cent:
Equities	24.9	26.4
Bonds (non-gilt)	22.7	18.8
LDI funds	27.9	27.6
Multi-asset growth	24.0	26.7
Cash and net current assets	0.5	0.5
	100.0	**100.0**

The Scheme invests in a mix of equity, bond, diversified growth, and liability-driven investment funds, managed by State Street, BMO, and Baillie Gifford.

Universities Superannuation Scheme (USS)

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), and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The Directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and have therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2018.

Since the institution cannot identify its share of Retirement Income Builder section of the Scheme assets and liabilities, the following disclosures reflect those relevant for the section as a whole.

The 2018 valuation was the fifth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £63.7 billion, and the value of the Scheme's technical provisions was £67.3 billion, indicating a shortfall of £3.6 billion.

Defined benefit liability numbers for the scheme, for accounting purposes, have been produced using the following assumptions as at 31 March 2020 and 2019:

	2020	2019
Discount rate	2.55 per cent	2.44 per cent
Pensionable salary growth	n/a	n/a
Pensions increases (CPI)	2.05 per cent	2.11 per cent

The main demographic assumption used relates to the mortality assumptions. These assumptions have been updated for the 31 March 2020 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2019 actuarial valuation. The mortality assumptions used in these figures are as follows

	2020	2019
Mortality base table	**Pre-retirement:** 71 per cent of AMC00 (duration 0) for males, and 112 per cent of AFC00 (duration 0) for females **Post-retirement:** 96.5 per cent of SAPS S1NMA 'light' for males, and 101.3 per cent of RFV00 for females	**Pre-retirement:** 71 per cent of AMC00 (duration 0) for males, and 112 per cent of AFC00 (duration 0) for females **Post-retirement:** 96.5 per cent of SAPS S1NMA 'light' for males, and 101.3 per cent of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long-term improvement rate of 1.8 per cent p.a. for males, and 1.6 per cent p.a. for females	CMI_2016 with a smoothing parameter of 8.5 and a long-term improvement rate of 1.8 per cent p.a. for males, and 1.6 per cent p.a. for females

The current life expectancies on retirement at age 65 are:	2020 Years	2019 Years
Male currently aged 45	26.3	26.6
Female currently aged 45	27.7	27.9
Male currently aged 65	24.4	24.6
Female currently aged 65	25.9	26.1

	2020 £bn	2019 £bn
Scheme assets	66.5	67.4
Total scheme liabilities	79.7	79.2
FRS 102 total scheme deficit	13.2	11.8
FRS 102 total funding level	83%	85%

Amounts recognised in the balance sheet	2020 £'000	2019 £'000
Liabilities at beginning of the year	(2,529)	(803)
Interest costs	(54)	(21)
Remeasurement of the scheme liabilities	1,151	(1,705)
Balance sheet liability	(1,432)	(2,529)

At 31 July 2020, UCAS had 41 active members participating in the scheme.

The total pension cost for the group was £683k (2019: £588k). This includes £57k (2019: £52k) outstanding employer's contributions at 31 July 2020. The contribution rate payable by the Company was 21.1 per cent of annual pensionable salaries.

UCAS Group Stakeholder Pension Plan (2007)

As contributions are treated on the basis of defined contributions, and ultimate benefits are formed from the scheme operated by an external provider, the Group has no underlying liability.

UCAS Group Stakeholder Pension Plan (2014)

UCAS implemented auto-enrolment on 1 January 2014. 148 employees were auto-enrolled in the scheme at that time, and re-enrolment assessments are carried out every subsequent three years. Following the transfer of members from the UCAS Pension and Life Assurance Scheme on its closure, the current scheme membership is 415 (2019: 398).

As contributions are treated on the basis of defined contributions, and ultimate benefits are formed from the scheme operated by an external provider, the Group has no underlying liability.

The total pension cost for the Group, for both contribution schemes, was £1,034k (2019: £890k). This includes £136k (2019: £78k) outstanding employer's contributions as at 31 July 2020.

20. TRADING RESULTS OF UCAS MEDIA LIMITED

UCAS MEDIA LIMITED, REGISTERED IN ENGLAND, COMPANY NUMBER **2737300.**

	Notes	2020 £'000	2019 £'000
Turnover	2	17,460	20,509
Distribution costs	3	(5,978)	(7,186)
Brand and data charge		(3,030)	(4,175)
		8,452	**9,148**
Expenses			
Administrative		(6,806)	(4,879)
Total administrative expenses		(6,806)	(4,879)
Operating profit		**1,646**	**4,269**
Interest receivable		20	26
Profit before tax	3	**1,666**	**4,295**
Taxation	4	-	-
Profit after tax		**1,666**	**4,295**

The aggregate amount of the capital and reserves of UCAS Media Limited, as at 31 July 2020, was £259k (2019: £259k). Aggregate assets were £8,217k (2019: £9,727k), and aggregate liabilities were £8,880k (2019: £9,553k).

21. RELATED PARTY TRANSACTIONS

Directors

The Directors of UCAS hold a variety of senior positions at educational providers, and other organisations, many of which undertake transactions with UCAS on a regular basis. Such transactions are undertaken on an 'arm's length' basis, and the Directors make annual declarations confirming the position they hold in these organisations. The educational providers do not meet the definition of related parties, but the existence of the relationship is included here in the interest of transparency. Therefore, full details of the value of such transactions, or the balances outstanding between UCAS (or its subsidiary undertakings) and these organisations, are not provided.

During the year, no non-executive Director of UCAS Media Limited was paid emoluments (2019: £nil).

The Universities and Colleges Admissions Service, and wholly owned subsidiary

The following related party transactions and balances are included in the accounts of the Charitable Company, in respect of its related party subsidiary company:

	2020					
	Intercompany debtor as at 31 July 2020 £'000	Conference attendance fees charged to parent £'000	Staff costs recharged to subsidiary £'000	Brand and data charges to subsidiary £'000	Management charge to subsidiary £'000	Gift Aid distribution to parent £'000
UCAS Media Limited	2,963	(1)	2,835	3,030	2,738	1,666

	2019					
	Intercompany debtor as at 31 July 2018 £'000	Conference attendance fees charged to parent £'000	Staff costs recharged to subsidiary £'000	Brand and data charges to subsidiary £'000	Management charge to subsidiary £'000	Gift Aid distribution to parent £'000
UCAS Media Limited	5,063	(20)	1,218	4,175	2,912	8,650

22. CAPITAL COMMITMENTS

As at 31 July 2020, the Charitable Company had no capital commitments (2019: £nil).

23. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are those used by the actuary in calculating the Group's defined benefit pension scheme liability (see note 19 for details), and those involved in estimating an intangible software asset's likely useful life upon capitalisation (see policy on capitalisation of software assets for details).

Critical areas of judgement

Senior management exercise judgement in determining that an internally-generated asset may be capitalised as an intangible asset, by reference to the likelihood that future economic benefit will be delivered by the asset, as well as the level of completeness of the asset. Details of UCAS' policy on capitalisation of software development costs is given in note 1.

Senior management also exercise judgement in reviewing any potential impairment of tangible or intangible assets which is determined by future economic value or the asset is no longer in use.

UCAS participates in Universities Superannuation Scheme (USS), a multi-employer hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. UCAS is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, the scheme is accounted for as if it were a wholly defined contribution scheme (see note 19 for details).

The charity commenced the rental of part of one of the floors at the Rosehill site during 2018/19. Under FRS 102, where a discrete element of a property is leased to a third party, consideration needs to be given as to whether this constitutes a mixed-use property, which would necessitate that the rented element should be accounted for as an investment property and held at market value. It is UCAS' view that this arrangement does not get captured by the mixed-use rules, due to factors including the use of a shared reception, entrance through a shared corridor, and use of certain shared facilities.

24. POST BALANCE SHEET EVENT

In October 2020, UCAS acquired 100% of the shares of a student mobile application start-up (UK Unifyed Ltd) to create a UK gateway for international postgraduate students. The new multi-language mobile app will support international students and their agents and advisers apply for postgraduate courses in the UK. The cost was £1.5m which was paid in cash. There is a deferred and contingent consideration which would be funded by cash but it is not possible to quantify this as it is based on future revenue.