

Sarah Lawrence at Oxford
(A company limited by guarantee)

Company Number: 05679963

Charity Number: 1114590

Financial Statements
for the year ended
31st July 2024

Wenn Townsend
Chartered Accountants
Oxford

Sarah Lawrence at Oxford

Reference and Administrative Details

Trustees:	C Collins Judd A Kane P Samuel K Singh
Program Director:	G Southcombe
Registered Office:	Wadham College Parks Road Oxford OX1 3PN
Company Number:	05679963
Charity Number:	1114590
Bankers:	Lloyds TSB plc Witney Oxfordshire
Auditors:	Wenn Townsend 30 St Giles' Oxford

Sarah Lawrence at Oxford
Report of the Trustees
for the year ended 31st July 2024

Foreword

The Trustees of Sarah Lawrence at Oxford, who are also the directors of the charity for the purposes of the Companies Act, present their annual report together with the financial statements for the charity for the year ended 31st July 2024.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Structure, Governance and Management

Governing Document

Sarah Lawrence at Oxford is a company limited by guarantee governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission.

Trustees

The names of the Trustees during the year ended 31st July 2024, together with changes subsequent to that date are as follows:-

C Collins Judd
B Parker (resigned 13th October 2023)
P Samuel
K Singh
A Kane (appointed 26th September 2024)

Trustee Induction and Training

Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity.

Organisation

The Trustees have delegated the day to day running of the Programme to the Programme Director.

Related Parties

The funding for the Sarah Lawrence at Oxford Programme comes from Sarah Lawrence College, in Bronxville, New York, US.

Once it has been decided to admit a student to Sarah Lawrence College, the policy is to offer financial aid to any student who demonstrates financial need and to try to fund those students as fully as possible toward enabling them to study at Sarah Lawrence College.

Sarah Lawrence at Oxford

Report of the Trustees (continued) for the year ended 31st July 2024

Objectives and Activities for the Public Benefit

The Object of the Charity as per the governing document is:-

- To promote such educational purposes that are defined as charitable under the law of England.

The charity aims to support a number of students from Sarah Lawrence College, New York, and other institutions of higher education, as fully recognised Visiting Students of the University of Oxford, via its affiliation with Wadham College. This is achieved by providing programme participants with:-

- Status as Registered Visiting Students of the University of Oxford.
- A full year academic program.
- Full access to the lectures and libraries of the University.
- Program provided housing.
- Complete social, cultural and academic integration into life at Wadham College.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Achievements and Performance

19 Students from Sarah Lawrence College, 3 from Swarthmore College, 2 from Pitzer College, 2 from Reed College, 1 from the Chinese University of Hong Kong, 1 from the East China University of Science and Technology, and 1 from Smith College studied at Oxford University and Wadham College, as fully recognised Visiting Students. All students studied in-person for the entire year. The students achieved considerable academic success.

Financial Review

The results for the year are shown in the income and expenditure account on page 4.

Unrestricted free reserves at the year end were in surplus by £36,806 (2023: in deficit by £35,229), due to the deficit provision no longer being required for the pension scheme this year. The trustees feel that the charity does not need to hold a targeted level of reserves, as funding for each year is provided by Sarah Lawrence College in the U.S.

Plans for Future Periods

The charity aims to continue with its existing operations as required by Sarah Lawrence College. 29 students plan to start studying at Oxford in the Autumn with a view to recruiting an additional student in the Autumn term.

This report has been prepared having taken advantage of the small companies' exemption in the Companies Act 2006.

Signed on behalf of the Trustees

P Samuel

Trustee

Sarah Lawrence at Oxford

16th December 2024

**Statement of Trustees' Responsibilities
for the year ended 31st July 2024**

The trustees (who are also directors of Sarah Lawrence at Oxford for the purposes of company law) are responsible for preparing the Trustees' Annual 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 trustees to prepare financial statements for each financial year. Under company law the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees 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 financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Trustees of Sarah Lawrence at Oxford

Opinion

We have audited the financial statements of Sarah Lawrence at Oxford (the 'charitable company') for the year ended 31st July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st July 2024, and of its incoming resources and application of resources, 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 requirements of the Companies Act 2006.

Basis for opinion

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

Independent Auditor's Report to the Members of Sarah Lawrence at Oxford

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 trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Independent Auditor's Report to the Members of Sarah Lawrence at Oxford

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including review of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>

This description forms part of our auditor's report.

Other matters

The financial statements for the year ended 31st July 2023 were unaudited. An Independent Examination was performed which expressed an unmodified opinion on those statements.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Benjamin Hayes BSC FCA
For and on behalf of Wenn Townsend Chartered Accountants
Oxford

16th December 2024

Sarah Lawrence at Oxford

**Statement of Financial Activities
(including income and expenditure account)
for the year ended 31st July 2024**

		Total Unrestricted Funds	
	Note	2024	2023
Income from:			
Charitable activities	2	1,230,000	969,800
Total income		<u>1,230,000</u>	<u>969,800</u>
Expenditure on:			
Charitable activities	3	1,228,965	971,687
Pension deficit contribution liability movement	13	(71,000)	(17,000)
Total expenditure		<u>1,157,965</u>	<u>954,687</u>
Net income		72,035	15,113
Fund balances brought forward at 1st August 2023		(35,229)	(50,342)
Fund balances carried forward at 31st July 2024		<u>£ 36,806</u>	<u>£ (35,229)</u>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

Sarah Lawrence at Oxford

Balance Sheet
31st July 2024

	Note	2024	2023
Current Assets			
Debtors	9	-	-
Cash at bank and in hand		54,734	50,540
		<u>54,734</u>	<u>50,540</u>
Creditors: Amounts falling due within one year	10	(17,928)	(14,769)
		<u></u>	<u></u>
Net Current Assets		36,806	35,771
		<u></u>	<u></u>
Net Assets excluding Pension Liability		36,806	35,771
		<u></u>	<u></u>
Defined Benefit Pension Liability	13	-	(71,000)
		<u></u>	<u></u>
Net Liabilities		£ 36,806	£ (35,229)
		<u></u>	<u></u>
Funds			
Unrestricted funds		36,806	35,771
Pension reserve		-	(71,000)
		<u></u>	<u></u>
Total Funds		36,806	£ (35,229)
		<u></u>	<u></u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

**Approved by the Board of Trustees on 16th December 2024
and signed on its behalf by :**

P Samuel

Director / Trustee

Company number: 05679963

Sarah Lawrence at Oxford

**Statement of Cash Flows
for the year ended 31st July 2024**

Reconciliation of net movement in funds to net cash flow from operating activities

	2024	2023
Net income for the period	72,035	15,113
Adjustments for:		
Decrease/(increase) in debtors	-	328
Increase in creditors	3,159	4,199
Decrease in pension liability	(71,000)	(17,000)
Net cash provided by operating activities	<u>4,194</u>	<u>2,640</u>
Change in cash and cash equivalents in the reporting period	4,194	2,640
Cash and cash equivalents at the beginning of the reporting period	50,540	47,900
Cash and cash equivalents at the end of the reporting period	<u><u>54,734</u></u>	<u><u>£ 50,540</u></u>

Sarah Lawrence at Oxford
Notes to the Accounts
for the year ended 31st July 2024

1 Summary of significant accounting policies

General information and basis of preparation

Sarah Lawrence at Oxford is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information in these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities, and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

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

**Notes to the Accounts (continued)
for the year ended 31st July 2024**

1 Summary of significant accounting policies (continued)

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. The analysis of these costs is included in note 4.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity participates in the Universities Superannuation Scheme (the scheme). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The charity is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the charity therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the charity has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the charity recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in the income and expenditure account.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. There is no indication that the support and funding from Sarah Lawrence College will be withdrawn, and therefore the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Critical accounting judgements

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 that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss in accordance with section 28 of FRS 102. The trustees are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

Sarah Lawrence at Oxford

Notes to the Accounts (continued) for the year ended 31st July 2024

1 Summary of significant accounting policies (continued)

Key sources of estimation uncertainty

Pension scheme liability

The trustees are required to make assumptions on future staffing levels when calculating the USS pension scheme liability. These are included as best estimates at the date of calculation.

2 Incoming resources

The income of the charity comprises funds transferred from the Sarah Lawrence College at Bronxville, New York, to finance the operations of the Oxford programme.

3 Total resources expended

	Basis of Allocation	Staff Costs	Other Costs	Support Costs	Total 2024	Total 2023
Charitable expenditure						
Programme costs:						
University and college fees	Direct	-	601,062	-	601,062	449,166
Academic activities	Direct	-	35,356	-	35,356	30,127
Hardship fund awards	Direct	-	6,801	-	6,801	9,047
Salaries	Time	208,335	-	-	208,335	194,660
Support costs	Usage	-	-	31,978	31,978	29,613
		208,335	643,219	31,978	883,532	712,613
Housing costs:						
Rent	Direct	-	319,500	-	319,500	235,409
Maintenance	Direct	-	2,169	-	2,169	2,692
Salaries	Time	8,183	-	-	8,183	8,202
Support costs	Usage	-	-	3,762	3,762	3,483
		8,183	321,669	3,762	333,614	249,786
Governance costs:						
Salaries	Time	4,964	-	-	4,964	4,967
Audit / examination fees	Direct	-	4,975	-	4,975	2,580
Support costs	Usage	-	-	1,880	1,880	1,741
		4,964	4,975	1,880	11,819	9,288
Total resources expended		£ 221,482	969,863	37,620	1,228,965	971,687

Sarah Lawrence at Oxford

**Notes to the Accounts (continued)
for the period ended 31st July 2024**

4 Allocation of support costs

	Charitable - Programme 85%	Charitable - Housing 10%	Governance Costs 5%	Total 2024	Total 2023
Rent of office	11,238	1,322	661	13,221	11,300
Postage, stationery and telephone	245	29	14	288	323
Equipment	590	69	35	694	2,254
Travel and subsistence	3,210	378	188	3,776	4,102
Sundry items	247	29	14	290	647
Payroll management costs	7,776	915	457	9,148	7,644
Bookkeeping fees	8,672	1,020	511	10,203	8,567
	£ 31,978	3,762	1,880	37,620	34,837

5 Staff costs and numbers

	2024	2023
Gross	171,527	154,524
Employer's NI	4,842	4,855
Employer's pension contributions	15,757	18,627
Recharge	29,356	29,823
	£ 221,482	£ 207,829
Number of full time employees:	2	2
Number of part-time tutors per term:	49	42

One employee received total employee benefits (excluding employer pension costs) of over £60,000 during the current year (2023: one).

6 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2023: £Nil).

The total amount of employee benefits (including employer pension costs) received by key management personnel is £99,286 (2023: £99,336). The Trust considers its key management personnel comprise the Trustees and the Programme Director.

The Trustees did not have any expenses reimbursed during the year (2023: £Nil).

Sarah Lawrence at Oxford

**Notes to the Accounts (continued)
for the year ended 31st July 2024**

7 Net resources expended

		2024	2023
Net resources expended are stated after charging:			
Examiner's remuneration	- audit	£ 4,975	£ -
	- examination work	£ -	£ 2,580
	- other work	£ 19,351	£ 16,211
		<u> </u>	<u> </u>

8 Taxation

As an Educational Charity the Company is exempt from United Kingdom income tax and corporation tax, as it falls within the various exemptions available to registered charities.

9 Debtors: amounts falling due within one year

	2024	2023
Trade debtors	-	-
	<u> </u>	<u> </u>
	£ -	£ -
	<u> </u>	<u> </u>

10 Creditors: amounts falling due within one year

	2024	2023
Trade creditors	2,205	-
Accruals and deferred income	12,413	12,664
Taxation and social security	3,310	2,105
	<u> </u>	<u> </u>
	17,928	£ 14,769
	<u> </u>	<u> </u>

11 Leases

At 31st July 2024 total future minimum lease payments under non-cancellable operating leases were as follows:

	Land and buildings	
	2024	2023
Due within one year	£ 363,200	£ 344,000
	<u> </u>	<u> </u>

12 Related party transactions

Aside from the funding received from Sarah Lawrence College detailed in note 2, there were no other related party transactions during the year (2023: £Nil).

**Notes to the Accounts (continued)
for the year ended 31st July 2024**

13 Pension commitments

The charity participates in the Universities Superannuation Scheme (USS). The assets of the scheme are held in separate trustee-administered funds, and it is a contributory mixed benefit scheme (i.e. it provides benefits on a defined benefit basis – based on length of service and pensionable salary – and on a defined contribution basis – based on contributions into the scheme). It is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities relating to defined benefits of the scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, the charity accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the scheme in respect of the accounting period. In the event of the withdrawal of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

Deficit Recovery Plan

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The charity was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly has released the outstanding provision to the income and expenditure account. The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

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

At 31st July 2023, the charity's balance sheet included a liability of £71,000 for future contributions, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the charity was no longer required to make deficit recovery contributions. The remaining liability of £71,000 was released to the income and expenditure account.

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

Pension charge for the year

The pension charge for the year includes a credit of £55,243 (2023: a debit of £1,627) in relation to the USS. This represents contributions of £15,757 (2023: £18,627) payable in the year, as adjusted by the reduction in the deficit funding liability of £71,000 to reduce the liability to nil (2023: decrease of £17,000).

**Notes to the Accounts (continued)
for the year ended 31st July 2024**

17 Pension scheme – Universities Superannuation Scheme (USS) (continued)

The key financial assumptions used in the 2023 valuation are described below:

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030.
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a “soft cap” of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme’s experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

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

The current life expectancies on retirement at age 65 are:

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

A provision of £Nil has been made at 31st July 2024 (2023: £71,000) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

The next formal actuarial valuation is due as at 31st March 2026.

A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website www.uss.co.uk.