

# Edinburgh Napier University

## Strategic Report and Financial Statements



**For the year end July 2025**

# Our Distinctiveness

We are inclusive in our ethos, applied and collaborative in our approach, with a commitment to delivering high-quality education and research that adds value to the social, cultural, and economic capital of our communities.

"We teach inclusively, and our graduates move into professional employment" and "Our research solves problems that matter to people outside the University and make change happen."

**Sue Rigby, Principal and Vice-Chancellor**

Based in Edinburgh, we have a local focus and international reach, connecting people and ideas across a breadth of disciplines. We have a commitment to employability and workforce readiness, while our size and diverse portfolio enable us to foster connections and collaborations that address 'live' challenges, reflecting our dedication to creating a meaningful impact locally, nationally, and internationally.

We are driven by our values of **professionalism, ambition, innovation, and inclusivity** and aspire to be recognised for acting with **respect and integrity**, and for creating an environment where everyone feels **proud, confident, challenged, and supported**.

Our cross-cutting commitment to the United Nations Sustainable Development Goals (UNSDGs) is reflected throughout our delivery, as aligned with our purpose and ambition to make a difference across society, while our academic focus on wellbeing and sustainability directly supports the Scottish Government's ambition to deliver a wellbeing economy as articulated by the National Strategy for Economic Transformation.



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# Foreword

This has been a challenging but successful year for Edinburgh Napier University and one that has involved considerable learning internally and from the wider sector.

The sustainability of university finances was a topic often in the public eye as financial challenges have unfortunately become the norm in higher education. As this year's Financial Statements illustrate, Edinburgh Napier was, sadly, not an outlier. Our core income from home recruitment continued to contract, with recruitment into Nursing programmes an ongoing concern – not least for Scotland's future healthcare workforce. Despite significant efforts to reduce our expenditure this year, it is apparent that we will need to reduce pay costs if we are to return to regular surplus at the bottom line as well as at EBITDA (earnings before interest, tax, depreciation and amortisation) in the coming year, with careful planning undertaken towards this.

Positively, however, strong income growth was recorded this year, with good international recruitment and a successful launch of courses for our new Trimester 3 intake. Our international college, ENUIC, continues to thrive and new delivery of teaching in Egypt in partnership with Queen Margaret University is expected to commence in the course of the next academic year.

Governance and leadership of the University are both strong and we would like to pay a special thanks to Professor Andrea Nolan and June Boyle, our outgoing Principal and Chair of Court respectively. Their leadership has been consistent and successful and have given Edinburgh Napier a strong basis to thrive. Our new Chair, Rex Tomlinson, was elected in May and has instituted a review of our Court sub-committees and refreshed recruitment to Court. As incoming Principal and Vice Chancellor, I have settled into post after



beginning the role in January and have seen a strong leadership team adapt and grow impressively with changes in portfolio and ambition.

The sector's ongoing challenges and the evolving perception of its value demand that we remain more agile and resilient than ever. The ongoing conversation about the funding model of Scottish university finances is critical, as is the discussion about the purpose of institutions in these times of significant change.

However, we are optimistic about the future for Edinburgh Napier University; we know who we are and what we are for, our finances are robust notwithstanding the need for some adjustments, and our vision for the future is achievable. As this Strategic Report compellingly demonstrates, Edinburgh Napier University continues to enrich the life journeys of our learners as well as delivering skills and research that benefits our communities —here at home, and across the world.



A stylized, handwritten signature in black ink.

**Professor Sue Rigby**  
Principal and Vice Chancellor



A stylized, handwritten signature in black ink.

**Rex Tomlinson**  
Chair of University Court





# University Strategy

## Our Strategy and Purpose

### Driving Distinctiveness

#### Our purpose is to...

deliver high quality education and research to add value to the social, cultural, and economic capital of our communities and shape their development

#### Our Strategic Objectives are to...



##### **BUILD CAREERS**

Create Opportunities

Our culture of personal growth, coupled with our flexible, innovative and holistic learning environment, will enable students and staff to shape their development and flourish in their careers



##### **GROW NETWORKS**

Connect Communities

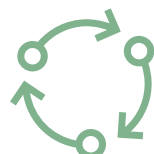
Creative collaborations, locally, nationally and internationally will provide an educational and research portfolio that both shapes and responds to the needs of business and society



##### **ADVANCE KNOWLEDGE**

deliver impact

Our research and knowledge exchange will address 'live' challenges, underpin our teaching and influence professional practice and policy, driving key societal, economic and environmental impacts



While being committed to

**GROWING SUSTAINABLY** by

Growing and diversifying our income and taking progressive action to achieve net carbon zero in our operations by 2030 at the latest. We will also seek to minimise both our wider and legacy carbon footprint and influence sustainable practices within and beyond our campuses

#### As a result of delivering our strategy...

##### **Our students will...**

Feel part of a diverse, accessible and inclusive academic community, which integrates leading advances in professional, vocational, and academic practices, encouraged to make a difference during their studies, while becoming equipped and connected for their future careers

##### **Our staff will...**

Have fulfilling careers and feel part of a collaborative, supportive, outward looking and externally connected community - creating, sharing and applying knowledge to positively impact individuals and society through teaching, research, enterprise and practice

##### **Our partners will...**

Recognise us as accessible, inclusive, trusted and purposeful collaborators that they both value and feel valued by, and seek as a partner of choice for mutual future benefit and impact



# Strategic & Operational Report

## Our Strategic Approach

### Our Strategy

The University Strategy, Shaping Our Future: Driving Distinctiveness, approved in March 2020, outlines our purpose to: 'deliver high quality education and research that adds value to the social, cultural and economic capital of the communities we serve and shape their development'.

Incorporating strategic objectives focused on building careers, growing networks and advancing knowledge, underpinned by a commitment to sustainability, our Strategy has provided a framework for delivery. This is enabled by a range of core strategies such as Learning & Teaching, Research & Innovation, Internationalisation and Environmental Sustainability, and is embedded through the annual planning process, with associated key performance indicators (KPIs) to help track progress.

<https://www.napier.ac.uk/about-us/our-strategy>

### Our Plan

The annual planning and budgeting round is the vehicle by which priorities are agreed for the year ahead, to which the Annual Budget and respective School and Service plans are aligned.

In advance of academic year (AY) 2024/25 a set of Top 7 Priorities was agreed as comprising the Annual Plan and shared with University Court, who approved the associated budget. Delivery of these priorities was the focus the first half of 2024/25, under the leadership of Professor Andrea Nolan before her retiral in January.

The University community is deeply grateful for the stewardship of Professor Nolan, and the work she did to build our success and stabilise the institution in turbulent times.

The second half of the year brought with it a transition of university leadership, starting with the appointment of Professor Sue Rigby as Principal and Vice Chancellor, and followed by the appointment of Rex Tomlinson as new Chair of University Court.

The academic year also continued to be affected by a range of substantive macro-economic challenges as outlined contextual factors section below. Following Professor Rigby's commencement, and in recognition of the ongoing external and fiscal challenges, a mid-year review of the strategic environment was conducted, and a Tactical Plan was developed.

The Tactical Plan retained key elements of the original planned Top 7 priorities along with new areas of focus, such as academic and professional services reviews. The reviews reflected on areas of strength as well as opportunities to support our return to financial sustainability, while continuing to deliver our mission and set us up for long term success. The Tactical Plan timespan covered the remainder of AY 2024/25 as well as AY 2025/26 and a formal transition to this plan was noted by University Court in March. Progress against the annual and tactical priorities is outlined in Delivering our Priorities below.

Alongside this plan, important changes were made to our executive University Leadership Team, including the establishment of a fixed term Assistant Principal for External Engagement, to give focus and energy to thrive both now and in the medium term, alongside delivering cost savings. Role changes are outlined in General Information, see page 57.

## Looking forward

Whilst our mission and purpose are enduring, Professor Rigby has announced a University Strategy refresh to reflect our academic future focus and strategic priorities in the context of the ongoing challenges and risks facing the sector, which will serve as the basis for future planning.





## Contextual Factors

The following section covers contextual factors which had a material impact on the University's planning, delivery and performance in the 2024/25 financial year, and highlights key risks and uncertainties, many of which are expected to continue in 2025/26.

### Macro-economic Factors

At the end of the previous financial year, Consumer Price Index (CPI) inflation was on a downward trend, having retreated from previously high levels. However, CPI inflation rose again from 2.2% in August 2024 to c. 3.8% in July 2025. The Bank of England attributes much of this rise to increases in household energy prices and other regulated and administered prices. Seeking to balance rising inflation and low growth in the UK economy, the Bank of England opted to make four quarter point cuts to the Official Bank Rate, from 5.25% in August 2024 to 4.25% in July 2025.

In addition to increasing costs to the institution, inflation and cost-of-living increases presented challenges to many students, with the risk of adverse impact on student engagement, experience progression and retention. In response, the University developed initiatives to identify and support students in need.

Significant economic uncertainty resonated across the globe and the UK through the introduction of tariffs by the new United States administration in 2025. Political tensions in many regions

around the world saw also conflicts erupt across borders with impacts on trade and commodities, international student flows and affect economic confidence.

The continuing unpredictable nature of the geopolitical environment carries the potential to directly and significantly impact on the institution's international activities, in addition to weighing on macro-economic factors such as inflation, growth in the economy and the labour market. This uncertainty was and remains a significant risk for the University factored into the planning and delivery of our activities.

### Public Funding and Fiscal Factors

Public funding for higher education and research continued to be constrained this year. The Scottish Government budget for this financial year, announced in December 2023, saw total public funding for Scottish universities decrease by 2.8% in cash terms, or a drop of £32.3 million.

(Source: <https://www.universities-scotland.ac.uk/universities-scotland-respond-to-the-scottish-governments-budget-for-2024-25/>).

This included a cash increase of 4.7% for university budgets covering research,

innovation and buildings (£16.2m) but a significant cash cut of 5.9% (£48.5m) in university teaching research budgets. In the face of inflation and increasing volatility in the University's environment described in Macro-economic above, the chronic underfunding of higher education resulted in increased financial pressure on the institution and the wider sector. This remains a key risk to the institution, with a programme of work on financial sustainability ongoing, outlined later in this section.

The UK Government unveiled its budget in the Autumn of 2024, which included an announcement that employers' National Insurance contributions (NIC) would rise from 13.8% to 15% from 6 April 2025 and apply to UK universities as large employers. The threshold at which employers begin paying NICs was also reduced from £9,100 to £5,000. The University and College Employers Association estimates that the changes announced in the budget increase the UK higher education's sector pay bill by 2.1%. In Scotland, the increased wage bill for the sector was estimated to range between c. £45m and c. £60m.

Following on from the Scottish Teachers' Pension Scheme employer contribution rate increase from 23.0% to 26.0% from 1 April 2024, the Scottish Funding Council (the SFC) announced that additional

funding would be provided to affected institutions. Edinburgh Napier received a one-off payment of c. £1.3m in February 2025 to help mitigate these costs.

### **Scottish and UK Government Reforms**

The sustainability of the Scottish higher education funding model came into the spotlight this financial year with extensive news coverage and discussions between the sector and Government, including in the context of the passage of the Tertiary Education and Training Bill in the Scottish Parliament. We expect that this critical issue will continue to be debated, particularly in the context of the approaching parliamentary elections in May 2026. We expect any decisions on changes to the current Scottish Funding model will be for the next Parliament and Government.

The SFC progressed the rollout of its assurance and accountability framework. This financial year marked the end of the outcome agreement model which has been replaced by a set of annual submissions, accompanied by engagement events arranged on a quarterly basis. This included the production and submission of a Self-Evaluation Action Plan (on teaching and quality arrangements), a Research Assurance and Accountability Return (on research and innovation activities) as well as the development of a 5-year

knowledge exchange and innovation fund strategy which was approved by University Court in December 2024. This strategy has now been published on the SFC's website.

The UK Government announced an uplift in the tuition fee cap in England in November 2024, with the Government increasing the maximum cap on tuition fees in line with inflation to £9,535 for the 2025/26 academic year. The UK Government signalled forthcoming plans for significant reform to be announced in the next financial year. Whilst education is a devolved matter, it is likely that any change in the funding model of universities in England would have knock-on impacts in other UK regions.

The UK Government's policy on international students also continues to evolve. It published an Immigration White Paper containing proposals for a raft of changes to visa routes like the Graduate Route and Skilled Worker visa, including:

- 1) Toughening Basic Compliance Assessments thresholds for universities sponsoring international students to study in the UK
- 2) Maintaining but shortening the Graduate Route visa to 18 months for undergraduate and taught postgraduate students.

- 3) Potentially introducing a levy on English universities' international student fee income – with an illustrative figure of 6%. Any decision to replicate this levy in Scotland will be a matter for the Scottish Government, but the two previous points concern all UK universities as reserved matters.

The impact of these policy changes has, in many cases, yet to fully materialise and we continue to monitor developments closely as we plan for and deliver our activities.

### **Strategic and Operational Factors**

With regards to domestic student recruitment, the recruitment of nursing and midwifery students continued to be a challenge this financial year, with reduced numbers of direct applicants and students articulating from further education colleges, an issue faced by all providers in Scotland. To mitigate against these risks, we continued to develop strategic partnerships with colleges to increase the number of students coming through articulation routes and joining Associate Student schemes, as well as continued investment in recruitment, marketing and conversion activities.

For reasons mentioned previously, and specific issues such as visa processing issues in Pakistan, the international student recruitment outlook remained



uncertain and challenging, and remains a key risk factor. The University continued to purpose a pipeline of projects across a range of courses and territories to build resilience on our international income streams.

Cybersecurity risks continued to feature highly on our risk register as universities are known to be targets for cyber-hacking groups and entities, with a significant programme of activity around preparedness and mitigation – including the implementation of a 24/7 Managed Detection & Response Service.

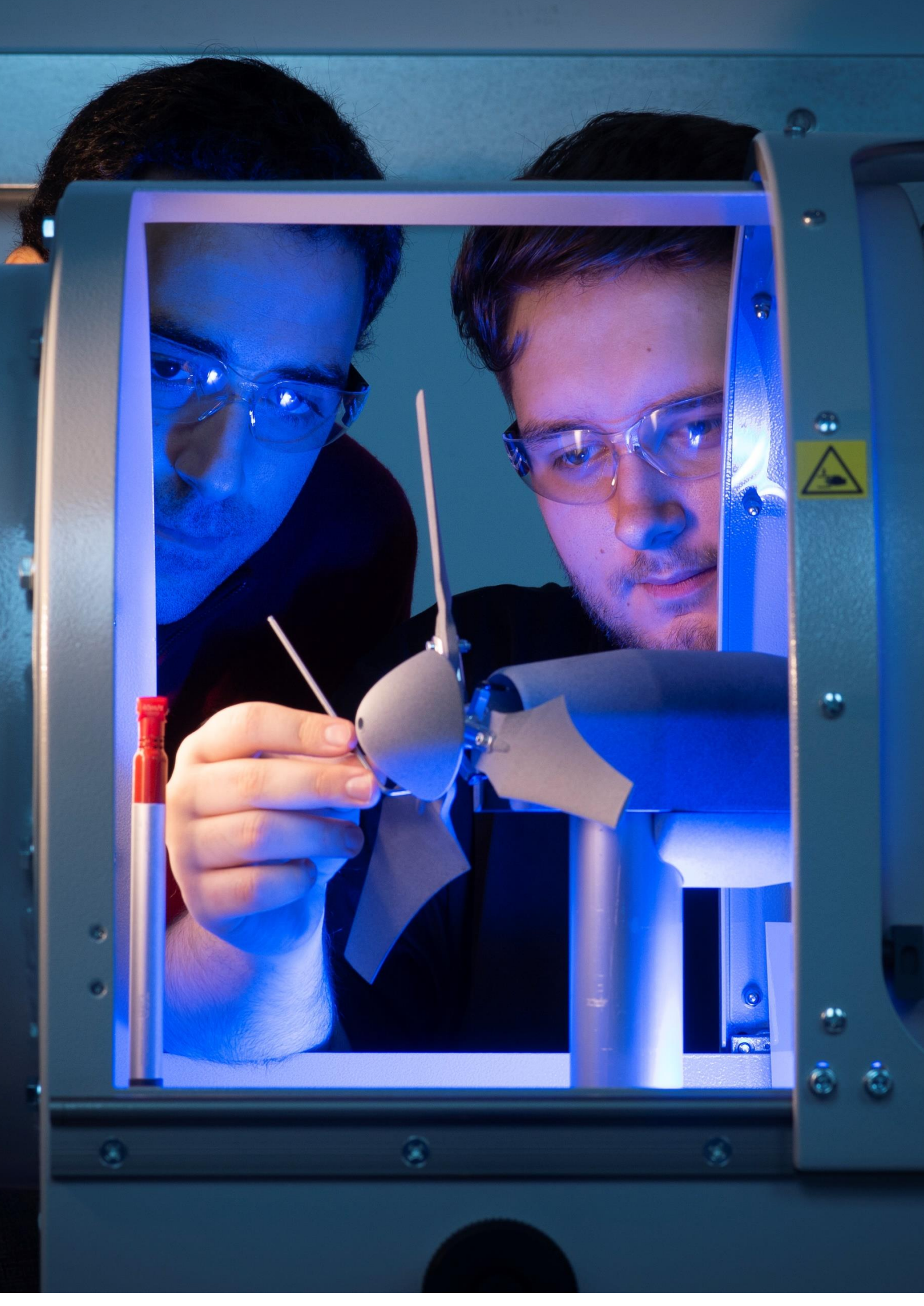
The University continued to carefully monitor how Artificial Intelligence (AI) and AI tools are driving change in the way people learn and work as well as changing the labour market and technological advancements, whilst raising crucial questions about ethics and sustainability.

### **Financial Sustainability Risk Mitigation**

In the Spring of 2025, the University began a programme of activity focusing on financial sustainability. This programme of activity included the development of a tactical plan to focus on short- and longer-term opportunities.

Sponsored by Academic Board, the University undertook an academic strategic refresh based on quantitative and qualitative insights into our current areas of excellence and future areas of focus. The aims of this work included the identification of areas for growth, enhancement or development, a view on the institution's current academic structures and indications of ways to focus university efforts to deliver its core missions in the future. The quantitative review considered matters of efficiency of programmes alongside the student experience and outcomes perspective. The findings of the reviews were presented to Academic Board and University Court in the early summer.

In tandem with these activities, the University continued to adopt a financially prudent approach, including careful management of banking facilities and covenant compliance, backed by strong financial monitoring and controls. The University continued its existing policy to only appoint or replace staff in critical roles during 2024/25. It also is considering delaying a large capital spend programme which included, amongst other objectives, a significant refurbishment of the institution's Merchiston campus.



## Delivering our Priorities

The following section summarises key areas of focus and progress over 2024/25 based on our annual plan and tactical priorities.

### Income Growth and Protection

Given the rapidly changing external circumstances, delivering and expediting priority income streams and protecting those at risk was prioritised through the following activities:

#### Enhancing International Student Provision on Campus

Following its launch in 2023, our embedded pathway college, Edinburgh Napier University International College, (ENUIC) has grown, increasing their student intake this year and making notable improvements in retention and progression, reflecting the focus on support and integration of this welcome and diverse community. Future growth is looking positive, with new undergraduate programmes being approved for Business, Computing, and Hospitality, Tourism & Events Management, as well as a new Nursing access course for the BN Adult Nursing course. This venture remains a significant part of our future growth platform.

In year we implemented an on-campus postgraduate **trimester three intake**, which exceeded its overall target. The intake was offered across 5 programmes spanning two schools, proving particularly popular for International Business

Management students. Focus next year will be on continuing to embed this as a standard offering with additional programmes brought on stream.

#### Further developing Transnational Education (TNE) and Online Provision

Supporting the continued development and enhancement of our offering to international students who do not join us on campus remained a core feature of our growth plans, being less exposed to potential changes in the UK immigration context.

In year we developed a large-scale new partnership model with **Capital Universities Foundation in Egypt** to deliver Edinburgh Napier Degrees in partnership, due to start in September 2025, with initial cohorts across 5 programmes.

We worked with ANT1 MediaLab in Greece to deliver Edinburgh Napier Degrees in partnership, with first intakes



during AY 2025/26. We also approved two new programmes for launch with our partner MDIS in Uzbekistan, with students due to start their MDIS foundation year in October 2025 prior to progressing onto Edinburgh Napier degrees in 2026.

### THE BUSINESS SCHOOL

In collaboration with our existing Global Online partner, Stafford Global, our Business School will launch their MBA, programme with 13 specialisms, in September 2025 in Saudi Arabia. This programme adopts an innovative approach to learning and teaching which combines a selection of Global Online and Blended modules that have been designed to target working professionals and be relevant to both the local and expat community in Saudi Arabia.

To support our ambition to grow and enhance our online programmes (currently 2,800 students on 46 programmes) our **Global Online Enhancement Project** conducted a review across four workstreams to map out strengths and areas for improvement and inform our focus during 2025/26.

### Maximising Home Students

A key focus of the year has been prioritising our recruitment approaches to ensure we can welcome as many of our home students as possible, ensuring that we meet our funded population as well as widening access targets.

We made numerous improvements to our **recruitment systems and processes**, including upgrading our direct application form and making enhancements to our CRM to improve response rates and applicant nurture and conversion, including a new facility regarded as game-changing for the teams involved in supporting students to join us through Clearing.

We also made a strategic decision to invest in **expanding specialist facilities** in our School of Arts and Creative Industries to enable increased offers into high demand programmes previously capped due to space constraints.

### Developing our Portfolio

Across all our delivery models, be they on campus, online or in partnership, a focus has been on ensuring that our programmes remain attractive and fresh and meet areas of demand and need.

We adopted a targeted approach to **monitoring and expediting the**

**development of priority programmes,** enabling the launch of over 34 new programmes in year.

#### **Working in partnership with colleges**

remains a critical part of our ethos, and with direct entry populations at risk due to a decline in students going into colleges, we have worked with our college partners to explore various ways to increase entry by considering alternative delivery models that recognise the local economic factors at play for students.

For example, we have been exploring opportunities to support much-needed numbers coming into nursing, with discussions ongoing with Government, colleges and other stakeholders. We have also undertaken three pilot micro credentials projects to identify ways in which we could make our provision more accessible, particularly for life-long learners.

#### **THE SCHOOL OF HEALTH AND SOCIAL CARE**

Demand for physiotherapy education is high with year-on-year income increasing by around 20%. Additionally, the BSc Nursing programme delivered as part of the TNE portfolio in Singapore has seen an almost 12%

growth in income year-on-year due to strong student recruitment to that programme.

#### **Ensuring Student Retention**

Following on from last year's focus on **student belonging and retention**, the Department of Learning & Teaching Enhancement successfully continued their programmes of activity: Staff Belonging, Engagement and Development; Student Belonging, Engagement and Academic Development; Curriculum Design with Focus on Assessment; and Module Triage and Partnership for Enhancement.

Noting the different needs of our community of international students, a series of engagement focus groups were held with the outcomes from this research used to develop an **International Student Retention** project sponsored by the Student Success Group – which will be implemented during the coming year.

The Keep on track Team also successfully migrated over to a **new CRM system** for case management helping to streamline processes, provide improved reporting and enable the team to better manage cases for improved student experience.

We have seen an **increase in Positive Progression (PP)**, the University's leading

measure of student academic outcomes. The metric measures whether a student is eligible to continue onto the next year of their programme, or, whether they gain the intended award for the current stage of their programme.

At the close of Trimester 2 PP for UGFT Scottish students 2024/25 was 75.1% overall, which is an increase of 0.9% points compared to the previous year, and we would typically expect a further ca14% of the student population will achieve a positive outcome following successful engagement with reassessment. This slight improvement has continued the welcome increase in recent years with %PP returning to pre-pandemic levels. The area still slightly lagging is the %PP of Entrants, which although increased by 0.4% points to 71.1%, is still below pre-pandemic levels.

### Building Strategic Partnerships

Our **Mountain Bike Innovation Centre Project** has successfully overcome challenges - with the South of Scotland Enterprise led construction project pivoting from renovation of the Caerlee Mill building to a new build due to the poor condition and escalating costs associated with a historic building - and is on track for a 2027 opening. Through the year we have also had a range of major

successes with Edinburgh Napier-led research, innovation and knowledge exchange projects including a Knowledge Transfer Partnership and a Bicycle Association of GB European Institute of Innovation and Technology (EIT) Urban Mobility funded project, as well as being one of 10 international universities awarded access to Strava data for research during 2025.

### THE SCHOOL OF APPLIED SCIENCES

Innovate UK funded a Knowledge Transfer Partnership (KTP) in 2025/26 won by **Edinburgh Napier University** and **Trash Free Trails**. Edinburgh Napier leads, Professor Tom Campbell and Dr Hollie Fountain, gained this £235k KTP linked to industry connections through the Mountain Bike Centre.

Following the development of a **strategic external engagement framework** centred around 4 thematic segments, a pilot of the 'Health' theme was conducted and was a successful forum for initiating cross-functional engagement and collaboration between colleagues to explore opportunities such as a health hub, collaborations with other Higher Education Institutions (HEIs), and commercialisation opportunities. The initiative is being evaluated in the context of a renewed focus on external

engagement by the new Assistant Principal for External Engagement.

The strategic partnership between Edinburgh Napier and global IT consulting firm **CGI** is enabling exploration of a range of exciting project opportunities, with several joint external funding applications having been submitted and topics around

AI being discussed, with CGI also sponsoring a PhD studentship.

We have continued our focus on developing a pipeline of **KTPs** across all Schools, with increased recourses available for staff on the intranet and we have been part of supporting the celebration of **KTP@50 years**.





## Size, Shape & Efficiency

Key elements of the Tactical plan developed shortly after Professor Rigby's arrival included new size and shape initiatives to support alignment of resources towards recovery, resilience and lowering cost.

### Academic Size & Shape

In March 2025 Academic Board agreed, to sponsor a ten-week academic strategic refresh based on quantitative and qualitative insights into our current areas of excellence and future areas of focus.

The Deputy Vice Chancellors led a **Quantitative Review** of the academic portfolio, with a deep dive carried out on a School-by-School basis, focussing on a range of KPIs, to identify trends and recommendations to improve financial sustainability and performance. The review identified a series of actions reported to Academic Board and Court, which will be implemented in AY 2025/26 in conjunction with outputs from the Qualitative Review and Professional Services Review as follows.

The 'Our Academic Future' **Qualitative Review** was led by Professor Rigby. Over 10 weeks, 252 academic staff, and 105 professional service colleagues, alongside student representatives took part in open discussion around a map of our external landscape. The workshops were primarily face-to-face but with the option of contributing online open to all. The

qualitative analysis identified as range of academic strengths which mapped extremely well onto external priorities and labour market demand, knowledge exchange and research at a local, regional and global level.

The analysis also found a commonality of thought centred around the following key message: '**We teach inclusively, and our graduates move into professional employment**', and '**Our research solves problems that matter to people outside the University and make change happen**'.

The workshops also identified a 'snag' list which will be addressed over time through system change and development.

### Professional Services Size & Shape

With an appropriate lag to enable connectivity between the outputs of the Academic Size & Shape Exercises, a **Professional Services Review** was led by the Director of People, IS and Student Services.

A set of principles was developed along with four key pillars of work. Progress in year was on the first pillar 'immediate

action’ – involving the identification of cost savings, efficiencies and duplication, review of projects, identification of non-pay savings – underpinned by a short survey for professional service colleagues to feed in ideas.

Outputs from this first pillar will inform key strands of work during AY 2025/26 with the other three pillars, considering Our Academic Future Focus, a review of our Front Door (all externally facing activity), and Future – with a focus on income generation, technology solutions and student lifecycle.

### Process & System Efficiencies

Existing strands of work continued during the year, including the focus on **Assessment and Feedback**, with projects such as a change to the taught post graduate grading scale to improve student experience, simplify marking for

staff, and align with sector standards and undergraduate marking schemes being successfully progressed.

This year an academically led collaborative project saw the launch of a new **Academic Portal** to provide academic colleagues, personal development tutors (PDTs) and senior school administrators with one-stop-shop, role-based access to all the data and resources they need to support our students.

This and other initiatives to enhance staff **Work Wellbeing** from the last Your Voice survey have been delivered. Staff feedback continues to drive the approach we take to efficiency and effectiveness. Looking forward we will continue to act on suggestions, including those identified out of the academic and professional service reviews.



## Approach to Financial Sustainability

The following areas reflect our focus during 2024/25 on enabling activities to ensure successful delivery of our tactical and strategic priorities

### Planning & Delivery

A key focus, given the scale and nature of the challenges to be navigated alongside internal changes, was ensuring that the development and delivery of our tactical planning priorities was underpinned by transparent data, clear financial modelling and effectively coordinated and governed, with appropriate risk management and reporting. We instigated tactical plan monitoring through our weekly operations meeting, mirroring our approach during the Covid pandemic to maintain momentum and facilitate rapid intervention, with fortnightly reporting to ULT and regular updates to the University Court.

Looking forward, the Tactical Plan is being further **refined for AY 2025/26** considering the outputs and progress made in AY 2024/25 and input from University Court discussions in June, as well as ongoing assessment of the external environment.

### Colleague Experience

We continued to embed our continuous listening approach to **colleague engagement**, with our latest Your Voice pulse survey running between May

and June 2025. Despite sector-wide challenges, 58% of colleagues participated, and the overall engagement score increased from 70% to 74%, reflecting a positive shift in colleague sentiment and offering valuable insights into colleague experience. The results will be used to inform priorities and action planning for AY 2025/26.

Survey insights also continue to inform key University developments, including the People Manager project, Equality, Diversity and Inclusion plans, and Health and Wellbeing initiatives.

As part of the University's Professional Services Review, a dedicated feedback form was introduced, enabling Professional Services colleagues to **share ideas for improving processes and identifying cost-saving opportunities**.

This feedback was shared and considered by SLT as part of the review.

Enhancements to the **Colleague Leavers Survey** have been planned to align with the new academic year. The refreshed survey will be delivered via our People Insight tool, supporting consistent data collection and reporting, sector benchmarking, and trend identification for

data-driven decisions to improve the colleague experience.

In line with our **agile listening approach**, we continue to use different feedback channels, including in-the-moment feedback at Principal's Views, with the timing of our next pulse survey to be scheduled in line with University priorities most likely in the first half of next year.

Last year our Reward & Recognition team undertook a comprehensive review as to how we **celebrate colleague contributions**, including length of service, everyday recognition, and our annual recognition event, with some changes being implemented that year. This year, due to ongoing financial pressures in the sector the annual recognition event was not held and proposals for future recognition initiatives paused, with actions focused on embedding recognition into everyday practice. This included the delivery of the Success Pathway development programme which featured training sessions on **building a feedback culture, coaching conversations, and the power of recognition**. Individual teams have also integrated recognition into local action plans.

The University continues to celebrate colleagues who reach the **milestone of 25**

**years' service**, with 24 individuals being personally recognised on 7 March 2025 on Colleague Appreciation Day.

As a result of our ongoing review of **colleague benefits**, a partnership with Affinity Connect, a financial education provider specialising in public sector pensions, was launched earlier this year. Feedback has been very positive with over 150 colleagues attending awareness sessions with many choosing to take advantage of a one-to-one follow up call for more personalised advice. In line with our commitment to sustainability and to complement our existing salary sacrifice benefits, an environmentally friendly car salary sacrifice scheme was also launched, allowing eligible colleagues to lease a car while making income tax and national insurance savings

A **new colleague intranet** was designed, built and launched after extensive consultation with colleagues, with user experience at the heart of the project. It is navigated through intuitive overarching themes and is a key internal communications and collaboration tool. In addition, a new document centre was launched housing content that needs to be accessible to the public.



## Infrastructure & Estates

Project VISION is our strategic project designed to support the delivery of the University's broader strategy, Shaping Our Future: Driving Distinctiveness, through development of an ambitious **10-year Estates and Infrastructure Plan**.

Project VISION made significant progress in this period through stakeholder engagement, surveys, options analyses and costings, culminating in the conclusion of RIBA 1 (Royal Institute of Architects) process. However, given the change in context, not just in terms of a reduced student growth profile compared to that upon which the masterplan was based, but the clear need to place priority focus on financial recovery and academic future alignment, it was decided to close Project VISION in its current form and pause further investment towards RIBA.

The significant information and learnings to date are instead being refocused towards an **Interim Estates & Infrastructure Action Plan and Maintenance Strategy**, intended to address short to medium-term needs. These will include critical maintenance requirements, some limited enhancement and sustainability projects informed by input from the Environmental Sustainability Board of Governance and

any enabling works required to support growth whilst improving space utilisation.

This year a range of **enabling projects and campus upgrades** have been completed on to improve estate utilisation (merging smaller classrooms to create medium sized classrooms- improving space and teaching efficiencies) and targeted interventions such as creation of new design studios to facilitate growth and student experience. These types of targeted enabling works are expected to continue as part of the Estates & Infrastructure Action Plan and Maintenance Strategy.

In addition to the various process and system enhancements highlighted elsewhere in this report, positive progress has been made through the year with our **Digital Strategy**. For example, our virtual learning environment, Moodle, has been revamped, with new user-friendly templates and integrated with key systems such as Teams, to give our staff and students a more seamless and consistent experience.

We continued to deliver on our **security strategy**, with a new managed detection and response service and by making progress in rolling out managed devices beyond our professional services

colleagues to our academic community, helping to reduce our risk profile.

We also created a programme to address **application technical debt**, which is being dove-tailed with the necessary relet of major applications and systems and the modernisation of associated processes.

Looking forward further improvements to our **CRM** are planned for a range of provision types, such as global online and CPD, along with exploring the opportunity that AI offers in the learning and teaching arena and towards enabling more efficient corporate processes, including enhancing recruitment and student engagement interfaces.



## Our Core: Learning & Teaching, Research & Innovation

Throughout the year we have maintained focus on our core operational imperatives rooted in our purpose.

### Our Learning & Teaching

Through the year we continued to assess our programmes against the **ENhance curriculum framework** using our Institutional-Led Reviews (ILRs), with over 46.4% of our portfolio now meeting expectations of at least three of the five pillars (research and practice integration, sustainability, inclusion, global outlook, employability) against a target of 45%. A series of changes to the framework has been approved by our Education and Student Experience Committee and will be implemented during 2025/26.

Given our focus on building careers, we were disappointed that our annual **Graduate Outcomes** survey showed a further slight decrease compared to last year, with 74% of our 2022/23 UK-domiciled graduates in a managerial/professional role 15 months after graduation. However, the average for UK HEI's also decreased when compared with 2021/22 cohort, reflecting an employment market that has become more challenging during this period, with Edinburgh Napier remaining above the average for UK HEI's and consistent with

the Scottish sector. The same survey for those graduating from taught postgraduate degrees rose by two points this year to 89% - although remained slightly lower relative to the UK and Scottish average. Our results for both undergraduates and postgraduates in positive destinations (work or further study 15 months after graduating) remain within target at 95%.

### THE SCHOOL OF ARTS AND CREATIVE INDUSTRIES

2024/25 was another successful year for a number of our current and graduate students who have been winners and recipients of various prestigious awards in Graphic Design, Creative Advertising, Product Design and Photography. Many congratulations to them all.

We held our Annual Learning and Teaching Conference, The Gathering, with the theme of **Supporting Diverse Learner Journeys**, with a rich programme reflecting Scotland's Tertiary Education Programme (STEP) priorities and the UNSDGs. The day featured over 50



presentations, posters, lightning talks and keynotes – all showcasing innovation and collaboration across our learning

Our staff have continued to augment their **professional practice and recognition**, with 84.7% of Academic Staff holding Advance HE Fellowship an increase on 81.7% last year.

Beyond our focus on student belonging and retention as described in Delivering our Priorities (see page 15), student experience continues to be a focus for all schools. **Edinburgh Napier scored 80% for the National Students Survey (NSS)** overall satisfaction question (“Overall I am satisfied with the quality of the course”), increasing from 78% in 2024, with overall satisfaction levels increasing in most schools. However, there are clear areas for improvement, particularly within the Teaching and Assessment & Feedback sections, with Learning Resources and Student Voice performing well against sector benchmarks.

The **Tertiary Quality Enhancement Framework (TQEF)** is Scotland's approach to excellence in learning and teaching. More [information on the SFC web pages here](#). Over the year we have continued to embed the six principles of the TQEF and have been making progress on actions identified in the Self-Evaluation Action

Plan as the University prepares for the Tertiary Quality Enhancement Review in January 2026.

## Our Research & Innovation

Beyond the examples shared through the lens of the UNSDGs (see page 334) our academic community has continued to win an array of research awards, host international conferences on pioneering subjects, and influence policy reflecting their impact and esteem.

### THE SCHOOL OF COMPUTING, ENGINEERING AND THE BUILT ENVIRONMENT

has had significant success in terms of awarded grants in this year, with £8.86M of external grant funding won (including partner costs), of which Edinburgh Napier income is £5.36M - representing a significant increase from last year and including a substantial EU partnership grant of £3.5m.

Building on the success of hosting the Scottish Institute for Policing Research (SIPR) since 2018, in May 2025 it was announced that Edinburgh Napier University will be the home of Scotland's only new Policing Academic Centre of Excellence (P-ACE), one of nine new centres that will launch across the UK in October 2025, funded by UK Research

and Innovation (UKRI). The aim of these centres of excellence is to ensure that policing is shaped by the latest and best scientific expertise, and that leading researchers are able to challenge and innovate in partnership with policing.

This centre will be named **Scottish Policing Academic Centre for Excellence** (SPACE) and is undertaken with the collaboration of partner institutions Glasgow Caledonian University, the University of Edinburgh and the University of St Andrews.

We further strengthened our cyber credentials with two victories at the **2025 Scottish Cyber Awards**, with Professor Bill Buchanan from the School of Computing, Engineering & the Built Environment claiming the title of Evangelist of the Year, and TrueDeploy from the same school awarded Start Up of the Year. We also now host a new Centre of Excellence for Digital Trust.

74.3% of academic staff hold doctorates (as at end July 2025) and our early career academics continued to thrive under the Early Career Academic Framework ECA framework now embedded for two years, while our research postgraduate community benefitted from the new **Doctoral College** structure implemented last academic year and its inaugural

conference held in autumn 2024. We achieved 85% average overall satisfaction in the Postgraduate Research Experience Survey 2025, exceeding the average for UK HEIs of 83% and 82% for Scottish institutions, seeing us ranked 21st out of 89 institutions participating in the UK, placing it in the top quartile.

We have a **collaborative approach within our research culture** activities and for several years have been collaborating with Queen Margaret University (QMU) and other Scottish Universities to provide reciprocal opportunities for our researchers to engage with Researcher Development initiatives. This includes offering spaces on training courses to other universities and hosting joint events to provide support on topics where it may not be practical to run an initiative as a single organisation.

In 2024/25 the collaborations with QMU have developed further drawing in Edinburgh College (EC), through the creation of our franchised Bright Red Triangle model. In this first of its kind agreement in Scotland, BRT will offer entrepreneurial support to students, alumni and staff from QMU and EC, meaning more people will be able to access our services including 121 business advice, training, workshops, access to our co-working Start Up Studio

and bespoke support for those looking to turn ideas into ventures or to develop their entrepreneurial mindset.

As part of this collaboration, we will also be **offering specialist support** across each institution's areas of expertise – including wellbeing, health, food and drink, creative industries, tourism, design, engineering, construction, computing, and AI.

We engaged in a rapid consultation process to develop our five-year **Knowledge Exchange and Innovation Fund (KEIF) Strategy**, which has now been published on the SFC website. Our strategy seeks to be a bold, ambitious, and forward-looking response to the challenges of delivering meaningful and impactful KE and innovation in a rapidly changing World. It is articulated around four pillars to drive our activities, and these support alignment to local and national objectives, including those within

Scotland's National Performance Framework, the National Strategy for Economic Transformation, the National Innovation Strategy for Scotland and the themes of the Entrepreneurial Campuses review.

Our vision is to catalyse and support regional and national economic development through KE and innovation, and transfer the skills required to meet the changing requirements of employers, with a focus on building entrepreneurial mindsets to support SMEs and start-ups. Importantly, we aim to do all of this in collaboration with external partners across further and higher education, industry, and the public sector.

Finally, we have established a task force to lead the preparations for the next **Research Excellence Framework** exercise, REF 2029.





## Environmental Sustainability

Our environmental sustainability commitments are embedded within our University Strategy, and we continued to focus efforts on our net zero carbon target; our academic, research and professional expertise; and embedment of the UNSDGs throughout our work.

### Strategy & Governance

In response to a positive internal audit constructive updates were made to the Environmental Sustainability Strategy (ESS) and its governance, including clearer guidance regarding Scope 1, 2 and 3 carbon reporting and the formation of updated working groups within the Environmental Sustainability Strategy Board of Governance (ESSBG).

We met all external reporting requirements such as the Scottish Government Public Bodies Climate Change Duties report and SDG Accord Annual Report. Looking forward it is expected that the ESS will be updated in line with the University Strategy Refresh (see page 7). As part of this update the net zero carbon target will also be reviewed in line with national and city targets, reflecting our ability to make significant estate changes in the context of wider city infrastructure such as grid capacity and heat network capability.

### Sustainable Research

As exemplified in the examples shared through the lens of the UNSDGs below,

we have continued to ensure our research has impact across a range of development areas. To further support embedment of UNSDGs, awareness sessions were held, and SDGs can now be tagged in our research information management system.

As members of the Scotland Beyond Net Zero partnership we made successful bids to the in-year seed funding round.

Winning projects will be a focus for action in 2025/26, as will implementation of the KEIF Strategy with its sustainability pillar.

We also jointly hosted an Impact Investment Symposium on Sustainable Forestry, with Greenbank Investments, with sponsorship from CGI, to address key sector issues such as **combatting deforestation, enhancing biodiversity and developing investment**.

### Education for Sustainable Development

New ENhance curriculum framework guides and case studies were developed to help underpin further inclusion of sustainability and UNSDGs in the

curriculum, while submissions to our annual Learning & Teaching Conference, The Gathering, were mapped against the UNSDGs.

We co-hosted a conference on learning, teaching and research in sustainability in collaboration with UK and European universities, inviting students to discuss embedment of green skills in the curriculum and including lightening talks from all schools showcasing approaches from a range of disciplines.

Our annual progress report against the SDG Accord included a thematic update on Sustainable Learning & Teaching Practice and we shared an associated case study.

## Audit & Recognition

We maintained our position of **301-400** while increasing our score to 76.5 out of 100 within the **2025 THE Impact Rankings**, placing us 9<sup>th</sup> in Scotland, 15<sup>th</sup> among UK Moderns and 52<sup>nd</sup> in the UK, with 2,318 institutions from 130 countries/territories participating in the overall rankings.

We increased the number of SDGs in our submission, with our top scoring UNSDGs: 8 (Decent Work & Economic Growth), 10 (Reduced Inequalities), and 11 (Sustainable Cities and Communities) all

ranked in the 101-200 bracket, with SDG17 (Partnership for the Goals.) achieving a score of 77.6% but featuring in the 301-400 bracket.

Within the **2024/25 People and Planet** audit we maintained our 2:1 Award Class, ranking 3<sup>rd</sup> in Scotland and 65<sup>th</sup> in the UK (out of 149 HEIs audited). Of note is our score for Education for Sustainable Development increasing from 85% last year to 98% this year in acknowledgement of our Bright Red Triangle Living Laboratory focused on UNSDG5 (Gender Equality) and our resources to support Widening Participation.

Following rigorous assessment through the Sustainable Restaurant Association Food Made Good Standard, the Catering team achieved 57% and were awarded one star. For a first assessment, the award is a remarkable achievement recognising existing good practice led by the Catering team and wider University.

## Energy Reduction & Carbon Emissions

**Energy reduction projects** have continued, utilising the internally managed Salix Recycling Fund. Projects include new LED lighting within the Lindsay Stewart Lecture Theatre and the installation of electric calorifiers. The installation allows for gas heating and hot

water systems to be fully shut down between May and October. The electric calorifiers are then used to generate all hot water requirements. Initial carbon reduction associated with the project will be in the region of 237 tCO<sub>2</sub>e however post-installation audits will continue.

An extraordinary meeting of the ESSBG was held in June to discuss future and potential **opportunities to remove all gas** heating and hot water systems in the future. The meeting included detailed overview of existing community partnerships and discussions with peer networks including the City Heat and Energy Partnership within Edinburgh.

The '**Every Action Counts**' (EAC) campaign, with a focus of reducing energy and wider environmental sustainability impact, continued with activities during Climate week (October 2024) and Sustainability Fair (March 2025). Both events included external partners with a core focus of encouraging students and staff to reduce their personal and collective environmental impact.

Our **operational carbon emissions** encapsulate business travel, electricity, gas, water, waste, and fluorinated gases. Our gross operational carbon emissions totalled 4,164.1tCO<sub>2</sub>e, a reduction of 35.2% on the 6,423 tCO<sub>2</sub>e 2018/19

Environmental Sustainability Strategy (ESS) baseline. Campus emission reports have been introduced at Campus Boards to inform decisions and actions at a campus level.

Our **Travel & Expenses** Policy has been under review to help put in more guidance to support sustainable travel decision making. To further support the day-to-day commute, we have installed a new bicycle store at Craiglockhart campus and launched a salary sacrifice electric car leasing scheme. See page 23.

In line with our ESS **offset position**, we again used Plan Vivo verified ethical carbon credits from The Association for Coastal Ecosystem Services (ACES), our trusted offset partner. ACES support a range of award-winning blue carbon conservation projects, underpinned by Edinburgh Napier research, helping to realise significant community benefits for those suffering from current and existing impacts of climate change that they have not contributed to. Following our approach last year, we elected to use a portion of these carbon credits to offset business travel emissions for AY 2024/25, and as such our net carbon emissions are reported as 3,010.5 tCO<sub>2</sub>e.



## Engagement & Collaboration

Edinburgh Napier Students Association (ENSA) held a widely celebrated initiative, the Project Management Challenge Awards, with student-led teams developing environmental sustainability projects focused on an array of aspects, with in-kind prizes provided by Edinburgh Napier staff.

As a follow up ENSA are leading UNIFORCE, an eight-week inter-university employability challenge with the theme of Sustainable Scotland, building on the previously successful project challenge.

The School of Engineering and the Built Environment hosted 'Green Horizons – Towards Sustainable Futures' an exhibition showcasing all that is special about how we teach and research sustainability.

As committed signatories of the Edinburgh Climate Compact, we have

gained from attending best practice sessions and are currently discussing ways to improve city action, such as through collaborations on estates rationalisation and optimisation towards net zero in the city.

With Edinburgh Napier as founding members, we are working with EdinburghCanBe towards two major collaboration engagement events next academic year.

Edinburgh Napier University is an active member of U!REKA, an alliance of higher education institutions, cities and municipalities, regional councils, prominent European networks and non-profit organisations across Europe. Through U!REKA we have contributed to a joint new sustainability micro credentials programme developed between the partners, which will trial engagement with over the coming year.



## Delivering on our Purpose: Highlights through the UNSDGs

As a signatory of the Sustainable Development Goals Accord, examples of our contributions during 2024/25 include:

1 NO POVERTY



Edinburgh Napier academics developed “Makazi,” a modular, climate-adaptive shelter for disaster relief, easily assembled with local materials and designed for flexibility, comfort, and sustainability.

2 ZERO HUNGER



Funded by Innovate UK, and in partnership with Impact Solutions, we are pioneering SmartSprout, a sustainable horticulture project developing biodegradable electrospun fibres for controlled agrochemical release, aiming to create a universal, eco-friendly nutrient delivery platform.

3 GOOD HEALTH AND WELL-BEING



Alongside partners including Alzheimer Scotland, we are leading a groundbreaking study on integrating multifunctional robots into dementia care and occupational therapy.

4 QUALITY EDUCATION



We are partnering with Functional Skills UK to develop an AI-powered adaptive learning platform, aiming to personalise education and boost engagement for learners who’ve struggled with traditional pathways.

5 GENDER EQUALITY



With support from the British Council, we are working to reduce gender segregation in STEM subjects through high school-based interventions in Ghana, in partnership with the University of Health and Allied Sciences.

6 CLEAN WATER AND SANITATION



Funded by the UK Department of Science, Innovation and Technology, Edinburgh Napier is hosting international early-career researchers to advance innovation in AI, robotics, clean energy, and healthcare—developing solutions from fall prevention and rehabilitation to sustainable transport and energy systems.

7 AFFORDABLE AND CLEAN ENERGY



Funded by UKRI, we lead on a project to develop a small-scale prototype of a wave energy device will be tested under real conditions, aiming to optimise its structure and energy capture, potentially advancing reliable, sustainable marine power solutions.

8 DECENT WORK AND ECONOMIC GROWTH



Edinburgh Napier is developing a peer-powered app to support creative freelancers—offering trusted advice on rates, contracts, and business practices to address knowledge gaps and promote fair, informed freelance work.

**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



Edinburgh Napier is developing a flexible, semi-automated risk assessment tool to enhance Airbus's supply chain security—improving incident response, policies, and supplier retention, with potential for wider multi-tier adoption.

**10** REDUCED  
INEQUALITIES



The Edinburgh Napier-hosted Scottish Institute for Policing Research is evaluating Police Scotland's DEFINE pilot to identify best practices for supporting neurodiverse staff, aiming to inform nationwide implementation and enhance inclusivity across policing culture

**11** SUSTAINABLE CITIES  
AND COMMUNITIES



Edinburgh Napier and Edinburgh College are partnering to strengthen career pathways in civil engineering and architectural technology—offering practical experiences and guidance to address skills gaps in Scotland in these disciplines and support student progression.

**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



Edinburgh Napier is contributing to the TERRA project, which transforms agricultural waste into thermal batteries to improve energy efficiency, reduce pollution, and support sustainable development in Brazil and Bangladesh.

**13** CLIMATE  
ACTION



A team of Edinburgh Napier students completed Europe's first bamboo-timber composite gridshell, showcasing sustainable design and rapid construction. The project highlights bamboo's potential for efficient, eco-friendly architecture and future large-scale applications

**14** LIFE BELOW  
WATER



Edinburgh Napier are leading the groundbreaking SharkScope project, advancing marine conservation through innovative research on sharks and skates in Scottish waters, using cutting-edge technologies and collaborative expertise.

**15** LIFE  
ON LAND



Edinburgh Napier has been awarded a Forestry Commission contract to develop technical guidance on mammal impacts on trees and woodlands—supporting sustainable woodland management through practical tools, case studies, and online resources.

**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



Edinburgh Napier is leading Trust4Future, a European-funded initiative empowering women in tech with cutting-edge cybersecurity and blockchain training—advancing digital inclusion and building a more diverse tech workforce.

**17** PARTNERSHIPS  
FOR THE GOALS



Funded by the UK Department of Science, Innovation and Technology, Edinburgh Napier is hosting international early-career researchers to advance innovation in AI, robotics, clean energy, and healthcare—developing solutions from fall prevention and rehabilitation to sustainable transport and energy systems







## Equality, Diversity & Inclusion

In April 2025 the University published a range of equality documentation to meet the requirements of the Equality Act 2010 covering:

- Edinburgh Napier Equality Outcomes 2025-29
- Edinburgh Napier Mainstreaming Report
- Edinburgh Napier Employee Information April 2025
- Edinburgh Napier Pay Gap and Equal Pay Statement
- Edinburgh Napier Student Information April 2025

These reports on our public sector equality duties are cross referenced here [on our webpages](#),

Our Equality Outcomes continue our commitment to contributing to the Equality and Human Rights Commission and SFC publication 'Tackling Persistent Inequalities Together'. We set out across our 12 Equality Outcomes what we want to achieve and how we will do it.

Our Equality Outcomes also present our updated EDI Vision alongside a simple EDI mission:

**OUR EDI VISION:** We want to be known as a university that celebrates difference.

**OUR EDI MISSION:** We are driven to be a university where every student and staff member has an excellent experience. A University community where your difference is supported, and you are included in all that the University has to offer. We are a university that celebrates, challenges and connects by being the home of the difference maker.

We are currently focusing on establishing baseline and target measures so we can demonstrate success, gather good practice examples and embed EDI across all that we do. We are working to elevate areas that celebrate, challenge and connect across the University community.

We have recently completed an EDI Internal Audit with recommendation across;

- Embedding Equality Impact Assessment
- Definition, Resourcing, and Integration of School Inclusion Roles
- Operational alignment with the University's EDI Strategic Framework
- Performance Reporting Against Equality Outcomes.

Progress monitoring for the recommendations is remitted to the Inclusion Committee as a standing item until completion.

## Fair Working Practices

With Inclusion as one of our core values we take pride in aligning our working practices with Fair Work First. This means we do not adopt inappropriate use of zero-hour contracts, nor do we engage in 'fire and rehire' practices. We are an accredited Living Wage employer with all our colleagues being paid at or above this level. We continue to offer a progressive suite of family friendly policies and flexible working practices including hybrid working.

We reviewed our Fair Work Statement in June 2025, with the latest version available online here, demonstrating our compliance with Fair Work First requirements:

<https://www.napier.ac.uk/about-us/work-with-us/fair-work-statement>

We make sure that our managers are supported to be responsive, creating a welcoming and supportive working culture through provision of relevant training.

We exceeded our target to increase the proportion of staff from global majority ethnicities employed in decision making, leadership and senior roles (Grade 8 & above) from 6.7% in 2021 to 12% by 2025. At the turn of the year that figure was 13.7%. We are continuing to support that success, recently partnering with Black Professionals Scotland.

As part of our public sector equality duty we report on our Gender Pay Gap each March for the previous year. This period our Gender Pay Gap remains just below 6% (snapshot date 31 March 2024). Our professorial female: male split has largely remained 40:60% over the same period. As we look forward to future work on pay gaps and representation across grades, we will remain committed to being an accredited Living Wage employer, reporting annually on our Gender Pay Gap and enhancing our approach to include intersectional analysis, and routinely undertaking equal pay audits.

Employee engagement remains an important feature of our working practices. A recognition agreement with trade union partners EIS and Unison supports regular consultation on key areas, ensuring a platform for the employee experience to be heard. As part of the University's continuous listening model introduced this year, we undertook a pulse

colleague engagement survey in May 2025, which will contribute to informing future staff engagement initiatives.

## Disability Policy

Edinburgh Napier University welcomes those with visible or hidden disabilities, those with long term health conditions and specific learning difficulties and is committed to providing both students and staff with support in all aspects of university life. This is also supported by our new Equality Outcomes 2025-2029. See page 37.

We take a positive, flexible approach to encouraging full participation of disabled people and make every reasonable effort to anticipate and provide the necessary support, adaptations, equipment and development, in order to enable students and staff to fulfil their potential.

For students this is delivered by our Disability Inclusion Service. Together with students and staff and in particular the Department for Learning and Teaching Enhancement this is also driving forward inclusion as core element of our curriculum enhancement framework – ENhance.

For staff this is delivered through our participation in the Disability Confident scheme, which we have recently gained reaccreditation at Level 2 (Employer). This scheme encourages us to think differently about disability and take action to improve how we recruit, retain and develop people.



## Key Performance Indicators

Our 2024 – 2025 Performance

KEY PERFORMANCE INDICATOR	2024/25 ACTUAL
TPG Students (FTE)	3,800
RPG Students (FTE)	245
International Students on-campus (FTE)	2,860
TNE Income (including online)	£9.3m
Proportion of SMID20 entrants	14%
Student Satisfaction (NSS / PTES)	80% / 88%
Positive Progression	89%
Graduate level employability (positive destinations)	74% (95%)
Income from research and knowledge exchange	£7.4m
Staff engagement	74%
Net carbon emissions (tonnes CO <sub>2</sub> equivalent) *	3,010.5
Total income / operating deficit	£158.8m / £2.5m

\*In line with our Environmental Sustainability Strategy, Plan Vivo verified ethical carbon credits were applied to offset business travel emissions only. Given business travel emissions accounted for 1,153.6 tCO<sub>2</sub>e out of a total of absolute emissions of 4,164.1 tCO<sub>2</sub>e in 2024/25, allocating credits results in the net total shown.





# Financial Review

Our financial strategy is focused on strengthening our balance sheet and generating an underlying surplus, to provide financial resilience and to demonstrate the University's commitment to ensuring its financial health and sustainability. This will provide the platform to deliver our ambitious capital investment across our estate and digital environment enabling our teaching, learning and research strategies. Our finance strategy is designed to effectively address key operational challenges which include maintaining high levels of student and staff satisfaction while planning and responding effectively to changes in the external environment.

We aim to ensure the basket of financial sustainability metrics is always at a weighted, acceptable level, maintaining access to liquidity that will allow us to meet our obligations, even under stress.

Our performance against these metrics in 2024/25 is summarized below:

- Our ratio of academic to professional staff was 0.8:1 (Target 1:1).
- Our ratio of staff costs to income was 66% (Target less than 60%)
- Our underlying operating deficit was 2% of total income (Target 5% surplus)
- We reduced our reliance on core SFC income to 38% (Target less than 50%)

## Scope of the Financial Statements

The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, regulation 14 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (SORP), and in accordance with applicable accounting standards. The University is a public benefit entity and therefore has applied relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of certain fixed assets).

## Income and Surplus

Following strong income growth in recent years, income for 2024/25 fell slightly. Tuition fees from international student recruitment were lower than anticipated, attributable to the



ongoing uncertainty over UK policies towards international students. These challenges are ongoing and have been felt across the UK Higher Education sector.

Our SFC grant income has been impacted by recovery of funds through under recruitment of SFC funded students, and makes up 37.5% of our income in 2024/25. Our strategic aim is still to reduce dependency on government funding by growing the diversity of our income streams although it is worth noting that while the University is reliant on and immensely grateful for the SFC income, payroll taxes and the irrecoverable VAT paid and contributed back to UK government totalled some £30.4m in 2024/25.

Offsetting the reductions above, we delivered increases in our non-academic income, including our residences and catering, whilst sustained higher interest rates have supported growing investment income.

£m	2024/25 Excl. Dev Trust	2024/25 Inc. Dev Trust	2023/24 Excl. Dev Trust	2023/24 Inc. Dev Trust
<b>Income</b>	158.8	159.3	166.8	167.2
<b>Expenditure</b> before pension charges	(161.3)	(161.7)	(164.8)	(165.0)
<b>Surplus / (deficit)</b> before exceptional items	(2.5)	(2.4)	2.0	2.2
Exceptional items	-	-	(2.0)	(2.0)
<b>Surplus / (deficit)</b> before other gains / losses	(2.5)	(2.4)	0.0	0.2
Other gains / (losses)	0.0	0.1	0.0	0.1
<b>Surplus / (deficit)</b> before pension charges	(2.5)	(2.3)	0.0	0.3
Pension (charges) / credits	0.3	0.3	4.8	4.8
Actuarial gain / (loss)	(0.4)	(0.4)	(5.4)	(5.4)
<b>Net surplus/ (deficit) for the year</b>	(2.6)	(2.4)	(0.6)	(0.3)

In response to reductions in key income streams, savings have been achieved in both pay and non-pay costs. Staff costs, excluding pension adjustments, fell by £2.9m compared to 2023/24. This corresponds to reduced staff numbers, with the average staff FTE falling from 1,651 in 2023/24 to 1,577 in 2024/25, with a policy to only recruit into essential roles.

The savings impact of this reduction has been limited by increased employer's national insurance, STSS pension contributions and the pay award for the year.

The University achieved an operating deficit of £2.5m for 2024/25. Whilst this is below our strategic surplus target, the income downsides in tuition fees and SFC grants have been mitigated significantly through cost savings. As discussed in the Strategic & Operational Report, our key areas of focus for 2025/26 include delivery of additional income streams and shape and size efficiencies to ensure future sustainability.

Our LGPS pension valuation at July 2025 shows a surplus on our scheme of £121.7m, an increase from £90.8m at July 2024. However, under accounting standards although there is surplus position on the scheme there is a ceiling to which this can be recognised in the annual accounts based on the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Consistent with July 2024, the increased surplus of £121.7m at July 2025 has been capped at nil; the pension credits of £0.4m being offset by the equivalent actuarial loss. Our unfunded scheme has a liability of £8.5m at July 2025.

## Balance Sheet

A summary of our Balance Sheet is tabled below. The operating deficit for the year has resulted in a reduction in our net assets from £140.0m to £137.6m.

### Our Balance Sheet (£000)

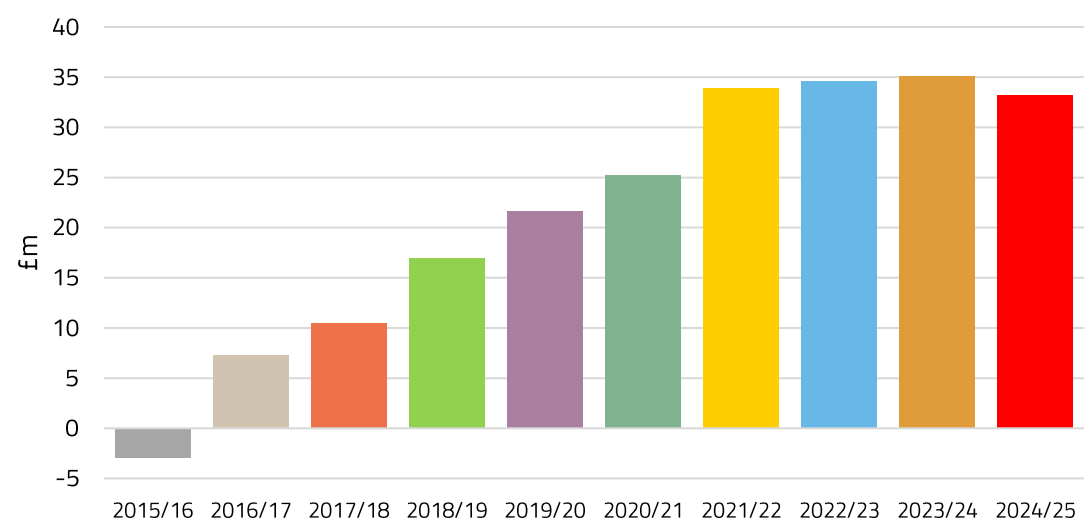
	2025	2024
Non-current assets	113,772	114,623
Current assets	82,214	80,306
Current liabilities	(49,032)	(45,210)
<b>Net current assets</b>	<b>33,182</b>	<b>35,096</b>
Creditors >1 year	(774)	(267)
Provisions	(8,544)	(9,454)
<b>Net assets</b>	<b>137,636</b>	<b>139,998</b>



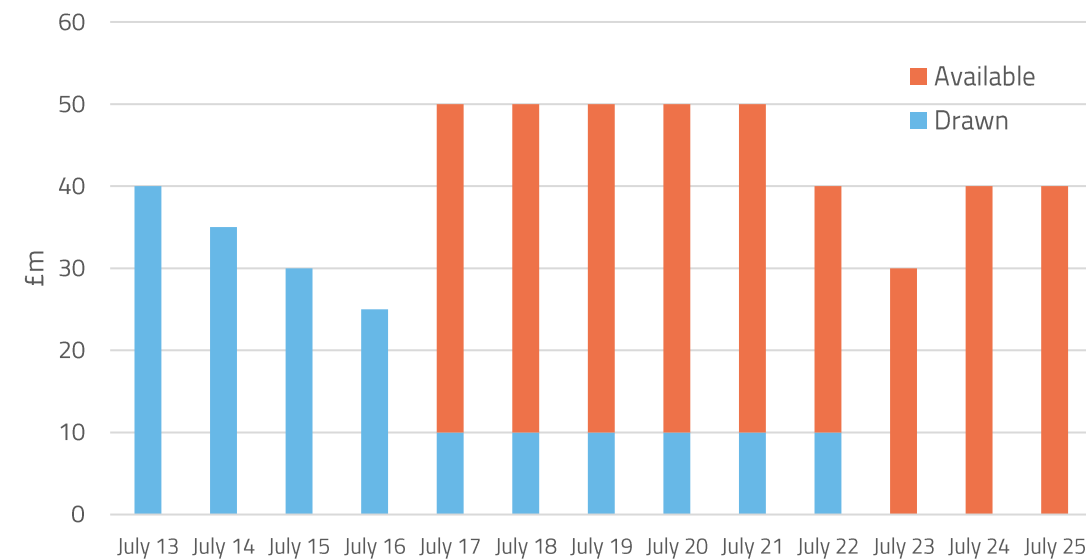
Our liquidity as represented by net current assets have been stable in recent years, however this has fallen by £1.9m in 2024/25 as capital and other investment exceeded cash generation. We currently have no utilised bank borrowings.

It is the University’s policy that payments to suppliers are made in accordance with those terms and conditions agreed between the University and its suppliers, providing that all trading terms and conditions have been complied with. At 31 July 2025, there was an average of 28 days purchases (2024 – 28 days) outstanding in trade creditors. No interest was paid under the Late Payment of Commercial Debts (Interest) Act 1998.

**Net Current Assets**



**Bank Loans**



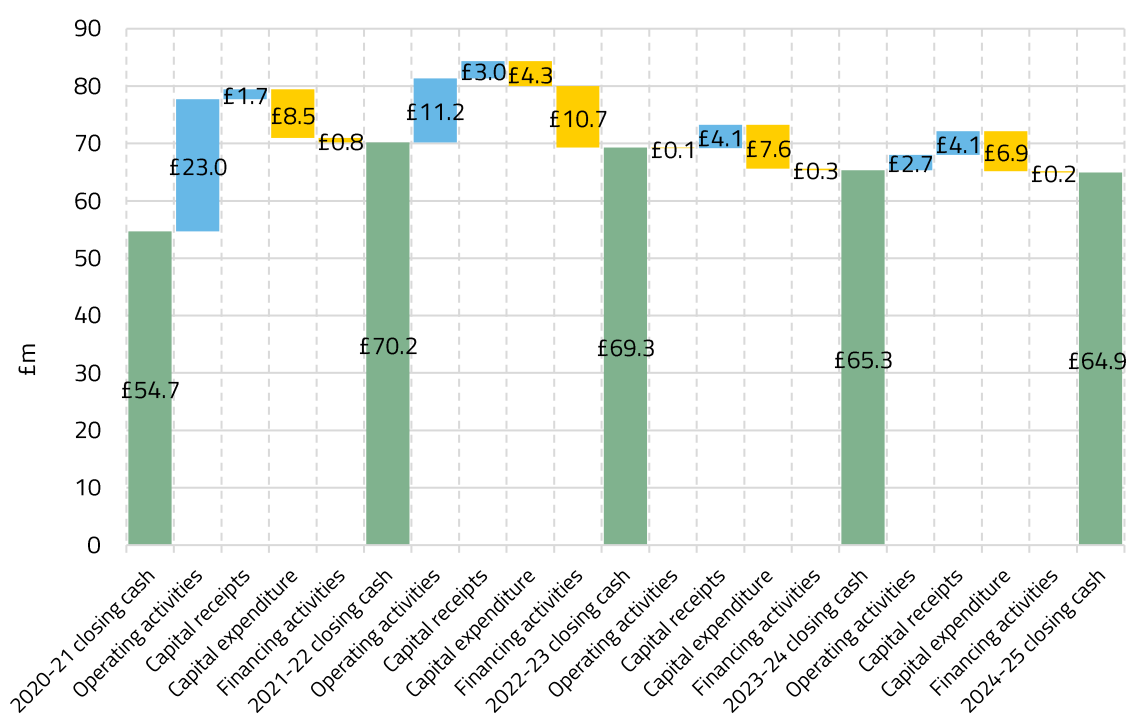
## Cash, Cashflow and Loans

Cash and short-term deposits are £64.9m at 31 July 2025. This is a decrease of £0.4m during the year and can be summarised as follows:

- Net cash outflow from operating activities was £2.7m.
- Investing in fixed assets totalled £6.4m. This was offset by asset sales, capital grant receipts and investment income totalling £9.4m, resulting in a net cash outflow from investing activities of £3.0m.
- Financing activities were £0.2m

In August 23 we agreed to increase our revolving credit facility (RCF) with the Bank of Scotland to £40m.

### Cash and Deposit Movement



### Key Performance Indicators

Financial Key Performance Indicator	2020/21	2021/22	2022/23	2023/24	2024/25
Gearing – debt as a % of Net Assets	18	6.4	0	0	0
External borrowing as a % of income	7.8	6.7	0	0	0
Unrestricted reserves as a % of income	33.1	97.2	79.2	82.2	81.9
Total net assets (£000)	55,429	156,264	140,251	139,998	137,636
Income per staff FTE (£)	94,435	99,336	103,897	101,180	101,015

## Development and Alumni

The Development and Alumni Relations Office undertakes alumni engagement, philanthropic fundraising and external engagement to grow supportive networks. Edinburgh Napier Development Trust is a charity (Charity Reg No. SC030225) governed by a separate Board of Trustees which includes co-opted members from the University's Court.

Since 2019 the Development Trust has expanded the portfolio of philanthropic funding opportunities to research as well as student support. The funds raised support student scholarships and bursaries, collections, research, early-stage student entrepreneurship and citizenship programmes across all five Schools and three campuses.

*'Philanthropic donor support that champions early career researchers in cardiovascular healthcare is helping to deliver lasting impact. It is encouraging talented healthcare professionals to pursue a career in research. Through the research led by Professor Lis Neubeck and the team at Edinburgh Napier University, patients across Scotland and beyond are empowered to manage their disease and live with confidence.'*

**Catherine Ross**, Chief Scientific Officer for Scotland

Thanks to the donations made by alumni, friends, charitable trusts, foundations and corporates, Edinburgh Napier University Development Trust ("the Trust") raised £562,639 in 2024/25 (£1.1M 2023/24). In addition, a further £195,381 of funding was secured by the Development Office, which went directly into the University Account making the total funding secured by the Development Office £758,019.

*'The scholarship is easing a great many financial worries for me. I gave up a full-time post within the NHS to pursue my dream to become a midwife, but I have two young children and a mortgage. I knew it would be challenging, and particularly difficult to do supplementary work alongside my placement hours. I am so grateful for this support'*

**Claire Bird** is studying BM Midwifery through the support of a **Roger and Jean Miller Nursing Scholarship**

Throughout the year, a total of £422,184 was disbursed to support UK and international students who are currently studying. The funding provides additional financial assistance and encouragement for students to be able to make the most of their time at university. This includes support for travel, research, project materials and also crisis funding support.

*'This support allowed me to complete a placement as part of my Professional Graduate Diploma in Education (PGDE) to become a high school maths teacher. I couldn't afford the travel costs, and without a bursary I would have needed to postpone my studies. My placement went really well, and I grew my abilities. I am so thankful for the support.'*

**Andrew Norby**, Professional Graduate Diploma in Education (Maths)

With the climate emergency and concern to address the challenges to reach net-zero targets, we have seen a growth in philanthropic funding to support innovative interdisciplinary research programmes. One project includes the expansion of a mangrove research programme in Africa. The research has been led by ENU's Centre for Conservation and Restoration who work collaboratively with local partner organisation ACES (Association for Coastal Ecosystems Services). Not only does the £110k philanthropic gift further research into carbon capture and contribute solution for the global community, it also helps to establish a sustainable community enterprise. Through the research the programme has helped grow the skillset of the local indigenous population in Kenya and The Gambia, resulting in improved education, healthcare and infrastructure for the small coastal communities.

Santander Universities continue to be a major funder with £50k received in-year 2024-25. Alongside other supportive individuals and corporates, their focus on encouraging student entrepreneurs has provided grants for prototyping and testing innovations.

HUB for SUCCESS, the University's pioneering support for care-experienced students, continues to expand a programme of work across Edinburgh and SE Scotland. In 2023-24 the project secured £285k, from partners, individuals and Trusts and Foundations. Their sustained support has continued to support the expansion of a successful new holistic support programme which has been proven over the past five years. A key achievement is the Hub for Success Ambassador Programme, which helps train up and enable those who are care-experienced to lead change. Through skills development and training, the



ambassadors contribute to government and organisational debate, supporting the design and introduction of new initiatives. The Ambassador cohort for the past year has been recognised for their contribution to help shine a light on the difficulties faced by those with lived-experience, leading to long-overdue system and policy change. Their work has brought about lasting change to benefit those who are care-experienced across Scotland, enabling them to get into, stay in and move on from higher education.

*'We were impressed by the innovative model delivered by the small team at Hub for Success, and particularly by the engagement of care-experienced students to champion and deliver the change that is needed.'*

**The Vardy Foundation**

## Sustainable Procurement

The procurement service continues to be delivered by Advanced Procurement for Universities and Colleges (APUC), the sector's Centre of Procurement Expertise, in the form of the Edinburgh Region Procurement Team (ERPT), a shared service with Edinburgh College. The shared service continues to provide improved leverage in the supply chain and increased resilience in service provision for both institutions involved.

Delivering savings and improved value for money remains a focus for the team, whilst balancing the increased focus on the social, ethical, and environmental impacts within the supply chain.

Responsible procurement continues to be at the heart of procurement activity. The procurement team works closely with the environmental sustainability manager on a number of projects to encourage alignment with the University's environmental strategy.

For all open tenders with a contract value above the Scottish Government threshold, the University uses the APUC template for tenders. This tender document includes criteria which sets out sustainable procurement requirements along with mandatory questions on the Modern Slavery Act, Living Wage and Community Benefits. Potential bidders are also required to complete the Supply Chain Code of Conduct which covers social, ethical and environmental compliance as well as economic development.

Sustainable procurement within the University enables a focus on a whole life cycle approach to reduce environmental impact while supporting positive economic and social outcomes. The University is committed to providing fair access to contracting opportunities for business of all sizes.

The University is an affiliate member of Electronics Watch, which assists public sector members by monitoring supply chains to ensure the protection of labour rights of workers. Through APUC the University is also an early adopter of EcoVadis, a global business sustainability ratings company. For high-risk or high-value suppliers, the goal is to encourage an EcoVadis assessment and certification.



# Corporate Governance Statement

Edinburgh Napier University is committed to exhibiting good practice in all aspects of corporate governance. This summary describes the way the University has applied the principles set out in the Scottish Code of Good Higher Education Governance as directed by the SFC. Its purpose is to help the reader of the financial statements understand how the principles have been applied.

## Statement of full compliance

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

Effectiveness Reviews are conducted by the Court on a quinquennial basis, most

recently in 2023, to ensure compliance and to ensure appropriate ongoing enhancement of governance arrangements at the University. The report of the 2023 Court Effectiveness Review is published on the University's website. The Review was led by Advance HE, and the conclusions noted:

"Overall, we found evidence of good and effective governance, with some significant strengths. The operational foundations of effective governance are in place – the structures, systems, and processes – and enacted to enable governance to be practised effectively; we found evidence of rigorous review against compliance and for continuous improvement. The commitment of all parties involved in governance and leadership of the University to the ENU [Edinburgh Napier University] mission and ambitions is evident and strong. The relevant KPIs and reporting cycles ensure Court has high-level oversight of performance."

Recommendations were identified and implemented as part of our ongoing continuous improvement.

## University Court

The University Court meets at least four times a year with up to two further strategy events held in conjunction with senior management and has a committee structure through which it conducts its business.

Each committee has formally constituted terms of reference and constitutions. These committees include: a Finance and Property Committee, a Nominations Committee, a Remuneration Committee and an Audit and Risk Committee.

Revisions to Court's constitution necessitated by the revised membership requirements introduced by the Higher Education Governance (Scotland) Act 2016 were made by the Privy Council through an amendment to the University's Statutory Instrument on 22 May 2018.

The Edinburgh Napier University Amendment Order of Council 2018 was laid before the Scottish Parliament on 24 May 2018 and came into force on 15 September 2018. In proposing these changes, Court ensured that its total membership remained at a maximum of 25 and sought to secure an appropriate balance of elected, ex-officio and appointed members which would ensure a range of skills and experience on the Court and its subcommittees sufficient to

enable the effective discharge of its functions.

The Finance and Property Committee, in its range of responsibilities, recommends to the Court the University's annual revenue and capital budgets and monitors performance in relation to approved budgets.

In parallel with the Audit and Risk Committee, Finance and Property Committee also reviews the financial statements and makes appropriate recommendations regarding their approval to the Court. The Chair of Court ensures that Court fulfils its responsibilities as set out in the Statutory Instrument by means of its Statement of Primary Responsibilities, reserved powers and the scheme of delegated responsibility.

The Nominations Committee manages the process of filling vacancies in the external membership of Court and makes recommendations on the membership and convenorship of Court's sub-committees. The University fulfils its responsibility for ensuring that a process is in place to make appropriate training available to Court members as required and has put in place an induction and development framework to support this. In the past year, members have been given the opportunity to attend governor development events run by Advance HE



and other relevant externally organised development events. The University provides administrative and financial support to members to enable their attendance.

The Remuneration Committee determines the remuneration of the most senior staff, including the Principal.

Details of the remuneration of senior post-holders for the year ended 31 July 2025 are set out in the notes to the financial statements.

Meetings of the Audit and Risk Committee are attended by the University's external and internal auditors. The Audit and Risk Committee advises the Court on the appointment of the internal and external auditors and the auditors' remuneration. In parallel with the Finance and Property Committee, it also reviews the financial statements and makes appropriate recommendations regarding their approval to the Court.

The University's internal auditors monitor the systems of internal control, risk management controls and governance processes in accordance with an agreed plan and report their findings to management and the Audit and Risk Committee.

Audit and Risk Committee considers detailed internal audit reports and their recommendations for the improvement of

the University's systems of internal control. Management is responsible for the implementation of agreed audit recommendations and the internal auditors undertake periodic follow-up reviews to ensure that such recommendations have been implemented.

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

It is the opinion of the University's internal auditors that the University has a framework of controls in place that provides reasonable / moderate assurance regarding the organisation's governance framework, internal controls, effective and efficient achievement of objectives and the management of key risks.

Whilst members of the University Leadership Team attend meetings of the Audit and Risk Committee as necessary, they are not members of the committee, and the convenor meets both the internal and external auditors on their own for independent discussions.

## Corporate Strategy

In respect of its strategic and development responsibilities, the Court receives recommendations and advice

from members of the University Leadership Team. The Court holds up to two annual conferences with the University Leadership Team and other senior managers to discuss strategic issues facing the University. It is the Court that approves the University Strategy and puts in place appropriate measures by which it can monitor progress.

### University Court Statement on Internal Control

The University Court is responsible for the system of internal control and has delegated to the Principal the review of its effectiveness, as the nominated officer responsible to the SFC for propriety and regularity in the use of public funding and for the economic, efficient and effective use of all available resources. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Court and University Leadership Team receive reports setting out key performance and risk indicators and consider possible control issues brought to their attention by early warning mechanisms which are embedded within the operational units and reinforced by risk awareness activity. Ongoing improvements have been made to the

institutional performance monitoring reports provided to the Court.

The Court regularly considers risk and control and receives reports thereon from the University Leadership Team and the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2024 meeting the Court received the annual report from the Audit and Risk Committee covering the period to 31 July 2024. An annual risk review process is overseen by the Audit and Risk Committee which identifies the University's top strategic and corporate risks and the Court receives regular risk monitoring reports at its meetings throughout the year.

The Court is of a view that there is an ongoing process for identifying, evaluating and managing the University's significant risks that has been in place throughout the year ended 31 July 2025 and up to the date of approval of the annual report and financial statements. This process is reviewed regularly by the Court and accords with current good practice of governance in the higher education sector of the UK.

## Going Concern

The Court considers that the University has adequate resources to continue in operational existence for the foreseeable

future, and at least 12 months from the date of the approval of the financial statements, as described in more detail on page 79.

## Conclusion

The Court considers that a robust set of governance arrangements and procedures are in place to allow it to fulfil its responsibilities.

On behalf of the University Court,



**Rex Tomlinson**

Chair of University Court



**Professor Sue Rigby**

Principal and Vice-Chancellor

December 2025

## General Information

Chancellor	Will Whitehorn OBE MA FRAeS FCILT FMS
Chair of Court	Rex Tomlinson BCom HDPM SEP
Principal and Vice-Chancellor	Professor Andrea M Nolan CBE MVB FRCVS DVA PhD DipIECVA DipECVPT (To 31 December 2024)
Principal and Vice-Chancellor	Professor Sue Rigby MA(Oxon), PhD(Cantab), FRSE, PFHEA (From 01 January 2025)
Secretary to University Court	Michael Greenhalgh BSc
Director of Finance and Operations	Andy McGoff MA (Hons) CA (To 31 July 2025)
Finance Director	Laura Wright BA (Hons) CA (From 01 August 2025)
External Auditor	KPMG LLP 319 St Vincent St Glasgow G2 5AS (To 31 March 2025)
External Auditor	AAB, 81 George St, Edinburgh, EH2 3ES (From 01 April 2025)
Internal Auditor	PricewaterhouseCoopers LLP 141 Bothwell Street Glasgow G2 7EQ
Banker	Royal Bank of Scotland plc 142-144 Princes Street Edinburgh EH2 4EQ
Solicitor	Anderson Strathern LLP 58 Morrison St Edinburgh EH3 8BP
Actuary	Mercer Limited G1 Building 5 George Square Glasgow G2 1AR





## University Leadership Team

Professor Andrea Nolan	Principal and Vice-Chancellor (To 31 December 2024)
Professor Sue Rigby	Principal and Vice-Chancellor (From 01 January 2025)
Professor Nazira Karodia	Deputy Vice Chancellor and Vice-Principal of Learning and Teaching
Andy McGoff	Director of Finance and Operations (To 31 July 2025)
	Vice Principal of Business Engagement and Dean of the Business School (From 01 August 2025)
Laura Wright	Finance Director (From 01 August 2025)
Carolann Begbie	Director of People and Student Services (To 31 July 2025)
	Director of People, Information Services and Student Services (from 01 August 2025)
Professor Nick Antonopoulos	Deputy Vice Chancellor and Vice-Principal of Research and Innovation (To 09 May 2025)
Naomi Graham	Vice Principal International and External Relations
Michael Greenhalgh	Director of Strategy and Planning and Secretary to Court (To 31 July 2025)
	Director of Finance, Strategy and Planning and Secretary to Court (From 01 August 2025)
Professor Gary Hutchison	Assistant Principal for External Engagement (From 01 July 2025)

## Court Membership

The following persons served as members of Court during the year to 31 July 2025, and up to the date of approval of these Financial Statements. In the case of those who became or ceased to be members during the year, the appropriate dates are shown.

Court Member	Date of Appointment	Date of Retirement	Category
Paolo Alonzi		31 December 2024	Non-Executive
Prof Peter Andras			Staff
Prof Nick Antonopoulos		09 May 2025	Vice-Principal
Austen Brunton	01 August 2025		Student
Ryan Cairns		31 July 2025	Student

<b>Court Member</b>	<b>Date of Appointment</b>	<b>Date of Retirement</b>	<b>Category</b>
Debs Chapman			Non-Executive
Prof Max Chipulu			Staff
Jeremy Chittleburgh			Non-Executive
Prof Stuart Cross			Non-Executive
Dr Vanessa Davies	01 August 2025		Non-Executive
Linda Duncan			Non-Executive
Evans Eghan			Student
Dr Kirsty Hewitson		07 July 2025	Non-Executive
Prof Nazira Karodia	02 May 2025		Vice-Principal
Sonia Kumar			Non-Executive
Prof Nick Lieven	01 August 2025		Non-Executive
Liz McAreavey	12 June 2025		Non-Executive
Malcolm Melville			Non-Executive
Qing Miao			Non-Executive
Prof Andrea Nolan		31 December 2024	Principal and Vice-Chancellor
Tayo Oyinlola		31 July 2025	Non-Executive
Dr Holly Patrick-Thomson			Staff
Lady Ann Paton			Non-Executive
Prof Sue Rigby	01 January 2025		Principal and Vice-Chancellor
David Scott	01 August 2025		Non-Executive
Paul Sim			Staff
Rex Tomlinson			Non-Executive
Peter Upton			Non-Executive
Helen Wareing			Staff
Prof Lesley Yellowlees			Non-Executive

## Court Membership – Attendance

The following persons who served as members of Court during the year to 31 July 2025, are shown below with their attendance records at relevant Committees.

Name	Court	Audit & Risk Committee	Finance & Property Committee	Nominations Committee	Remuneration Committee
Paolo Alonzi	0%				
Prof Peter Andras	100%			100%	
Prof Nick Antonopoulos	100%		75%		
Ryan Cairns	100%				
Debs Chapman	50%				
Prof Max Chipulu	75%				
Jeremy Chittleburgh	100%	100%		100%	100%
Prof Stuart Cross	100%	75%		100%	100%
Linda Duncan	100%	100%	100%		
Evans Eghan	100%			33%	50%
Dr Kirsty Hewitson	0%				
Prof Nazira Karodia	100%		100%		
Sonia Kumar	100%	75%			
Liz McAreavey	100%				
Malcolm Melville	100%		100%		
Qing Miao	100%		100%		
Prof Andrea Nolan	100%	100%	100%	100%	100%
Tayo Oyinlola	75%		60%		
Lady Ann Paton	100%				
Dr Holly Patrick-Thomson	100%				100%
Prof Sue Rigby	100%	100%	100%	100%	100%
Paul Sim	100%				
Rex Tomlinson	100%		100%	100%	50%
Peter Upton	100%	75%			
Helen Wareing	100%				
Prof Lesley Yellowlees	100%		100%	50%	100%





# Statement of Responsibilities of the University Court

The University Court has unambiguous and collective responsibility for the oversight of the University's activities and determining its future direction. In addition, in accordance with its Statutory Instrument, the University Court is responsible for the administration and management of the affairs of the University including ensuring an effective system of internal control and is required to present audited financial statements for each financial year.

The Court, however, ensures that its functions relating to the organisation and management of the University are discharged by the Principal and may delegate such other of its functions and powers as the Court may from time to time determine. In discharging such functions, the Principal is subject to the strategic direction and control of the Court, but otherwise the Principal has all the powers and duties of the Court in relation to the implementation of such strategy. The full Statement of Primary Responsibilities of the University Court is published on the University's website.

The Court is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the University and to enable it to ensure that the financial statements are prepared in accordance with the University's Statutory Instrument, the Statement of Recommended Practice:

Accounting for Further and Higher Education and other relevant standards. In addition, within the terms and conditions of the SFC Financial Memorandum, the Court, through its designated officer, is required to prepare financial statements for each financial year which give a true and fair view of the situation of the University and of its surplus or deficit and cash flows for that year.

The Court takes proper account of the interests of stakeholders, including students, staff, alumni, the wider community and funding bodies.

In causing the financial statements to be prepared, the Court has ensured that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- financial statements are prepared which comply with the Charities and Trustee Investment (Scotland) Act 2005;
- the ability to continue as a going concern has been assessed and matters relating to going concern have been disclosed, as applicable;
- financial statements are prepared on the going concern basis, unless they intend to liquidate the Group or University or to cease operations or have no realistic alternative but to do so. The Court is satisfied that it has adequate resources to continue in operation for the foreseeable future (at least 12 months from the date of approval of the financial statements); for this reason, the going concern basis continues to be adopted in the preparation of the financial statements.

The Court has taken reasonable steps to:

- ensure that funds from the SFC are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the SFC and any other conditions which the SFC may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and prevent and detect fraud;
- secure the economical, efficient and effective management of the University's resources and expenditure.

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

- clear definitions of the responsibilities of, and the authority delegated to, Senior Managers, Deans of Schools and Directors of Professional Services, as set out in the University's Schedule of Delegated Authority;
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets;
- regular reviews of key performance indicators and business risks;
- periodic reviews of financial results involving variance reporting and periodic updates of forecast outturns;
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Court;
- comprehensive Financial Procedures and Regulations, detailing financial controls and procedures, approved by the Audit and Risk Committee and the Finance and Property Committee;
- a professional third-party Internal Audit team whose annual programme is approved by the Audit and Risk Committee and endorsed by the Court. Internal Audit provides the Court with a report on internal audit activity within the University and an opinion on the adequacy and effectiveness of the University's system of internal control, including internal financial control.

Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.



Rex Tomlinson, Chair of University Court  
December 2025







# Independent Auditor's Report To The Court of Edinburgh Napier University

## Opinion

We have audited the financial statements of Edinburgh Napier University ('the institution' or 'the University') for the year ended 31 July 2025 which comprise the Statement of Comprehensive Income and Expenditure, Balance Sheet, Cash Flow Statement, Statement of Changes in Reserves, and the related notes 1 to 29, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the University's state of affairs as at 31 July 2025 and of the income and expenditure, recognised gains and losses, changes in reserves, and of the University's statement of cash flows for the year for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, and relevant legislation; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 University's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## Other information

The University Court is responsible for the other information. The other information comprises the information included in the annual report set out on pages 1-64, other than the financial statements and our auditor's report thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

## Opinion on other matters prescribed by the Scottish Funding Council's Financial Memorandum with Higher Education Institutions

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

- The Scottish Funding Council'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 the Scottish Funding Council have been applied in accordance with the requirements of the Scottish Funding Council 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 where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

## Responsibilities of the University Court

As explained more fully in the Statement of Responsibilities of Court set out on pages 61–63, the University Court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the University Court determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Court is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the University Court either intend to liquidate the institution or to cease operations, or have 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 Acts 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.

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

We obtained an understanding of the legal and regulatory frameworks within which the University operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Charities and Trustee Investment (Scotland) Act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the institution's key performance indicators to meet targets;
- Income recognition for specific income streams; and
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the University needs to comply with for the purpose of trading.

Our approach is as follows:

- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage income and expenditure. Where this risk was considered higher, we performed audit procedures to address the risk of fraud and management override. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error;
- We have performed analytical and/or substantive procedures over all significant revenue streams;
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the University and determined that the most significant are FRS 102 and Statement of Recommended Practice for Further and Higher Education;
- We understood how the institution is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through our review of the Court minutes and papers provided to the Audit and Risk Committee, as well as consideration of the results of our audit procedures to either corroborate or provide contrary evidence which was then followed up; and
- Based on this understanding we designed our audit procedures to identify non-compliance 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 and a review of Court minutes to identify any non-compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements



or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities 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 of Edinburgh Napier University, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 Edinburgh Napier University and the University Court as a body, for our audit work, for this report, or for the opinions we have formed.



**Andrew Shaw**

for and on behalf of  
AAB Audit & Accountancy Limited  
Statutory Auditor  
81 George Street Edinburgh  
EH2 3ES

Date: 12 December 2025

AAB Audit & Accountancy Limited is eligible to act as an auditor under section 1212 of the Companies Act 2006



# Financial Statements

## Consolidated and University Statement of Comprehensive Income and Expenditure, year to 31 July 2025

		Year End 31 July 2025		Year End 31 July 2024	
	Notes	Consolidated £000	University £000	Consolidated £000	University £000
<b>Income</b>					
Scottish Funding Council grants	2	59,756	59,756	66,828	66,828
Tuition fees and education contracts	3	66,845	56,009	71,124	59,639
Research grants and contracts	4	5,905	5,442	5,476	5,231
Other income	5	23,382	22,171	19,799	18,729
Investment income	6	2,855	2,807	7,676	7,633
Donations and endowments	7	521	4,560	853	6,025
<b>Total income</b>		<u>159,264</u>	<u>150,745</u>	<u>171,756</u>	<u>164,085</u>
<b>Expenditure</b>					
Staff costs	8	104,406	99,153	106,809	100,799
Restructuring costs		186	186	58	57
Other operating expenses		49,100	45,778	52,380	49,629
Depreciation	12	7,111	7,093	7,172	7,157
Interest and other finance costs	10	245	245	242	242
<b>Total expenditure</b>	9	<u>161,048</u>	<u>152,455</u>	<u>166,661</u>	<u>157,884</u>
<b>Surplus before other gains and losses</b>		(1,784)	(1,710)	5,095	6,201
Gain / (loss) on disposal of non-current assets		8	8	-	-
Gain / (loss) on investments		69	10	148	44
<b>Surplus before tax</b>		<u>(1,707)</u>	<u>(1,692)</u>	<u>5,243</u>	<u>6,245</u>
Taxation	11	(280)	(166)	(72)	48
<b>Surplus for the year</b>		<u>(1,987)</u>	<u>(1,858)</u>	<u>5,171</u>	<u>6,293</u>
Actuarial loss in respect of pension schemes	20	(375)	(375)	(5,424)	(5,424)
<b>Total comprehensive income / (expenditure) for the year</b>		<u>(2,362)</u>	<u>(2,233)</u>	<u>(253)</u>	<u>869</u>
Represented by:					
Endowment comprehensive income for the year		42	27	55	20
Restricted comprehensive income for the year		208	-	281	-
Unrestricted comprehensive income for the year		(2,612)	(2,260)	(589)	849
		<u>(2,362)</u>	<u>(2,233)</u>	<u>(253)</u>	<u>869</u>

The accompanying notes form part of these financial statements



## Consolidated and University Statement of Changes in Reserves, Year to 31 July 2025

	Endowment £000	Income and expenditure reserve Restricted £000	Unrestricted £000	Revaluation Reserve £000	Total £000
<b>Consolidated</b>					
Balance at 1 August 2023	762	1,448	133,716	4,325	140,251
Surplus / (deficit) from the income and expenditure statement	55	281	4,835	-	5,171
Other comprehensive expenditure	-	-	(5,424)	-	(5,424)
<b>Total comprehensive expenditure for the year</b>	<u>55</u>	<u>281</u>	<u>(589)</u>	<u>-</u>	<u>(253)</u>
Balance at 1 August 2024	817	1,729	133,127	4,325	139,998
Surplus from the income and expenditure statement	42	208	(2,237)	-	(1,987)
Other comprehensive expenditure	-	-	(375)	-	(375)
<b>Total comprehensive income / (expenditure) for the year</b>	<u>42</u>	<u>208</u>	<u>(2,612)</u>	<u>-</u>	<u>(2,362)</u>
<b>Balance at 31 July 2025</b>	<u><u>859</u></u>	<u><u>1,937</u></u>	<u><u>130,515</u></u>	<u><u>4,325</u></u>	<u><u>137,636</u></u>
<b>University</b>					
Balance at 1 August 2023	312	-	127,349	4,325	131,986
Surplus / (deficit) from the income and expenditure statement	20	-	6,273	-	6,293
Other comprehensive expenditure	-	-	(5,424)	-	(5,424)
<b>Total comprehensive expenditure for the year</b>	<u>20</u>	<u>-</u>	<u>849</u>	<u>-</u>	<u>869</u>
Balance at 1 August 2024	332	-	128,198	4,325	132,855
Surplus from the income and expenditure statement	27	-	(1,885)	-	(1,858)
Other comprehensive expenditure	-	-	(375)	-	(375)
<b>Total comprehensive income for the year</b>	<u>27</u>	<u>-</u>	<u>(2,260)</u>	<u>-</u>	<u>(2,233)</u>
<b>Balance at 31 July 2025</b>	<u><u>359</u></u>	<u><u>-</u></u>	<u><u>125,938</u></u>	<u><u>4,325</u></u>	<u><u>130,622</u></u>
The accompanying notes form part of these financial statements					



## Consolidated and University Balance Sheet, Year to 31 July 2025

	Notes	Year End 31 July 2025		Year End 31 July 2024	
		Consolidated £000	University £000	Consolidated £000	University £000
<b>Non-current assets</b>					
Fixed assets	12	111,387	111,309	112,471	112,409
Investments	13	2,385	828	2,152	812
		<u>113,772</u>	<u>112,137</u>	<u>114,623</u>	<u>113,221</u>
<b>Current assets</b>					
Stock	14	42	42	44	44
Trade and other receivables	15	17,262	13,957	14,969	11,194
Current investments	16	5,879	5,879	11,751	11,751
Cash and cash equivalents	24	59,031	57,874	53,542	52,261
		<u>82,214</u>	<u>77,752</u>	<u>80,306</u>	<u>75,250</u>
Less: creditors falling due within one year	17	<u>(49,032)</u>	<u>(49,949)</u>	<u>(45,210)</u>	<u>(45,895)</u>
<b>Net current assets</b>		<u>33,182</u>	<u>27,803</u>	<u>35,096</u>	<u>29,355</u>
<b>Total assets less current liabilities</b>		146,954	139,940	149,719	142,576
Less: creditors falling due after more than one year	18	<u>(774)</u>	<u>(774)</u>	<u>(267)</u>	<u>(267)</u>
<b>Provisions</b>					
Pensions provision	19	<u>(8,544)</u>	<u>(8,544)</u>	<u>(9,454)</u>	<u>(9,454)</u>
<b>Total net assets</b>		<u>137,636</u>	<u>130,622</u>	<u>139,998</u>	<u>132,855</u>
<b>Restricted reserves</b>					
Income and expenditure reserve – endowment reserve	21	859	359	817	332
Income and expenditure reserve – restricted reserve	22	1,937	-	1,729	-
<b>Unrestricted reserves</b>					
Income and expenditure reserve – unrestricted reserve		130,515	125,938	133,127	128,198
Revaluation reserve		<u>4,325</u>	<u>4,325</u>	<u>4,325</u>	<u>4,325</u>
<b>Total reserves</b>		<u>137,636</u>	<u>130,622</u>	<u>139,998</u>	<u>132,855</u>

The accompanying notes form part of these financial statements

The financial statements were approved by the University Court on 9 December 2025 and signed on its behalf by:



Mr Rex Tomlinson, Chair



Professor Sue Rigby, Principal and Vice Chancellor

## Consolidated Statement of Cash Flows, Year to 31 July 2025

	31 July 2025 £000	31 July 2024 £000
<b>Cash flow from operating activities</b>		
Surplus / (deficit) for the year before tax	(1,707)	5,243
<b>Adjustment for non-cash items</b>		
Depreciation	7,111	7,172
(Gain) / loss on valuation of investments	(69)	(148)
(Increase) / decrease in stock	2	15
(Increase) / decrease in debtors	(2,293)	1,556
Increase / (decrease) in creditors	4,113	(4,913)
Increase / (decrease) in pensions provision	(1,285)	(5,714)
<b>Adjustment for investing or financing activities</b>		
Investment income	(2,837)	(3,170)
Interest payable	245	242
Capital grant income	(295)	(337)
<b>Cash inflow from operating activities</b>	<b>2,985</b>	<b>(54)</b>
Taxation	(280)	(72)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>2,705</b>	<b>(126)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of non-current asset investments	950	1,084
Capital grant receipts	295	337
Investment income	2,837	3,170
Payments made to acquire fixed assets	(5,811)	(7,622)
Payments made to acquire non-current asset investments	(1,114)	(562)
Transfers from / (additions to) short-term deposits	5,872	(11,751)
<b>Net cash inflow / (outflow) from investing activities</b>	<b>3,029</b>	<b>(15,344)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(245)	(289)
<b>Net cash outflow from financing activities</b>	<b>(245)</b>	<b>(289)</b>
<b>Increase / (decrease) in cash and cash equivalents in the year</b>	<b>5,489</b>	<b>(15,759)</b>
Cash and cash equivalents at the beginning of the year	53,542	69,301
Cash and cash equivalents at the end of the year	59,031	53,542
The accompanying notes form part of these financial statements		



# Notes to the Financial Statements

## 1. Principal Accounting Policies

### Basis of preparation

These financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, regulation 14 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Statement of Recommended Practice: Accounting for Further and Higher Education 2019, (SORP) and in accordance with applicable accounting standards. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets).

### Going concern

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 Strategic Report. The Strategic Report also describes the financial position of the Institution, its cash flows, liquidity position and borrowing facilities.

The financial statements have been prepared on a going concern basis which the University Court considers to be appropriate for the following reasons.

The University Audit and Risk Committee has reviewed cash flow forecasts for a period of 24 months from the date of approval of these financial statements. The University Court has discussed and

endorsed the Committee's conclusion that, taking account of severe but plausible downsides, the Group and parent University will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

The 2025/26 budget has been prepared and whilst this shows a deficit position for the year it illustrates that the University will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

The University has a revolving credit facility of up to £40 million, which is currently unused and is not forecast to be utilised during 2025/26.

Consequently, the University Court is confident that the Group and parent University will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

### Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2025. Intra-group transactions are eliminated on consolidation.



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

### **Recognition of income**

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

Tuition fee income is stated gross and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which the students are studying. This represents a change in accounting policy compared to prior years, when the income was recognised when the University was entitled to it. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

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

Funds which 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.

#### ***a) Grant funding***

Government revenue grants and research grants from government sources 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 and released to income as the conditions are met.

#### ***b) Donations and endowments***

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

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

Investment income and appreciation of endowments are recorded in income in the year in which they arise as either restricted or unrestricted income according to the terms of any restriction applied to the individual endowment fund.

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

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

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

### **Accounting for retirement benefits**

The two principal pension schemes operated for the University's staff are the Scottish Teachers' Superannuation Scheme ("STSS") and the Local Government Pension Scheme ("LGPS"). Academic staff join the STSS, whilst the

LGPS provides similar benefits for other employees of the University. Both schemes are defined benefit schemes which are externally funded.

Contributions to the STSS are charged to the income and expenditure so as to spread the cost of pensions over the period during which the University benefits from the employee's services. Variations from regular cost are spread over the expected average remaining working lifetime of members of the scheme after making allowances for future withdrawals.

The contributions are determined by the STSS Trustees on the basis of advice provided by qualified actuaries.

In the LGPS scheme 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 University will recognise a liability for its obligations under the defined benefit scheme net of scheme 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 scheme assets. The calculation is performed by a qualified actuary using the projected unit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in

the future or through refunds from the scheme.

### **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 are accrued and measured as the additional amount which the University expects to pay as a result of the unused entitlement.

### **Finance leases**

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of a finance lease 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 inception 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.

### **Service Concession Arrangements**

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

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

### **Operating leases**

Costs in respect of operating leases are charged on a straight-line basis over the term of the lease

Any lease premiums or incentives are spread over the minimum lease term.

### **Foreign currency**

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling either at year end rates or, where there are related forward foreign exchange contracts, at contract rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

### **Fixed assets**

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets which were revalued to fair value on the date of transition to the 2015 SORP are measured on the basis of deemed cost being the revalued amount at the date of that revaluation. Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

## Land and Buildings

Land is stated at deemed cost on the date of transition to the 2015 SORP. Land is not depreciated as it is considered to have an indefinite life.

Buildings are stated at cost less accumulated depreciation. Costs incurred in relation to buildings after their initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the University.

Buildings are depreciated over their expected useful life of 50 years. Certain items of infrastructure, including wiring and heating installations are depreciated over their expected useful life of 25 years. Temporary buildings are depreciated over the period in which they are granted planning permission.

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

Property which is expected to be sold within one year of the Balance Sheet date is held within Current Assets as an Asset held for sale.

Investment property is initially measured at cost. Subsequent valuations will be at fair value and carried out at least every three years.

## Vehicles and equipment

Equipment, including computers and software, costing less than £10,000 per individual item or group of related items, is written off in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is stated at cost and is depreciated over its useful economic life as follows:

Non-computer equipment	10 years
Furniture	10 years
Residences furniture and fittings	8 years
Computer equipment	3 years
Research equipment	2 years or project life

## Investments

Investments are held at fair value, with movements recognised in the Consolidated Statement of Comprehensive Income and Expenditure.

## Stock

Stock is held at the lower of cost and net realisable value. No account is taken of stock held in academic or professional service departments.

## 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 converted to known amounts of cash with insignificant risk of change in value.

## Provisions

Provisions are recognised in the financial statements when the University has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be



required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## **Taxation**

The University is an exempt charity within the meaning of the 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 (ICTA) Act 1988. The University is recognised as a charity by HM Revenue & Customs and is recorded on the index of charities maintained by the Office of the Scottish Charity Regulator. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 505 of the ICTA 1988 or sections 478 to 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 to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on inputs is included in the costs of such inputs. Any

irrecoverable VAT allocated to tangible fixed assets is included in their cost.

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

## **Reserves**

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as permanently restricted funds 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.

## **Estimation techniques**

The preparation of the financial statements requires management to make estimations that affect the financial statements during the reporting period. Actual results could differ from those estimates. Estimates are principally used when accounting for defined benefit pension schemes and the carrying value and depreciation of tangible fixed assets. Details of the estimates used are set out in the relevant accounting policy and financial statement note.

	Year ended 21 July 2025		Year ended 21 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
<b>2. Scottish Funding Council grants</b>				
Recurrent teaching grant	50,114	50,114	55,102	55,102
Research grant	4,086	4,086	4,010	4,010
Capital grants	295	295	337	337
Other grants	5,261	5,261	7,379	7,379
	<u>59,756</u>	<u>59,756</u>	<u>66,828</u>	<u>66,828</u>
<b>3. Tuition fees and education contracts</b>				
Scotland and EU fees	18,809	18,809	18,618	18,618
Other UK fees	3,966	3,966	4,568	4,568
Non-EU fees	42,554	33,234	45,647	36,453
Non-credit bearing course fees	1,516	-	2,291	-
	<u>66,845</u>	<u>56,009</u>	<u>71,124</u>	<u>59,639</u>
<b>4. Research grants and contracts</b>				
Research councils and charities	1,747	1,747	1,758	1,758
Industry and commerce	1,451	988	1,322	1,077
Government	1,644	1,644	1,469	1,469
Other	1,063	1,063	927	927
	<u>5,905</u>	<u>5,442</u>	<u>5,476</u>	<u>5,231</u>
<b>5. Other income</b>				
Residences, catering and conferences	13,555	13,555	13,871	13,871
Capital grants	1,030	1,030	-	-
Other income	8,797	7,586	5,928	4,858
	<u>23,382</u>	<u>22,171</u>	<u>19,799</u>	<u>18,729</u>
<b>6. Investment income</b>				
Investment income from endowments	9	9	8	8
Net credit on pension scheme (note 19)	9	9	4,506	4,506
Other investment income	2,837	2,789	3,162	3,119
	<u>2,855</u>	<u>2,807</u>	<u>7,676</u>	<u>7,633</u>
<b>7. Donations and endowments</b>				
Restricted donations	486	-	808	-
Unrestricted donations	35	4,560	45	6,025
	<u>521</u>	<u>4,560</u>	<u>853</u>	<u>6,025</u>

	Year ended 21 July 2025		Year ended 21 July 2024	
	Consolidated	University	Consolidated	University
	£000	£000	£000	£000
8. Staff costs				
Salaries	79,464	75,357	82,586	77,800
Social security costs	8,914	8,512	8,513	8,101
Other pension costs (note 19)	16,028	15,284	15,710	14,898
	<u>104,406</u>	<u>99,153</u>	<u>106,809</u>	<u>100,799</u>
Academic departments	59,904	59,904	59,782	59,782
Academic services	14,909	14,909	15,380	15,380
Central administration	16,530	16,530	16,845	16,845
Property	911	911	921	921
Research grants and contracts	5,996	5,996	5,997	5,997
Residences and catering	2,317	2,317	2,332	2,332
Napier University Ventures Ltd	5,253	-	6,010	-
Other expenditure	(1,414)	(1,414)	(458)	(458)
	<u>104,406</u>	<u>99,153</u>	<u>106,809</u>	<u>100,799</u>
			2025	2024
Emoluments of the Vice-Chancellor			£000	£000
Professor Andrea Nolan				
Salary			107	237
Payments in lieu of pension contributions			23	50
			<u>130</u>	<u>287</u>
Professor Sue Rigby				
Salary			158	-
Payments in lieu of pension contributions			36	-
			<u>194</u>	<u>-</u>
The remuneration of the Vice-Chancellor is 6.1 times the median remuneration of all other staff				
The number of other higher paid staff who received emoluments, excluding national insurance and pension contributions, but including payments in lieu of pension contributions, in the following ranges was:				
	2025	2024		
	number	number		
£100,000 - £109,999	7	9		
£110,000 - £119,999	10	5		
£120,000 - £129,999	4	2		
£130,000 - £139,999	-	2		
£140,000 - £149,999	2	1		
£150,000 - £159,999	1	3		
£160,000 - £169,999	2	1		
£170,000 - £179,999	1	1		
£180,000 - £189,999	1	-		
£190,000 - £199,999	1	-		

	2025 number	2024 number
The average number of staff by major category was:		
Academic departments	863	899
Academic services	169	182
Central administration	321	349
Other	224	223
	<u>1,577</u>	<u>1,653</u>

	£000	£000
<b>Compensation for loss of office paid to former senior post-holders</b>		
Compensation paid to no (2024: none) former senior post-holders	-	-
	<u>-</u>	<u>-</u>

#### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs include compensation paid to key management personnel. The University's key management personnel are the members of the University Leadership Team

<b>Key management personnel compensation</b>	<u>1,500</u>	<u>1,436</u>
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	Year ended 21 July 2025		Year ended 21 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000

### 9. Analysis of expenditure by activity

Academic departments	64,888	64,888	65,731	65,731
Academic services	33,209	33,209	34,104	34,104
Central administration	23,106	23,106	23,624	23,624
Property	10,542	10,542	10,090	10,090
Research grants and contracts	9,339	9,339	9,198	9,198
Residences and catering	11,592	11,592	14,544	14,544
Napier University Ventures Ltd	8,292	0	8,589	-
Other expenditure	80	(221)	781	593
	<u>161,048</u>	<u>152,455</u>	<u>166,661</u>	<u>157,884</u>

#### Other operating expenses includes:

External auditor – audit services	148	131	176	152
External auditor – other services	-	-	85	81
Internal auditor – audit services	119	119	119	119
Operating lease rentals - buildings	7,185	7,185	8,005	8,005
Operating lease rentals - vehicles	25	25	22	22
	<u>7,477</u>	<u>7,460</u>	<u>8,407</u>	<u>8,379</u>



	Year ended 21 July 2025		Year ended 21 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
<b>10. Interest and other finance costs</b>				
Loans interest	21	21	21	21
Non-utilisation costs	220	220	221	221
Finance lease interest	4	4	-	-
	<u>245</u>	<u>245</u>	<u>242</u>	<u>242</u>
<b>11. Taxation</b>				
Corporate tax / (credit) on overseas activities	<u>280</u>	<u>166</u>	<u>72</u>	<u>(48)</u>
<b>12. Fixed assets - Consolidated</b>				
	Assets under construction £000	Land and buildings £000	Vehicles and equipment £000	Total £000
<b>Cost or valuation</b>				
At 1 August 2024	552	161,279	23,606	185,437
Additions	57	3,635	2,335	6,027
Transfers	(552)	552	-	-
Disposals	-	-	(1,954)	(1,954)
	<u>57</u>	<u>165,466</u>	<u>23,987</u>	<u>189,510</u>
At 31 July 2025				
<b>Depreciation</b>				
At 1 August 2024	-	56,654	16,312	72,966
Charge for the year	-	4,581	2,530	7,111
Disposals	-	-	(1,954)	(1,954)
	<u>-</u>	<u>61,235</u>	<u>16,888</u>	<u>78,123</u>
At 31 July 2025				
<b>Net book value at 31 July 2025</b>	<u>57</u>	<u>104,231</u>	<u>7,099</u>	<u>111,387</u>
<b>Net book value at 31 July 2024</b>	<u>552</u>	<u>104,625</u>	<u>7,294</u>	<u>112,471</u>
<b>Fixed assets – University</b>				
<b>Cost or valuation</b>				
At 1 August 2024	552	161,279	23,412	185,243
Additions	57	3,635	2,301	5,993
Transfers	(552)	552	-	-
Disposals	-	-	(1,954)	(1,954)
	<u>57</u>	<u>165,466</u>	<u>23,759</u>	<u>189,282</u>
At 31 July 2025				

	Assets under construction £000	Land and buildings £000	Vehicles and equipment £000	Total £000
<b>Depreciation</b>				
At 1 August 2024	-	56,654	16,180	72,834
Charge for the year	-	4,581	2,512	7,093
Disposals	-	-	(1,954)	(1,954)
	<u>-</u>	<u>-</u>	<u>(1,954)</u>	<u>(1,954)</u>
At 31 July 2025	<u>-</u>	<u>61,235</u>	<u>16,738</u>	<u>77,973</u>
<b>Net book value at 31 July 2025</b>	<u>57</u>	<u>104,231</u>	<u>7,021</u>	<u>111,309</u>
<b>Net book value at 31 July 2024</b>	<u>552</u>	<u>104,625</u>	<u>7,232</u>	<u>112,409</u>
Vehicles and equipment include assets held under finance leases as follows:				
	Year ended 21 July 2025		Year ended 21 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
Cost	1,195	1,195	-	-
Accumulated depreciation	-	-	-	-
Charge for year	(124)	(124)	-	-
	<u>1,071</u>	<u>1,071</u>	<u>-</u>	<u>-</u>
<b>Net book value At 31 July</b>	<u>1,071</u>	<u>1,071</u>	<u>-</u>	<u>-</u>
<b>13. Non-current investments</b>				
At 1 August	2,152	812	2,011	768
Additions	573	45	562	77
Disposals	(420)	(50)	(554)	(62)
Appreciation / (diminution) of investments	80	21	133	29
	<u>2,385</u>	<u>828</u>	<u>2,152</u>	<u>812</u>
<b>At 31 July</b>	<u>2,385</u>	<u>828</u>	<u>2,152</u>	<u>812</u>
<b>14. Stock</b>				
Stock for resale	<u>42</u>	<u>42</u>	<u>44</u>	<u>44</u>
<b>15. Trade and other receivables</b>				
Trade receivables	7,023	4,365	6,611	3,628
Prepayments and accrued income	5,880	5,407	5,056	4,952
Other receivables	2,727	2,553	2,125	1,437
Research grants receivable	1,632	1,632	1,177	1,177
	<u>17,262</u>	<u>13,957</u>	<u>14,969</u>	<u>11,194</u>
<b>16. Short term investments</b>				
Short term deposits	<u>5,879</u>	<u>5,879</u>	<u>11,751</u>	<u>11,751</u>
	<u>5,879</u>	<u>5,879</u>	<u>11,751</u>	<u>11,751</u>

	Year ended 21 July 2025		Year ended 21 July 2024	
	Consolidated £000	University £000	Consolidated £000	University £000
<b>17. Creditors: amounts falling due within one year</b>				
Trade payables	3,778	3,778	4,011	4,011
Taxation and social security	2,215	2,215	2,048	2,048
Other payables	3,276	2,910	3,315	3,058
Accruals and deferred income	35,342	33,704	33,614	32,284
Research grants received on account	3,847	3,847	1,955	1,955
Finance leases	298	298	-	-
Other loans	276	276	267	267
Amounts owed to subsidiary undertakings	-	2,921	-	2,272
	<u>49,032</u>	<u>49,949</u>	<u>45,210</u>	<u>45,895</u>
<b>18. Creditors: amounts falling due after more than one year</b>				
Finance leases	774	774	-	-
Supplier loans	-	-	267	267
	<u>774</u>	<u>774</u>	<u>267</u>	<u>267</u>

The University has an unsecured revolving credit facility from Bank of Scotland plc expiring July 2027. To date, none of this facility has been used

#### 19. Provisions – Consolidated and University

	Unfunded pensions £000	Defined benefit obligations £000	Total £000
At 1 August 2024	9,454	-	9,454
Income from investments	17	-	17
Early retirement pensions	(973)	-	(973)
Transfer to income and expenditure account	46	-	46
<b>At 31 July 2025</b>	<u>8,544</u>	<u>-</u>	<u>8,544</u>

##### Unfunded pensions

A valuation of the unfunded pension liability was carried out at 31 July 2025, by Mercer Limited, an independent firm of actuaries.

##### Defined benefit obligations

A valuation of the defined benefit obligations was carried out at 31 July 2025 by Hymans Robertson, an independent firm of actuaries (see note 20). For 2021/22 a defined benefit asset was recognised. Recognition of this asset is capped under accounting standards. This cap is calculated by Hymans Robertson and will be reassessed at each balance sheet date. For 2024/25 and 2023/24 this is capped at nil

## 20. Pension Schemes

There are two pension schemes operated for University staff. These are the Scottish Teachers Superannuation Scheme (STSS) and the Local Government Pension Scheme (LGPS). The total pension cost for the year was £16,028,000 (2024 - £15,710,000)

	2025	2024
	£000	£000
Total pension costs for the year (note 8)		
STSS – contributions paid	10,013	9,452
LGPS – charge to the income and expenditure account	6,015	6,258
	<u>16,028</u>	<u>15,710</u>

**The Scottish Teachers Superannuation Scheme** is the principal scheme for University academic staff. It is an unfunded defined benefit scheme. Contributions on a pay as you go basis are credited to the exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the scheme for the purposes of determining contribution rates.

The UK Government's Public Service Pensions Act requires that a valuation of the STSS must be undertaken every four years to measure the costs of benefits being provided. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2020
Actuarial method	Projected unit
Discount rate	3.7%
Pension increases	2.0%
Long term salary growth	3.8%
Actuarial value of assets	£24.1bn
Proportion of members' accrued benefits covered by the actuarial value of the assets	89.6%

The notional value of assets at the valuation date was £24.1bn. The past service liabilities of the scheme were valued at £26.9bn, resulting in a notional deficit of £2.9bn

The employer contribution rate was 17.2% during August 2020, and increased to 23% with effect from 1 September 2020, until 31 March 2024. From 1 April 2024 to 31 March 2027 the contribution rate is 26%.

Under the definitions set out in FRS102 and the 2015 SORP, the STSS is a multi-employer pension scheme. The University is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the University has taken advantage of the exemption in the SORP and has accounted for its contributions to the scheme as if it were a defined contribution scheme

**The Local Government Pension Scheme** is the principal scheme for non-academic staff of the University. It is a funded defined benefit scheme, with assets held in separate trustee administered funds. The University is one of many employers who participate in the scheme.

The most recent actuarial valuation was performed for the three year period to 31 March 2023. The following assumptions were made for actuarial valuation purposes:

Discount rate	5.2%
Pay increases	3.0%
Price inflation / pension increases	2.3%

The market value of the assets at the valuation date was £9,695m. The past service liabilities of the scheme have been valued at £7,479m resulting in a surplus of £3,525m, which is an improvement on the 2020 surplus of £408m. The 2023 valuation represents a funding level of 157%. For the year ended on 31 March 2024 employer contributions were 20.8% of



pensionable pay. For the year ended 31 March 2025 employer contributions are 17.6% of pensionable pay. Future employer contributions are expected to be:

Year ended 31 March 2026 17.6% of pensionable pay

The following information is based upon the full actuarial valuation of the fund at 31 March 2023, updated to 31 July 2024 by a qualified independent actuary.

	July 2025	July 2024	July 2023
Rate of increase in salaries	3.45%	3.45%	3.50%
Rate of increase in pensions	2.75%	2.75%	3.00%
Discount rate	5.80%	5.00%	5.05%
Inflation rate	2.75%	2.75%	3.00%

The University has updated the mortality base table assumptions as at 31 July 2025 following analysis undertaken by the Fund Actuary for the Fund valuation as at 31 March 2023. Life expectancy is based on the Fund's VitaCurves (2024: based on the Fund's VitaCurves) with improvements in line with the CMI 2023 model (2024: CMI 2022 model), standard smoothing (Sk7) (2024: standard smoothing), initial adjustment of 0.25% (2024: 0.25%) and a long term rate of improvement of 1.50% p.a. (2024: 1.50% p.a.)

Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	2025		2024	
	Males	Females	Males	Females
Current pensioners (65 years of age as at last Triennial valuation)	21.0 years	23.7 years	20.7 years	23.6 years
Future pensioners (45 years of age as at last Triennial valuation)	21.8 years	25.0 years	21.6 years	25.0 years

In calculating the scheme assets and liabilities, the fund's actuaries had to make a number of assumptions about events and circumstances in the future. These assumptions represent the best estimate of expected outcomes, but it is possible that actual outcomes will differ from those included in the financial statements. Any differences between expected and actual outcomes are reported through experience gains and losses.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 July 2025	Approx. increase to defined benefit obligation	
	%	£000
0.1% decrease in real discount rate	2%	3,581
1 year increase in member life expectancy	4%	7,775
0.1% increase in the salary increase rate	0%	141
0.1% increase in the pension increase rate	2%	3,540

	July 2025	July 2024	July 2023
	Fair value	Fair value	Fair value
	£000	£000	£000
Equities	214,942	207,174	205,941
Bonds	60,057	57,887	42,317
Property	25,287	24,373	22,569
Cash	15,805	15,233	11,284
Fair value of assets	316,091	304,667	282,111
Present value of scheme liabilities	(194,374)	(213,887)	(193,537)
<b>Net pension surplus / (deficit)</b>	<b>121,717</b>	<b>90,780</b>	<b>88,574</b>

On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court's ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court's ruling. The ruling may have implications for other UK defined benefit plans. It is understood this would apply to the LGPS and HM Treasury is currently assessing the implications for all public service pension schemes. No further information is available at this stage.

The following amounts at 31 July were measured in accordance with the requirements of FRS102. As the University's share of the scheme is in a surplus position for 2023/24, there is a ceiling to which this can be recognised. The ceiling has been calculated by the scheme actuaries in line with accounting standards, and will be assessed at each balance sheet date.

	2025 £000	2024 £000
<b>Analysis of the amount shown in the Balance Sheet</b>		
The University's estimated assets share	316,091	304,667
Present value of the University's scheme liabilities	(194,374)	(213,887)
<b>Surplus / (deficit) in the scheme</b>	<b>121,717</b>	<b>90,780</b>
Effect of net asset ceiling	(121,717)	(90,780)
<b>Surplus / (deficit) recognised under ceiling</b>	<b>-</b>	<b>-</b>
<b>Analysis of the amount charged to staff costs (note 8) within the Consolidated Statement of Comprehensive Income and Expenditure</b>		
Current service cost	(5,976)	(6,258)
Past service cost (including curtailments)	(39)	-
<b>Net charge</b>	<b>(6,015)</b>	<b>(6,258)</b>
<b>Analysis of the amount credited to investment income (note 6) or charged to interest and other finance costs (note 10) within the Consolidated Statement of Comprehensive Income and Expenditure</b>		
Interest income on plan assets	15,269	14,338
Interest cost on defined benefit obligation	(10,724)	(9,832)
Effect of asset ceiling	(4,536)	-
<b>Net credit / (charge)</b>	<b>9</b>	<b>4,506</b>
<b>Analysis of movements in the present value of scheme liabilities</b>		
Balance at 1 August	213,887	193,537
Current service cost	5,976	6,258
Employee contributions	2,306	2,319
Past service cost (including curtailments)	39	-
Benefits paid	(6,825)	(7,055)
Interest costs	10,724	9,832
Other experience	(2,025)	20,621
Changes in financial assumptions	(30,302)	(7,933)
Changes in demographic assumptions	594	(3,692)
<b>Balance at 31 July</b>	<b>194,374</b>	<b>213,887</b>

	2025	2024			
	£000	£000			
Analysis of movements in the fair value of scheme assets					
Balance at 1 August	304,667	282,111			
Employee contributions	2,306	2,319			
Employer contributions	6,381	7,176			
Benefits paid	(6,825)	(7,055)			
Expected return on assets	15,269	14,338			
Other experience	-	(3,334)			
Return on assets excluding amounts included in net interest	(5,707)	9,112			
	<u>316,091</u>	<u>304,667</u>			
Actuarial gain recognised in the Consolidated Statement of Comprehensive Income and Expenditure					
Return on scheme assets	(5,707)	9,112			
Changes in financial assumptions	30,302	7,933			
Changes in demographic assumptions	(594)	3,692			
Other experience	2,025	(23,955)			
Net gain / (loss)	<u>26,026</u>	<u>(3,218)</u>			
Net gain / (loss) recognised under ceiling	<u>(375)</u>	<u>(5,424)</u>			
History of experience gains and losses					
	2025	2024	2023	2022	2021
	£000	£000	£000	£000	£000
Difference between the expected and actual return on scheme assets	(5,707)	5,788	(5,756)	11,371	27,954
% of scheme assets	1.8%	1.9%	3.0%	4.1%	10.9%
Experience gain / (loss) on scheme liabilities	(31,733)	(8,996)	65,391	102,566	751
% of the present value of the scheme liabilities	16.3%	4.21%	33.7%	41.9%	0.2%

## 21. Endowment Reserve

	2025 £000	2024 £000
<b>At 1 August</b>		
Capital	825	773
Accumulated income	(8)	(11)
	<u>817</u>	<u>762</u>
Increase / (decrease) in market value of investments	36	52
Investment income	9	8
Expenditure for the year	(3)	(5)
Total endowment comprehensive income / (expenditure) for the year	<u>42</u>	<u>55</u>
<b>At 31 July</b>	<u><u>859</u></u>	<u><u>817</u></u>
Represented by:		
Capital	861	825
Accumulated income	(2)	(8)
	<u><u>859</u></u>	<u><u>817</u></u>

## 22. Restricted Reserve

<b>At 1 August</b>	1,729	1,448
	<u>          </u>	<u>          </u>
New donations	486	808
Increase / (decrease) in market value of investments	45	69
Transfer from unrestricted funds	29	-
Investment income	32	31
Expenditure	(384)	(627)
	<u>          </u>	<u>          </u>
Total restricted comprehensive income / (expenditure) for the year	<u>208</u>	<u>281</u>
	<u>          </u>	<u>          </u>
<b>At 31 July</b>	<u><u>1,937</u></u>	<u><u>1,729</u></u>

## 23. Subsidiary Undertakings

Napier University Ventures Limited, a company limited by guarantee, is not a legal subsidiary of the University. However, as the University exercises a dominant influence, it is treated as a subsidiary for financial reporting and consolidated in these accounts.

Edinburgh Napier Development Trust is not a legal subsidiary of the University. However, as the University exercises a dominant influence, it is treated as a subsidiary for financial reporting and consolidated in these accounts.



## 24. Cash and cash equivalents

	At 1 August 2024 £000	Cash flows £000	At 31 July 2025 £000
Consolidated cash and cash equivalents	53,542	5,489	59,031

## 25. Capital commitments

As at 31 July 2024 the University and its consolidated subsidiaries had contracted commitments amounting to £1,665,665 (2023 - £1,684,253).

## 26. Lease obligations

	Buildings £000	Vehicles and equipment £000	2025 £000	2024 £000
<b>Future minimum lease payments due:</b>				
Not later than 1 year	6,726	709	7,435	7,173
Later than 1 year and not later than 5 years	26,531	366	26,897	26,750
Later than 5 years	45,860	0	45,860	51,659
	<u>79,117</u>	<u>1,075</u>	<u>80,192</u>	<u>85,582</u>

## 27. Discretionary, childcare and midwifery funds

	Discretionary 2025 £000	Childcare 2025 £000	Midwifery 2025 £000	All Funds 2025 £000	All Funds 2024 £000
Balance at 1 August	-	-	-	-	-
Grants received	429	172	85	686	632
Transfer between funds	92	(92)	-	-	-
Interest earned	2	1	-	3	3
	<u>523</u>	<u>81</u>	<u>85</u>	<u>689</u>	<u>635</u>
Disbursed to students	(523)	(81)	(85)	(689)	(635)
Balance at 31 July	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Discretionary, Childcare and Midwifery Funds are available solely for students; the University acts only as paying agent. The grants and related disbursements are therefore excluded from the Statement of Comprehensive Income and Expenditure.

## 28. Related party transactions

The University has taken advantage of the exemption available under FRS102, Related Party Transactions, not to disclose transactions with subsidiary companies that are eliminated on consolidation.

The University participates in the Lothian Pension Fund, which is a related party per FRS102, section 33. The transactions and balances at the end of the year are disclosed in note 19.

## 29. US Department of Education Financial Responsibility Supplemental Schedule

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

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets;
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition);
- presented in pounds sterling.

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

			Year End 31 July 2025	Year End 31 July 2024		
Pg	Related Disclosures	Description	£000	£000	£000	£000
Primary Reserve Ration						
		Expendable net assets				
73	Unrestricted reserves	Net assets without donor restrictions		134,840		137,452
73	Restricted reserves	Net assets with donor restrictions		2,796		2,546
n/a	n/a	Secured and unsecured related party receivable	-		-	
n/a	n/a	Unsecured related party receivable		-		-
85	Fixed assets	PPE, net	(111,387)		(112,471)	
	Balance of pre-			(90,312)		(95,014)
85	implementation assets still held	PPE – pre-implementation				
n/a	n/a	PPE – post-implementation with outstanding debt		-		-
85	19/20 and 20/21 additions and related depreciation	PPE – post-implementation without outstanding debt		(21,075)		(17,457)
n/a	n/a	CIP		-		-
n/a	n/a	Lease right-of-use asset, net	-		-	
n/a	n/a	Lease right-of-use asset, pre-implementation		-		-
n/a	n/a	Lease right-of-use asset, post-implementation		-		-
n/a	n/a	Intangible asset		-		-
73	Pensions provision	Post-employment and pension liabilities		8,544		9,454
87,	Note 18 and ‘loans’ from note 17	Long term debt for long term purposes	1,050		267	
87,	Note 18 and ‘loans’ from note 17	Long term debt for long term purposes, pre-implementation		-		267
n/a	n/a	Long term debt for long term purposes, post-implementation		1,050		-

n/a	n/a	Line of credit for CIP	-	-
n/a	n/a	Lease right-of-use asset liability	-	-
n/a	n/a	Pre-implementation right-of-use leases	-	-
n/a	n/a	Post-implementation right-of-use leases	-	-
n/a	n/a	Annuities with donor restrictions	-	-
92	Restricted expendable capital at 31 July	Term endowments with donor restrictions	-	-
n/a	n/a	Life income funds with donor restrictions	-	-
92	Restricted permanent capital at 31 July	Net assets with donor restrictions: restricted in perpetuity	(859)	(817)
		<b>Total</b>	<b>34,984</b>	<b>36,431</b>
		<b>Total expenses and losses</b>		
71, 87, 92,	Total expenses, less pension adjustments, less endowment and restricted expenses	Total expenses without donor restrictions	161,074	167,593
71, 87, 92,	See lines below	Non-operating and net investment loss	(35)	(673)
71, 92	Gain / loss on investments, less restricted gain / loss	Net investment losses	(11)	27
71, 87, 90	Actuarial gain / loss, plus unfunded pension provision transfer, plus pension interest and staff cost adjustment	Pension-related changes other than net periodic costs	46	646
		<b>Total</b>	<b>161,074</b>	<b>167,593</b>
	<b>Equity Ratio</b>			
		<b>Modified net assets</b>		
73	Unrestricted reserves	Net assets without donor restrictions	134,840	137,452
73	Restricted reserves	Net assets with donor restrictions	2,796	2,546
n/a	n/a	Intangible assets	-	-
n/a	n/a	Secured and unsecured related party receivables	-	-
n/a	n/a	Unsecured related party receivables	-	-
		<b>Total</b>	<b>137,636</b>	<b>139,998</b>
		<b>Modified assets</b>		
73	Non-current assets + current assets	Total assets	195,986	194,929

n/a	n/a	Lease right-of-use asset pre-implementation	-	-
n/a	n/a	Pre-implementation right-of-use leases	-	-
n/a	n/a	Intangible assets	-	-
n/a	n/a	Secured and unsecured related party receivable	-	-
n/a	n/a	Unsecured related party receivables	-	-
		<b>Total</b>	<b>195,986</b>	<b>194,929</b>
<b>Net Income Ratio</b>				
72	Total comprehensive income, unrestricted	Change in net assets without donor restrictions	(2,612)	(589)
71, 92,	Total income, plus gain / loss on disposal of non-current assets, less restricted and endowment income	Total revenues and gains without donor restrictions		
			158,707	166,403







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