

GO BEYOND BOUNDARIES



Annual Report and Accounts **2025**

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Senior Governor's Welcome



Julie Ashworth
Senior Governor

This year has brought into even sharper focus the profound financial challenges facing higher education institutions across the UK, including the University of Aberdeen.

The future success of our ancient University is increasingly entwined with our ability to navigate shifting financial and political landscapes and to adapt to the longer-term challenges we are likely to face.

At Aberdeen, we have taken a difficult but proactive approach to addressing these financial pressures, while also ensuring we protect the quality of the student experience and remain internationally competitive.

But we recognise that this has required sacrifices from across our community as well as the generation of new ideas and initiatives to safeguard future sustainability.

I have been deeply impressed by the new approaches, courses, and enterprises generated from within our Schools, departments and directorates.

It is important that we take a community-wide approach to tackling the challenges faced by the sector and voices from across the University have helped to collate our key institutional priorities, which have underpinned the recruitment process for a new Principal following the retirement of Professor George Boyne.

During his tenure, Professor Boyne steered the University through major global changes from Brexit to the Covid pandemic, the cost-of-living crisis and a continuing challenging funding landscape.

He has also overseen notable improvements in the University's national rankings, enhanced student satisfaction and a strengthening of Aberdeen's position in the competitive research landscape, since taking on the role in 2018.

I now look forward to working with Professor Peter Edwards as our next Principal, building on the work he has already undertaken spearheading our innovation and entrepreneurial ambitions and driving forward our civic university agenda.

This year we also welcomed our new Rector, Iona Fyfe, who was installed in line with tradition but made history by becoming the first Rector to perform at her own installation ceremony.

We are a University founded with an international outlook and just as Bishop Elphinstone looked outwards when establishing the University, today we take a global approach. Transnational education is a key element of our future planning and this year our first cohort of students graduated from the South China Normal University Joint Institute of Data and AI and we expanded our presence in Qatar. Court has supported other transnational education opportunities to take the Aberdeen educational experience to other places around the world, including to become the first Scottish university to open a campus in India.

I am pleased to see continued growth in both home and international student recruitment, reaffirming Aberdeen's reputation as an attractive and globally recognised destination for study.

The University also continues to serve as a cornerstone of the economic, cultural, and societal vitality of north-east Scotland, driving innovation and opportunity. Our partnerships within the community, healthcare, industry, social enterprise and with government and policy makers ensure that our research and teaching directly contributes to the region's prosperity and resilience. At our Annual Stakeholder Engagement event, we were proud to celebrate these achievements, underlining our regional importance and the transformational impact that universities have on the wider world.

Our Adapting for Continued Success programme will design and deliver a new operating model for the University – including new structures and ways of working that will help us to achieve our education and research ambitions, ensure our long-term financial sustainability and continue to evolve to meet the changing needs of staff, students and the wider world.

With changes to key management positions and the continuing challenges faced across the sector, the role of Court is vital in providing oversight and strategic direction, ensuring that difficult decisions are grounded in our values and aligned with our long-term vision.

We acknowledge the contribution of Court members over the past year and thank them for the time, insight, and expertise they have brought to their roles. Eleanor Bentley who has chaired our Audit and Risk committee stepped down after eight years in the role and I'd like to thank Eleanor for her outstanding support, together with all of those who contribute to the work of Court both from within our community and beyond.

Their support has been important in helping to guide the University's governance and in steering a path through these difficult times for the higher education sector.

Julie Ashworth
Senior Governor

Principal's Introduction



Professor Peter Edwards
Principal and Vice-Chancellor

The University community can take great pride in our collective achievements throughout 2024/25, as we continue to advance in line with the Aberdeen 2040 strategy. This progress reflects a genuine team effort, and I am deeply grateful to everyone who has contributed.

It is important to recognise both our successes and the challenges we have overcome together, as a community of students and staff, working in partnership with alumni, supporters, and colleagues across the sector.

I am delighted that our efforts have been recognised externally. Our research income reached £54.2 million in 2024/25, reflecting the continued quality, relevance, and impact of our research. Our outstanding educational provision was again highlighted in the National Student Survey, a testament to the dedication of colleagues across the University.

We achieved a ranking of joint 23rd in the UK in the *Times and The Sunday Times Good University Guide 2026*, and 18th in *The Guardian University Guide 2026*. We also ranked 3rd among the devolved nations for student satisfaction in the National Student Survey 2025.

We continue to strengthen our research environment and support academic commercialisation, particularly through start-ups and spin-outs that contribute to economic development.

This year brought significant challenges, including financial pressures from rising costs, reduced public funding, and a decline in international student recruitment. In response, we took decisive action to secure a sustainable financial position.

Our Financial Recovery Plan reduced a projected deficit of £6.5m to £4.3m through measures such as a recruitment freeze, financial prudence, and higher-than-forecast tuition fee income. This progress allows us to maintain focus on enhancing research and education, generating new revenue, and exploring opportunities in transnational and online education.

As a key part of the north-east of Scotland, we take seriously our responsibility to act sustainably. Our commitment to integrating the UN Sustainable Development Goals (SDGs) and advancing our Net Zero Strategy has been recognised in the Times Higher Education Impact Rankings, where we are ranked 14th in the UK for our performance across the SDGs. Additionally, in the QS World University Rankings 2026, we ranked 31st in the UK based on a broad range of performance indicators including academic reputation, sustainability, and international outlook.

Despite sector-wide challenges, our community can take immense pride in what we have achieved in pursuit of Aberdeen 2040. We remain steadfast in our purpose: being open to all and dedicated to the pursuit of truth in the service of others.

I would like to pay tribute to Professor George Boyne for his seven years of exceptional leadership from August 2018 to October 2025. His tenure marked a transformative period, defined by the launch and embedding of Aberdeen 2040. Under his guidance, the University enhanced its academic reputation, widened access, and deepened engagement with communities locally and globally. On behalf of the University community, I thank him sincerely for his service.

Thank you to everyone who has contributed to our success over the past year. I look forward to building on this strong foundation as we continue our journey together.

Professor Peter Edwards
Principal and Vice-Chancellor



18TH IN THE UK
Guardian University Guide 2025



**JOINT 23RD
IN THE UK**
Times and Sunday Times Good
University Guide 2026

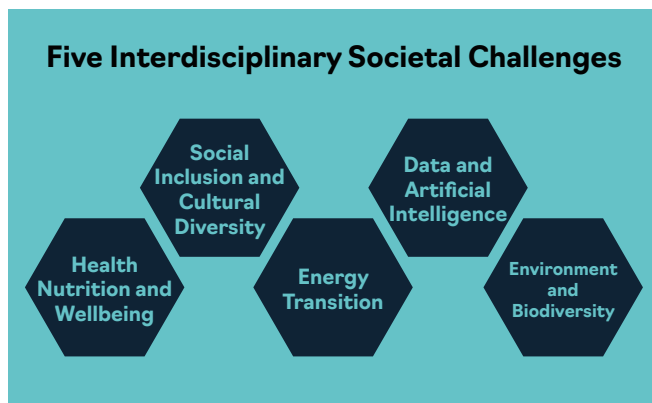
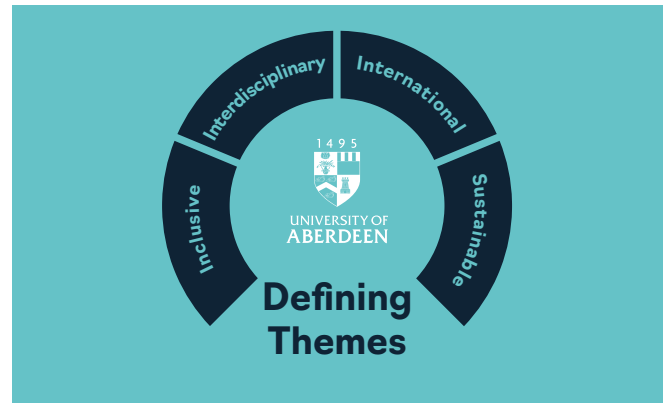


**3RD AMONG THE
DEVOLVED NATIONS
for Student Satisfaction**
National Student Survey (NSS) 2025

Aberdeen 2040

Operational Plan 2024/25

The academic year 2024/25 was the fifth year since the launch of Aberdeen 2040, the University's 20-year strategy; the first major milestone in its delivery, marking the end of the initial five-year planning cycle. The strategy is built around the University's foundational purpose from 1495: "Open to all, and dedicated to the pursuit of truth in the service of others." The key ambitions of Aberdeen 2040 are expressed through:



The following sections give an overview of our performance in AY 2024/25 against the commitments made in Aberdeen 2040, compared to the previous year, and our performance against the 2025 targets is RAG rated.

The full Aberdeen 2040 Strategy can be viewed at

www.abdn.ac.uk/2040

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

- | | | |
|--------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------|
| ● Excellent | ● Mixed | ● Attention Required |
| ● Very Good | ● Some Regression | ● Year-on-year comparison not possible |

Aberdeen 2040

Commitments and Update on Progress

SUSTAINABLE
DEVELOPMENT
GOALS



Our Education

1

Student satisfaction



2025 target: We will achieve an overall student satisfaction of 88% in the National Student Survey (NSS), ranking top 25 in the UK

NSS 2025:
84.6% and 34th in the UK



NSS 2024: 84.3% and 15th in the UK

This metric shows the aggregated mean average of the positive responses across the 25 questions that are asked of all institutions across the UK, excluding the Student Union Question.

2020 Baseline: 86.7% and 18th in the UK

2

Degree awarding gap



2025 target: The gap in student achievement between White, and Black, Asian and Minority Ethnic student groups for good honours degree awards will be no higher than 5% (HESA)

2023/24: 10.2%



2022/23: 7.2%

2020 Baseline: 8.8%

3

Non-continuation



2025 target: 4%

2024/25: 4%



2023/24: 5%

2020 Baseline: 4.1%

is a retention measure used in higher education to monitor whether or not an undergraduate student qualifies or remains active in HE in the following academic year.

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

● Excellent

● Mixed

● Attention Required

● Very Good

● Some Regression

● Year-on-year comparison not possible

Aberdeen 2040

Commitments and Update on Progress (cont.)

Our Research

1 Research income

2025 target: Annual research income will increase to £65m
2024/25: £54.2m
 2023/24: £56.9m
 2020 Baseline: £49.69m

2 Research students

2025 target: A postgraduate research population of 975 students (FPE) or more (HESA)
2023/24: 900 FPE
 2022/23: 877 FPE
 2020 Baseline: 1047 FPE

SUSTAINABLE
DEVELOPMENT
GOALS



Our Regional Engagement

1 Commercial income

2025 target: Total commercial income from contract research, consultancy, facilities & services, and CPD will total £24m
2024/25: £23.8m
 2023/24: £23.9m
 2020 Baseline: £23.0m (2021 position)



2 Staff spin-outs

2025 target: Five new companies/spin-outs will be created per year involving staff
2024/25: 2 spin-outs
 2023/24: 1 spin-out

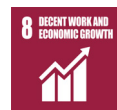


3 Student start-ups

2025 target: 30 new companies will be created by students per year
2024/25: 16 start-ups
 2023/24: 12 start-ups



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GOALS



Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

Excellent

Mixed

Attention Required

Very Good

Some Regression

Year-on-year comparison not possible

Aberdeen 2040

Strategic Themes

1

Wellbeing,
health and
safety

Inclusive

We welcome and support students, staff and partners from all backgrounds, organisations and communities. We value diversity.



2025 target: 90% of staff and students agree that the University cares about staff and student wellbeing (biennial Staff and Student Surveys)

The methodology used for the staff survey has changed, meaning year-to-year comparisons are no longer possible. This measure will be reviewed

Previous result in 2022/23



Staff - 81%



Students - 80%



2020/21: Staff 84%, Students 81%

2

Widening
access

2025 target: 10% of our full-time first-degree entrants will come from the 20% most deprived backgrounds



2024/25: 7.7% (provisional)

2023/24: 7.2%

2020 Baseline 8.6%

The limitations of the SIMD (Scottish Index of Multiple Deprivation) metric, currently used in Scottish HE to measure fair access, are well known, particularly in rural areas. The University is committed to widening access to higher education and is taking all possible steps to increase participation from the most deprived areas as defined by SIMD, while at the same time working with sector stakeholders to develop alternative measures that more accurately capture and address socio-economic inequality in the North-East of Scotland.

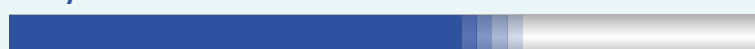
3

National and
international
research
collaboration

2025 target: 70% of all research grant awards to involve non-academic partners

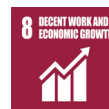


2024/25: 65%



2023/24: 68%

2020 Baseline: 8.6%

SUSTAINABLE
DEVELOPMENT
GOALS

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:



Excellent



Mixed



Attention Required



Very Good



Some Regression



Year-on-year comparison not possible

Aberdeen 2040

Strategic Themes (cont.)

4

Equality, diversity and inclusion



Inclusive (cont.)



2025 target: The University will have achieved a Race Equality Charter Bronze Award, all Schools will have applied for Athena SWAN Silver Award, the University will have been awarded a Stonewall Workplace Equality Index (WEI) Bronze Award and ranked a Top 100 employer, and will have been awarded a University of Sanctuary status.

2024/25:

Race Equality Charter:

An Anti-racism Plan to 2029 is now being advanced in support of this award.

Athena SWAN:

All schools hold a departmental AS award (8 Bronze; 4 Silver).

Psychology to submit Gold application in late 2025.

Institutional Athena Swan Silver application expected in 2027.

Applications or activity relating to Stonewall and University of Sanctuary status have been paused due to resource levels.

SUSTAINABLE
DEVELOPMENT
GOALS



5

Pay gap



2025 target: A median gender pay gap of 17% or lower (Scottish Government Gender Pay Gap Guidance)



2024:
16%

2023: 18%

2020 Baseline: 20%

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:



Excellent



Mixed



Attention Required



Very Good



Some Regression



Year-on-year comparison not possible

Aberdeen 2040

Strategic Themes (cont.)

6

Interdisciplinary learning

Interdisciplinary

We innovate in education and research by generating, sharing and applying new kinds of knowledge. We learn together.



2025 target: 85% of staff and students are satisfied with opportunities for exchange of ideas across intellectual areas and organisational structures (Staff and Student Surveys)

The methodology used for the staff survey has changed, meaning year-to-year comparisons are no longer possible. This measure will be reviewed

Previous result in 2022/23:



Staff: 72%



UG/PGT Students: 73%



PGR Students: 79%



7

Interdisciplinary and innovative challenge-led education



2025 target: An average top 25 ranking across all relevant questions in the National Student Survey (NSS) relating to whether our courses are intellectually stimulating, challenging, and whether they offer opportunities to bring information from other topics, and to apply the learning.

NSS 2025:

19th in the UK

NSS 2024: 18th in the UK

NSS methodology changed in 2023 and direct comparisons can therefore not be made with previous years.

8

Interdisciplinary community interactions



2025 target: 45% of research outputs are with university author/co-author assigned to more than one broad research area (Web of Science)

2024/25:

45.71%

2023/24: 45.76%

2020 Baseline: 44.99% (2021 figure)

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

Excellent

Mixed

Attention Required

Very Good

Some Regression

Year-on-year comparison not possible

SUSTAINABLE
DEVELOPMENT
GOALS



Aberdeen 2040

Strategic Themes (cont.)

9

Partnerships that deliver imaginative solutions to societal and industrial challenges

10

Digital and physical infrastructure

Interdisciplinary (cont.)

We innovate in education and research by generating, sharing and applying new kinds of knowledge. We learn together.



2025 target: Ranking top 40 globally and top 10 in the UK (Times Higher Education (THE) Impact Rankings)

THE Impact Ranking 2025

85th in the World

14th in the UK



2024: 48th in the World and 10th in the UK

2020 Baseline: 73rd in the World and 16th in UK



2025 target: 80% of staff and students agree that the University's virtual and physical spaces enable interdisciplinary exchange and innovation (Staff and Student Surveys)

The methodology used for the staff survey has changed, meaning year-to-year comparisons are no longer possible. This measure will be reviewed

2020 Baseline



Staff: 74%

Students: 80%



Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

● Excellent

● Mixed

● Attention Required

● Very Good

● Some Regression

● Year-on-year comparison not possible

SUSTAINABLE
DEVELOPMENT
GOALS



Aberdeen 2040

Strategic Themes (cont.)

SUSTAINABLE
DEVELOPMENT
GOALS



11

International education

International

We connect with others, and extend our networks and partnerships around the world. We think across borders.



2025 target: 25% of our total student population will be international

2024/25:



28.9% of student population (4064 FTE)

2023/24: 29.5% of student population (4161 FTE)



2025 target: We will surpass our sector benchmark for diversification of the student population (the proportion of our student population from outwith the three largest international source markets)



2024/25: University of Aberdeen 45.3%

UK benchmark: 43.3%



2023/24: University of Aberdeen: 46.7%

UK benchmark: 39.8%



12

Global employment



2025 target: Top 25 rank in the UK for the proportion of graduates who entered graduate level employment or further study within 15 months of completing their studies (Times & Sunday Times Good University Guide)

2025:

28th in the UK (82.2%)



2024: 28th in the UK (82.2%)

13

International research partnerships



2025 target: 72% of research outputs will be published with international co-authors, with the University ranking top 60 in the world and top 10 in the UK (CWTS Leiden Rankings)

2025: 72% with international co-authors

118th in the World

11th in the UK



2024: 71% with international co-authors, 100th in the World and 11th in the UK

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

Excellent

Mixed

Attention Required

Very Good

Some Regression

Year-on-year comparison not yet possible

Aberdeen 2040

Strategic Themes (cont.)

14

International student experience

International (cont.)

We connect with others, and extend our networks and partnerships around the world. We think across borders.



2025 target: 5% of our students will undertake international study abroad



2025: 3.34%

2024: 1%

2020 baseline: 2.64%

15

A caring environment



2025 target: 90% of staff and students agree that our campuses and processes create a caring environment that is alert to cultural differences (Staff and Student Surveys)

The methodology used for the staff survey has changed, meaning year-to-year comparisons are no longer possible. This measure will be reviewed

Previous result in 2020 baseline:



Staff: 87%

Students: 94%

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

● Excellent

● Mixed

● Attention Required

● Very Good

● Some Regression

● Year-on-year comparison not yet possible

SUSTAINABLE
DEVELOPMENT
GOALS



Aberdeen 2040

Strategic Themes (cont.)

Sustainable

We understand and nurture our environment, and take care of our resources, including our people and our finances. We work responsibly.

SUSTAINABLE
DEVELOPMENT
GOALS



16

Sustainable Living



2025 target: 40% reduction in Scope 3 business travel emissions from 2018/19 baseline

2024/25:

43.9% decrease on baseline = 2,335 tCO₂e



2023/24: was 2,711 tCO₂e (a 34.9% decrease on baseline)

2020 Baseline: Business Travel Emissions 18/19 – 4,166 tCO₂e

17

Protecting the environment



2025 target: 60% of students agree that they receive appropriate education on environmental sustainability (NSS)

NSS 2025: 58.4%



NSS 2024: 56.6%

18

Climate research

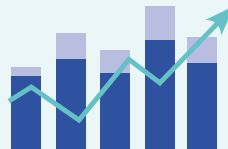


2025 target: At least 400 research outputs will address climate change and biodiversity linked to the United Nations' SDGs (SDGs 7, 11, 12, 13, 14 and 15)

2025: 474 outputs



2024: 531 outputs



19

Achieving Net Zero before 2024



2025 target: 25% reduction in combined Scope 1 & 2 carbon emissions from 2019/20 baseline



2024/25:

Combined Scope 1 & 2 = 11,806 tCO₂e, down 33.5% on 2020 baseline

i.e. Scope 1 (8,445 tCO₂e, down 16.3% on 2020), Scope 2 (3,361 tCO₂e, down 56.1% on 2020)

2023/24: Combined Scope 1 & 2 was 12,807 tCO₂e, down 27.8 % on baseline i.e. Scope 1 (8,760, down 13.1% on 2020), Scope 2 (4,047, down 47.2% on 2020)

2020 Baseline: 17,744 tCO₂e i.e. Scope 1 (10,085), Scope 2 (7,659)

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

Excellent

Mixed

Attention Required

Very Good

Some Regression

Year-on-year comparison not yet possible

Aberdeen 2040

Strategic Themes (cont.)

20

Financial sustainability

Sustainable (cont.)

We understand and nurture our environment, and take care of our resources, including our people and our finances. We work responsibly.



2025 target: We will meet revenue growth and operating surplus performance of our benchmark group






2025: 2.1% reduction on last year (underlying deficit £4.3m)

2024: 1.5% reduction on previous year (underlying deficit £8.5m)

League Tables



2025 target: We will consistently achieve a top 25 ranking in the UK in each of the following five league tables: Times & Sunday Times Good University Guide, Complete University Guide, Guardian University Guide, QS World University Rankings, and Times Higher Education World University Rankings (THE)

	Year of issue		
	2025	2024	2020 baseline
	18th	12th	20th
	23rd	15th	20th
	27th	=26th	25th
	31st	30th	28th
	30th	41st	26th

Key Performance Indicator (KPI) rating key – Progress against targets set for the end of AY 2024/25:

 Excellent

 Mixed

 Attention Required

 Very Good

 Some Regression

 Year-on-year comparison not yet possible

SUSTAINABLE
DEVELOPMENT
GOALS



Sustainability Report

In a year of significant change for the UK's higher education sector, Aberdeen has not been immune from some of the most significant challenges facing higher education in living memory. Despite these challenges, we have sought to retain our focus on sustainability issues, reiterating the importance of having established sustainability as one of the long-term pillars of our Aberdeen 2040 strategy. Four of the twenty commitments made in Aberdeen 2040 relate explicitly to sustainability, including 'encouraging everyone in our community to work and live sustainably', 'educating staff and students to be leaders in protecting the environment', 'excelling in research' that addresses sustainability in all its forms, and working towards 'achieving net zero before 2040'. While the operational context has been a challenging one, progress has been made in these and other aspects of sustainability.

Since the launch of the Aberdeen 2040 strategy, the United Nations' Sustainable Development Goals (SDGs) framework has served as a focus for our sustainability endeavours. Our latest annual SDG Report (see Image 1) again serves to articulate our positive contributions across all 17 SDGs. 2025 marks the fifth such annual report, with more stories than ever before vying to feature. This reflects the sustained effort of our community, whose academic excellence is instrumental in sustaining the consequential and impactful research that contributes so positively to these interlocking global agendas.

The sector's two main global sustainability rankings both saw the University reinforce its status as a Top 100 University, with strong performances in the 2025 Times Higher Education (THE) Impact and QS Sustainability rankings. While both rankings saw dips from the all-time highs of 2024 (where both had been Top 50), 2025's performance represents consolidation in the face of rapid growth in both rankings, with several hundred new participants featuring globally:



=84th globally in the 2025 THE Impact Ranking (14th in the UK)

=83rd globally in the 2025 QS Sustainability Ranking (25th in the UK)

The 'THE' Impact ranking was based on SDG 17 "Partnership for the Goals" (101-200 globally), SDG 15 "Life on Land" (55th globally), SDG 12 "Responsible Consumption & Production" (18th globally), and SDG 10 "Reduced Inequalities" (49th globally). With 2,318 institutions now ranked (350+ more than in 2024) this represents a position in the top 4% of all institutions ranked.

At a headline emissions reporting level, our 2024/25 Public Bodies Climate Change Duty (PBCCD) Report will again show positive trends across all three emissions Scopes. Most notably the report shows a substantial reduction in Scope 3 emissions, with student relocation emissions and business travel emissions showing significant reductions.



Image 1: Cover of the 2024/25 SDG Report

Business Travel Emissions (tCO₂e)

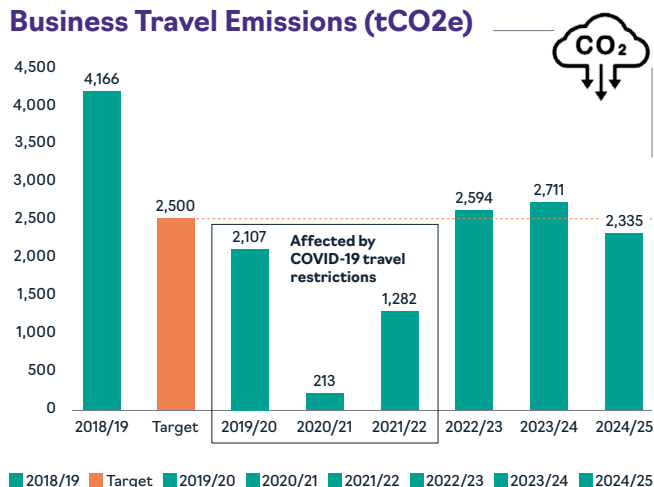


Figure 1: Business Travel Emissions Progress

In both cases this is owed in large part to a major shift in the emissions conversion factors associated with airline travel. Business travel emissions are now well within the five-year target set at the launch of Aberdeen 2040, dropping to just over 2,300 tCO₂e, well below the 2,500 tCO₂e target (see Figure 1). While a reduction in international students travelling to Aberdeen reflects a wider UK trend that is part of the major financial challenges facing the sector, the reduction in emissions associated with student travel is perhaps the one 'positive' that comes from this. In other categories, procurement emissions (the largest single category of emissions) are projected to be down after an unexpected rise in 2023/24.

While Scope 1 & 2 emissions were more stable overall, both saw reductions linked to ongoing efforts to stay on top of energy consumption. In aggregate, when finalised, we expect the emissions tally for 2024/25 to show a more than 10% reduction year-on-year. These trends are encouraging and represent a ninth successive reduction in like-for-like emissions reported as part of the Public Bodies regime. Cumulatively this means that our core emissions have now reduced by more than 50% from our baseline year of 2015/16.

Sustainability Report (cont.)

While resourcing challenges impact our capacity to make the kinds of strategic investments required to deliver the step-change infrastructure upgrades needed to eliminate Scope 1 & 2 emissions, 2025 has seen a case supported to repurpose a £4m loan from the Scottish Funding Council (SFC) towards improvements in our electrical and energy infrastructure in and around Old Aberdeen. This funding will enable investment in campus plant rooms, the installation of a thermal store to improve heat efficiency, transformer upgrades to start future-proofing the site's electrical infrastructure and plans to bring buildings with stand-alone gas heating onto our heat distribution network.

During 2025 we have been pleased to contribute to a national consultation on the development of new emissions reporting guidance for Scottish Public Bodies. This will be the first major update in the guidance since its introduction nearly a decade ago. Although details are not yet finalised, we welcomed the consultation's apparent shift in emphasis on the likely scale and nature of offsetting public bodies may be required to undertake to tackle residual emissions. We were heartened to note that offsetting of Scope 3 emissions, most of which are beyond our direct control, was not expected to be necessary for some of the larger emissions categories, including procurement and student relocation.

We also welcomed the further tightening of expectations on public bodies about how they report and demonstrate compliance with the statutory duty. Our Sustainability team has consistently embraced this reporting regime, contributing to several best practice aspects of the guidance, and will continue to work to report comprehensively and in the spirit of the new guidance when published.

Late 2024 saw two innovative emissions reporting projects achieve notable sector success. Our Student Relocation Tool (for gauging emissions from overseas student travel) has been adopted as a best practice tool recommended to the sector, resulting in its being Highly Commended in the Creating Impact category at the Green Gown Awards (GGAs). Meanwhile our Sustainability Dashboard, an accessible online tool that places all our current and historic emissions data in the public domain was Highly Commended for 'Reporting with Influence', also at the GGAs (see Image 2).

In policy and strategy terms, 2024/25 has seen several key developments, most notably the publication in late 2024 of our first comprehensive Net Zero Strategy. The strategy articulates 11 decarbonisation pathways and establishes interim targets on route towards our ultimate commitment to achieve Net Zero before 2040. Alongside this, we've undertaken extensive work to develop our understanding of climate change adaptation and to enable improved statutory reporting in this area, as well as policy work on biodiversity and the development of interim guidance on offsetting (where required by grant funders). In aggregate, the past 18 months have witnessed a significant step-change in how the University engages operationally with the twin climate and nature emergencies.



Image 2: Green Gown Awards Success 2024

One key area of operational focus in 2024/25 has been the question of 'how' we conduct research. While the substance of 'what' our academics research is well documented e.g., in our annual SDG Reports, the University has embraced an emerging sector drive to improve 'how' research is conducted by signing the Concordat for the Environmental Sustainability of Research & Innovation Practice, while also engaging our lab technicians and researchers in efforts to accredit the first of our labs to the internationally recognised *Laboratories Efficiency Assessment Framework (LEAF)* standard.

As regards the substance of our education and research, the following are just some of the academic highlights of 2024/25. Much more detail can be found about our world-leading research and education in the 2024/25 SDG Report:

	<p>£5.7m in UKRI funding for an Aberdeen-led consortium to explore the just transition (SDG 17)</p>
	<p>£2.4m in Wellcome funding for pioneering research on DNA replication and cancer (SDG 3)</p>
	<p>£9m in NERC funding for a PhD research and training programme (multiple SDGs)</p>
	<p>Launch of a Liberal Arts and Sciences degree with clear sustainability pathways (SDG 4)</p>

Looking ahead to 2025/26, we anticipate the following being the focus of our continuing efforts to focus on sustainability issues:

- Embedding a new Estate & Energy Infrastructure Decarbonisation programme board;
- Enhancing the number of laboratories and Schools working towards LEAF accreditation;
- Launching a tool to allow students to self-assess their level of sustainability literacy;
- Making progress on the infrastructure projects funded by the £4m SFC loan.

Education

Our Aberdeen 2040 strategy sets out our commitment to provide a world-class student experience alongside a world-leading curriculum that prepares all students, whatever their background or personal characteristics, to succeed and transform the world around us now and in the future. Employability is a key priority area and central to our education strategy. Within this, our Aberdeen Internship Schemes continues to go from strength to strength and the number of our graduates in highly skilled employment has risen.

The ABDN Internship programme includes innovative part-time, term-time paid internships, funded by the University, which see students work for a total of 70 hours over the course of seven weeks on a project set by a local employer. The programme also includes Interns with Impact - funded by The Wood Foundation - internships exclusively in the third sector, as well as a Group Virtual internship - allowing students to undertake an internship wherever they are based over the summer. Many of our students have retained employment with their Aberdeen internship hosts. This scheme was also shortlisted for the highly competitive Employability Impact Award at the Association of Graduate Careers Advisory Services Awards for Excellence 2025. This work was led by our fantastic careers team and our Dean for Employability and Entrepreneurship, Professor John Barrow.

Student experience and support are always at the forefront of our focus at the University of Aberdeen and we were delighted to be ranked Top 10 in the WhatUni Student Choice Awards for three areas: Student Life, Student Support, and University of the Year. We were also pleased to see a rise in our positivity score for student satisfaction in the National Student Survey to 84.6%. Our Dean for Student Experience, Professor Jason Bohan has led a number of university-wide initiatives to help us continue to evaluate and improve our student experience at both undergraduate and postgraduate levels.

The University submitted its annual self-evaluation and action plan (SEAP) to the Scottish Funding Council (SFC) and had an excellent engagement meeting with the SFC in April and equally positive institutional liaison meeting (ILM) with Quality Assurance Agency (QAA) Scotland in May. The University was praised for its SEAP in terms of the length of the submission, and its use of data, particularly NSS and complaints handling data.

As part of the new STEP (Scottish Tertiary Enhancement Programme) process which runs on a four-year cycle, Aberdeen is playing a central role in a sector-wide project looking at developing a framework for regional networks. The overarching theme is "supporting diverse learner journeys" with eight projects now having been confirmed and a report on our engagement with STEP submitted in June. The University also has a range of internally funded Learning and Teaching Enhancement Programme (LTEP) projects underway which enable academic and professional services staff to support teaching, learning, and assessment research or dissemination of pedagogical projects.



The University's Tertiary Quality Enhancement Review (TQER) is scheduled for February 2026 and work is underway to prepare the review. This work is led by our Dean for Quality Assurance and Enhancement, Professor Steve Tucker, who also led our Annual Academic Symposium held on 30 April entitled Future-Ready Education.

Our Dean for Portfolio and Programme Development, Dr JP Mynott, has led a significant piece of work to review our portfolio of programmes to assess their quality and financial sustainability to ensure that we are providing a portfolio of programmes and courses that are grounded in societal needs and pedagogic evidence, aligned with market demand.

We continue to be driven by our commitment to inclusive education whereby all of our students are welcomed into our Aberdeen family and are fully supported to achieve their personal and professional ambitions.

Professor Jo-Anne Murray
Vice-Principal (Education)

Research

The 530th anniversary of the University was celebrated in February with our first ever Founders' Week to commemorate our history and ongoing global impact. This milestone event provided an opportunity to share our research with the wider community from the inaugural Founders' Week Lecture to a Discovery Day which welcomed families to campus.

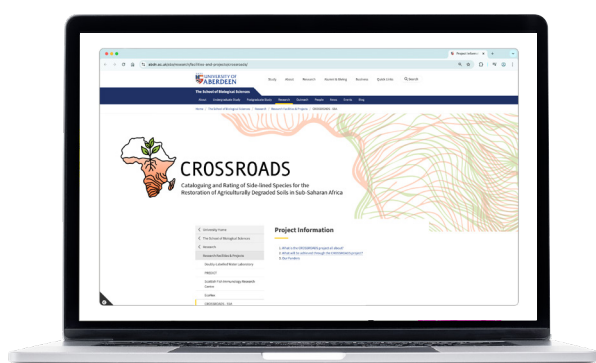
This inclusive approach to sharing our work underpinned the University's foundation in 1495 with a commitment that the institution would be 'dedicated to the pursuit of truth' and 'open to all' and Founders' Week encapsulated this spirit.

Our research puts the challenges of today's society at its heart and this year our researchers have secured significant grants to progress work in a range of areas critical to our collective futures.

Climate Action

Climate change remains a central focus of our research strategy. Professor Pete Smith is leading a £1.7 million UKRI/DEFRA-funded project under the MACC programme and is also contributing to an £800,000 EU initiative that connects agricultural policy with carbon credit systems. Professor Cécile Gubry Rangin has received £1.3 million to develop wheat varieties that require less nitrogen, while Professor Jo Smith was awarded £447,000 for the CROSSROADS-SSA project, which is cataloguing native plant species to support soil restoration in Sub-Saharan Africa.

Aberdeen continues to play a pivotal role in Scotland's transition to net zero. Professor Tavis Potts is leading the £5.7 million JUST-Systems project, which forms part of a £10 million national programme aimed at ensuring a fair and inclusive transition. In addition, three Aberdeen-led projects received seed funding from the Scotland Beyond Net Zero initiative, supporting research in offshore wind, peatland restoration, and sustainable tourism. This initiative has now supported 19 projects with a combined value of nearly £300,000.



CROSSROADS-SSA Project website

Health Equity

Founders' Week also highlighted our contributions to health research. Professor Mirella Delibegovic, the first woman to hold the Regius Chair of Physiology, shared her personal journey from Bosnian refugee to leading pioneering research on diabetes, obesity, and ageing. Dr Sharon Hanley secured £1.2 million to improve cervical screening uptake in underserved communities. Dr Mairead Black and Dr Andrea Woolner are contributing to the £50 million NIHR Maternity Disparities Consortium, which aims to address inequalities in maternal health outcomes.

Social Inclusion & Cultural Diversity

Our research in the arts and humanities continues to receive national recognition. Professor Gordon Noble is advancing the Citadel Project in partnership with Historic Environment Scotland, reshaping our understanding of early medieval Scotland. Dr Johannes Heim is co-leading the UKRI-funded QuBisM project, which investigates bias and meaning in everyday communication.

Future Research Leaders

Several of our early-career researchers have received prestigious fellowships. Dr Scott Doyle is developing plasma technology with support from Innovate UK. Dr Laetitia Lecante is examining the effects of Linuron on fetal ovary development, funded by the Wellcome Trust. Dr Tom Hiscock has been awarded an ERC Starting Grant for research inspired by Alan Turing's work, and Dr Ieuan Seymour has received a UKRI Future Leaders Fellowship.

National honours have also recognised the achievements of our senior academics. Reverend Professor John Behr has been elected a Fellow of the British Academy for his contributions to patristic scholarship. Professor Abbe Brown has been named a Fellow of the Royal Society of Edinburgh for her leadership in intellectual property law. Professors Muhammad Azizul Islam and Alex Kemp have been elected Fellows of the Academy of Social Sciences for their work in sustainability and energy policy.



Founders Day 2025

Research (cont.)

Looking Ahead

This year, the University secured over £10.5 million in UKRI funding to support emerging researchers through a broad range of doctoral programmes across science, arts, humanities and social sciences disciplines. Key awards include the QUARTILES Doctoral Landscape Award, led by Aberdeen to address global environmental challenges, and our partnership in NETGAIN, which trains future leaders in nature markets. We renewed our involvement in the EastBio biosciences consortium and joined the Celtic Crescent AHRC Doctoral Focal Award, focused on the creative economy in multilingual and post-industrial communities. An additional AHRC Doctoral Landscape Award continues our alignment with the Scottish Graduate School for Arts and Humanities. Alongside ongoing participation in the SustAIn CDT, TARGET CDT, and the Scottish Graduate School for Social Sciences, these awards reflect Aberdeen's leadership in doctoral training and a commitment to preparing researchers to address global challenges.

Doctoral Funding

Aberdeen's global research influence is set to expand following the UK's re-entry into the EU's Horizon programme in 2025, unlocking new opportunities for collaboration across Europe.

In March, we launched our Research Cultures Strategy, outlining a shared vision for a vibrant and inclusive research environment built around four principles: Shared Standards of Excellence, Collective Problem Solving, Recognising Contributions and Supporting Career Development, and Evidence-Informed Culture Change.

Our investment in people and research infrastructure remains central to our strategy. We continue to support open research, integrity, and inclusive environments where creativity thrives. This is reflected in our status as a signatory to the Technicians Commitment, the launch of PORTAL—a cross-institutional hub for training and career development and other initiatives, which contributed to improved results in the 2025 Postgraduate Research Experience Survey.

Together, these achievements demonstrate our commitment to fostering research excellence and impact.

Professor Nick Forsyth

Vice-Principal (Research)



Innovation and Entrepreneurship

The University of Aberdeen provides an engaging programme of support for student entrepreneurs and for spin out company founders. In FY24/25, the student entrepreneur's journey would have started with the Sparking Change programme or our annual Lightbulb competition, with promising business ideas supported through grants from the ABVentures microfinance awards or through participation in our summer Take Off Accelerator, and for some application to CONVERGE's national competitions. Spin out company creation continues to be supported through the University's partnership with Innovate UK to deliver local ICURE programmes and one-to-one support. We are also building capacity to encourage social enterprises and to provide entrepreneurial education to everyone in our community.

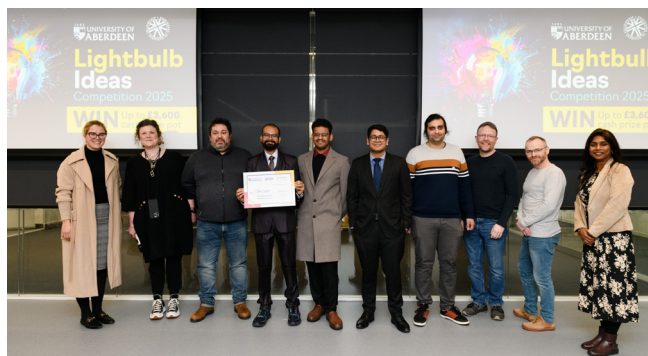
Students

Sparkling Change

The Sparking Change programme was developed to encourage creation of social enterprises and to enhance participants' skills in enterprise and innovation. With funding from Aberdeen City Council through the UK Shared Prosperity Fund, Sparking Change delivered five themed workshops between December 2024 and March 2025. The workshops focussed on global problems related to the UN Sustainable Development Goals and were open to economically inactive residents of Aberdeen, which included students from Robert Gordon University and North East Scotland College in addition to those from the University of Aberdeen. A total of 82 people participated, with 60% indicating that they were likely to take their ideas forward into a business. Several students progressed their ideas further through the support provided by the University to student entrepreneurs.

Lightbulb Competition

Our annual competition for student entrepreneurs was generously sponsored by Engineers in Business Fellowship (now Engineers and Scientists in Business Fellowship) in 2025, which supplemented the prize fund available for winning teams. Numbers participating exceeded the 2024 numbers by 70%. 46 student teams presented their ideas, and five teams were selected to pitch to a judging panel and an audience of over 70 students.



Lightbulb Competition winners with the judging panel



Take Off Accelerator 2025 Pitch Showcase

Take Off Accelerator

We completed our inaugural flagship student entrepreneurship programme, the Take Off Accelerator 2025, marking another milestone in our commitment to nurturing the next generation of innovators and changemakers. Running over eight weeks May-July, the University-funded accelerator brought together a diverse group of student and graduate entrepreneurs from across disciplines to develop, test, and refine their startup ideas with the support of experienced mentors, guest speakers and industry experts.

A total of 13 participants took part in weekly, mostly in-person, workshops covering topics ranging from customer discovery and branding to pricing strategies and storytelling. Founders were given access to a wide range of resources including pitching templates and industry frameworks. They were also matched with enterprise catalysts for one-on-one coaching and heard directly from founders and ecosystem leaders who shared lessons from their own entrepreneurial journeys.

The programme culminated in a high-energy Pitch Showcase where participants presented their ventures to an audience of university staff, alumni, business leaders and a panel of expert judges. Prizes were awarded across several categories with a total of £5,500 distributed to support the continued development of the startups.



Take Off Accelerator 2025 participants after the Pitch Showcase

Innovation and Entrepreneurship (cont.)

Staff

'Brigid Bio' spin out secures funding

Recent spin out company 'Brigid Bio' from our School of Medicine, Medical Sciences and Nutrition, secured significant funding from INCATE, a not for profit organisation founded to meet the challenge of antimicrobial resistance. 'Brigid Bio' is developing novel immunotherapies for treatment of life-threatening fungal disease and was founded by Dr Soumya Palliyil, Prof Carol Munro and Prof Andy Porter. The University also spun out 'LectomeBio', a joint spin out with Loughborough University based on the work of Dr Huan Cao in the School of Medicine, Medical Sciences and Nutrition and his collaborators.



Professor Carol Munro and Dr Soumya Palliyil of 'BrigidBio'



Take Off Accelerator Ecosystem Day

ICURE Discover 2026

The University is co-sponsoring an ICURE Discover programme with Opportunity North East BioHub, Innovate UK, Scottish Enterprise and Robert Gordon University between January and March 2026. This eight week programme will provide an opportunity for up to 12 academic teams to take their first steps towards commercialisation of a technology or a service and builds on our successful 2024 programme, which helped pre-spin out 'Dioka Therapeutics', led by Dr Guy Bewick and Prof David Blackburn, in their customer discovery journey and to securing an award from the Scottish Government's Proof of Concept fund.

What's Next

Support for social enterprise creation

The University of Aberdeen is one of five Scottish universities taking part in a pilot programme provided by the Challenges Group to support the creation of social enterprises from academic research. Two Venture Scouts will be trained and will work with academic schools to disseminate their experience and support social enterprise creation.

The Founder's Journey

A new course, available to all students and staff, was launched during the first week of teaching (FY 2025/26), aligned with the Scottish Government's National Innovation Week in 2025. The course teaches participants how to turn their ideas into a viable product, conduct market research and develop sustainable business models, while exploring funding, risk management and long-term growth for success. This enables everyone within our community to access entrepreneurial education as part of our development of a more entrepreneurial campus. A suite of credit bearing courses that build on this foundation will be launched next academic year (FY 2026/27), bringing together existing and remodelled courses within and across disciplines into a coherent pathway with options for 'with Entrepreneurship' programmes.



Statement of Corporate Governance and Internal Control

Statement of Corporate Governance and Internal Control 2025

The University of Aberdeen (the University) is committed to upholding the standards of corporate governance relevant to the higher education sector and the specific needs of the institution.

This statement describes the manner in which the University has applied the principles set out in the 2023 Scottish Code of Good Higher Education Governance (the Code).

In the opinion of the University Court (Court), the University complied with the principles and provisions of the 2023 Scottish Code of Good Higher Education Governance throughout the year.

Constitution, Governance and Regulation

The University was established by Papal Bull on 10 February 1495 and is one of the four Scottish Ancients. As a consequence, the University's governing instruments established or overseen by external bodies include that Papal Bull, legislative Acts and statutory instruments (primarily the Universities (Scotland) Acts 1858 – 1966 and the Higher Education Governance (Scotland) Act 2016) and by the Ordinances, made under these Acts. In addition, internal administrative arrangements covering governance can be introduced, altered and revoked by using the mechanisms provided via the power of resolutions.

The Universities (Scotland) Acts define the powers of the Court, the Senate and the General Council, each of which has clear functions and responsibilities within the governance and management of the University's business. Furthermore, the University is an exempt charity by virtue of the Charities and Trustee Investment (Scotland) Act 2005 and is registered with the Office of the Scottish Charity Regulator (registration number SC013683). The charitable aims of the University as registered with the regulator are the advancement of:

- education,
- health,
- citizenship or community development, and
- the arts, heritage, culture or science.

The Court of the University of Aberdeen is a body corporate with perpetual succession and a common seal. The University derives its status, powers and framework of governance from the legislation, ordinances and resolutions of Court, mentioned above.

Court is the governing body of the University and is responsible for its mission and strategic direction, administrative arrangements, financial health, wellbeing of staff and students and, in association with the Senate, for establishing and maintaining high standards of academic conduct and probity.

Court is charged with the administration and management of the revenue and property of the University and has the power to review any decision of the Senate on appeal. It is responsible for the establishment and operation of the University's system of internal control and for reviewing its effectiveness.

The Senate is convened by the Principal and consists of ex officio and elected academic staff and students, is responsible for the regulation and superintendence of teaching and student discipline and for promoting research.

The General Council was established by the Universities (Scotland) Act 1858 with the right to consider questions affecting the well-being and prosperity of the University. Members of General Council are comprised of: all graduates; during their tenure – Chancellor, members of Court, Professors, Readers and Lecturers who have been in post for more than one year; former Professors and members of Court; and former Readers and Lecturers in post at the University before retirement.

The University is regulated principally by the Scottish Funding Council under a Financial Memorandum. The University complies with conditions of the grant set out in the funding arrangements. The Scottish Funding Council (SFC) published its new Outcomes Framework and Assurance Model in June 2024. The new Framework articulates a revised approach to assurance and accountability that has replaced a number of arrangements, including the Outcome Agreement (OA), from Academic Year (AY) 2024/25. The University is required to report regularly on its performance against agreed outcomes, to demonstrate that it continues to meet conditions of grant.

Additionally, to promote transparency and accountability, there is an annual stakeholder meeting for Court and senior management to provide an update on performance and other activities to engage with key stakeholders. Our 2025 stakeholder event was held in September and included presentations on the sector environment and University performance, the role and membership of Court as the institutional governing body, and the reach and work of the University's interdisciplinary AI and Enterprise & Innovation teams. The event provided an opportunity to highlight current activities and the contribution that all our staff, students and alumni make to the life and success of our local and national communities.

The Governing Body, its Statement of Primary Responsibilities

In accordance with the provisions of the Universities (Scotland) Acts and the Higher Education Governance (Scotland) Act, the composition of Court is established by ordinance. It consists of 25 members and has a majority of independent members as recommended by the Code.

Membership of Court is set out in the Table below. In 2024-25, Court held five meetings under its regular schedule, plus six additional meetings. The following persons served as member of Court during the year from 1 August 2024 to 31 July 2025:

University Court		Attendance at Meetings 2024-25	Committee Memberships 2024-25
Rector	Ms Martina Chukwuma-Ezike (to 31.12.2024)	3/3	ComCo
	Ms Iona Fyfe (from 01.01.2025)	8/8	-
Senior Governor	Ms Julie Ashworth	11/11	ComCo FRC GNC RemCo
Principal & Vice Chancellor	Professor George Boyne	10/11	GNC
Senatus Academicus Assessors	Professor Joachim Schaper	10/11	ComCo
	Dr Diane Skåtun	10/11	RemCo
	Dr Richard Hepworth-Young (from 01.01.2025)	7/8	FRC (from 26.02.2025)
	Professor Neil Vargesson (to 31.12.2024)	3/3	FRC (to 31.12.2024)
	Dr Ilia Xypolia	11/11	GNC
Academic Staff Member	Dr Martin Barker	9/11	ComCo (to 13.11.2024) GNC (from 14.11.2024)
Professional Services Staff Member	Mr Iain Grant	11/11	ComCo (from 14.11.2024) GNC (to 13.11.2024)
Trade Union Members	Dr Helen Martin	11/11	FRC
	Mr Owen Cox	9/11	RemCo
Independent (Non-executive) Members	Ms Eleanor Bentley (to 31.07.2025)	9/11	ARC (Chair) (to 31.07.2025)
	Ms Lesley Birse (from 31.08.2024)	5/11	RemCo (Chair)
	Mr Neil Calvert (from 26.09.2025 and Senior Independent Member from 27.11.2025)	0/0	GNC (as Senior Independent Member from 27.11.2025) RemCo (from 26.09.2025)
	Mr Ewan Cameron (from 01.08.2024)	10/11	FRC (from 01.10.2024)
	Mr Dónall Curtin (from 26.09.2025)	0/0	ARC (from 26.09.2025)
	Ms Ayten Hajiyeva (from 03.12.2024)	5/8	FRC (from 26.02.2025)
	Mr Luke Halliday (Senior Independent Member to 01.08.2025)	10/11	ARC (Chair from 01.08.2025), GNC (from 03.02.2025 to 01.08.2025), RemCo (from 03.05.2025 to 01.08.2025)
	Ms Fiona Islam (from 01.08.2024)	8/11	FRC
	Mr Gary McRae	7/11	ComCo (Chair from 01.10.2024) FRC
	Ms Caryn Miller	11/11	FRC (Chair)
	Mr Lorenzo Moretti (from 19.11.2024)	5/9	ARC (from 26.02.2025)
	Ms Charlotte Pope-Williams (to 31.08.2024)	0/0	RemCo (to 31.08.2024)
	Ms Alison Rankin	9/11	GNC
	Ms Karen Scott (from 01.10.2025)	0/0	RemCo (from 01.10.2025)
	Mr Trevor Stack (from 01.10.2025)	0/0	-
	Mr Otto Thoresen (to 31.03.2025)	1/5	ComCo (Chair to 30.09.2024)
	Dr Robert Traynham (to 30.09.2024)	2/2	FRC (to 30.09.2024)
	Ms Adaku Ufere	8/11	GNC
Students' Association Nominated Members	Ms Christina Schmid	9/11	FRC GNC
	Ms Ainhoa Burgos Aguilera (to 30.06.2025)	7/8	ComCo (from 03.02.2025) RemCo
	Mr Karim Hurtig (from 01.07.2025)	1/3	-

Key: ARC – Audit & Risk Committee

FRC – Finance & Resourcing Committee

RemCo – Remuneration Committee

ComCo – Commercialisation Committee GNC – Governance & Nominations Committee

Further information and biographies of Members of Court can be found at

 www.abdn.ac.uk/about/strategy-and-governance/court-members

Responsibilities

Court has adopted a Statement of Primary Responsibilities and routinely undertakes a wide-ranging review of its effectiveness against sector guidance and the details of the most recent of these are provided further below.

The University maintains details of interests for members of Court, lay members of Court committees and of members of the senior management team, and these can be found on the University's website. Under its approach to recording and maintaining conflicts of interests, loyalty, gifts and hospitality, individuals are routinely asked to declare any interest in relation to a Court and committee agenda item and any significant change to the external commitments of the Senior Governor would be reported to the Governance and Nominations Committee.

Members of Court are invited and encouraged at regular intervals to participate in governor development events organised both internally and through relevant organisations. Records of governor attendance at these events are held to inform annual review discussions, committee compositions and other governance and development activity to support the effectiveness of the University. In addition, Court undertakes an annual skills review of its members and the lay members of its Committees. The resultant mapping of its core skills and competencies is used to inform Committee compositions, the membership of specific working or sub-groups and forward recruitment activities. In line with the 2023 Code, this is made publicly available via the Court's webpages.

Respective roles of the Rector and Senior Governor

The Rector is elected by the student body for a period of three years, and under statute, is the ordinary president of Court.

The Senior Governor is elected by staff and students (as required by the Higher Education Governance (Scotland) Act 2016) and is recognised as being responsible for the leadership and effectiveness of Court. As such, the Senior Governor performs the wider role of Chair in all respects bar those assigned by statute to the Rector.

Accordingly, the Senior Governor represents the University at meetings of the Committee of Scottish Chairs and internally acts as the leading Governor in matters of governance. The role of the Senior Governor in this regard is recognised by the Scottish Funding Council, and Court has adopted a Rector's Protocol to define the respective roles of Rector and Senior Governor.

The Governance and Nominations Committee reviewed that protocol in June 2024 ahead of the election of a new Rector, Ms Iona Fyfe, who took up post on 01.01.2025.

Senior Officers

The Principal is an ex officio member of Court, convenor of Senate (under delegations from Court) and has responsibility for implementing the decisions of Court, for initiating discussion and consultation on the University's future development and for ensuring that appropriate proposals are presented to the governing body.

As the designated Accountable Officer of the University, under the terms of the Financial Memorandum between the University and the Scottish Funding Council, the Principal is responsible for ensuring that Court takes into consideration the terms of the Financial Memorandum in all its decision making.

Professor George Boyne was University Principal during the reporting period and up to his retirement on 31.10.2025. His successor, Professor Peter Edwards, was appointed on 01.11.2025.

The Chief Governance Officer & University Secretary is the principal officer of Court and is responsible for ensuring that Court acts within its powers and follows proper procedures. The University Secretary provides independent advice to Court members about their individual and collective responsibilities and how they should be discharged.

Ms Tracey Slaven was University Secretary & Chief Operating Officer during the reporting period, and demitted office on 10.11.2024. Under contingency arrangements approved by the Governance & Nominations Committee, the Head of Governance, Ms Louise Thomson acted as Deputy Secretary on an interim basis, to support the operational delivery of governance processes.

In line with evolving sector practice, Court agreed that two distinct roles of University Secretary and Chief Operating Officer would be recruited going forward to reflect and respond to the complexity of the current sector context.

A new Chief Governance Officer & University Secretary, Ms Samantha Waters, was appointed on 25.11.2024. She left the University on 31.07.2025 when acting Secretary, Dr Hulda Sveinsdottir was appointed. Ms Hannah Brian was subsequently appointed as Interim Chief Governance Officer & University Secretary on 01.11.2025, pending the recruitment of a new permanent postholder.

Governor Apprentice

As part of its commitment to creating a diverse and inclusive governing body, Court appoints a Governor Apprentice with the key aim of shortening the timeline to creating a truly representative Court by creating a talent pipeline of individuals from underrepresented backgrounds who have the requisite experience to join a board.

The Governor Apprentice role provides the opportunity to shadow the University Court for one year, offering the skills, insights, and networks that will build a solid foundation for future board roles. The individual will leave understanding the role of the non-executive charity trustee.

The role-holder is not a member of Court, but is included here for completeness. The Governor Apprentice for the period covered by this statement was Ms Shona Russell, who commenced appointment as the incoming Governor Apprentice for 2024-25 on 01.09.2024. Ms Russell was succeeded by Ms Donna Leith, who commenced appointment as the Governor Apprentice for 2025-26 on 01.10.2025.

Review of Governance

Under the University's three-tiered approach to the review of skills, effectiveness and governance maturity, Court and its Committees conducted formal annual effectiveness reviews in addition to regular facilitated discussion and self-reflection sessions throughout the year.

During the period April to July 2025, the University undertook a comprehensive review of the efficiency of the whole of its governance and decision making, including that of Court, Senate, the Senior Management Team and General Council. The review, which was externally facilitated by SUMS Consulting, was prompted by sector-wide concerns about financial sustainability, internal structural changes at the University, and a desire to align governance practices with the strategic plan, Aberdeen 2040.

The review included an extensive targeted listening exercise and consultation, with findings providing a comprehensive set of recommendations focussing on governance structures, policies, processes, people, and culture and behaviours, designed to help the University towards more efficient governance in the future. These are now being taken forward under the Leadership & Governance workstream of the University's Adapting for Continued Success programme and will also build capacity for the next externally facilitated review of governance (conducted every 5 years in accordance with the Scottish Code of Good HE Governance), which is planned for 2026.

Corporate Strategy

Court is responsible for approving the University's strategic direction and monitoring progress on the delivery of its objectives. The Financial Review on page 40 reports on the University's financial performance during 2024/25, and progress against strategic targets is provided on page 5.

Key committees of Court

Court meets at least five times each year and retains overall responsibility for the University. However, in accordance with good governance practices, a formal schedule of functions delegated to committees and individuals has been written and approved. This informs the terms of reference of many governance and executive committees.

The work of Court was supported by five committees in 2024/25:

- Audit and Risk Committee
- Commercialisation Committee
- Finance and Resourcing Committee
- Governance and Nominations Committee
- Remuneration Committee

Further details of the work of these committees can be found on the University website, with an overview below.

All of the Court's committees are formally constituted with terms of reference available on the University website and all are chaired by independent members of Court.

The main remit of each of those committees and their membership during 2024/25 are detailed below.

Audit and Risk Committee

The remit of the committee covers:

- internal and external audit - oversight of the work of internal and external audit, advising Court on the appointment, qualifications, expertise, independence and performance of those teams
- financial control - review the effectiveness of the University's systems for financial control and respond to any alleged financial irregularities or fraud
- financial reporting - review the content of the Annual Report and Accounts and advise Court on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for stakeholders to assess the University's performance, strategy and sustainability
- risk management - advise Court on the adequacy of the approach to risk management (including academic risk) and maintain oversight of the strategic risks facing the University
- governance and compliance - ensure compliance with the mandatory requirements in SFC's Financial Memorandum and Public Interest Disclosure arrangements.

In 2024/25, the Audit and Risk Committee held five meetings under its regular schedule, plus two additional meetings.

The composition of the committee from 1 August 2024 to 31 July 2025 was as follows, with attendance at meetings:

Audit & Risk Committee	Attendance at Meetings 2024-25
Independent (Non-executive) Members	
Ms Eleanor Bentley (Chair) (to 31.07.2025)	7/7
Mr Dónall Curtin (from 26.09.2025)	0/0
Mr Luke Halliday (Chair from 01.08.2025)	7/7
Mr Lorenzo Moretti (from 26.02.2025)	3/3
External (Lay) Members (appointed through an external and open interview process)	
Mr Stuart Porteous	6/7
Mr Kevin Reynard	6/7

Key committees of Court (cont.)

Commercialisation Committee

The Commercialisation Committee has oversight of the development and resource requirements of the University's strategic approach to commercialisation of research and innovation.

In 2024/25, the Commercialisation Committee held three meetings under its regular schedule. The composition of the committee from 1 August 2024 to 31 July 2025 was as follows, with attendance at meetings:

Commercialisation Committee	Attendance at Meetings 2024-25
Independent (Non-executive) Members	
Ms Julie Ashworth	3/3
Mr Gary McRae (Chair from 01.10.2024)	3/3
Mr Otto Thoresen (Chair to 30.09.2024) (to 31.03.2025)	0/2
Staff or Trade Union Member	
Dr Martin Barker (to 13.11.2024)	0/1
Mr Iain Grant (from 14.11.2024)	2/2
Students' Association Nominated Member	
Ms Martina Chukwuma-Ezike (to 31.12.2024)	0/1
Ms Ainhua Burgos Aguilera (from 03.02.2025 to 30.06.2025)	1/1
Senatus Academicus Assessor	
Professor Joachim Schaper	3/3
External (Lay) Members (appointed through an external and open interview process)	
Mr Gavin Steel	3/3
Mr George Yule	3/3

Finance and Resourcing Committee

The main remit of the committee is to oversee the University's financial affairs (including planning and resourcing, financial management and investments) with a focus on ensuring that University's approach to revenue, resource and capital planning mature in support of Aberdeen 2040.

In 2024/25, the Finance and Resourcing Committee held five meetings under its regular schedule, plus two additional meetings.

The composition of the committee from 1 August 2024 to 31 July 2025 was as follows, with attendance at meetings:

Finance & Resourcing Committee	Attendance at Meetings 2024-25
Independent (Non-executive) Members	
Ms Julie Ashworth	7/7
Ms Caryn Miller (Chair)	7/7
Mr Ewan Cameron (from 01.08.2024)	7/7
Ms Ayten Hajiyeva (from 03.02.2024)	1/5
Ms Fiona Islam (from 01.08.2024)	6/7
Mr Gary McRae	4/7
Dr Robert Traynham (to 30.09.2024)	1/1

Finance & Resourcing Committee (cont.)	Attendance at Meetings 2024-25
Staff or Trade Union Member	
Dr Helen Martin	7/7
Students' Association Nominated Member	
Ms Christina Schmid	7/7
Senatus Academicus Assessor	
Dr Richard Hepworth-Young (from 03.02.2025)	3/5
Professor Neil Vargesson (to 31.12.2024)	2/2
External (Lay) Members (appointed through an external and open interview process)	
Mr Duncan Fraser	4/7

Governance and Nominations Committee

The remit of the committee is to advise Court on matters of governance and to conduct on its behalf, reviews of the University's governance. The Committee also has responsibility for considering nominations for vacancies in Court membership and vacancies in the membership of Court committees.

In 2024/25, the Governance and Nominations Committee held three meetings under its regular Schedule plus four additional meetings.

The composition of the committee from 1 August 2024 to 31 July 2025 was as follows, with attendance at meetings:

Governance & Nominations Committee	Attendance at Meetings 2024-25
Independent (Non-executive) Members	
Ms Julie Ashworth (Chair)	7/7
Mr Neil Calvert (as Senior Independent Member from 27.11.2025)	0/0
Mr Luke Halliday (as Senior Independent Member from 03.02.2025 to 01.08.2025)	5/5
Ms Alison Rankin	4/5
Ms Adaku Ufere	4/7
Principal & Vice Chancellor	
Professor George Boyne	3/4
Staff or Trade Union Member	
Dr Martin Barker (from 14.11.2024)	2/5
Mr Iain Grant (to 13.11.2024)	0/2
Students' Association Nominated Member	
Ms Christina Schmid	4/5
Senatus Academicus Assessor	
Dr Ilia Xypolia	7/7
External (Lay) Members (appointed through an external and open interview process)	
Sandy Batho	6/7
James Dunphy	6/7

Key committees of Court (cont.)

Remuneration Committee

The Remuneration Committee reviewed its terms of reference at its first meeting of the academic year, in line with good practice, and agreed to fundamentally revise the terms of reference to better detail the work of the Committee.

In short, the Remuneration Committee is responsible to the University Court for discharging its delegated functions with respect to the remuneration, emoluments and terms and conditions of employment of the Principal, senior post holders and posts designated as 'Senior Managers' and those on grade 9 and above of the pay spine, while they remain staff in post on this point.

This includes, but is not limited to:

- advising Court on matters relating to the pay and conditions of senior staff
- benchmarking the University's salaries and other emoluments and conditions of service against the sector to inform its policies and decisions
- determining and review the salaries, terms and conditions (and where appropriate, severance payments) of the Senior Governor, Principal, Vice-Principals, the University Secretary, Professorial and Grade 9 officers and such other staff
- ensuring that the performance of the Principal is assessed on an annual basis
- overseeing severance arrangements for senior staff and ensure that account is taken of the SFC Guidance on Severance Arrangements in respect of Senior Staff.

The committee determines the remuneration and conditions of service of senior staff, including the Principal. The committee is chaired by an independent member of Court. Where appropriate, the committee obtains further independent advice. It meets at least twice annually.

The pay policy for senior staff is agreed by the Remuneration Committee and subsequently approved by Court. This policy refers to discretionary pay outwith the contractual nationally agreed salary uplift for senior staff. Following approval, the details of the policy are issued to all senior staff including the process for application for a salary uplift.

The Remuneration Committee reviews and approves the parameters for salaries for new members of the Senior Management Team (SMT), taking into consideration national benchmark information provided by UCEA (Universities and Colleges Employers Association) and also the experience demonstrated in the application/CV of the successful candidate.

The Remuneration Committee also gives consideration to any cases presented for retention of staff where appropriate. In addition, where appropriate, and consistent with the Severance Policy, the committee will consider severance payments for senior staff.

In addition to the two scheduled meetings of the committee, it met formally a further seven times to discuss applications relating to the University's Enhanced Retirement/Voluntary Severance Scheme and recruitment to Principal post.

The composition of the committee from 1 August 2024 to 31 July 2025 was as follows, with attendance at meetings:

Remuneration Committee	Attendance at Meetings 2024-25
Independent (Non-executive) Members	
Ms Julie Ashworth	8/9
Ms Lesley Birse (Chair) (from 31.08.2024)	7/9
Mr Neil Calvert (from 26.09.2025)	0/0
Ms Charlotte Pope-Williams (to 31.08.2024)	0/0
Mr Otto Thoresen (to 31.03.2025)	2/3
Mr Luke Halliday (as Senior Independent Member) (from 03.05.2025 to 01.08.2025)	6/6
Professional Services Staff Member	
Mr Owen Cox	8/9
Students' Association Nominated Member	
Ms Ainhua Burgos Aguilera (to 30.06.2025)	7/8
Senatus Academicus Assessor	
Ms Karen Scott (from 01.10.2025)	0/0
Dr Diane Skátun	9/9
External (Lay) Members (appointed through an external and open interview process)	
Sandy Batho	7/9

Audit, Risk Management and Internal Control

The Audit and Risk Committee has a lay membership which includes individuals with directly relevant experience. It meets a minimum of five times a year, with the University's internal and external auditors in attendance at all meetings. It makes recommendations to the Court regarding the approval of the Annual Report and Financial Statements.

The Audit and Risk Committee oversees and reports to Court its view of the effectiveness of the University's risk management arrangements, the operation of which is overseen by the Senior Management Team but with risk being a regular item on the Audit and Risk Committee agenda.

The University reports to Court and the Audit and Risk Committee on its risk management arrangements on a bi-annual basis in accordance with its Risk Management Framework. This includes consideration of all risks included in the Strategic Risk Register, with a particular focus on those which exceed their tolerance threshold. This process aligns with the internal control guidance for directors in the UK Corporate Code.

The Audit and Risk Committee considers detailed reports from the internal and external auditors, together with recommendations for the improvement of the University's systems of internal control and risk management, alongside University management's responses and implementation plans.

The Audit and Risk Committee's role is one of high-level review of the arrangements for internal control, risk management and value for money. It has authority to investigate any matters within its terms of reference.

Audit, Risk Management and Internal Control (cont.)

It also receives and considers reports from the Scottish Funding Council as they affect the University's business and monitors adherence to the regulatory requirements.

While senior executives attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee. The Committee regularly receives presentations on a key area of University business or developments in higher education policy or relevant legislation.

The University fully supports and applies the provisions of the Scottish Funding Council's Financial Memorandum.

The University retains an external firm of internal auditors appointed at least every five years through a competitive tendering process. The University undertook such a tendering process during 2022/23 as a result of which it reappointed its previous firm of internal auditors with effect from 1 August 2023, for a period of three years, with the option to renew for two further one-year periods.

The University Court receives, on an annual basis, a report on internal audit activity, including an independent assessment of the adequacy and effectiveness of the University's systems of internal control, including risk management and financial control. For the year to 31 July 2025, the internal audit report concluded that the University's systems were generally satisfactory with some revisions required to support ongoing development.

The University is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the Nine Principles of Public Life in Scotland. In addition, the University provides guidance in relation to bribery, corruption, fraud and anti-money laundering activities, which governing body members and members of staff at all levels are expected to observe.

The University recognises through its Policy and Procedure on Public Interest Disclosure (Whistleblowing) that the raising of legitimate concerns by staff, students, members of Court or the general public and which are in the interests of the University, its staff or students, or of the general public, is a practice which should be encouraged. The Audit and Risk Committee has a formal role in overseeing the policy and to receive reports from management on cases.

Fair Work Practices

The University has made excellent progress in the implementation of Fair Work First practices. Further details on the University's commitment and compliance with the Fair Work First criteria is outlined below. The University's statement on Fair Work has been jointly agreed with the University's trade unions: UCU, Unison and Unite. The agreed statement is attached.

1. Pay at least the Real Living Wage

The University is accredited as a Living Wage Employer, voluntarily paying staff no less per hour than the rate set by the Living Wage Foundation, and we are committed to continuing to provide this benefit.

2. Provide appropriate channels for effective workers' voice

The University has individual and collective voice channels to listen to and engage with staff. The University has long established partnership working with all recognised Campus Trade Unions. The Partnership, Negotiation and Consultative Committee (PNCC) meets 4 times per year providing the formal joint consultative forum.

Appropriate information is shared with PNCC members to develop and make changes to key University policies and procedures; to discuss specific employee concerns and to find ways of working together to address these and review potential solutions; and to aid Trade Union colleagues support collective bargaining.

- As well as being part of formal University Committees and Working Groups Trade Unions representatives meet with Senior Management and HR regularly to ensure that staff opinions and views are heard.
- The University recognises the value of working proactively with Trade Union colleagues, to anticipate potential issues rather than reacting to them, and we work towards maintaining good relationships.
- The University and Unions review the Partnership and Working Agreement (PWRA) annually as part of their commitment to maintain an effective and mutually beneficial partnership framework for negotiation, consultation and discussion.
- The University respects employees' right to industrial action and works in consultation with Trade Unions to resolve disputes and minimise impact.
- The University is committed to the avoidance of redundancy and works in partnership with Trade Unions through the Joint Consultative Committee on Redundancy Avoidance Committee (JCCRA). The University recognises that job security is a concern for members of staff, and the JCCRA is committed to working together, to ensure the avoidance of redundancy wherever possible.
- The University carries out regular staff engagement surveys and offers other informal routes for engagement including regular open meetings with members of the Senior Management Team where all staff are encouraged to voice their opinions and ask questions.
- At an individual level, managers are encouraged to have regular one-to-ones. The opportunity to have one-to-one discussions exists outside of the performance and development review process, which fosters effective working relationships.
- The University also offers an Online Reporting Tool where staff can report (with the option to do so anonymously) on any matter of concern.
- The University supports a range Equality network groups through which staff and students can seek support but also input ideas and raise issues. These networks report to our Equality, Diversity and Inclusion Committee.

Fair Work Practices (cont.)

3. Workforce Development

The University is committed to offering all staff the opportunity to develop personally and professionally to support individual and organisational achievement. We aspire to ensure that all staff have time at work to develop the skills they need for the work they do. A comprehensive suite of management and skills training is available to all staff as the University recognises the importance of investing in the development of all. The range of training available is reviewed regularly to ensure that it continues to meet the needs of the workforce and to enable staff to maximise their potential.

4. No Zero Hours Contracts

The University does not use zero hours contracts and the Reward Strategy Working Group continues to monitor the types of contracts used by the University to ensure that staff are employed on the most appropriate contract type. This includes ensuring staff on Guaranteed Minimum Hours contracts are offered fractional contracts where the number of hours to be worked are regular and consistent, thereby offering staff as much security in these roles as we can.

5. Gender Pay Gap & EDI

'Inclusive' is one of the University of Aberdeen's central strategic themes and is underpinned by five ambitious commitments in the Aberdeen 2040 strategy. This includes a commitment to promoting fairness and equality within all parts of the workforce including taking appropriate, tangible action to close pay gaps across all protected characteristics and other proactive actions to reduce inequalities, for example:

- From 2019 we introduced regular pay gap monitoring to support monitoring the professorial gender pay gap, informing the recruitment process, supporting Athena SWAN applications and considering the impact of the promotions process on our pay gap.
- Monitoring gender balance and appropriate and proportional representation of gender on promotion panels and influential committees.
- Maintaining our commitment to Athena SWAN principles which are reflected in numerous activities and Athena SWAN awards across the University.
- Introduction of a menopause policy and toolkit in 2023.
- Working in partnership with Trade Unions to harmonise the terms & conditions which were previously differentiated based on grade and category of staff.
- Development of an Antiracism Strategy under which the actions progressed have contributed to the successful award of the Advanced HE Race Equality Charter, Bronze Award.

The University is committed to its EDI initiatives and will be working towards developing an inclusion passport scheme, in consultation with Trade Union colleagues.

6. Family Friendly Policies

The University of Aberdeen is committed to supporting members of staff to help them balance the various demands of both their career and family lives. The University offers a progressive suite of family-friendly policies (with day one entitlements), going beyond statutory entitlements.

7. Opposing Fire & Rehire Practices

The University opposes, and does not engage in, 'fire and rehire' practices.

Our statement demonstrating compliance with the Fair Work First requirements can be found at

 <https://www.abdn.ac.uk/staffnet/working-here/edi/fair-work-statement/>

Employment of Disabled Persons

The University is an inclusive employer and supportive of staff with a range of disabilities. Approximately 10% of University staff have disclosed that they have a disability. The Human Resources team engages with individual staff and line managers, usually with guidance from our appointed Occupational Health provider, to provide support and reasonable adaptations.

Equality Duties

'Inclusive' is one of the University of Aberdeen's central strategic themes and is underpinned by five ambitious commitments in Aberdeen 2040. Specific examples of promoting equality of delivery can be seen in the University's Public Sector Equality Duty Report 2023 -

 <https://www.abdn.ac.uk/staffnet/working-here/public-sector-equality-duty-13390.php>

Equality, diversity and inclusion (EDI) is overseen by a committee comprising representatives from across the protected characteristic groups as well as senior management. The University has promoted EDI extensively and the following provides a summary of examples of this work.

Over the previous year the University has achieved a Bronze Race Equality Charter award. This follows work to implement the University's Antiracism Strategy including significant analysis of our data and the development of an action plan. A particular success has been the establishment of an Antiracism Roundtable with local partners such as RGU, NESCol, local authorities, NHS Grampian and Grampian Regional Equality Council. The Roundtable has identified areas for partnership working, such as activities to mark Black History Month. The University is taking action to decolonise the curriculum and address the ethnicity awarding gap which is showing signs of decreasing. To ensure race equality issues are consistently raised within relevant Court discussions, the Court agreed to appoint a Court Race Champion to support and embed the University's commitment to the Antiracism Strategy.

Equality Duties (cont.)

The University has achieved an EmilyTest Charter award, recognising the work in progress to challenge, prevent and eradicate gender-based violence. Our wider work on gender equality includes the re-establishment of the Gender Equality Steering Group, which has a remit to drive cultural change on gender equality and oversee the implementation of the gender action plan. The University continues its commitment to the Athena SWAN Charter Framework, with four Schools now holding a Silver award and all Schools holding a Bronze award.

The University now has eight equality networks, including a Menopause Network, and a new Neurodiversity Network for staff and students. The networks continue to have a key role in decision-making through the Equality, Diversity and Inclusion Committee.

The University of Aberdeen is committed to attracting, growing and engaging with talented people from diverse backgrounds. The University is a certified Disability Confident Employer. Disability Confident is a government scheme designed to encourage those employers who have agreed to take a set of actions around the recruitment, retention and career development of disabled people and those with health conditions.

The University has a Disabled Staff Network Group, open to both disabled staff and those with an interest in disability issues. The group aims to provide support for disabled staff and those with an interest in disability in the workplace, to share information and consider good practice, and to provide recommendations to enhance University policy where appropriate.

The Reward Consultation and Negotiation Group took forward a programme of harmonisation of terms and conditions for staff and is continuing to take forward actions to address the Gender Pay Gap.

Going concern

The University's activities and the factors likely to affect its future development, performance and position are set out in the Financial Review. Its cash flows and liquidity are set out in more detail in the Notes to the Financial Statements.

Court has concluded that it has adequate resources to continue in operation for the period to 31 July 2027, and for this reason the going concern basis continues to be adopted in the preparation the financial statements.

Conclusion

Overall, Court is of the view that it has in place a robust set of governance arrangements and procedures to fulfil its responsibilities.



Julie Ashworth
Senior Governor of the University Court
3 December 2025



Statement of Primary Responsibilities of Court



Court adopted a Statement of Primary Responsibilities which was in operation during 2024/25

Court's primary responsibilities are:

Strategic Direction

1. To approve the mission and strategic vision of the University, including institutional and longer-term academic and business plans, and key performance indicators, and to ensure that they are consistent with the University's charitable purpose and meet the interests of stakeholders, including students, staff, alumni, local and national communities and funding bodies.
2. To safeguard the good name and values of the University, its charitable status and purposes.

Supervisory Obligations

3. To delegate to the Principal, as chief executive, authority for the academic, corporate, financial, estate and human resource management of the University, and to establish and monitor such management functions as shall be undertaken by and under the authority of the Principal.
4. To ensure the quality of educational provision through the review of decisions of the Senate made under its statutory powers to regulate and superintend the teaching and discipline of the University and to promote research.

Corporate Responsibilities

5. To be the University's legal authority and, as such, to ensure that systems are in place for meeting the University's legal obligations, including those arising from contracts and other legal commitments made in the University's name.
6. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the University, which is not within the control of the University of Aberdeen Development Trust.
7. To ensure that the University's constitution, as enacted in the Acts, Ordinances and Resolutions affecting the University 1858-1990 and subsequent legislation, is followed and that appropriate advice is available to enable this to happen.
8. To be the employing authority for all staff in the University.
9. To ensure that the University behaves ethically, responsibly and with respect for the environment and for society at large.

Controls, Accountability and Effectiveness

10. To be the principal financial and business authority of the University, to ensure that proper accounts and financial records are kept, to approve the annual budget and financial statements, to ensure adherence to the funding requirements specified by the Scottish Funding Council, and to have overall responsibility for the University's assets, property and estate and their use.
11. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment and management, so as to maintain the solvency of the University and safeguard its assets.
12. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the University against approved plans and key performance indicators, which should be benchmarked against other comparable institutions, wherever possible.
13. To ensure that arrangements are in place to promote the proper management of the health, safety and security of students, staff and others affected by the University.
14. To provide institutional leadership in equality and diversity and to ensure there are appropriate policies and procedures to support a culture in which all staff and students can thrive across the University and which meet relevant legislative and regulatory requirements.
15. To make provision, in consultation with the Senate, for the general welfare of students.
16. To ensure that procedures are in place for dealing with internal grievances, conflicts of interest and public interest disclosure.
17. To establish processes to monitor and evaluate the performance and effectiveness of the University Court and its sub-committees and to ensure that business is conducted in as open a manner as possible, in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
18. To ensure, through the appointment of co-opted lay persons, a balance of skills and experience amongst the membership of Court to meet its primary responsibilities.

Court's primary responsibilities are:

Monitoring of Senior Executives

19. To appoint the Principal as chief executive, and to put in place suitable arrangements for monitoring his/her performance.
20. To appoint the Secretary to Court and to ensure that there is an appropriate separation in the lines of accountability between responsibilities to Court and managerial responsibilities within the University.

As agreed by Court 26 February 2025.

Responsibility for financial matters

Court is responsible for keeping proper accounting records, which disclose, with reasonable accuracy, the financial position of the University at any time and enable it to ensure that the financial statements are prepared in accordance with the Statutes, the 2019 Statement of Recommended Practice (SORP): Accounting for Further and Higher Education and other relevant accounting standards, including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. In addition, within the terms and conditions of a Financial Memorandum agreed between the Scottish Funding Council and the Court of the University of Aberdeen, Court, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit, total comprehensive income and expenditure and cash flows for that year.

When preparing the Group and parent University financial statements, Court is required to:

- ensure suitable accounting policies are selected and applied consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Group or the parent University, or to cease operations, or have no realistic alternative but to do so.

Court is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Court has taken reasonable steps to:

- ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Scottish Funding Council and any other conditions which the Scottish Funding Council may from time to time prescribe;
- ensure that any other funds, from whatever source, administered by the Group or the University for specific purposes, have been properly applied to those purposes in accordance with relevant legislation and any other terms and conditions attached to them;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and hence take reasonable steps to prevent and detect fraud; and
- secure the economical, efficient and effective management of the University's resources and expenditure.

The trustees are responsible for the maintenance and integrity of the financial and other information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Risk Management

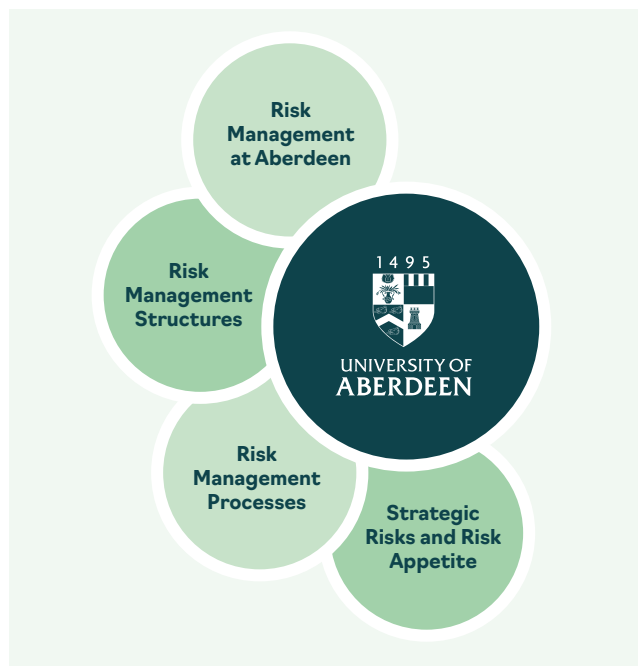
Risk Management Statement

The management of risk at the University falls under the Risk Management Framework, which is based on internationally recognised standards in risk management, widely accepted as best practice.

The Risk Management Framework forms part of a wider institutional corporate governance structure and includes an institutional Risk Management Policy, and a detailed Risk Management Process, which prescribes methods for risk identification, monitoring, and control.

The Framework applies at University-level, to Schools and Professional Services functions, and to major projects, with risk management also a key part of the University's Project Management Methodology.

Under the Framework, the University also has a Strategic Risk Register (SRR) which reflects both the strategic priorities mapped out in Aberdeen 2040, and the wider strategic risks faced by the University from across the sector-wide environment. It is currently comprised of nine major risks, detailed below next to associated mitigations:



Strategic Risks at the University of Aberdeen

Risk Area	What is the Risk?	What are our Mitigations?
Financial Sustainability	The University is unable to align income with expenditure on a sustainable basis.	<ul style="list-style-type: none"> • Exploration of new TNE opportunities as a means of income growth and diversification. • Development of a new strategic framework for enterprise and innovation activity. • Rationalisation and prioritisation of capital projects, with more robust prioritisation methodology. • Plans for increased efficiency through new and transformative ways of working.
Education	The University is unable to provide a competitive education offer over the medium-to-long term.	<ul style="list-style-type: none"> • The University's academic degree portfolio is under review, with implementation due to begin over the coming year. • Systems and processes relating to degree portfolio management are also under review. • Enhanced use of learner analytics to maximise student success, retention and outcomes. • Transformative projects and programmes are underway to significantly change and improve the 'digital estate' within the education.
Student Experience	The University is no longer able to deliver a world class student experience in line with competitors.	<ul style="list-style-type: none"> • Data-led approach to monitoring the student experience, with a view to maintaining standards and driving improvements. • Proactive approach to reviewing student learning environments and deploying funds where required to maintain standards. • Continual enhancements to the University Counselling Service, and commitment to offering a 24/7 Student Helpline. • Flexible learning opportunities to enable student to balance studies, life and work.
Research	The University's is unable to remain competitive as a research-intensive institution over the medium-to-long term.	<ul style="list-style-type: none"> • Research grant application and award targets are in place, along with a new process to focus on high value grants. • A rolling REF stock-take process in place to monitor preparedness, with a particular focus on the quality and volume of research outputs. • Ongoing monitoring of the number of impact case studies, introducing a comparable scoring mechanism to assess quality. • Additional resource has been allocated to support impact, including new Dean for Impact and Engagement.

Risk Management Statement (cont.)

Strategic Risks at the University of Aberdeen (cont.)

Risk Area	What is the Risk?	What are our Mitigations?
Staff Experience	The University's current financial position, and the resultant mitigations, lead to prolonged periods of low staff morale.	<ul style="list-style-type: none"> • New Employee Assistance Programme in place. • Ensure access to an evolving range of employee wellbeing initiatives, including access to Occupational Health, and an Employee Assistance Programme. • Monitoring delivery of staff development programmes to ensure uptake and value added. • Continual review of staff policies ongoing, to ensure they continue to meet the objectives of Aberdeen2040 and have a focus on wellbeing.
Cyber Security	A failure, absence or compromise of IT Security procedures or controls results in loss, destruction or unauthorised access or modification of data and / or significant business interruption.	<ul style="list-style-type: none"> • External Managed Detection and Response Security Operations Centre service in place, with provision 24 hours per day. • Multiple technical controls across the end-user environment in place, and continually assessed and improved to reduce risk. • Multiple governance and oversight groups in place to provide policy, governance, and risk mitigation prioritisation. • Actively participate in external networks and threat intelligence sharing groups and forums.
Information Governance	A failure, absence or compromise of Information Governance procedures or controls which results in the breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. As well as the inability to meet accountability and legal obligations.	<ul style="list-style-type: none"> • Regular monitoring of external environment for legal or environmental change that is relevant to information governance risks or processes. • Regular audits and governance assessments take place, in compliance with the ICO Accountability Framework. • Active participation in external networks and information governance groups and forums. • Policy, procedure and guidance framework with appropriate documents published to all users via internal webpages, subject to annual review.
Environmental Sustainability	The University fails to make progress required, both internally and by external stakeholders like the Scottish Government, towards achieving its Net Zero targets.	<ul style="list-style-type: none"> • A comprehensive University Net-Zero Strategy is in place, underpinning the Sustainable theme in Aberdeen 2040. • Initial funding for net-zero programme allocated within the institutional capital plan. • Policy Framework for sustainability in place, including Sustainable Business Travel Policy, and a Heating Policy, as examples. • Sustainable Design Guide for construction has been established and is now in place.
Estates and Facilities	The University is unable to ensure that the quality, size and/or configuration of its estate (including its buildings, associated infrastructure, and grounds) meet the University's business and regulatory requirements.	<ul style="list-style-type: none"> • Estates Committee in place to provide oversight and direction across estates agenda. • Long-term capital programme developed, discussed, reviewed and agreed by Estates Committee and beyond. • Space Management Group established to consider space issues and requests. • Estate reviewed as part of Re-imagining our Campuses programme, with disposals taking place where appropriate.

The risks identified in this table are considered to be those which pose the most significant threat to the University at the current time, at a strategic level, based both on strategic priorities, and major threats to operations. However, the SRR is a live document and risks may change; it is reviewed and updated on a rolling basis, as risks evolve, and as the University responds to changing environments, both internally and externally.

The SRR is underpinned by a University Risk Register (URR), which is broader in scope and more operational. It is comprised of 13 risk areas, which collectively, include over 100 risks. The URR covers the full breadth of University activity across different functional boundaries, and while different areas are managed routinely at local levels, the register as a whole is monitored collectively at institutional level. This forms part of the wider monitoring and control process in place for the SRR, ensuring synergy and an interface between strategic and operational risks, with a mechanism for escalating operational risks where appropriate.



Financial Review

Year Ended 31 July 2025

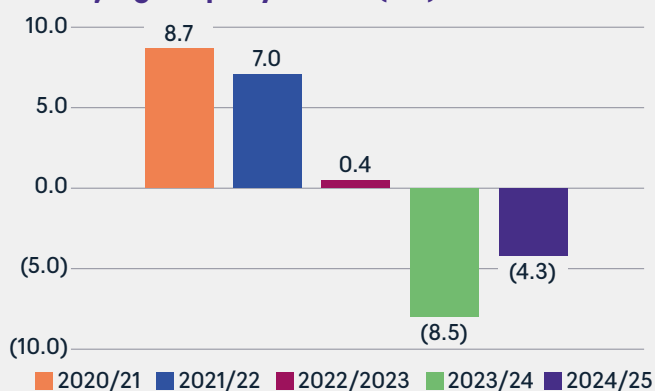
Review of the Year

Year ended 31 July 2025

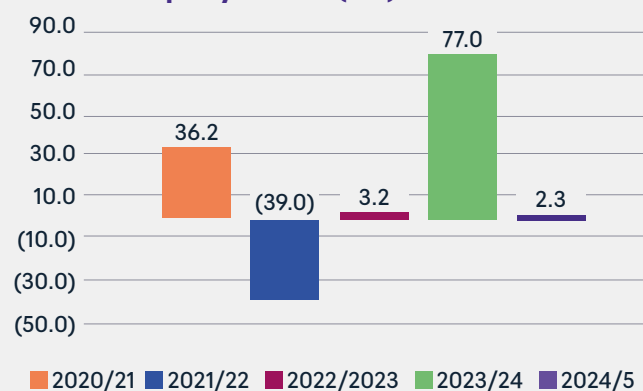
Results at a Glance (£m)

	Total Income	Total Expenditure	Other Gains/ (Losses)	Underlying (Deficit)	Overall Surplus	Cash & Deposits
2024/25	256	263	9	(4.3)	2	72
	↓	↑	↑	↓	↓	↑
Movement	(5)	74	4	4.2	(75)	8
2023/24	261	189	5	(8.5)	77	64

Underlying Surplus/Deficit (£m)



Overall Surplus/Deficit (£m)



Scope of the Financial Statements

The Financial Statements, which have been approved by the Court, have been prepared on a consolidated basis and represent the consolidated results of the University and its subsidiary, the Rowett Research Institute Ltd. The statements comply with Financial Reporting Standard (FRS) 102 and the Statement of Account Practice (SORP) Accounting for Further and Higher Education 2019.

Summary Financial Performance

The University reports an overall surplus of £2.3m compared with a surplus of £77.0m in the prior year. The movement is largely due to the reduction in costs because of the 85.4m reversal of the Universities Superannuation Scheme (USS) provision as a result of the 2023 valuation exercise and the £6.3m costs of the enhanced retirement and voluntary severance scheme that were included within the prior year figures.

Review of the Year

Year ended 31 July 2025

The Group's reported results for the year are:

	2025	2024
	£000	£000
Income	255,903	261,306
Expenditure	(262,565)	(189,025)
(Deficit)/surplus before other gains and losses	(6,662)	72,281
Other gains	5,053	6,884
Actuarial gain/(loss) in respect of pension schemes	3,871	(2,156)
Comprehensive income for the year	2,262	77,009

The underlying results for the year that exclude non-controllable and other individually significant items such as the movement of the value of investments and pension liabilities is a deficit of £4.3m compared with a deficit of £8.5m for the prior year as follows:

(Deficit)/surplus before other gains and losses	(6,662)	72,281
Impairment of fixed assets	-	990
Voluntary severance and early retirement schemes	2,787	6,310
Other provisions	176	65
Breakage gain on repayment of loans	-	(1,842)
Pension provision movements (Note 21)*	(618)	(86,314)
Underlying (deficit)	(4,317)	(8,510)

* The pension provision movement for 2024 includes a planned credit of £85.4m in respect of the results of the Universities Superannuation Scheme 2023 valuation exercise.

Following the implementation of the Financial Recovery Plan, which included the enhanced retirement and voluntary severance scheme, the 2024/25 budget approved by Court in June 2024 projected a deficit of £6.5m.

Through cost management, total staff savings of £5.7m were achieved. Schools delivered £3.0m of the £4.8m savings target, while Professional Services exceeded expectations, achieving £2.7m against a target of £1.2m.

Additional measures included strict control of operating expenditures and a recruitment freeze for all but essential roles throughout most of the year. A refinancing package agreed in April 2024 further contributed to cost reductions, lowering full year borrowing costs by approximately £0.8 million.

As a result, the University achieved an underlying deficit of £4.3m, an improvement of £2.2 m against the original projection.



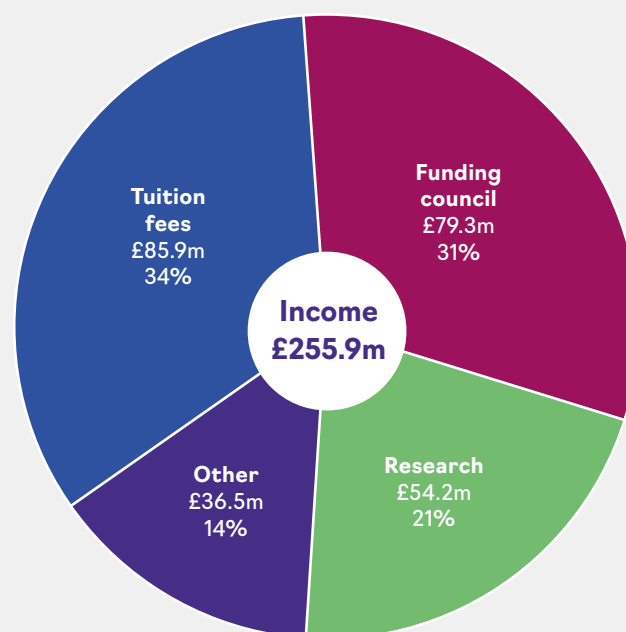
Income for the year has decreased by £5.4m to £255.9m

Tuition fees have decreased by £5.4m, a fall of 5.9%. The movement was mainly because of the reduction in International postgraduate taught student fee income with a decrease of £6.1m (10.8%) from 2023/24. This decrease reflects a UK sector wide issue, with inflationary and cost of living increases, foreign currencies devaluations and changes to visa regulations exacerbating the decline. Scottish fees increased by £0.4m (2.0%); EU fees fell by £0.5m (14.8%) with fees from students from the rest of the UK showing a £0.7m (5.8%) increase on the prior year. Although in full time equivalent terms, student number remained constant overall, there were modest increases to home and RUK undergraduate numbers, a 5% reduction in overseas undergraduates taught at our Aberdeen campuses and a 23% increase in those being taught overseas or online. Postgraduate student numbers fell by 12% with reductions reported in all categories.

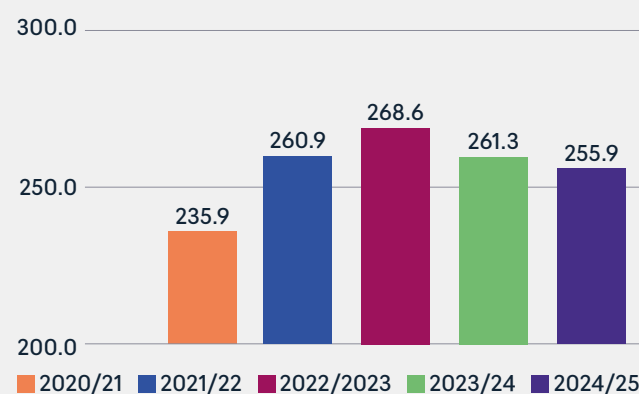
Funding Body grants have increased by £2.5m (3.3%), teaching income increased by £4.5m despite a fall in receipts due to lower than expected clawback of prior years' funding due to a late change in the methodology used. Strategic grants have decreased by £1.5m (40.0%) due to changes to funding, release of deferred capital grants has reduced by £0.5m (10.4%) reflecting the cut to capital funding in recent years.

Research grants and contracts income of £54.2m decreased by £2.6m (4.9%) from the previous year. Income from research councils increased by £1.5m (11.2%), UK industry by £2.7m (47.7%) with a £1.7m (10.8%) reduction to UK government funding and a £4.2m (48.8%) fall in overseas funding. The movement between UK industry and overseas funding is due to the relocation of a major funder of research activity.

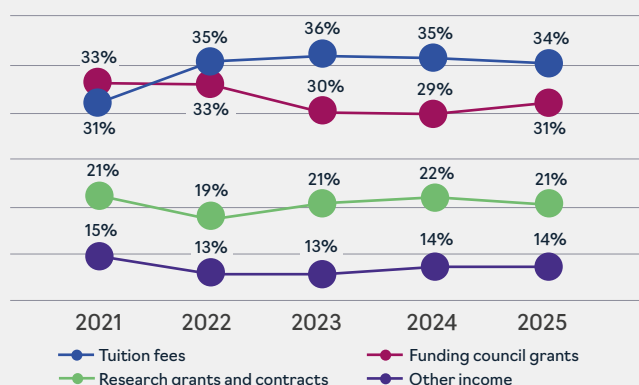
Other income of £30.4m is at similar levels to the previous year (£30.2m), however the prior year figure included a one-off breakage gain of £1.8m due to loan refinancing. Consultancy (£0.5m or 52.9%) and income from Health Authorities (£0.9m or 10%) have both increased since last year, with the increase in consultancy income supporting our strategy to increase commercial activity. Other grants, donations and income have reduced by £1.3m as a result of the breakage gain that was included in the prior year.



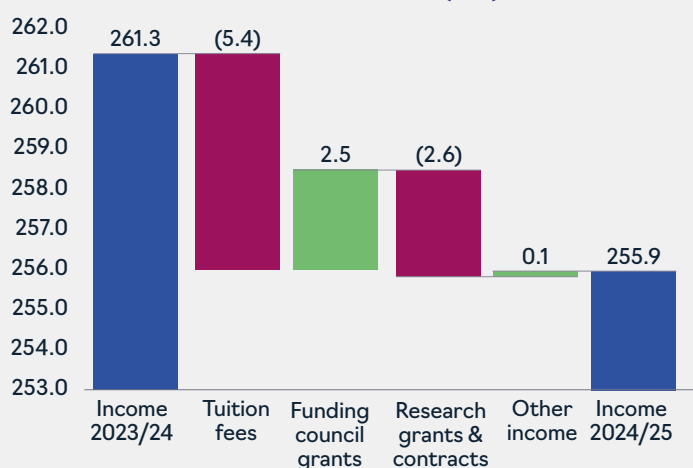
Total income (£m)



Income Source Trends



Income Year on Year Movement (£m)



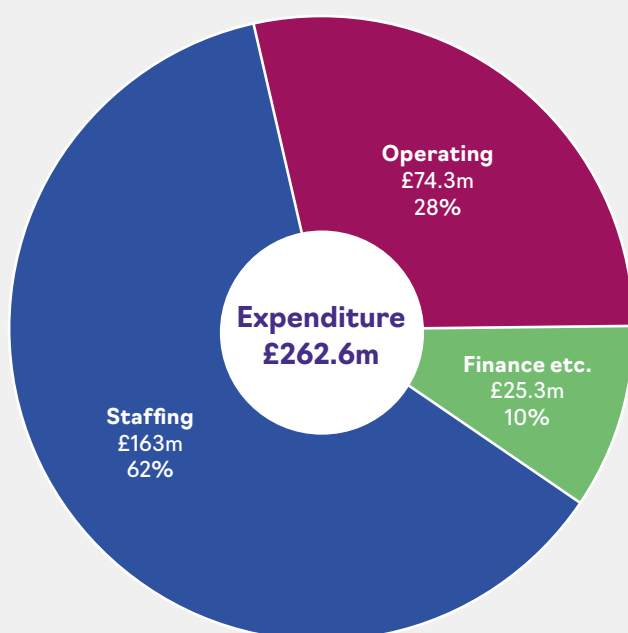
Expenditure increased by £73.5m or 38.9% to £262.6m

The increase to costs is mainly due to the finalisation of the USS 2023 valuation exercise resulting in a £85.4m reduction to both pension provisions and staff costs in the previous year.

Staff costs excluding pensions movements of £161.2m have reduced by £7.5m (4.4%). The reduction is due to the savings achieved from the 2023/24 enhanced retirement/voluntary severance scheme and the continued recruitment freeze, both of which formed part of the recovery plan, and the full year effect of reduction in Universities Superannuation Scheme (USS) employer contributions that came into effect from January 2024.

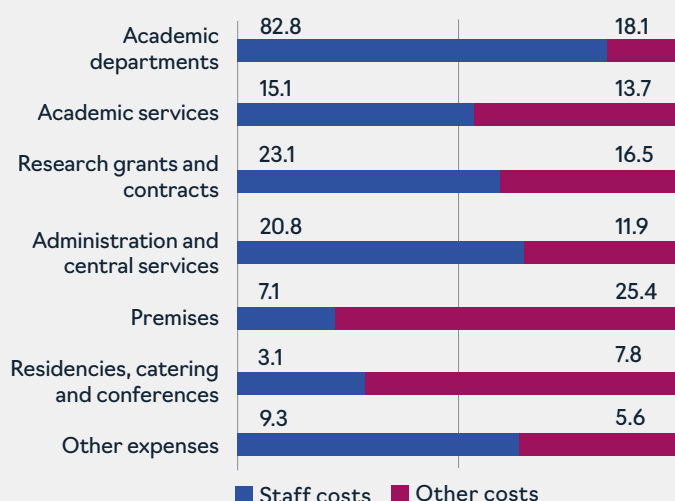
Staff costs include the increase to employers' national insurance contributions from April 2024 and the nationally agreed pay award.

Other expenditure of £74.3m decreased by £2.1m (2.8%) due to £1.0m of impairment charges in the prior year and the reduction in research costs in line with lower activity. Depreciation charges increased by £1.8m (9%) following a review of equipment lives and interest charges have decreased by £2.6m to £4.3m, with a reduction in pension liability costs (£1.9m) and interest charge on borrowing down by £0.8m due to the repayment of a loan in the prior year.



Analysis of Expenditure (£m)

(excluding pension adjustment & VS/ER costs)



Other Gains and Losses

Our non-current investment portfolio reported an overall increase of £5.6m compared with £7.2m for the prior year reflecting continued strong growth in our endowment investment portfolio. As a result, endowment reserves increased from £65.3m to £70.5m during the year.

The sale of a surplus building resulted in a gain of £0.9m but the continued slowdown in the Aberdeen property market has resulted in a further £0.6m (2023: £0.7m) reduction in the value of our investment properties.

Actuarial Gain/(Loss) in Respect of Pension Schemes

The overall gain is £3.9m with £1.8m attributable to the University of Aberdeen Superannuation and Life Assurance Scheme (UASLAS). The UASLAS scheme deficit decreased by £2.0m to £11.7m and the Strathclyde Pension Fund (SPF) moved from a surplus of £8.9m to £11.3m during the year.

Treasury Management, Cash Flow & Covenant Requirements

Borrowing

As of 31 July 2025, the £30m revolving credit facility (RCF), in place until April 2027, has not been utilised. Total unsecured loans amount to £62.5m, comprising £60.0m of borrowing from a private placement and £2.5m from the Scottish Funding Council's Financial Transactions programme. The private placement funds were secured at a blended interest rate of 3.12% in May 2019 and are repayable in three equal instalments in 2044, 2049 and 2054. The University also has a finance lease for a hall of residence, with £22.0m outstanding for the agreement that expires in 2037.

Cash Flow

Operating activities generated a cash inflow of £13.3m (2024: £3.7m). After taking account of capital expenditure, investment income and borrowing costs, the overall Group cash inflow was £12.8m, compared with an outflow of £16.3m in the previous year.

Financial Covenants

Following the April 2024 refinancing and covenant renegotiation exercise, the University currently has three external covenant tests with which it must comply. The first is earnings before interest, depreciation, tax and amortisation (EBITDA) covenant. The University is required to achieve an EBITDA figure of at least £2.6m for financial year 2024/25. The second measure is a gearing test, where debt, including the pension guarantee, must not exceed 40% of net assets. The final financial covenant is a minimum cash holding requirement for the life of the RCF, measured on a quarterly basis, with the University required to hold cash, short-term investments and the undrawn portion of the RCF to a value of at least £50m. The renegotiation exercise resulted in the debt service cover test being suspended until 31 July 2026, when it returns with a lower threshold for that year. All covenants revert to the original tests once the RCF expires.

For financial year 2024/25, the University complied with all measures returning an EBITDA figure of £16.1m, a gearing percentage of 21.3% and comfortably meeting minimum cash requirements for all reporting quarters. The University has also met the Universities Superannuation Scheme covenant tests meaning that no discussions or additional measures are required.

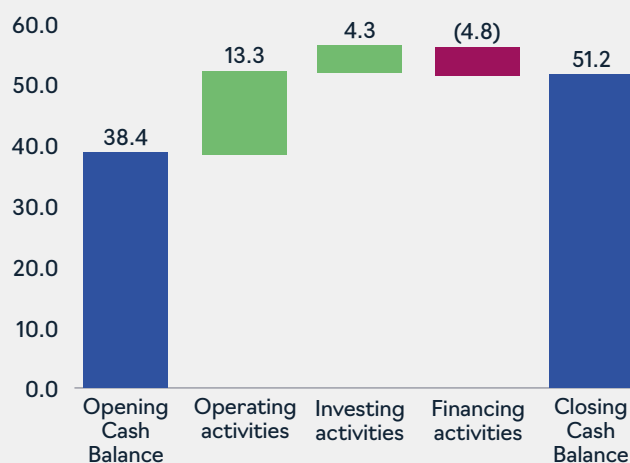
Payment of Creditors

The University has no single policy for payment of creditors but abides by arrangements negotiated with its suppliers. No interest was paid in the year under the Late Payments of Commercial Debts (Interest) Act.

Non-Current Assets

The value of non-current assets fell by £10.0m to £589.9m during the year. The value of property, plant and equipment decreased by £14.7m with capital additions of £7.0m, offset by depreciation charges of £20.9m, the reduction in value of investment properties (£0.6m) and the disposal of investment properties.

Cash Flows 2024/25 (£m)



Financial Covenant Tests

	Result	Outcome
Gearing <50%	21.3%	✓
EBITDA >£2.6m	£16.1m	✓
Minimum Cash >£50m (inc undrawn RCF)	£102.3m	✓

Net Debt	£m
Borrowing & Leases	
Private Placement	60.0
SFC Financial Transactions	2.5
Finance Leases	22.0
Total Debt	84.5
Cash & Deposits	
Term Deposits	21.1
Cash	51.2
	72.3
Net Debt	12.2

In year disposals comprised of the sale of an unused building near to the King's College campus which was deemed as surplus to requirements and a private dwelling on the former Rowett Research Institute site in Bucksburn. Investments account for £85.2m of non-current assets and have reported a £4.7m increase due to strong market performances of most holdings during the year.

Treasury Management, Cash Flow & Covenant Requirements (cont.)

Net Current Assets

As at 31 July 2025, the Group reported net current assets of £25.4m compared with £21.0m as at 31 July 2024. £21.1m, resulting in a net increase of £8.3m compared with a £37.7m reduction in the prior year, mainly attributable to the £30m loan repayment. Overall debtors have decreased by £0.6m of which £0.5m relates to trade debtors, reflecting the effort to reduce the level of outstanding debt. The provision for bad debts has been reduced by £0.1m to £4.7m to reflect payments received from tuition fee sponsors whilst recognising the continued financial hardship being faced by many during these difficult times.

Creditors falling due within one year rose to £67.6m an increase of £3.2m from the previous year. As with many research-intensive universities, prepaid income for research grants of £18.1m (2024: £16.0m) is a main element of our creditors falling due within one year. The increase reflecting the award on a number of high value grants that span multiple years. Other elements include prepaid tuition fee income of £3.8m (2024: £4.3m); capital grants to be released of £3.7m compared with £4.1m in the prior year, the reduction due to a continued reduction in capital funding, and an accrual in respect of untaken annual leave of £5.8m.

Creditors: Amounts Falling Due After More Than One Year

Long term creditors of £169.0m comprise of borrowing of £62.5m, finance lease obligations of £22.0m and £89.2m of deferred income in respect of capital grants from government organisations.

Provisions & Pension Schemes

Pension provisions have fallen by £4.5m to £1.8m during the year. The University recognises a liability of £11.7m for the University of Aberdeen Superannuation and Life Assurance Scheme (UASLAS) compared with £13.7m in the prior year. The Strathclyde Pension Fund (SPF) reports a surplus of £11.3m compared with £9.0m in the previous year. A further £1.5m (2024: £1.6m) has been provided against the payment of enhanced pensions to a number of former Northern College employees.

The UASLAS accounting deficit of £11.7m reported as at 31 July 2025 is higher the £9.6m deficit from the 2022 valuation exercise. As well as the timing difference between the valuations regulations require that the accounting deficit be calculated on a more prudent basis than that of the triennial valuation exercise. The University has provided a pension guarantee facility for £9.6m to match the 2022 valuation. A triennial valuation exercise must be undertaken at 31 July 2025, the first valuation under revised guidelines with the results expected in Summer 2026.

Finance Update and Outlook

The covenants in place for financial year 2025/26 mostly revert to the those in place prior to the refinancing package, albeit that the additional minimum cash holding test remains in place for the duration of the RCF. The EBITDA test is replaced with a debt service covenant test that requires adjusted operating cash inflow to be at least 100% of debt service costs.

As reported last year, meeting financial year 2025/26 covenants was forecast to be more challenging. The Financial Recovery Plan has delivered significant savings and has resulted in the University being on a firmer financial footing, however as widely reported, there continue to be challenging headwinds to overcome within the sector. International student recruitment continues to be competitive and additional costs pressures such as the rise in employers National Insurance Contributions have placed further pressure on the University's ability to meet financial covenants.

In June 2025, Court agreed an underlying deficit of £6.5m for financial year 2025/26, reducing to a £2.7m deficit in 2026/27 and a return to break even in the following year, which demonstrated that covenants could be met with sufficient headroom to cover any plausible downsides. Increased Student tuition fee income forecasts has resulted in a new baseline position for the current year of an underlying deficit of £5.2m budget. Due to the additional cost pressures, a combination of additional revenue or further savings of £5.5m was required to meet the revised 2025/26 deficit. Court approved that a second round of targeted VS/ER would be undertaken within five schools whilst rejected applications from the first round were also revisited. The remaining schools and professional services directorates were also asked to make further contributions. This was in line with the range of mitigating actions identified as part of the going concern review when £10m was set aside in the cash plan to provide for VS/ER should this be required. The scheme remained open into September 2025 and has returned savings of £2.4m, with a further £0.8m of savings from the revisited rejected applications from the first round.

Challenges remain in meeting financial year covenants for the following financial year and there is also some uncertainty as to which covenants will be in force as at 31 July 2027 due to the RCF's current expiry date of April 2027. On expiry of the RCF, covenants are due to revert to those in force when the private placement was secured, however, the RCF has provision for a 2 year extension. Should management exercise the option, covenants in force will be subject to renegotiation. Management have measured against the most stringent level of all covenants, assuming that the debt service cover test has been reset to original levels and that the minimum cash holding requirement remains in place. Currently the debt service covenant, which is the most challenging to meet, is forecast to be met with approximately £10.0m of headroom to cover any shortfall due to plausible downside movements, such as a failure to deliver all savings targets.

Treasury Management, Cash Flow & Covenant Requirements (cont.)

Finance Update and Outlook (continued)

To alleviate the risk of the lower levels of international students coming to the UK, management are in the process of expanding existing and developing new transnational education programmes with partners in Asia and Europe. The additional revenue from these programmes coupled with the introduction a revised operating model that will ensure that our academic culture is fit for purpose, with a more resilient professional services function to support this, all delivered in a financially sustainable manner, will allow the University to meet all financial covenants for financial year 2026/27. The review will be wide ranging and will consider the structure and number of academic areas delivering education and research, as well as an assessment of programs with low numbers of participants. Directorates and delivery of professional services to support the revised academic structure will also be evaluated.

Management has identified several mitigating actions within the University's control that can be used to varying extents as the financial situation dictates, for example a freeze on recruitment and a move to approval of only essential operating costs. The use of a number of these levers demonstrates that covenants would be met with sufficient headroom, and crucially, the ability to achieve additional savings should this be required.

Following the review, Court is of the opinion that, taking account of plausible downside risk, both the Group and parent University will have sufficient funds to meet their liabilities as they fall due over the period to 31 July 2027. Therefore Court has concluded that it has adequate resources to continue in operation for the period to 31 July 2027, and for this reason the going concern basis continues to be adopted in the preparation the financial statements.

Financial sustainability is crucial to allow the University to thrive and remain teaching and research intensive, reduces costs in financial years 2025/26 and 2026/27, generates extra revenue from 2026/27, protects our financial year 2026/27 and beyond, protects our existing strengths, and enhances performance in strategic areas in need of improvement.

Our priorities for the forthcoming year as approved by Court in June is to:

- support the quality of education and research through a sustainable financial position that removes the deficit and creates headroom for investment so we can remain globally competitive;
- identify new sources of revenue, including transnational and on-line education, increased commercialisation and fundraising;
- design of a revised operating model for implementation from 2025/26 to support the delivery of a break-even budget by 2028.

A photograph of three people sitting on a wooden bench in a lush garden. The person on the left is a man in a light blue shirt, the person in the middle is a man in a red shirt, and the person on the right is a woman in a dark jacket. They are all looking towards the right. The garden is filled with green foliage, trees, and a large tree trunk on the right. The scene is brightly lit with sunlight filtering through the leaves. There are decorative magenta rectangular overlays in the top right and bottom left corners.

Independent auditor's report to the Court of the University of Aberdeen

Report on the Audit of Financial Statements

Independent auditor's report to the Court of the University of Aberdeen

Strategic Direction

We have audited the financial statements of the University of Aberdeen ('the Institution') and its subsidiaries ('the group') for the year ended 31 July 2025 which comprise the Statement of Principal Accounting Policies and Estimation Techniques, Consolidated and University Statement of Comprehensive Income and Expenditure, Consolidated and University Statement of Changes in Reserves, Consolidated and University Statement of Financial Position, Consolidated Statement of Cash Flows and the related notes 1 to 34, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

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

Basis for opinion

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

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The University Court is responsible for the other information contained in the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Independent auditor's report to the Court of the University of Aberdeen (cont.)

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

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

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the University Court

As explained more fully in the Statement of Primary Responsibilities of Court set out on pages 34-35, the University Court is responsible for the preparation of the financial statements and for being satisfied that give a true and fair view, and for such internal control as the University Court determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent Institution and determined that the most significant are FRS 102 and the Statement of Recommended Practice for Further and Higher Education.

Independent auditor's report to the Court of the University of Aberdeen (cont.)

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

- We understood how group and parent Institution is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Court minutes and papers provided to the Audit and Risk Committee at a Group level, as well as consideration of the results of our audit procedures to either corroborate or provide contrary evidence which was then followed up.
- We assessed the susceptibility of the group and parent Institution financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there to be susceptibility to fraud. We considered performance targets and their influence on efforts made by management to manage financial performance. Where this risk was considered higher, we performed audit procedures to address the risk of fraud and management override.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management, those charged with governance and those responsible for legal and compliance procedures; journal entry testing with a focus on journals indicating large or unusual transactions based on our understanding of the business; review of Court minutes to identify any non-compliance with laws and regulations, and inspection of any correspondence between the University and Scottish Funding Council.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at

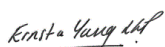
 <https://www.frc.org.uk/auditorsresponsibilities>

This description forms part of our auditor's report.

Use of our report

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

Signed by:



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Ernst & Young LLP, Statutory Auditor

London

8 December 2025

The background image is a low-angle, upward-looking shot of a modern building's exterior. The architecture features a complex arrangement of dark grey or black vertical and horizontal structural elements, creating a series of rectangular frames and deep shadows. Sunlight filters through the slats and openings, creating a rhythmic pattern of light and dark horizontal lines. The image is overlaid with semi-transparent orange rectangular blocks of varying sizes and opacities, primarily concentrated in the upper and lower portions of the frame. The text 'Financial Statements' is positioned in the upper right area, within one of the orange overlays.

Financial Statements

Statement of Comprehensive Income and Expenditure

Year ended 31 July 2025

		2025		2024	
		Consolidated	University	Consolidated	University
	Note	£000	£000	£000	£000
Income					
Tuition fees and educational contracts	1	85,932	85,932	91,300	91,300
Funding body grants	2	79,257	79,257	76,758	76,758
Research grants and contracts	3	54,243	54,243	56,875	56,875
Other income	4	30,396	30,521	30,200	30,180
Endowment and investment income	5	4,428	4,139	5,497	5,070
Endowments and donations	6	1,647	3,080	676	3,801
Total income		255,903	257,172	261,306	263,984
Expenditure					
Staff costs – excluding movements in pension provisions	7	161,247	161,247	168,740	168,740
Enhanced retirement/voluntary severance costs	7	2,787	2,787	6,310	6,310
Movement in pension provisions	7	(1,059)	(1,059)	(88,645)	(88,645)
Total staff costs	7	162,975	162,975	86,405	86,405
Other operating expenses	8	74,324	74,299	76,495	76,413
Depreciation	9	20,907	20,907	19,137	19,137
Interest and other finance costs	10	4,359	4,359	6,988	6,988
Total expenditure	11	262,565	262,540	189,025	188,943
Surplus/(deficit) before other gains/(losses) and share of operating surplus/(deficit) of joint venture		(6,662)	(5,368)	72,281	75,041
Gain/(Loss) on disposal of fixed assets	12	843	869	1,054	(183)
Unrealised (loss) on revaluation of investment properties	13	(557)	(498)	(728)	(683)
Gain on non-current investments	14	5,621	4,767	7,172	6,558
Share of operational deficit in joint venture	15	(854)	-	(614)	-
(Deficit)/surplus before tax		(1,609)	(230)	79,165	80,733
Taxation		-	-	-	-
(Deficit)/surplus after tax		(1,609)	(230)	79,165	80,733
Actuarial gain/(loss) in respect of pension schemes - University	21a	3,871	3,871	(2,156)	(2,156)
Actuarial gain in respect of pension schemes - joint venture	15	-	-	-	-
Total comprehensive income for the year		2,262	3,641	77,009	78,577
Total comprehensive income/(deficit) for the year					
Endowment comprehensive income for the year		5,180	5,180	6,679	6,679
Unrestricted comprehensive (deficit)/income for the year		(2,918)	(1,539)	70,330	71,898
Total comprehensive income for the year		2,262	3,641	77,009	78,577

Consolidated and University Statement of Changes in Reserves

Year ended 31 July 2025

Consolidated

	Income and expenditure account		Revaluation reserve	Total
	Endowment £000	Unrestricted £000	£000	
Balance at 1 August 2023	58,641	139,592	165,401	363,634
Income from the income and expenditure statement	6,679	72,486	-	79,165
Other comprehensive income	-	(2,156)	-	(2,156)
Transfers between income and expenditure reserves	-	4,212	(4,212)	-
Total comprehensive income/(deficit) for the year	6,679	74,542	(4,212)	77,009
Balance at 1 August 2024	65,320	214,134	161,189	440,643
Income from the income and expenditure statement	5,180	(6,789)	-	(1,609)
Other comprehensive income	-	3,871	-	3,871
Transfers between income and expenditure reserves	-	3,149	(3,149)	-
Total comprehensive income/(deficit) for the year	5,180	231	(3,149)	2,262
Balance at 31 July 2025	70,500	214,365	158,040	442,905

University

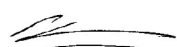
	Income and expenditure account		Revaluation reserve	Total
	Endowment £000	Unrestricted £000	£000	
Balance at 1 August 2023	58,641	129,418	164,387	352,446
Income from the income and expenditure statement	6,679	74,054	-	80,733
Other comprehensive income	-	(2,156)	-	(2,156)
Transfers between revaluation and income and expenditure reserves	-	4,189	(4,189)	-
Total comprehensive income/(deficit) for the year	6,679	76,087	(4,189)	78,577
Balance at 1 August 2024	65,320	205,505	160,198	431,023
Income from the income and expenditure statement	5,180	(5,410)	-	(230)
Other comprehensive income	-	3,871	-	3,871
Transfers between revaluation and income and expenditure reserves	-	3,149	(3,149)	-
Total comprehensive income/(deficit) for the year	5,180	1,610	(3,149)	3,641
Balance at 31 July 2025	70,500	207,115	157,049	434,664

Statement of Financial Position

As at 31 July 2025

		2025		2024	
		Consolidated	University	Consolidated	University
	Note	£000	£000	£000	£000
Non-current assets					
Tangible assets	13	476,735	475,744	489,830	488,839
Heritage assets	13	277	277	277	277
Intangible assets	13	2,419	2,419	3,302	3,302
Investment properties	13	24,188	22,799	24,930	23,334
Non-current investments	14	71,870	85,269	66,264	80,517
Investment in joint venture	15	13,399	-	14,253	-
		588,888	586,508	598,856	598,269
Current assets					
Stock	16	258	258	270	270
Trade and other receivables	17	20,506	20,506	21,153	21,153
Investments	18	21,066	21,066	25,597	25,597
Cash and cash equivalents	23	51,192	45,313	38,406	31,362
		93,022	87,143	85,426	78,382
Less: Creditors: amounts falling due within one year	19	67,605	67,587	64,395	64,384
Net current assets		25,417	19,556	21,031	13,998
Total assets less current liabilities		614,305	606,064	619,887	610,267
Less: Creditors: amounts falling due after more than one year	20	169,013	169,013	172,544	172,544
Provisions					
Pension provisions	21a	1,846	1,846	6,335	6,335
Other provisions	21b	541	541	365	365
		2,387	2,387	6,700	6,700
Total net assets		442,905	434,664	440,643	431,023
Restricted reserves					
Income and expenditure reserve – endowment reserve	22	70,500	70,500	65,320	65,320
Unrestricted reserves					
Income and expenditure reserve		214,365	207,115	214,134	205,505
Revaluation reserve		158,040	157,049	161,189	160,198
Total funds		442,905	434,664	440,643	431,023

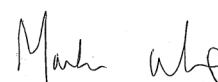
The Accounts set out on pages 52 to 89 were approved by the University Court on 3 December 2025 and signed on its behalf by:



Professor Peter Edwards PhD CITP FBCS FIET FRSA
Principal and Vice-Chancellor



Ms Julie Ashworth
Senior Governor of the University Court



Mr Mark White
Chief Finance Officer

Consolidated Cash Flow Statement

Year ended 31 July 2025

		2025	2024
	Note	£000	£000
Cash flow from operating activities			
Surplus for the year		(1,609)	79,165
Adjustments for non-cash items			
Depreciation	9 & 13	20,907	19,137
(Gain) on investments	14	(5,621)	(7,172)
Impairment of fixed assets	13	-	990
Decrease in stock		12	5
Decrease in debtors		647	4,892
Increase/(decrease) in creditors and other provisions		3,917	(1,536)
(Decrease) in pension provisions (excluding actuarial gain or loss)	21a & 29	(618)	(86,314)
Unrealised deficit on revaluation of investment properties	13	557	728
Share of operating deficit in joint venture	15	854	614
Adjustments for investing or financing activities			
Investment income	5	(4,428)	(5,497)
Interest payable	10	4,128	4,907
Endowment income	6 & 22	(151)	(197)
Capital grants received/released during the year		(4,414)	(4,940)
(Gain) on sale of fixed assets	12	(843)	(1,054)
Net cash inflow from operating activities		13,338	3,728
Cash flows from investing activities			
Proceeds from sales of fixed assets		1,118	1,357
Capital grant receipts		1,470	3,986
Disposal of non-current investments	14	11,577	2,470
Withdrawal from deposits		4,531	21,403
Investment income	5	4,428	5,497
Payments made to acquire fixed assets		(7,308)	(16,659)
New non-current asset investments	14	(11,562)	(2,421)
		4,254	15,633
Cash flows from financing activities			
Interest paid	10	(1,880)	(2,620)
Interest element of finance lease and service concession payments	10	(2,248)	(2,287)
Endowment cash received	6 & 22	151	197
Repayments of amounts borrowed		(286)	(30,286)
New unsecured loans and leases	20	-	-
Capital element of finance lease and service concession payments		(543)	(630)
		(4,806)	(35,626)
Increase/(decrease) in cash and cash equivalents in the year		12,786	(16,265)
Cash and cash equivalents at beginning of the year	23	38,406	54,671
Cash and cash equivalents at end of the year	23	51,192	38,406
Movement in cash and cash equivalents		12,786	(16,265)

A photograph of a modern, multi-story building with a glass and wood facade. The building has a curved design and is surrounded by lush greenery in the foreground. A person is visible near the entrance. In the background, a red crane and other buildings are visible under a blue sky. The image is overlaid with a dark blue semi-transparent rectangle in the top right corner and a dark blue semi-transparent rectangle at the bottom left containing the text.

Statement of Principal Accounting Policies and Estimation Techniques

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019) and in accordance with Financial Reporting Standard (FRS) 102. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102. Charities registered with the Office of the Scottish Charity Regulator ("OSCR") fall within the statutory remit of the Charities and Trustee Investment (Scotland) Act 2005 and, in respect of financial statements preparation, the Charities Accounts (Scotland) Regulations 2006 (as amended). Regulation 14 of the 2006 Regulations allows universities to prepare their financial statements in accordance with the SORP.

The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of investment properties, endowment investments and equity investments). The functional currency of the group is sterling and all amounts have been presented to the nearest thousand pounds.

Going concern

a. Going Concern

The accounts of the University and Group are prepared on a going concern basis for the period to 31 July 2027. The Group and parent University's activities, together with the factors likely to affect its future development, performance and position, are set out in the Financial Review which forms part of the University Court's Report. The University Court's Report also describes the financial position of the Institution, its cash flows, liquidity position and borrowing facilities.

b. Financial position

As first reported in the 2022/23 Annual Report, due to the shortfall in recruitment which affected the wider Higher Education sector, management implemented a financial recovery plan that included in the refinancing of debt and amendments to the associated financial covenants.

The results for financial year 2024/25 demonstrate that the initial objectives of the recovery plan have been achieved. The full year impact of the ER/VS scheme, introduced in early 2024 combined with continued controls on operating expenditure and recruitment restrictions contributed to the University achieving a better forecast underlying deficit position of £4.3m for financial year 2024/25, compared to the budgeted position of a deficit of £6.5m. Available cash at 31 July 2025 was £51.2m (2024: £38.4m) and all financial covenants have been met for 2024/25.

c. Financial forecast and covenant compliance

Management recognises, however, that further work is required to ensure continued financial stability. As detailed in the Operating Review (page 40), Court has approved budgeted underlying deficits of £6.5m for 2025/26 and £2.5m for 2026/27. Covenants are forecast to be met in both years, with projected headroom of £7.8m and £9.6m respectively against the most stringent covenant tests, as set out below.

Achievement of these targets will be challenging and include the need to achieve recurrent savings targets of £7.6m in 2025/26 and a further £6m in 2026/27. Following confirmation of September student intake and the confirmation of the final savings from the VS/ER programme, the 2025/26 forecast underlying deficit was updated with headroom against the debt service covenant of £8.1m. Key to delivery of these forecasts are management's plans to grow revenue, with specific focus on new trans-national education projects, and the Adapting for Continued Success programme to review how the academic units provide services to students and other customers, including an analysis of programmes with low student numbers and a restructure of professional service directorates to provide support to the revised academic model.

The covenants in place for financial year 2025/26 mostly revert to the those in place prior to the February 2024 refinancing agreement. However, the additional minimum cash holding test remains in place for the duration of the Revolving Credit Facility (RCF), currently to April 2027. The debt service cover test is reinstated with a reduced threshold of 100% of debt service costs for the duration of the RCF.

The debt service cover test was reduced to 100% of debt service costs for the duration of the RCF which is due to expire in April 2027. While the facility may be extended for a period of up to two years, any extension will require renegotiation of covenant terms. For the purposes of the going concern assessment for financial year 2026/27, management has applied the original debt service test threshold of 150% given the uncertainty surrounding the reduced 100% level as the worst case scenario guaranteed in the RCF extension agreement. In addition, management continue to measure against the minimum cash holding requirement. Based on the budget approved by Court in June 2025, the University is forecast to meet the debt service cover test with headroom of £9.6m. Forecasts also indicate that the gearing and minimum cash holding requirements will be met for financial year 2026/27.

d. Sensitivity analysis and downside scenarios

Management has prepared a set of forecasts including sensitivity analysis and scenarios modelling, include an assessment of the likelihood of meeting income forecasts and consider the impact of failing to fully deliver required savings targets set out above. The analysis uses the latest information available to November 2025 and indicates that the position is expected to remain largely in line with the expectations set out in the June 2025 budget.

After updating forecasts to reflect the known improved performance in the 2025 student intake, allowing for plausible downside risks, Management have determined that all covenants for 2025/26 continue to be met, with sufficient headroom of £4.3m for the most challenging debt service cover test. This downside risk includes reduced income of £2.3m and failure to deliver expenditure savings of £1.6m and is before any mitigating action taken by management to address challenges in meeting financial targets.

Going concern (cont.)

d. Sensitivity analysis and downside scenarios (cont.)

Management's downside risks relating to 2026/27 include delays in the ability to deliver sufficient savings from the Adapting for Continued Success model of £3m, reduced income of £2.4m, the inability to achieve recurrent savings of £0.6m and additional expenditure of £1.8m. Under this scenario, management have determined that all relevant covenants would be met in 2026/27 with headroom of £1.7m against the debt service cover test prior to the implementation of any mitigating actions.

e. Mitigating actions

A range of mitigating actions has been identified that could be deployed should further unforeseen circumstance arise that threaten covenant compliance.

The University's priority for 2025/26 and 2026/27 is to return to revenue growth. However, the University has a range of mitigating actions within its control that it is able to apply should the financial position worsen. The mitigating actions identified include the implementation of a full recruitment freeze and a move to the approval of only essential operating expenditure and raising income via the sale of assets.

Performance against forecasts will continue to be closely monitored via regular and detailed financial reporting to Finance & Resources Committee. Should any adverse development materialise, management has at its disposal appropriate mitigating actions, set out above, that will be implemented to ensure financial covenant compliance.

Management will continue to refine forecasts and actively monitor performance against these scenarios, reporting progress and implementing measures as required.

f. Conclusion

Management is confident that there are sufficient mitigating actions within the University's control that would offset any reduced income or failure to achieve the identified cost savings, to ensure compliance with future loans covenants in the going concern period. This is prior to any consideration of any reduced loan covenant test levels below the maximum levels that are triggered when the current RCF period expires in April 2027. Following review of these forecasts, Court is of the opinion that, taking account of plausible downside risk, both the Group and parent University will have sufficient funds to meet their liabilities as they fall due over the period to 31 July 2027.

Therefore, Court has concluded that it has adequate resources to continue in operation for the period to 31 July 2027, and for this reason the going concern basis continues to be adopted in the preparation the financial statements.

Critical accounting judgments and estimates

The preparation of financial statements requires management to make judgments and adopt estimates that affect the financial statements during the reporting period.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions and as a result there is no requirement to recognise a provision.

Where the present value of defined benefit obligations less the fair value of plan assets results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

The University has taken independent accounting advice and has concluded that, even though it has no intention of doing so, as it has a theoretical right to a refund if it were to cease participation in the scheme, it is appropriate to recognise a pension asset valued in accordance with the cessation policy within Strathclyde Pension Fund's Funding Strategy Statement.

The extent to which any net pension asset within the Local Government Pension Scheme can be recognised is subject to significant actuarial assumptions around the potential future costs associated with the Strathclyde Pension Fund (SPF) and can be impacted by changes to actuarial assumptions and agreed contribution rates. Pension assets arising from the University's right to recover the surplus through a potential refund from the scheme can change materially as a result of changes to the cessation policy within Strathclyde Pension Fund's Funding Strategy Statement.

In the preparation of the consolidated financial statements, management has made estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for income and expenses during the year.

Actual results could differ from these estimates. Estimates are used principally when determining economic and mortality valuation assumptions for defined benefit pension scheme liabilities and in accounting for the carrying value of tangible fixed assets, by way of depreciation and impairment, and accounting for the fair value of investment properties, by way of annual revaluation (note 13). Estimates are also required in respect of other provisions, disclosed in note 21b.

Basis of consolidation

The consolidated financial statements include the University and its subsidiary for the year to 31 July. The results of subsidiaries acquired or disposed of during the period are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal. Intra-group sales and profits are eliminated fully on consolidation. A list of subsidiary undertakings is included in note 31.

The consolidated financial statements do not include the income and expenditure of Aberdeen University Student's Association as the University does not exert control or dominant influence over policy decisions of the Association.

Following changes to the legal and operating structures of the University of Aberdeen Development Trust, a review of the Trust's relationship with the University and its accounting treatment was undertaken. In Management's judgment, the Trust remains outwith the control of the University and therefore is not consolidated within the Group accounts.

The University does not have a controlling interest on the Trust Board and is not involved in the appointment of Trustees. The Trust can award funds to other parties, as long as these parties have similar charitable objectives to those of the University. For example, the Trust can and has made awards to NHS Grampian Endowments, Aberdeen University Students Association and Aberdeen Sports Village. In addition, funds awarded to the University are not always provided to meet the University's strategic objectives, for example, funds for scholarship and prizes etc. are subsequently awarded to students based on the terms on the original donation. Details of the funds managed by the University of Aberdeen Development Trust are included within Note 28.

Income recognition

a. Grant funding

Government revenue grants including Scottish Funding Council block grants and research grants are recognised in income over the periods in which the University recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the statement of financial position and released to income as the conditions are met. Management apply judgement in deferring income received for conditions not yet satisfied and accruing for income not yet received.

b. Donations & endowments

Donations and endowments with donor imposed restrictions are recognised as income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised as income when the University is entitled to the funds. Investment income and appreciation of endowments are recorded in income for the year for which they arise and are either restricted or unrestricted income according to the terms applied to the individual endowment fund.

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

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

c. Tuition fee income

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

d. Other income

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

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

Funds the University receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Income recognition (cont.)

e. Capital grants

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

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits, for example annual leave, are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement. The costs of the unused entitlement are estimated using a representative sample of employees.

Operating leases

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

Finance leases

Leases where the University substantially assumes all the risks and rewards of ownership of the leased asset are classified as finance leases with the asset recognised in the statement of financial position.

Leased assets acquired by way of finance leases and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at the start of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

Service concession arrangements

Fixed assets held under service concession arrangements are recognised on the statement of financial position at the present value of the minimum lease payments when the assets are brought into use with a corresponding financial liability.

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

Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to depreciated replacement cost on or prior to the date of transition to the SORP are measured on the basis of deemed cost, being the revalued amount at the date of transition. A revaluation reserve remains disclosed as a separate component of unrestricted reserves.

The difference between historic cost depreciation and depreciation based on revalued deemed cost is transferred from the revaluation reserve to the income and expenditure reserve in each reporting period.

a. Land and buildings

Land and buildings are stated at cost or deemed cost for those acquired prior to transition to the SORP. Subsequent capital expenditure is recorded at cost. Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services. Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the surplus or deficit in the Statement of Comprehensive Income and Expenditure. Properties are not depreciated but are revalued annually according to market conditions at 31 July each year.

The University performs impairment reviews of assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's net realisable value and its value in use, is less than its carrying amount.

Costs incurred in relation to a tangible fixed asset after its initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the University. The cost of any such enhancement is added to the gross carrying amount of the tangible fixed asset concerned.

b. Equipment

Equipment, including computers and furniture costing less than £20,000 per individual item or group of related items, is written off in the year of purchase. All other items are capitalised. Assets acquired under finance leases are included in fixed assets and the capital element of the leasing commitments is shown as a liability.

c. Depreciation

Freehold land is not depreciated. Freehold buildings are depreciated over the expected useful economic life to the University, normally between 30 and 75 years. Where material, a depreciable asset's anticipated useful life is reviewed annually and the accumulated and future depreciation charges are adjusted.

Depreciation on tangible fixed assets in the course of construction is only provided when the assets are first brought into operational use. No depreciation is provided for on investment properties.

Depreciation is provided on the value of equipment, including IT equipment on a straight line basis, normally between 2 – 10 years.

Fixed assets (cont.)

d. Heritage assets

The University holds a number of collections, exhibits, artefacts, and other assets of historical, artistic or scientific importance. Heritage assets acquired before 31 July 2011 have not been capitalised, since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions from 1 August 2011 are capitalised at cost or, in the case of donated assets, will be valued where the cost of obtaining value is not greater than the benefit to the user of the financial statements. In line with the accounting policy in respect of equipment, the threshold for capitalising heritage assets is £20,000. Heritage assets that are irreplaceable originals and for which no reliable value can be attributed, will not be capitalised. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

e. Repairs and maintenance

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is recognised in the Statement of Comprehensive Income and Expenditure in the period in which it is incurred. The University has a planned maintenance programme, which is reviewed on an annual basis.

f. Intangible assets

Intangible assets (i.e. computer software) are amortised over their remaining useful economic life, not exceeding 15 years.

Investments

Listed investments, including spin out companies that the University has an interest in, held as fixed assets or endowment assets are shown at market value with movements recognised in the surplus or deficit. Investments in subsidiary undertakings are shown at cost and investments in joint ventures are shown in the consolidated statement of financial position as the attributable share of net assets. The University's share of any surplus or deficit in respect of Joint Ventures is recognised in the Statement of Comprehensive Income and Expenditure. Other investments include term-deposits with a maturity date of more than 12 months from the statement of financial position date.

Stock

Stock, including work in progress, is valued at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow-moving and defective stock.

Research and development

Research and development costs incurred by the University on its own behalf are written off in the year incurred with the exception of any equipment or software that is capitalised in line with the University's accounting policy.

Taxation

The University is an exempt charity within the meaning of Charities and Trustee Investment (Scotland) Act 2005 and, as such, is a charity within the meaning of Section 506(1) of the Income and Corporation Taxes Act 1988. The University is recognised as a charity by HM Revenue & Customs and is recorded on the index of charities by the Office of the Scottish Charity Regulator. It is, therefore, a charity within the meaning of Paragraph 1 of Schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Subsidiary companies are liable to corporation tax.

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

Cash and cash equivalents

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

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

Foreign currency

Foreign currency transactions are recorded at the rate of exchange at the dates of the transaction. Monetary assets and liabilities in foreign currencies are translated into sterling at financial year end rates. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income and Expenditure.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligations. The amount recognised as a provision is discounted to present value where the time value of money is material. The discount rate used reflects current market assessments of the time value of money and reflects any risks specific to the liability.

Contingent liabilities are disclosed by way of a note, where the definition of a provision is not met and includes three scenarios: possible rather than a present obligation; a possible rather than a probable outflow of economic benefits; an inability to reliably measure the possible economic outflow.

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

Cash and cash equivalents

Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost less any impairment losses in the case of trade debtors. Management apply judgment to the recoverability of outstanding debt when considering potential impairment. If payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the University's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Other financial instruments

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in the surplus or deficit except hedging instruments in a designated hedging relationship.

Pension schemes

The principal schemes for the University's staff are the Universities' Superannuation Scheme (USS) and the University of Aberdeen Superannuation & Life Assurance Scheme (UASLAS). The University also contributes to the Strathclyde Pension Fund (SPF).

Each scheme is or includes a defined benefit plan which is valued every three years by professionally qualified independent actuaries. A small number of staff remain in other pension schemes.

a. Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

b. Defined benefit plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The Group should recognise a liability for its obligations under defined benefit plans, net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The liability discount rate is the yield at the statement of financial position date on AA credit rated bonds which match the currency and approximate to the duration of the pension liabilities. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds.

c. Multi-employer scheme

The defined benefit section of the USS is a multi-employer scheme. The assets are not attributed to individual employers and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other employers 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 University therefore accounts for the USS defined benefit scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure represents contributions payable to the scheme. The University recognises an immediate expense and provision liability for the present value of contributions which are payable that arise from deficit funding obligations.

As a refund from the scheme would only be available if the University were to exit the scheme, any pension asset on the basis of this theoretical right to refund pension asset is valued in accordance with the cessation policy with the Strathclyde Pension Fund's Funding Strategy Statement.

Reserves

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



Notes to the Financial Statements

1. Tuition fees and educational contracts

	2025	2024
	£000	£000
Consolidated and University		
Scottish fees	18,263	17,897
EU fees	2,865	3,364
RUK fees	12,377	11,704
Non-EU fees	50,884	57,071
Non-credit bearing course fees	1,361	1,093
Other contracts	182	171
	85,932	91,300

2. Funding body grants

Consolidated and University		
SFC general funding - teaching	54,817	50,271
SFC general funding - research	17,707	17,752
Strategic research development grant	2,249	3,747
Capital grants released from deferred income	3,931	4,386
Other SFC grants	553	602
	79,257	76,758

3. Research grants and contracts

Consolidated and University		
Research councils	14,888	13,386
UK based charities	9,789	10,183
UK central and local government, health and hospital authorities	14,289	16,027
UK industry, commerce and public corporations	8,261	5,594
EU government bodies	1,003	1,459
EU other	1,049	1,112
Other overseas	4,430	8,652
Other sources	534	462
	54,243	56,875

Research grants and contracts income includes the following significant grants (over £500,000):

Funding body	Project title	£000
RESAS	RESAS main programme	4,710
Wista Laboratories Ltd	Alzheimer's research project	3,581
Net Zero Technology Centre Ltd	National Decommissioning Centre	1,311
NERC	Doctoral research and training (QUADRAT)	884
Various Oil Companies	Safari 5	740
BBSRC	Eastbio DTP 3	637
National Institute of Health Research	Production of Technology Assessment Reviews (TARS)	562

4. Other income

	2025		2024	
	Consolidated	University	Consolidated	University
	£000	£000	£000	£000
Residences, catering and conferences	10,533	10,533	10,502	10,502
Consultancy	1,649	1,649	986	986
Health authorities	9,502	9,502	8,755	8,755
VAT recovery	525	525	510	510
Other grants	8,144	8,269	7,591	7,571
Capital grants received/released	43	43	14	14
Breakage gains on repayment of loan	-	-	1,842	1,842
	30,396	30,521	30,200	30,180

5. Investment income

Investment income from endowments (note 22)	1,389	1,389	1,244	1,244
Other investment income	3,039	2,750	4,253	3,826
	4,428	4,139	5,497	5,070

6. Donations and endowments

New endowments (note 22)	151	151	197	197
Donations with restrictions	1,496	2,929	479	3,604
	1,647	3,080	676	3,801

7. Staff costs

	2025	2024
	£000	£000
Consolidated and University		
Salaries	128,938	133,992
Social security costs	14,380	13,441
Movement on pension provisions (note 21a)	(1,059)	(88,645)
Other pension costs	17,929	21,307
Enhanced retirement and voluntary severance costs	2,787	6,310
	162,975	86,405

Emoluments of the Principal and Vice-Chancellor – Professor George Boyne

Salary	296	292
Living allowance	17	20
Pension contributions to USS	-	8
Sub-total	313	320
Benefit in kind – accommodation and associated costs	13	19
Total	326	339

The Principal is required to reside in University-provided accommodation as the University regards this as essential for the fulfilment of his duties. The living allowance was introduced on the removal of the customary tax exemption for the provision of accommodation by HM Revenue & Customs.

The Principal pays an annual rent of £12,000, resulting in a net benefit in kind of £13,000 (2024: £19,000). The decrease in the value of the benefit in kind was due the removal of cleaning provision.

The remuneration (comprising of salary, living allowance and pension contributions) of the Principal, Professor George Boyne, in the financial year was £313,000 (2024: £320,000). His remuneration was 7.14 times (2024: 7.98 times) the median remuneration of the workforce which was £43,795 (2024: £42,478).

Staff costs for key management personnel excluding employer's pension contribution	1,633	1,569
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Key management personnel are the University's Senior Management Team (SMT), comprising of the Senior Vice Principal, Vice Principals, the University Secretary and Chief Operating Officer, the Chief Financial Officer the Director of People. The 2024/25 figure includes payments to compensate loss of office of £0.13m paid to two members of staff.

	2025		2024	
Compensation for loss of office payable to senior post holders:	Number	£000	Number	£000
Number of payments in excess of £100,000 during the year	1	100	1	101
Compensation arrangements for members of staff earning in excess of £100,000	4	299	5	379

	2025	2024
Remuneration of other higher paid staff (excluding the Principal)	Number	Number
£100,000 - £109,999	19	18
£110,000 - £119,999	14	19
£120,000 - £129,999	14	14
£130,000 - £139,999	7	10
£140,000 - £149,999	6	9
£150,000 - £159,999	7	6
£160,000 - £169,999	6	4
£170,000 - £179,999	4	3
£180,000 - £189,999	2	2
£190,000 - £199,999	3	-
£200,000 - £209,999	1	-
£230,000 - £239,999	1	-

7. Staff costs (cont.)

	2025	2024
	£000	£000
Average staff numbers by activity - full time equivalent basis		
Academic departments	1,172	1,265
Academic services	289	328
Administration and central services	365	396
Premises	180	205
Residences, catering and conferences	79	90
Research grants and contracts	356	374
Other expenses	111	103
	2,552	2,761

Staff costs by activity - Consolidated and University		
Academic departments	82,702	86,120
Academic services	15,151	16,903
Administration and central services	20,750	22,046
Premises	7,070	7,409
Residences, catering and conferences	3,113	3,352
Research grants and contracts	23,141	24,485
Other expenses	9,320	8,425
Pension cost adjustments	(1,059)	(88,645)
Enhanced retirement and voluntary severance costs	2,787	6,310
	162,975	86,405

8. Other operating expenses by activity

	2025		2024	
	Consolidated	University	Consolidated	University
	£000	£000	£000	£000
Academic departments	16,373	16,373	17,161	17,161
Academic services	8,083	8,083	7,751	7,751
Administration and central services	11,889	11,889	12,134	12,134
Premises	13,686	13,686	15,067	15,067
Residences, catering and conferences	2,878	2,878	3,012	3,012
Research grants and contracts	15,628	15,628	17,005	17,005
Other expenses	5,457	5,432	4,035	3,953
Pension liability movements	330	330	330	330
	74,324	74,299	76,495	76,413

Other operating expenses (including VAT) include:

External auditor's remuneration in respect of audit services - EY LLP	229	229	267	267
External auditor's remuneration in respect of non-audit services - EY LLP	79	79	19	19
Internal auditor's remuneration in respect of audit services	195	195	186	186
Internal auditor's remuneration in respect of non-audit services	56	56	21	21
Agency staff costs	364	364	531	531

The external auditor remuneration for non-audit services includes the cost of auditing the conversion of the University's financial statements to US GAAP. Internal auditor remuneration for non-audit services is in respect of tax advice, tax compliance services and overseas tax filings.

9. Depreciation by activity

	2025		2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Academic departments	1,696	1,696	1,766	1,766
Academic services	5,583	5,583	4,519	4,519
Administration and central services	-	-	1	1
Premises	9,848	9,848	9,237	9,237
Residences, catering and conferences	2,683	2,683	2,462	2,462
Research grants and contracts	915	915	934	934
Other expenses	182	182	218	218
	20,907	20,907	19,137	19,137

10. Interest and other finance costs

Loan interest	1,880	1,880	2,620	2,620
Finance leases	2,248	2,248	2,287	2,287
Net interest on defined benefit pension schemes (note 21a)	231	231	2,081	2,081
	4,359	4,359	6,988	6,988

11. Analysis of total expenditure by activity

Academic departments	100,771	100,771	105,047	105,047
Academic services	28,817	28,817	29,173	29,173
Administration and central services	32,639	32,639	34,114	34,114
Premises	32,484	32,484	34,333	34,333
Residences, catering and conferences	10,922	10,922	11,113	11,113
Research grants and contracts	39,684	39,684	42,424	42,424
Other expenses	14,959	14,934	12,745	12,663
Movement on pension provisions	(498)	(498)	(86,234)	(86,234)
Enhanced retirement and voluntary severance costs	2,787	2,787	6,310	6,310
	262,565	262,540	189,025	188,943

12. Disposal of fixed assets

Gain/(loss) on disposal of fixed assets	843	869	1,054	(183)
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The consolidated gain on disposal of fixed assets is due to the sale of a building no longer required by the University.

13. Fixed assets - Non-current assets - Consolidated

	Freehold Land and Buildings	Assets in Course of Construction	Investment Properties	Heritage Assets	Fixtures, Fitting and Equipment	Intangible Assets	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation							
At 1 August 2024	597,319	-	24,930	277	75,519	9,042	707,087
Additions	1,927	-	93	-	4,483	519	7,022
Reclassification	(152)	-	-	-	113	39	-
Revaluation	-	-	(557)	-	-	-	(557)
Impairment	-	-	-	-	-	-	-
Disposals	-	-	(278)	-	(12,825)	(688)	(13,791)
At 31 July 2025	599,094	-	24,188	277	67,290	8,912	699,761
Depreciation							
At 1 August 2024	127,227	-	-	-	55,781	5,740	188,748
Charge for the year	12,849	-	-	-	6,617	1,441	20,907
Impairment	-	-	-	-	-	-	-
Eliminated on disposals	-	-	-	-	(12,825)	(688)	(13,513)
At 31 July 2025	140,076	-	-	-	49,573	6,493	196,142
Net book value							
At 31 July 2025	459,018	-	24,188	277	17,717	2,419	503,619
At 31 July 2024	470,092	-	24,930	277	19,738	3,302	518,339

13. Fixed assets - Non-current assets - University

	Freehold Land and Buildings	Assets in Course of Construction	Investment Properties	Heritage Assets	Fixtures, Fitting and Equipment	Intangible Assets	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation							
At 1 August 2024	596,270	-	23,334	277	75,519	9,042	704,442
Additions	1,927	-	93	-	4,483	519	7,022
Reclassification	(152)	-	-	-	113	39	-
Revaluation	-	-	(498)	-	-	-	(498)
Impairment	-	-	-	-	-	-	-
Disposals	-	-	(130)	-	(12,825)	(688)	(13,643)
At 31 July 2025	598,045	-	22,799	277	67,290	8,912	697,323
Depreciation							
At 1 August 2024	127,169	-	-	-	55,781	5,740	188,690
Charge for the year	12,849	-	-	-	6,617	1,441	20,907
Impairment	-	-	-	-	-	-	-
Eliminated on disposals	-	-	-	-	(12,825)	(688)	(13,513)
At 31 July 2025	140,018	-	-	-	49,573	6,493	196,084
Net book value							
At 31 July 2025	458,027	-	22,799	277	17,717	2,419	501,239
At 31 July 2024	469,101	-	23,334	277	19,738	3,302	515,752

As permitted by FRS102 the University adopted the 2014 land and building valuation figures as deemed cost and no longer revalues these assets every 5 years. The basis of the 2014 valuation was depreciated replacement cost as set out in the Royal Institute of Chartered Surveyor's Statement of Asset Valuation Practice and Guidance Notes.

The University owns academic, academic related and recreational buildings which are located in Old Aberdeen, at Foresterhill, part of Marischal College and various Halls of Residence complexes. Part of the Hillhead Halls of residence complex is held under a finance lease, the net book value of assets held under finance leases by the University is £19.2m (2024: £20.1m).

Consolidated and University fixed assets net book value at 31 July 2025 respectively include £24.2m (2024: £24.9m) and £22.8m (2024: £23.3m) in respect of investment properties that are required to be revalued on an annual basis. The revaluation exercise was carried out on 31 July 2025 and was performed by Gerald Eve.

Should any land and buildings financed by exchequer funds be sold, the University may be liable, under the terms of the Financial Memorandum with the Scottish Funding Council, to repay the proceeds.

There have been no material acquisitions or disposals of heritage assets in the period, nor in the previous four reporting periods.

The net book value of fixed assets is analysed between:

	2025		2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Tangible assets	476,735	475,744	489,830	488,839
Heritage assets	277	277	277	277
Intangible assets	2,419	2,419	3,302	3,302
Investment properties	24,188	22,799	24,930	23,334
	503,619	501,239	518,339	515,752

14. Non-current investments

	Endowments £000	Spin-Outs £000	Pensions £000	Other £000	Total £000
Consolidated					
At 1 August 2024	61,297	607	3,881	479	66,264
Additions	10,751	-	811	-	11,562
Disposals/reclassification	(10,679)	(175)	(811)	-	(11,665)
Appreciation	5,387	-	322	-	5,709
At 31 July 2025	66,756	432	4,203	479	71,870

University					
At 1 August 2024	61,297	607	3,881	14,732	80,517
Additions	10,751	-	811	-	11,562
Disposals/reclassification	(10,679)	(175)	(811)	-	(11,665)
Impairment	-	-	-	(854)	(854)
Appreciation	5,387	-	322	-	5,709
At 31 July 2025	66,756	432	4,203	13,878	85,269

The endowment portfolio consists of equity funds, fixed income bonds and property units.

	Consolidated £000	University £000
Other non-current investments consist of:		
Aberdeen Sports Village Ltd (Joint Venture - Note 15)	-	13,399
Epidarex Capital	479	479
	479	13,878

The Group's subsidiary undertakings are listed in note 31.

The Group has participating interests in spin out entities which exceed 20% of voting rights (at cost), however there is no board control over the entities and significant influence is not exerted over the operating and financial policies. As a result, the investees are free to implement policies that are inconsistent with the investor's strategy. The substance of the relationship between the investor and investee is that of a fixed asset investment with a view to a trade sale in the medium term. Therefore, these investments are disclosed as fixed asset investments and are not accounted for as equity.

The total value of endowments, spin outs and pension non-current assets carried at fair value in the consolidated statement of financial position is £71.4m (2024: £65.8m).

15. Investment in joint venture

The University holds a 50% share of Aberdeen Sports Village Limited, a company limited by guarantee and registered as a charity. The company provides premier sporting facilities to our students and the wider community, including the Aquatics Centre with an Olympic standard swimming pool. This is a joint venture company owned equally by the University and Aberdeen City Council. The arrangement is treated as a joint venture and is accounted for using the gross equity method, such that 50% of the company's gross assets and liabilities are incorporated into the consolidated statement of financial position of the University and 50% of its net income is reported in the Statement of Comprehensive Income.

	2025	2024
	£000	£000
Income and expenditure account		
Deficit before tax	(854)	(614)
Actuarial gain on pension scheme	-	-
	(854)	(614)
Statement of Financial Position		
Fixed assets	14,838	15,534
Current assets	2,331	2,459
	17,169	17,993
Less: Restricted funding from SportScotland	(3,065)	(3,366)
Share of gross assets	14,104	14,627
Less: Creditors - amounts due with one year	(705)	(374)
Share of net assets	13,399	14,253

The movement in the share of net assets from the prior year reflects the University's share of the loss for the year.

16. Stock

	2025		2024	
	Consolidated	University	Consolidated	University
	£000	£000	£000	£000
Stock of finished goods	258	258	270	270

17. Trade and other receivables

Trade debtors	7,146	7,146	6,674	6,674
Prepayments and accrued income	13,360	13,360	14,479	14,479
Amounts due from subsidiary companies	-	-	-	-
	20,506	20,506	21,153	21,153

Financial instruments included within trade and other receivables are carried at amortised cost.

18. Investments

Term deposits	21,066	21,066	25,597	25,597
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19. Creditors: amounts falling due within one year

Loans and leases	941	941	829	829
Research grants received on account	18,104	18,104	16,046	16,046
Other grants received on account	10,324	10,324	9,458	9,458
Trade creditors	2,439	2,439	2,873	2,873
Social security and other taxation payable	4,981	4,981	4,165	4,165
Accruals and deferred income	30,816	30,798	31,024	31,024
	67,605	67,587	64,395	64,384

Financial instruments included within creditors are carried at amortised cost.

20. Creditors: amounts falling due after more than a year

	2025		2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Loans	62,214	62,214	62,500	62,500
Finance lease obligations	21,376	21,376	22,032	22,032
Deferred income	85,423	85,423	88,012	88,012
	169,013	169,013	172,544	172,544

a. Loans are repayable:

Less than one year	286	286	286	286
Between one and two years	286	286	286	286
Between two and five years	857	857	857	857
In five years or more	61,071	61,071	61,357	61,357
	62,500	62,500	62,786	62,786

b. Finance lease net obligations committed:

Less than one year	655	655	543	543
Between one and two years	785	785	646	646
Between two and five years	3,269	3,269	2,761	2,761
In five years or more	17,322	17,322	18,625	18,625
	22,031	22,031	22,575	22,575

c. Deferred income

Less than one year	3,743	3,743	4,097	4,097
Between one and two years	3,295	3,295	3,337	3,337
Between two and five years	7,744	7,744	7,935	7,935
In five years or more	74,384	74,384	76,740	76,740
	89,166	89,166	92,109	92,109

Deferred income relates to capital grants received from government bodies.

Loans included above have the following terms:

	Amount £000	Term Year	Rate %
Private Placement – Tranche 1	20,000	2044	3.050
Private Placement – Tranche 2	20,000	2049	3.130
Private Placement – Tranche 3	20,000	2054	3.190
SFC Financial Transactions	2,500	2034	0.250

In May 2019, the University raised £60m of borrowing through a private placement, the funds are in three tranches of £20m repayable in 25, 30 and 35 years. In April 2020, the University received £4m of funding via the Scottish Funding Council's Financial Transactions programme.

The private placement loan carries financial covenants, all of which were complied with at the Statement of Financial Position date. Further details are included on page 44.

The University has a £30m revolving credit facility in place until at least April 2027, none of which has been drawn down.

Leases

In December 2012, the University entered into a 25 year finance leasing arrangement with Prudential Ltd in respect of the New Carnegie Court Halls of Residence, £22.0m is payable under this agreement which expires in 2037. The terms of the lease include an annual rent review that is applicable from 28 November. The review is based on the RPI index for August and includes provision that the increases will be restricted to between 1% to 5% annually.

21. Provisions for liabilities

a. Pension provisions

	Defined Benefit Obligations	Enhanced Pensions	Total Pension Provisions
	£000	£000	£000
Consolidated and University			
At 1 August 2024	4,745	1,590	6,335
Charged to staff costs	2,474	-	2,474
Movements in year	-	(120)	(120)
Interest payable	231	-	231
Employer contributions paid	(3,533)	-	(3,533)
Administrative expenses	330	-	330
Actuarial loss	(3,871)	-	(3,871)
At 31 July 2025	376	1,470	1,846

Further information regarding the defined benefit obligation schemes is available in note 29.

b. Other provisions

	Medical Equipment £000
Consolidated and University	
At 1 August 2024	365
Charged in year	176
Utilised in year	-
Released in year	-
At 31 July 2025	541

Provisions are expected to be used or reversed within one year.

22. Endowment reserves

Consolidated and University	Unrestricted Permanent	Restricted Permanent	Restricted Expendable	2025 Total	2024 Total
	£000	£000	£000	£000	£000
Balance at 1 August 2024					
Capital	21,442	35,757	3	57,202	50,519
Accumulated income	-	8,118	-	8,118	8,122
	21,442	43,875	3	65,320	58,641
			-		
New endowments	-	10	141	151	197
Investment income	468	921	-	1,389	1,244
Expenditure	(468)	(1,276)	(3)	(1,747)	(1,557)
Net expenditure	-	(355)	(3)	(358)	(313)
Increase/(decrease) in market value of investments	1,784	3,603	-	5,387	6,795
Transfers	-	(85)	85	-	-
At 31 July 2025	23,226	47,048	226	70,500	65,320

Represented by:

Capital	23,226	39,287	226	62,739	57,202
Accumulated income	-	7,761	-	7,761	8,118
	23,226	47,048	226	70,500	65,320

Analysis by purpose

Bursaries	3,719	3,651
Prizes	2,670	2,591
Scholarships	7,615	7,379
Teaching foundations	5,766	5,755
Other restricted purposes	18,849	18,748
Unrestricted	23,226	21,442
Unallocated unrealised gains	8,655	5,754
	70,500	65,320

The University has one material endowment, the James E Crombie endowment, a permanent endowment with no restrictions, which at 31 July 2025, had a balance of £6.6m made up of a share of pooled investments and cash balances. The fund earned £0.16m during the year, which in line with SORP requirements, was released to the Income and Expenditure Reserve.

23. Cash and cash equivalents

	Consolidated £000	University £000
At 1 August 2024	38,406	31,362
Cash flows	12,786	13,951
At 31 July 2025	51,192	45,313

24. Reconciliation of net debt

Analysis of net debt

	2025		2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Cash and cash equivalents	51,192	45,313	38,406	31,362
Investments	21,066	21,066	25,597	25,597
	72,258	66,379	64,003	56,959
Borrowings: amounts falling due within one year				
Unsecured loans	286	286	286	286
Obligations under finance leases	655	655	542	542
	941	941	828	828
Borrowings: amounts falling due after more than one year				
Unsecured loans	62,214	62,214	62,500	62,500
Obligations under finance leases	21,376	21,376	22,032	22,032
	83,590	83,590	84,532	84,532
Net debt	12,273	18,152	21,357	28,401
Net debt at 1 August 2024	21,357	28,401	14,605	23,170
Movement in cash, cash equivalents and investments	(8,255)	(9,420)	37,668	36,147
Capital repayment of finance leases	(543)	(543)	(630)	(630)
Repayment of unsecured loans	(286)	(286)	(30,286)	(30,286)
New finance leases	-	-	-	-
New unsecured loans	-	-	-	-
Net debt at 31 July 2025	12,273	18,152	21,357	28,401
Change in net debt	(9,084)	(10,249)	6,752	5,231

25. Capital commitments

	2025 £000	2024 £000
Consolidated and University		
Commitments contracted for	2,035	1,462
Authorised but not contracted for	11,815	12,332
	13,850	13,794

26. Amounts disbursed as agent

	Childcare Funds £000	Undergraduate Funds £000	International Funds £000	2025 Total £000	2024 Total £000
Consolidated and University					
At 1 August 2024	1	25	-	26	170
Allocation received in year	93	279	8	380	372
Repaid as claw back	(1)	(25)	-	(26)	(170)
Interest earned	3	5	-	8	5
Transfers	-	-	-	-	-
Expenditure	(18)	(229)	-	(247)	(351)
At 31 July 2025	78	55	8	141	26

These funds are allocated to the University to be paid to students on behalf of the Student Awards Agency for Scotland.

27. Disclosure of related party transactions

Due to the nature of the Group and University's operations and the composition of the University Court being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of University Court may have an interest. Court members are required to maintain a register of interests and all transactions involving organisations in which a member of the University Court may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

The following transactions were identified for the disclosure:

Organisation	Relationship	Nature of Transaction	Receipts £000	Payments £000
Aberdeen Sports Village Limited*	Joint venture	Operations/Grants	123	1,283
Aberdeen University Students Association*	Charity	Operations/Grants	150	1,058
Advance HE	Charity	Operations/Grants	5	5
Carnegie Trust	Charity	Operations/Grants	105	-
Cruickshank Botanical Gardens Trust	Charity	Operations/Grants	15	9
Cruickshank Special Trust	Charity	Operations/Grants	30	-
NESCAN	Charity	Operations	2	-
ONE (Opportunity North East)	Supplier	Operations	-	44
Rocking Horse Nursery*	Charity	Operations	1,001	563
University and Colleges Employers Association (UCEA)	Supplier	Operations	-	12
University of Aberdeen Development Trust SCIO*	Charity	Operations/Grants	5,257	-

The University of Aberdeen Life Assurance and Superannuation Scheme and the Universities Superannuation Scheme are also regarded as related parties. Details of transactions are included within Note 29.

Those parties marked with * are related to the University as a result of our close working relationships. Others are classed as related parties due to their association with individual Members of Court.

The University provided services in kind to the University of Aberdeen Development Trust SCIO amounting to £0.2m.

Outstanding balances owed from/(to) the above related parties as at 31 July 2025 are as follows:

	2025 £000	2024 £000
Aberdeen Sports Village Limited	(35)	20
Aberdeen University Students Association	125	(3)
Advance HE	(2)	-
Carnegie Trust	7	-
ONE (Opportunity North East)	(34)	(36)
Rocking Horse Nursery	75	22
UCEA	-	(12)
University of Aberdeen Development Trust SCIO	26	(16)

28. University of Aberdeen Development Trust

The University has access to funds controlled by the University of Aberdeen Development Trust. The Trust is not consolidated within the University Group as in management's judgement the University does not have control of the Trust, further details are included with the statement of principal accounting policies and estimation techniques. As at 31 July 2025, funds under the Trust's control are:

	Funds at 1 August 2024 £000	Incoming Resources £000	Outgoing Resources £000	Transfers £000	Funds at 31 July 2025 £000
Consolidated					
Restricted Funds	39,810	5,819	(4,909)	807	41,527
Endowed Funds	18,943	1,930	(239)	(807)	19,827
Unrestricted Funds	662	225	(299)	-	588
Total Funds	59,415	7,974	(5,447)	-	61,942

29. Pension schemes

The principal schemes for the University's staff are the Universities' Superannuation Scheme (USS) and the University of Aberdeen Superannuation & Life Assurance Scheme (UASLAS). The University also contributes to the Strathclyde Pension Fund (SPF). The UASLAS and SPF schemes are defined benefit schemes, whilst the USS scheme has a combination of defined benefit and defined contribution elements. All three schemes are externally funded. Each fund is valued every three years by professionally qualified independent actuaries. A small number of staff remain in other pension schemes.

Pension Scheme	Employer Contribution Rate	Employee Contribution Rate	Active Members	2025 £000	2024 £000
As at 31 July 2025					
UASLAS	19.3% ¹	8.0%	584	2,651	2,756
SPF	6.5%	Variable	15	38	187
USS	14.5% ²	6.1%	2,002	14,877	18,563
NHSSS	22.5%	Variable	43	647	483
				18,213	22,001

¹ The UASLAS employer contribution rate includes a £725,000 contribution towards the elimination of the deficit.

Key actuarial assumptions, if appropriate

Pension Scheme	Discount Rate	Salary Increase Rate	Pension Increase Rate	Mortality Rate Current pensioners male	Mortality Rate Current pensioners female	Mortality Rate Future pensioners male	Mortality Rate Future pensioners female
SPF	4.4%	2.5%	2.5%	20.7	23.5	22.3	24.6
UASLAS	5.75%	3.15%/3.75%	See below	20.6	23.3	22.2	24.5

UASLAS Pension Increase Rates and Inflation Assumptions

	Increase Rate	CPI	RPI
CARE – pre January 2019, pre 2030	2.15%		
CARE – pre January 2019, post 2030	2.75%		
CARE – post January 2019, pre 2030	2.15%		
CARE – post January 2019, post 2030	2.75%		
Final Salary – pre 2030	3.05%		
Final Salary – post 2030	2.85%		
Inflation assumption pre 2030		2.15%	3.05%
Inflation assumption post 2030		2.75%	2.85%

29. Pension schemes (cont.)

Guaranteed Minimum Pension

On 26 October 2018, the High Court in England handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded such schemes should be amended to equalise differences in pension benefits for men and women arising from amounts accrued under the Guaranteed Minimum Pension between 1990 and 1997. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. During the year, the University has worked with the trustees of the UASLAS and SPF schemes to understand and evaluate the additional defined benefit pension obligation arising from the judgment for each scheme. An additional liability of £0.8m was recognised at 31 July 2019 in respect of Guaranteed Minimum Pension. For the University's other defined benefit schemes, principally the USS, the provision included within the financial statements in note 21 may also be impacted in the future, to the extent changes in benefits due to the judgment increase the future level of employer deficit contributions. It is not possible currently to estimate this potential change at 31 July 2025.

The Universities Superannuation Scheme (USS)

The University participates in the Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the University therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income represents the contributions payable to the scheme. Since the University had entered into an agreement (the Recovery Plan) that determined how each employer within the scheme will fund any overall deficit, the University recognised a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Statement of Comprehensive Income.

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 the 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 the surplus or deficit in accordance with section 28 of FRS 102. Court is satisfied that the Universities Superannuation Scheme meets the definition of a multi-employer scheme.

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 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 University was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the Statement of Comprehensive Income in the prior year.

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

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

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

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

CPI Assumption	3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations) 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 assumptions 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 3 bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.
The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:	
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females.
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

29. Pension schemes (cont.)

The current life expectancies on retirement at age 65 are:

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

University of Aberdeen Superannuation and Life Assurance Scheme (UASLAS)

The University of Aberdeen Superannuation and Life Assurance Scheme is a funded defined benefit pension scheme in the UK. The Scheme is set up on a tax relieved basis as a separate trust independent of the University and is supervised by Trustees. The Trustees are responsible for ensuring that the correct benefits are paid, that the Scheme is appropriately funded and that Scheme assets are appropriately invested.

Active members of the Scheme pay contributions at the rate of 8.0% of pensionable salary and the University pays the balance of the cost as determined by regular actuarial valuations. The Trustees are required to use prudent assumptions to value the liabilities and costs of the Scheme for funding purposes whereas the accounting assumptions must be best estimates. The University contributes £725,000 per annum towards elimination of the funding shortfall. This is in addition to contributions paid in respect of future service benefits and administration expenses.

A formal actuarial valuation as at 31 July 2022 reported a deficit of £9.6m. As a result of the 2022 valuation exercise, employer contributions, including the deficit recovery contribution are now 19.3% and employee contributions remain unchanged at 8%.

The power to appoint Trustees is vested in the University Court. Court appoints four Trustees including an independent chair and three University employees. A further two Trustees, who represent members, are elected by the active and pensioner members of the scheme. The arrangements for appointing membership representatives comply with the Membership Nominated Trustee requirements of the Pensions Act 2004.

Trustees are invited to attend Trustee meetings at which a minimum of two must be present for valid decisions to be taken. Decisions require the majority support of those Trustees present. Trustee meetings are normally held every three months but can be called more frequently where necessary. During 2024/25 the Trustees met four times.

	Increase in Provision
	£000
0.1% decrease in discount rate	1,414
0.1% increase in inflation	681
0.1% increase in salary increases	64

29. Pension schemes (cont.)

University of Aberdeen Superannuation and Life Assurance Scheme (UASLAS)

Scheme Assets	2025	2024
	Fund Value	Fund Value
	£000	£000
Equities	17,544	15,821
Property	11,086	11,653
Government bonds	6,035	7,222
Corporate bonds	39,928	39,016
Liability driven investments	29,170	39,694
Secured positions	405	457
Cash	2,823	1,496
Other	3,278	1,525
	110,269	116,884

The Scheme holds an asset in respect of annuities purchased in the Trustees' name to meet benefits due to pensioners (and deferred pensioners). The value of the assets in respect of these policies is equal to the value of the FRS102 liability that they cover, which at the Measurement Date was £405,000.

At 31 July 2025, the defined benefit deficit of the scheme was £11.7m (2024: £13.7m). Following the 31 July 2016 triennial valuation, the University agreed to make annual deficit contributions of £725,000 and the provision of a pension guarantee to the value of the deficit. The guarantee was subsequently increased to £9.6m to reflect the 2019 valuation exercise deficit and was maintained at this level following the 2022 exercise. The guarantee is required until 31 July 2033.

Additional disclosures in respect of the UASLAS pensions disclosures Inflation assumptions

The University has updated its approach to setting RPI and CPI inflation assumptions in light of the RPI reform proposals published on the 4th September 2019 by the UK Chancellor and UK Statistics Authority.

The University has proposed that RPI inflation is to be set in line with market break even expectations less an inflation risk premium (IRP). They have proposed a change to how the IRP is set post 2030, resulting in a decrease in RPI compared with the prior year methodology of 20 basis points after 2030. For the CPI, the Actuary has proposed reducing the long-term gap between RPI and CPI after 2030, resulting in an increase in the resulting CPI assumption post 2030 of 60 basis points compared with the prior year methodology to reflect increased clarity on the future of the RPI index.

The impact of the changes in approach when setting the inflation assumptions is expected to have been a £2.8m increase in the DBO, made up of a reduction of £3.0m from the change in IRP and an increase of £5.8m from the change in RPI-CPI wedge.

Covid-19/Mortality

For the accounting disclosure as at 31 July 2022 we have updated the demographic assumptions using the CMI_2020 model, allowing for a long-term rate of improvement of 1.25%, a smoothing parameter of 7.0, an initial addition parameter of 0.1% and a 2020 weighting of 10%. This update has been made in light of the coronavirus pandemic and reflects the latest information available from the CMI. The new CMI_2020 Model introduces a "2020 weight parameter" for the mortality data in 2020 so that some of the exceptional mortality experienced due to the coronavirus pandemic can be incorporated without having a disproportionate impact on results. Our view is that placing too much weight on the 2020 mortality experience would not be appropriate given the abnormality of the 2020 data. However, the overall outlook for best-estimate future mortality improvements looks less positive as a result of the pandemic, and so we have made partial allowance for this 2020 data when projecting future longevity improvements by using the CMI_2020 Model with a 2020 weight parameter of 10%. The effect on the Employer's liabilities of updating to the most recent model is an approximate decrease in the DBO of £1.3m. A separate adjustment was not required for assumptions made as at 31 July 2025.

The Strathclyde Pension Fund (SPF)

The University became an employing organisation within the Strathclyde Pension Fund (SPF) following a merger with the Northern College of Education in 2001. The scheme was closed to new entrants at the point of merger and as of 31 July 2025, there were 15 active members employed by the University. The Scheme provides benefits based on a final pensionable salary for employees of local government and some other institutions. It is possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if they were a defined benefit scheme.

The last triennial valuation undertaken was at 31 March 2023. The employer's contribution rate payable on members' pensionable salaries is 6.5%. The accounting standard FRS102 is designed to produce a net pension asset or liability calculated according to a prescribed method of valuation. In particular, the discount rate applied to pension scheme liabilities differs from that used in normal actuarial valuations to determine, inter alia, the scheme's required funding rate, and generally produce a higher value for scheme liabilities. The pension costs are determined with the advice of an independent qualified actuary on the basis of triennial valuation using the projected unit method. As a refund from the scheme would only be available if the University were to exit the scheme, any pension asset on the basis of this theoretical right to refund pension asset is valued in accordance with the cessation policy with the Strathclyde Pension Fund's Funding Strategy Statement.

29. Pension schemes (cont.)

Scheme Assets	2025	2024
	Fund Value	Fund Value
	£000	£000
Equities	16,044	15,565
Bonds	5,787	6,276
Property	2,367	2,260
Cash	2,104	1,004
	26,302	25,105

At 31 July 2025, the defined benefit surplus for the scheme was £11.3m (2024: surplus of £9.0m).

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

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

This ruling may also have a potential future impact on the Local Government Pension Scheme benefits as the Local Government Pension scheme has made amendments since 1997, and these amendments did impact member benefits. The ruling was subject to appeal, but the Court of Appeal upheld the original ruling in July 2024. The Scheme actuaries have informed the University that it is currently unknown as to whether Section 37 certificates exist for prior amendments and that this is being investigated. As a result, it is unknown as whether any potential remedy is required and no adjustments have been made to the financial statements.

The National Health Service Superannuation Scheme (NHSSS)

NHSSS is a multi-employer defined benefit pension scheme. Historically the scheme has operated on the basis that it is responsible only for the cost of the basic benefits payable to members and their dependents, with the cost of pension increases being met by the Exchequer. However, from 1 April 2004, the cost of pension increases has been met by an increase in the employers' contribution rate. This scheme is also accounted for as if it were a defined contribution scheme.

29. Pension schemes (cont.)

Additional Pension Payments

Following the merger with Northern College in 2001 the University is responsible for the payment of enhanced pensions to a number of former employees of the College, most of whom have been granted early retirement. An actuarial valuation of the liability was carried out as at 1 December 2001, the date of the merger between the University and Northern College. This valuation revealed a liability of £4.6m, which was incorporated into the accounts of the University at merger.

An actuarial valuation has been undertaken at 31 July 2025 as follows:

	2025	2024
Discount Rate	5.75%	5.05%
Pension Increases: Pre 2030:	2.15%	2.3%
Pension Increases: Post 2030	2.75%	2.9%

In order to maintain consistency with the approach adopted for previous years, all other assumptions, including demographic assumptions adopted are those used for the University of Aberdeen Superannuation and Life Assurance Scheme (UASLAS).

Membership statistics for former employees of the Northern College of education in receipt of a pension on 31 July are as follows:

		2025 Number	2024 Number	2025 £000	2024 £000
Old Scheme	Academic staff	27	27	115	113
	Support staff	5	5	6	6
New Scheme	Academic staff	14	14	101	96
	Support staff	20	20	37	38
Total		66	66	259	253

Benefits to be valued

The pensions are paid to former employees of the Northern College of Education subject to the following terms:

- Pension increases are in line with statutory increases (currently CPI inflation);
- Spouses' pensions are 50% of members' pensions at date of death;
- For female member's, a spouse's pension is only payable if their pension commenced after 5 April 1988.

	2025 £000	2024 £000
Results		
Liability on this basis at 31 July	1,470	1,590

Combined disclosures – Defined Benefit Schemes

The following amounts were measured in respect of UASLAS and SPF and have been recognised in the financial statements.

	2025 £000	2024 £000
Analysis of amounts recognised in surplus/(deficit) for the year		
Employer service cost	2,474	2,518
Administrative costs	330	330
Net interest cost	231	127
	3,035	2,975
Analysis of other comprehensive (deficit)/income		
Actuarial (losses)/gains	11,355	(4,147)
Return on assets excluding amounts in net interest	(7,484)	1,991
	3,871	(2,156)
Analysis of amount shown in the statement of financial position:		
Actuarial value of scheme liabilities	(136,950)	(146,734)
Fair value of assets	136,574	141,989
Defined benefit liability at end of year	(376)	(4,745)

29. Pension schemes (cont.)

	2025	2024			
	£000	£000			
Analysis of amount shown in the statement of financial position:					
Defined benefit liability at end of previous year	(4,745)	(3,377)			
Current service cost	(2,474)	(2,518)			
Past service cost	-	-			
Net interest charge	(231)	(127)			
Administrative costs	(330)	(330)			
Employer contributions	3,533	3,763			
Planned changes to schemes	-	-			
Actuarial gain/(loss)	3,871	(2,156)			
Defined benefit liability at end of year	(376)	(4,745)			
Change in scheme assets:					
Fair value of assets at prior year end	141,989	137,958			
Administrative expenses	(330)	(330)			
Interest income	7,020	7,134			
Actuarial (loss)/gain on assets	(7,484)	1,991			
Employer contributions	3,533	3,755			
Scheme participants contributions	201	237			
Benefits paid from scheme assets	(8,355)	(8,756)			
Fair value on assets at current year end	136,574	141,989			
Change in actuarial value of scheme liabilities:					
Scheme liabilities at prior year end	146,734	141,335			
Employer service cost	2,474	2,518			
Interest cost	7,251	7,261			
Scheme participants contributions	201	237			
Loss on planned changes	-	-			
Actuarial loss/(gain)	(11,355)	4,147			
Benefits paid from scheme assets	(8,355)	(8,764)			
Scheme liabilities at current year end	136,950	146,734			
Five-year history of assets and liabilities:					
	2025	2024	2023	2022	2021
	£000	£000	£000	£000	£000
Deficit in the schemes:					
Actuarial value of scheme liabilities	(136,950)	(146,734)	(141,335)	(178,032)	(222,989)
Fair value of assets	136,574	141,989	137,958	171,227	202,648
Deficit in the scheme	(376)	(4,745)	(3,377)	(6,805)	(20,341)

30. Lease obligations

Total rentals payable under operating leases:	2025	2024
	£000	£000
Payable during the year	191	247
Future minimum lease payments due:		
Not later than one year	177	175
Later than one year and not later than five years	364	425
	541	600

31. Subsidiary undertakings

The subsidiary companies, all of which are registered in Scotland, and are wholly owned by the University are as follows:

Company	Principal Activity
Rowett Research Institute Limited	Charitable research company
Aberdeen University Research & Innovation Services Limited	Dormant
King's College Centre Limited	Dormant
Aberdeen University Press Limited	Dormant

The registered address of all University subsidiaries is 37 Albyn Place, Aberdeen, AB10 1YN.

32. Financial instruments

Risk management

The University operates a centralised treasury management function which is responsible for managing the credit, liquidity, interest and foreign currency risk. These financial risks are managed within the parameters specified by the approved treasury management policy. The treasury management policy adopts the key recommendations of the Code of Practice on Treasury Management in Public Service as issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and is reviewed, updated and approved annually.

The University's principal financial instruments are cash, investments, loans and finance leases. The core objective of these financial instruments is to meet the financing needs of the University's operations and capital investment. Additionally, the University has other financial assets and liabilities arising directly from its operations i.e. trade debtors and creditors.

	Consolidated	University
	2025	2025
	£000	£000
Assets measured at fair value through income or expenditure		
- Amounts included in non-current assets (note 14)	71,870	85,269
- Current asset investments (note 18)	21,066	21,066
Assets measured at cost less impairment (note 17)	20,506	20,506
Liabilities (excluding loans) measured at amortised cost (note 19)	66,664	66,664
Loan commitments measured at amortised cost (note 20)		
- Loans	62,500	62,500
- Finance lease obligations	22,031	22,031

The fair value of financial assets at fair value through income or expenditure, is determined by reference to their quoted bid price at the statement of financial position date.

32. Financial instruments (cont.)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the University. The University's credit risk arises from bank balances, investments, student debtors and commercial organisations as customers. Management of credit risk is a prime objective of the Treasury Management Policy. At 31 July 2025, the maximum exposure is represented by the carrying value of each financial asset in the statement of financial position.

The credit risk of liquid funds and financial instruments is limited because the counterparties are banks with investment grade ratings assigned by international credit-rating agencies. The University's exposure and the credit ratings of its counterparties are monitored regularly. The credit exposure is limited by counter party limits and minimum counter party credit ratings set within the Treasury Management Policy.

Student and commercial debtors are reviewed on an on-going basis and a bad debt provision is made if recovery becomes uncertain. If a debtor is deemed irrecoverable it is written off. The concentration of risk is limited due to a large number of diverse customers across both student and commercial customer populations. The levels of outstanding debt reduced significantly during the year but continues to recognise that the risk of non-payment is heightened due to the current cost of living pressures and difficult economic climates in certain geographic areas. The bad debt provision was reduced by £0.14m during the year.

Liquidity risk

Liquidity risk refers to the risk that the University will not be able to meet its financial obligations as they fall due. Regular monitoring of liquidity risk is an essential feature of treasury management activities. Cash flow forecasts form part of the University planning process and are revised during the financial year with re-forecasts made as required. The University policy is to maintain an average cash balance equivalent to one month's core payroll and operating costs. Excess funds are invested to maximise the return whilst observing the Treasury Management Policy limits.

The long-term financing of the University has been secured by the private placement, the bank loan facility and finance lease in respect of student accommodation as detailed in note 20.

Foreign currency risk

Foreign currency risk refers to the risk that unfavourable movement in exchange rates may cause financial loss to the University. The University's principal foreign currency exposure is to the euro. The operating level of euros holding is reviewed on a monthly basis and after accounting for any forecast liabilities any surplus euros above this level are converted into sterling at spot rates.

Interest rate risk

Interest rate risk refers to the likelihood that changes in interest rates will result in fluctuations of the value of statement of financial position items (i.e. price risk) or changes in interest income or expenses (i.e. re-investments risk). The interest rates attached to both the loan facility and private placement are fixed over the term. Most of the University cash deposits at the 31st July 2025 are on-call or on short-term deposit as these offer a competitive rate of return whilst offering liquidity. Such deposits have limited re-investment risk.

Financial instruments – fair values

The fair values of each category of the University's financial instruments are the same as their carrying value in the statement of financial position.

33. Trade Union Facility Time Reporting

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require that relevant public sector employers, including universities publish the amount and cost of Trade Union facility time on an annual basis.

The University recognises the following trade unions; University and College Union (UCU), Unison, Unite and Prospect.

Union representatives have a statutory right to reasonable time off for trade union duties and for trade union activities; however, there is no statutory right for the time off for activities to be paid (only union duties attract reasonable paid time off). The University has a Partnership Working and Recognition Agreement which sets out the formal framework of the partnership approach and details the arrangements for consultation and facility time. Facility time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a Trade Union representative.

The University's data for the period 1 April 2024 to 31 March 2025 is as follows:

	2025	2024
Trade union representatives		
Trade union representatives (headcount)	13.0	16.0
Trade union representatives (full time equivalent)	12.6	14.6
Percentage of time spent on facility time		
	%	%
0%	-	-
1 – 50%	12.0	16.0
51% - 99%	-	-
100%	-	-
	2025	2024
	£000	£000
Total pay bill and facility time costs (April 2024 to March 25)		
Total pay bill	144,792	143,122
Total cost of facility time	79	79
Percentage of pay bill spent on facility time	0.05%	0.06%
Paid trade union activities		
Hours spent on paid facility time	2,367	2,432
Hours spent on paid trade union activities	-	-
Percentage of total paid facility time hours spent on paid trade union activities	0.00%	0.00%

34. Post Balance Sheet Events

At the Court meeting held on 3 December 2025, the financial statements for the year ended 31 July 2025 were approved. At the same meeting, Julie Ashworth, Senior Governor, demitted her role with effect from midnight on 3 December 2025. Court has commenced the process to appoint a successor in line with its governance procedures, and in the interim the Senior Independent Member will deputise as Senior Governor.

On 4 December 2025, the University entered into a joint venture agreement with Erulearning Solutions Private Ltd and University of Aberdeen Mumbai Campus Private Limited. The joint venture company will establish a branch campus in Mumbai, initially offering programmes in areas such as Computing and Data Science, Business Management and Artificial Intelligence, alongside other disciplines to be developed as the campus grows. The campus is expected to launch in September 2026.

Neither of the above events have had any material impact on the financial statements for the year ended 31 July 2025.

35. US Education Department Supplemental Schedule

In satisfaction of our obligations to facilitate student's access to the US federal financial aid, the University of Aberdeen is required by the US Department of Education to present the following Supplemental Schedule in a prescribed format

The amounts presented within the schedules have been

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets
- prepared using UK GAAP, in accordance with FRS102 and the SORP: Accounting for Further and Higher Education (2019)
- are presented in pound sterling (GBP)

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

		2025 £000	2024 £000
Primary Reserve Ratio			
	Expendable Net Assets	(47,796)	(53,869)
Net assets without donor restrictions	Income and expenditure reserve (SOFP)	214,365	214,134
	Revaluation reserve (SOFP)	158,040	161,189
Net assets with donor restrictions in perpetuity	Endowment assets (SOFP)	70,500	65,320
	Unrestricted permanent endowments (note 22)	(23,226)	(21,442)
	Restricted permanent endowments (note 22)	(47,048)	(43,875)
Term endowments with donor restrictions	Expendable endowments (note 22)	(226)	(3)
Restricted reserves	Restricted reserves (SOFP)	-	-
Net property plant and equipment (PPE)	Fixed assets – non-current assets (note 13)	(484,415)	(498,271)
Lease – right of use assets	Fixed assets – non-current assets (note 13)	(19,203)	(20,079)
Net PPE – pre-implementation lease	Fixed assets – non-current assets (note 13)	19,203	20,079
Intangible assets (goodwill)	Fixed assets – non-current assets (note 13)	-	-
Long term debt obtained for long term purposes	Loans (note 20)	62,500	62,786
Provision, post-employment and defined benefit plan	Pension provisions (note 21a)	1,846	6,335
Unsecured related parties' receivable	Related parties (note 27)	(132)	(42)
	Total Expenses and Losses	262,229	274,256
Total operating expenses without donor restrictions	Total expenditure (SOC) less endowments spend (note 22)	260,818	187,468
Pension provision adjustments	Note 21 a – USS	-	85,446
Loss on disposal of fixed assets	Statement of comprehensive income	-	-
Unrealised loss on revaluation of fixed assets	Statement of comprehensive income	557	728
Loss on investments	Statement of comprehensive income	-	-
Loss on investments (endowments - restricted)	Endowments (note 22)	-	-
Operational loss on joint venture	Statement of comprehensive income	854	614

35. US Education Department Supplemental Schedule (cont.)

		2025 £000	2024 £000
Equity Ratio			
	Modified Net Assets	442,773	440,601
Net assets without donor restrictions	Income and expenditure reserve (SOFP)	214,365	214,134
	Revaluation reserve (SOFP)	158,040	161,189
Net assets with donor restrictions	Endowment assets (SOFP)	70,500	65,320
Restricted reserves	Restricted reserves (SOFP)	-	-
Intangible assets (goodwill)	Fixed assets – non-current assets (note 13)	-	-
Unsecured related parties' receivable	Related parties (note 27)	(132)	(42)
	Modified Assets	662,575	664,161
Total non-current assets	Statement of financial position	588,888	598,856
Total current assets	Statement of financial position	93,022	85,426
Intangible assets (goodwill)	Fixed assets – non-current assets (note 13)	-	-
Pre-implementation lease asset	Fixed assets – non-current assets (note 13)	(19,203)	(20,079)
Unsecured related parties' receivable	Related parties (note 27)	(132)	(42)
Net Income Ratio			
	Change in Net Assets with Donor Restrictions	(2,918)	70,330
	Total Revenue and Gains	254,363	259,865
Total income	Statement of comprehensive income	255,903	261,306
Restricted endowments and donations	Statement of comprehensive income	(151)	(197)
Restricted investment income	Endowments (note 22)	(1,389)	(1,244)
Gain on disposal of fixed assets	Statement of comprehensive income	843	1,054
Unrealised gain on revaluation of fixed assets	Statement of comprehensive income	-	-
Gain on investments	Statement of comprehensive income	5,621	7,172
Gain on investments (endowments - restricted)	Endowments (note 22)	(5,387)	(6,795)
Operational gain on joint venture	Statement of comprehensive income	-	-
Comprehensive Score			
Primary reserve ratio		(0.7)	(0.8)
Equity ratio		1.2	1.2
Net income ratio		0.1	2.9
Comprehensive score		0.6	3.3

Principal Advisors

Auditor – External	EY LLP Atria One 144 Morrison Street Edinburgh EH3 8EX
Auditor – Internal	PricewaterhouseCoopers LLP 141 Bothwell Street Glasgow G2 7EQ
Bankers	Bank of Scotland 39 Albyn Place Aberdeen AB10 1YN
Legal Advisors	Shepherd and Wedderburn LLP 37 Albyn Place Aberdeen AB10 1YN
Taxation Advisors	PricewaterhouseCoopers LLP 141 Bothwell Street Glasgow G2 7EQ
Investment Advisors	Goldman Sachs International Plumtree Court 25 Shoe Lane London EC4A 4AU

Glossary

Aberdeen 2040	The University's strategy for the 20-year period from 2020 to 2040
ABVentures	The University of Aberdeen's support programme for student and recent graduate entrepreneurs.
Athena SWAN	Charter to encourage and recognise commitment to advancing the careers of women in science, technology, engineering, mathematics and medicine (STEMM) employment in higher education and research.
Audit & Risk Committee (ARC)	A committee of Court that provides advice on the effectiveness of the University's procedures for audit, financial control, governance and risk management, and provides assurances in these key areas through its annual report to the Scottish Funding Council, which is approved by Court.
CMI Pension Mortality projections	Continuous Mortality Investigation – The CMI provides authoritative and independent mortality and sickness rate tables for UK life insurers and pension funds.
Commercialisation Committee (ComCo)	A committee of Court to oversee the development (and resourcing) of the University's strategic approach to commercialisation of research and innovation.
The Complete University Guide	The Complete University Guide is a UK-based ranking that assesses UK universities across a broad range of teaching and research indicators.
CONVERGE	A body that works with Scotland's universities to help aspiring academic founders to launch their businesses.
CPD	Continuing Professional Development – ongoing learning activities that professionals use to enhance skills, knowledge and competencies throughout their career.
CWTS Leiden Rankings	Ranking that offers insights into scientific performance of over 1,500 major universities worldwide.
DEFRA	Department for Environment, Food & Rural Affairs. A government department responsible for improving and protecting the environment.
Financing and Resourcing Committee (FRC)	A committee of Court to oversee the University's financial affairs with a focus on ensuring that University's approach to revenue, resource and capital planning mature in support of Aberdeen 2040.
FRS102	Financial Reporting Standard – single set of accounting standards developed by the Financial Reporting Council (FRC) that has replaced UK GAAP.
FTE	Full time equivalent - the hours worked by one employee on a full-time basis. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees.
General Council	Established by the Universities (Scotland) Act 1858 and consists of graduates and certain academic staff.
Governance and Nominations Committee (GNC)	A committee of Court to advise on matters of governance and conduct reviews of the University's governance on its behalf.
HESA	The Higher Education Statistics Agency, experts in UK higher education data who collect, assure and disseminate data about higher education in the UK.

Glossary (cont.)

ICURe	The Innovate ICURe Programmes provides support to researchers to turn ground-breaking research into investment-ready spin-out companies and license agreements.
MACC Programme	The Maximising UK Adaption to Climate Change is an initiative funded by UK Research and Innovation and the DEFRA. The programme aims to enhance the UK's resilience to climate change through, research, collaboration, and innovative strategies.
NHSSS	National Health Service Superannuation Scheme (UK)
National Student Survey (NSS)	The National Student Survey gathers opinions, from mainly final-year undergraduates, about their time in higher education. It is an influential source of public information about higher education and gives students a powerful collective voice to help shape the future of their course and their institution for current and prospective students.
OSCR	Office of the Scottish Charity Regulator – independent regulator and registrar of Scottish charities.
Public Bodies Climate Change Duties (PBCCD) Framework	The duties require public bodies in Scotland to contribute to climate change mitigation and to climate change adaption, and to act sustainably.
QS Sustainability Rankings	The QS sustainability rankings provide students with an insight as to how institutions are demonstrating a commitment to a more sustainable existence. The rankings evaluate the social and environmental impact of universities as centres of education and research, as well as major employers with operational sustainability of any large and complex organisation.
QS World University Rankings	The QS World University Rankings is an annual publication of university rankings which comprises the global overall and subject rankings (which name the world's top universities for the study of 48 different subjects and five composite faculty areas), alongside our independent regional tables (such as Asia, Latin America, Emerging Europe and Central Asia and the Arab Region). The QS World University Rankings is the most-widely read university rankings in the world.
Race Equality Charter	A framework set up by Advance HE through which institutions work to identify and self-reflect on institutional and cultural barriers standing in the way of Black, Asian and Minority Ethnic staff and students.
Remuneration Committee (RemCo)	A committee of Court to advise on matters relating to the pay and conditions of senior staff.
REF	Research Excellence Framework, an assessment of the quality of research in UK higher education institutions.
RESAS	Scottish Government's Rural and Environmental Sciences and Analytical Services Division.
Risk Management Framework	Conforms to globally recognised standards in risk management and widely accepted best practice.
Scope 1 Emissions	Scope 1 covers emissions from sources that an organisation owns or controls directly.
Scope 2 Emissions	Scope 2 are emissions that a company causes indirectly and come from where the energy it purchases and uses is produced.

Glossary (cont.)

Scope 3 Emissions	Scope 3 emissions refer to all indirect emissions that occur in an organisation's value chain. These included all emissions that occur in the upstream and downstream activities of an organisation.
Scottish Funding Council's(SFC's) Financial Memorandum	Sets out the formal accountability relationship between the SFC and institutions, and the requirements with which institutions are expected to comply in return of payment of grant by SFC.
Spin-out Companies	A spin-out company is a start-up company created based on intellectual property (IP) generated through university research. The companies are often formed when a university moves the IP into a new entity which is run separately from the university.
Statement of Intent on Diversity	Adopted by Court within its membership, which includes a goal of achieving and maintaining female representation of a minimum of 25%, with aspirations to achieve 50% over the longer term.
Stonewall Workplace Equality Index	A benchmarking tool provided by Stonewall for employers to measure their progress on lesbian, gay, bi and trans inclusion in the workplace.
Senate	Responsible for the regulation and superintendence of teaching and for the promotion of research.
SPF	Strathclyde Pension Fund
Sunday Times Good University Guide	The Times and The Sunday Times Good University Guide provides students and their parents with a first reference point on the path to finding a university place. It contains full profiles of all universities.
Times Higher Education University Impact Rankings	The Times Higher Education University Impact Rankings are global performance tables that assess universities against the United Nations' Sustainable Development Goals.
UASLAS	University of Aberdeen Superannuation & Life Assurance Scheme.
UCEA	The University Council for Educational Administration (UCEA) is a consortium of higher education institutions committed to advancing the preparation and practice of educational leaders for the benefit of schools and children.
UK GAAP	UK Generally Accepted Accounting Principles.
University Court	The executive governing body of the University that is charged with the administration and management of the revenue and property of the University.
University of Sanctuary	An award by the City of Sanctuary UK, given to universities in recognition of their commitment to creating a culture of welcome for people seeking sanctuary within, and beyond, their campuses.
United Nations Sustainable Development Goals	17 goals adopted by the United Nations as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.
US GAAP	United States Generally Accepted Accounting Principles.
USS	Universities' Superannuation Scheme

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