



# Annual Report and Financial Statements

for the year ended 31 July 2025







# Universal values, global change

## Maintaining our course in a changing world

Leeds has continued to thrive in its mission for excellence in research and education as one of the world's leading research-intensive universities, delivering impact and positive change with a strong sense of purpose and values to our many stakeholders and communities.

The first quarter of the 21st century has been a period of profound and global upheaval. We are operating in a markedly different environment from even five years ago, when we launched the University's 10-year strategy, while technological revolution through artificial intelligence will shape a very different world for our graduates.

Against this backdrop, we know we have an essential role in using our research and teaching to enrich our students and change people's lives for the better, while contributing to national economic growth and playing a pivotal civic role for the communities around us.

Achieving this within ever-tighter financial constraints means that we must look at greater interdisciplinary cooperation, streamline our processes, raise our expectations, and ensure that our staff are empowered to deliver ever more for our students.

This is why we have launched One Leeds – a comprehensive plan that strives for further excellence in our research, delivers a student-centric university, and invests in the career pathways and performance of our colleagues.

As we enter this period of renewal, we will stay true to our values of inclusion, integrity, collaboration and compassion and continue to attract talented staff and students, conduct life-changing research, and work with partners to drive the socio-economic and cultural growth of the city and region we are proud to call home.

Maintaining our course in a changing world will mean that together, we can develop citizens who will change our globe for the better and deliver research and innovation that will make a real impact.

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# Overview





# Headline numbers

## ★ A world top 100 university

- 86th in [QS World University Rankings 2026](#) – one of only 17 UK universities to feature in the top 100
- 71st in the world in [THE University Impact Rankings 2025](#)
- 12 subjects in the top 50 [QS World University Rankings 2025](#)

## 🌐 Global reach

- Over 13,000 international students from almost 150 countries
- 357,000 graduates in 197 countries

See page 36 for more about our international reach

## 🎓 Highly employable graduates

- 6th most-targeted university by the UK's top graduate employers (The Times Top 100 Graduate Employers survey)
- 80% of students enter graduate-level roles

See pages 36-37 for more on graduate outcomes and employability

## 🔬 A top global research university

- Active cultural and creative industries research portfolio of £38m
- Active health and care research funding of £291m
- Ranked 3rd internationally as a healthtech hub

See pages 38-42 for more on our work as a leading research institution





## Chair's foreword

### Alastair Da Costa, Chair of Council

Five years after its launch, our University strategy, Universal Values, Global Change, continues to resonate deeply with our community. It has harnessed our collective energy in pursuing our mission: to use our resources and expertise in research and student education to tackle inequality, benefit society and drive change. Our ten-year strategy has also anchored our institution through the sweeping tides of geopolitical, economic, technical and cultural change we have seen since 2020.

As an institution of learning, it is right that we should take time to reflect on progress against our strategy and reassess how it will help us to achieve our goals.

In February 2025 our new Vice-Chancellor and President Professor Shearer West led an institution-wide consultation and review of the strategy. The 'One Leeds: Mid-term strategy review' sought the views of our community on academic vision, people and culture, processes, systems and structures, and opportunities. This was a health check on our progress and to look ahead to the next five years - and beyond. In parallel, the University's governing body (Council) has been reviewing the effectiveness of our governance and participating in the governance assurance reviews being undertaken by the sector nationally.

I'm grateful to our University community for responding with positivity and honesty through the inclusive mid-term strategy review consultation process, which involved open forums and widespread engagement with staff and students. This generated rich and detailed feedback – positive and negative – which has been combined with metrics such as the Employee Engagement Survey results and progress against our key performance indicators (KPIs) into a plan for delivering our strategy in the remaining five years.



## Overview

The resulting One Leeds mid-term strategy review White Paper reflects the views of a community aligned in many respects, albeit with differences. It clearly shows the need for closer academic alignment to support interdisciplinary research and student education. We need to streamline our governance and processes, and aspects of institutional culture need to change. One thing remains clear: the core objectives of our strategy and our University values of integrity, inclusion, collaboration and compassion resonate on campus and are as relevant as ever.

As this annual report shows, despite challenges, it has been another good year for our University. Leeds remains one of the UK's largest universities, with internationally recognised excellence in teaching and research, more than 37,000 students and a consistent place among the world's top universities.

Retaining this position in the face of ever-increasing competition will not be easy. Higher education in the UK has continued to face significant change and challenges in the last 12 months, regionally, nationally and globally. In my foreword to last year's annual report, I wrote about the risks facing our sector. These risks are now crystallising and the resulting effects are visible.

The Office for Students (OfS) has warned that 72% of England's universities could be in deficit by 2025/26. In the last 12 months, we have seen Russell Group universities announce course closures and redundancies as they grapple with a financial model under strain.

Higher education remains under financial pressure primarily because funding from home (UK) tuition fees and government grants does not meet the real cost of providing quality student education and experience and research. The government's proposed international student levy, which it recently announced will be used to provide maintenance grants for students from less well-off backgrounds on priority courses aligned with its mission, will put further pressure on the sector's already challenged finances.

Everyone in higher education wants improved support for poorer students, but the levy will mean less investment in universities for teaching and research and, if passed onto international students, could impact demand.

Leeds has not been immune from the challenges facing the sector in the last 12 months, but thanks to careful management, our University remains on a sound financial footing. In what has been an extremely challenging environment, we are reporting an underlying operating deficit of £8m because of challenges in international student recruitment (which have been seen across the sector) and our balance sheet remains strong with high cash balances. Full details are provided in the Chief Financial Officer's Report on page 75.

Careful financial management has allowed our inspirational staff to continue to focus on educating the leaders of the future, and our researchers to seek answers to the pressing questions of our age, all the while driving regional, national and global growth.

This focus has resulted in steady gains during the year. In July, the outcomes of the 2025 National Student Survey (NSS) confirmed the progress we are making in student education. The NSS is an important indicator of student satisfaction rates, and we know that we need to do more to further improve our scores. Research and innovation performance has been consolidated, with research grant income worth £186m generated in the year. Preparation for the Research Excellence Framework (REF) 2029 continues.

Change is constant in UK higher education, but through resilience, versatility and ingenuity, leading universities such as ours have successfully adapted. As this annual report shows, the core objectives and mission articulated in Universal Values, Global Change have served us well in the last five years. They continue to resonate across our community and will provide a roadmap for navigating the challenges and opportunities to come as we focus on delivering our strategic ambitions in the next half-decade.

I'd like to thank my fellow Council members – including those who have stepped down and those who have joined in the last 12 months – for their commitment, experience and wisdom in supporting the University Executive Group (UEG) this year. The Vice-Chancellor and President and members of UEG likewise deserve thanks for their hard work, expertise and diligence as custodians of this great institution.



## A year in review

Professor Shearer West,  
Vice-Chancellor and President,  
From 1 November 2024

As I write, I am nearing the completion of my first year as Vice-Chancellor and President. It is an honour to lead this outstanding university and a pleasure to have met so many talented and committed individuals from across our staff and student community over the past 12 months. One of the most inspiring aspects of life on campus is the diversity and inclusivity of our community. With more than 37,000 students from almost 150 countries, we bring perspectives from across the globe.

Leeds has a well-deserved reputation for its research and innovation. We are making significant strides in addressing the world's greatest challenges – whether in climate change, healthcare, technology or the arts and social sciences.

I have seen for myself how we are delivering impactful change within our region, for example, through our partnerships around healthcare innovation and supporting spinouts.

We are also enhancing our global footprint by growing research collaborations, forging new alliances and delivering international student experience opportunities.

The University continues to score highly for its student education, research and innovation, and I am encouraged by a marked improvement in our position in global rankings relative to other UK universities.

Leeds ranks 86th globally and 13th among 90 UK institutions evaluated for the influential QS World University Rankings.

The University moved up six places to 123rd in the Times Higher Education World University Rankings – its highest position for more than a decade – and 15th among UK universities, with a particularly impressive performance for the international outlook measure.

## Overview

We also moved up seven places to 18th in the 2025 Daily Mail University Guide and two places to 21st in the 2026 Complete University Guide.

Our latest successes reflect, in part, progress seen in the 2025 National Student Survey (NSS), where Leeds saw improvements across every theme and question.

I want to acknowledge the hard work and dedication of colleagues across the University, working in partnership with students to enhance education, support and facilities.

While league tables are just one way of measuring performance, they demonstrate to prospective students, staff and partners that Leeds is committed to delivering a high-quality, inclusive and supportive learning environment.

Of course, there are significant and well-documented financial pressures that we face as part of the UK higher education sector. Leeds has not been unaffected by this; the reduction in international student recruitment has contributed to a small deficit this year. We are working carefully and collegially to ensure we remain sustainable in the long term. We are navigating a complex and rapidly evolving external environment. It is important to be transparent and collaborative about how we address these challenges.

I was hugely impressed by the level of engagement from University colleagues with our One Leeds Green Paper.

Thoughtful feedback, positive discussions and well-attended staff forums have now shaped a White Paper that sets a clear direction of travel for realising our strategic priorities over the next five years.

We are approaching this next chapter grounded in our shared values of compassion, collaboration, inclusivity and integrity.

Our commitment to international partnership and development remains undimmed. It was my pleasure to represent the University at the Worldwide Universities Network (WUN) Annual General Meeting at The Chinese University of Hong Kong in May.

I was also proud to lead a delegation to India this year, reflecting the growing importance of India within the University's international strategy. We have strengthened our presence by agreeing research and student education alliances spanning medicine, engineering, biotechnology and social sciences.

The devastating impact of war around the world remains a deep concern, and my thoughts are with all those affected. Support is provided through the University and Leeds University Union (LUU) and we urge everyone in our community to treat one another with respect and care.

This partnership between the University and LUU is integral to delivering an exceptional student experience and a rich and varied campus life. I have enjoyed working with our LUU executive team members and made it a personal priority to give interviews to our student journalists at the start of my tenure.

Another highlight was presiding over my first University of Leeds graduation ceremony. Meeting graduating students and their families on this special day not only gave me an enormous sense of pride but also reminded me of the fundamental purpose of our institution.

Our inspiring academics are delivering a powerful educational experience that supports our students to think critically, creatively and independently. We are developing responsible, globally aware citizens who will be the leaders, problem-solvers and innovators of tomorrow.

Leeds is a place where academic excellence, innovation and enterprise come together to make a lasting impact. A vibrant environment where collaboration flourishes.

I approach my second year with a sense of optimism and opportunity about what we can achieve together.



Making  
an impact



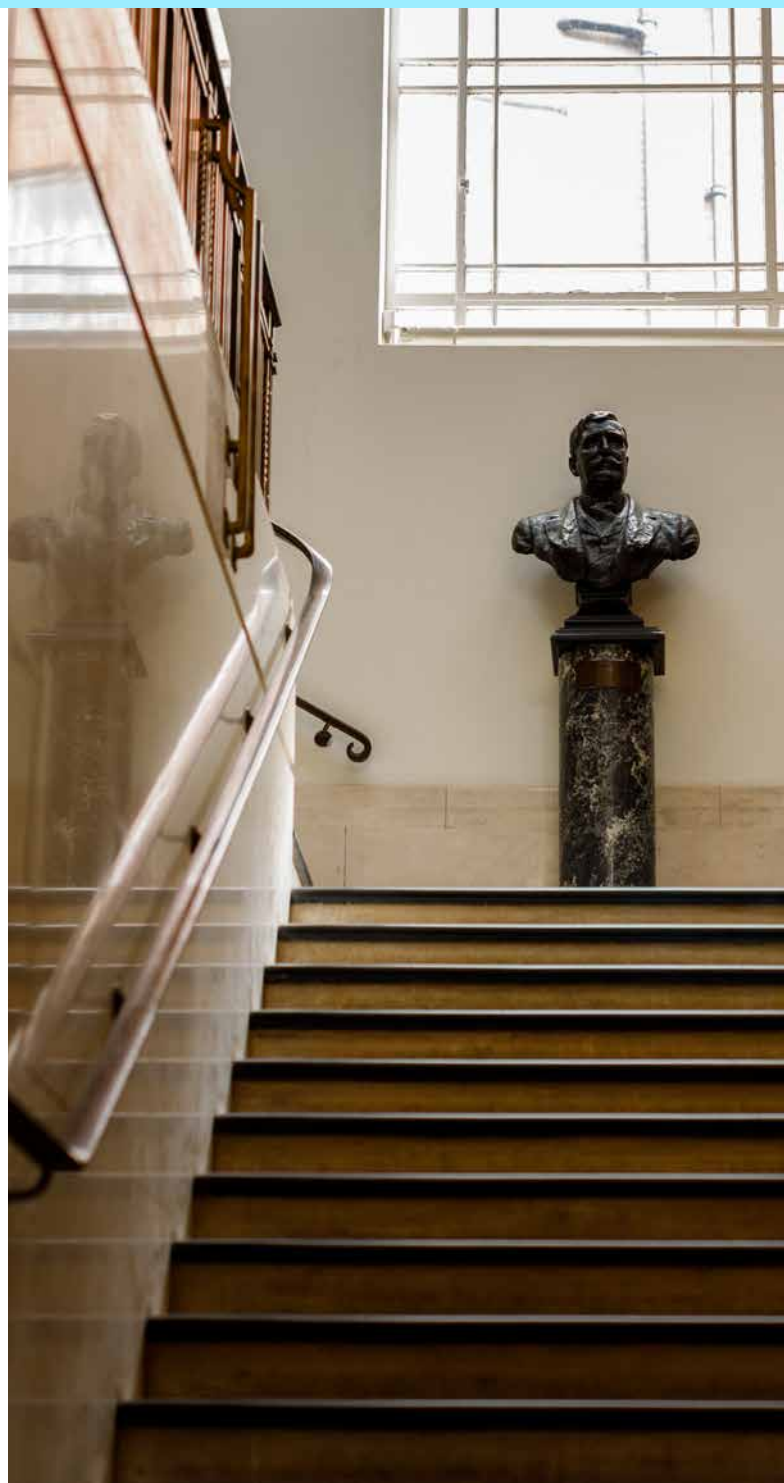
# Our approach to reporting

For the past four years, we have used the international [Integrated Reporting \(IR\) Framework](#) to guide production of our annual report. This clearly shows how we create, preserve or erode value, and how our strategy, governance, performance and understanding of risks deliver value for our stakeholders.

We believe we are broadly compliant with all aspects of the Integrated Reporting Framework, including through our assessment of our key stakeholder relationships, reporting on our key performance indicators (KPIs) and the increased strategic focus of this report. We continue to improve our reporting, using feedback provided by our external auditor.

This year's report places a greater emphasis on material issues. We define these as issues which could affect our ability to create value, are important to key stakeholders, form the basis of strategic discussions and decision-making, and could intensify or lead to lost opportunity if left unchecked.

We will continue to work throughout the coming years to ensure we remain aligned with the international Integrated Reporting Framework as it evolves.





## Our strategy

### Defining our purpose

The University of Leeds has a strong tradition of tackling inequalities, benefiting societies and driving change – in our region, throughout the UK and internationally – through our transformative research and innovation, student education and knowledge exchange.

As part of a network of global research-intensive universities and institutions, we work across disciplines, regions, countries and continents to address pressing issues, and we're proud of producing graduates who are dedicated to creating a better society for all.

### Keeping our strategy on course

Our ten-year strategy, Universal Values, Global Change, was launched in 2020 with four core academic elements: **research and innovation, student education, digital transformation and international**. It is supported by an enabling strategy and underpinned by the three overarching elements of **community, culture and impact**.

Since 2020, notable progress has been made in delivering against the aspirations of the strategy. But the context in which we operate has changed dramatically, with new and unprecedented geopolitical, economic, technological, financial and cultural challenges.

This year – the five-year halfway point – we began the process of refreshing our strategy in the light of these challenges, consulting with staff and students across the University for their views on our academic vision, people and culture, opportunities, and processes, systems and structures.

Feedback from this consultation and our 2025 Employee Engagement Survey informed a One Leeds White Paper, published in May 2025, which sets the direction of travel for the next five years and outlines our **six strategic priorities**:

1. Delivering academic excellence
2. Creating a student-centred university
3. Supporting our people
4. Accelerating our innovation journey and generating income
5. Simplifying processes and governance
6. Maximising opportunities in support of our reputation

Performance against these strategic priorities is outlined in the relevant areas of our Operational review (pages 30 to 59).



## Our values

Our actions are guided by four key values:

We **collaborate** with others to achieve our goals and ambitions

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We are **compassionate** and show care and consideration in our words and actions

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We are an **inclusive** community where everyone belongs and is welcome

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And we have **integrity**: we are open and honest in our words and actions

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# Sustainable development

Our strategy is inspired by the UN Sustainable Development Goals (SDGs), with a commitment to health and wellbeing, climate and nature resilience, quality education and reducing inequality.

## Our priority SDGs

The SDGs where we consider we can have the most impact are 3, 4, 10, 11, 13 and 17.



**3** GOOD HEALTH AND WELL-BEING

**Goal 3**

Ensure healthy lives and promote wellbeing for all at all ages



**4** QUALITY EDUCATION

**Goal 4**

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



**10** REDUCED INEQUALITIES

**Goal 10**

Reduce inequality within and among countries



**11** SUSTAINABLE CITIES AND COMMUNITIES

**Goal 11**

Make cities and human settlements inclusive, safe, resilient and sustainable



**13** CLIMATE ACTION

**Goal 13**

Take urgent action to combat climate change and its impacts



**17** PARTNERSHIPS FOR THE GOALS

**Goal 17**

Strengthen the means of implementation and revitalise the global partnership for sustainable development



# How we create value

## Key performance indicators

Our outcome-based key performance indicators (KPIs) help us measure our success in delivering our ten-year strategy. In March 2025 our governing board (Council) approved a smaller set of mission-critical priority KPIs that will most directly impact future success. The metrics underpinning all KPIs, including latest performance against targets, are regularly monitored internally and reported to Council, helping us to identify performance gaps and actions. Our progress, as reported to Council in July 2025, is set out overleaf.



# Our priority KPIs



### Staff satisfaction

Staff motivation, pride, and commitment

**Percentage of staff who feel engaged at the University:**

- Target: 60%
- Current: 63% (Employee Engagement Survey 2025)

This outcome was achieved by implementing institutional and local faculty and service action plans, which had been developed in response to the 2023 Employee Engagement Survey.

To drive further progress and address feedback from 2025, additional institutional actions have been agreed, communicated and are underway, alongside ongoing development and implementation of action plans for local faculties and services.



### Equity, diversity and inclusion

Gender and ethnic diversity in senior roles

**Percentage of senior female academics:**

- Target: 50%
- Current: 37%

**Percentage of minoritised ethnic professional services and support staff:**

- Target: 16.7%
- Current: 15.1%

The current EDI implementation plan ended in September 2025. A new delivery plan, consulted upon over the summer and launching in October 2025, will focus on five fundamental themes aligned to the mid-term refresh of the University’s strategy 2020–2030.

Improved data capture and analysis will inform the delivery plan and we will submit our Race Equality Charter (REC) application in November 2025. Implementation of the five-year REC action plan will then begin. This will include actions to increase staff diversity.



### Student satisfaction

National Student Satisfaction Survey overall score

**Percentage of students responding positively to the NSS:**

- Target: 81.6% to 83.1% (benchmark +1pp - +2.5pp)
- Current: 82.0% (NSS 2025)

Our NSS results are beginning to show improvements. Ongoing work to improve the learning experiences of our students through curriculum, teaching and assessment initiatives detailed in our student education strategy aim to address overall performance.





Student outcomes

Graduate careers

Percentage of graduates whose careers fit their future plans:

- Target: 81.0%
- Current: 77.1%  
(2022/23 qualifiers)

The Graduate Outcomes survey captures student outcomes 15 months after they graduate. The most recent cohort captured by the survey is graduates from 2022/23. Since this cohort graduated, we have had a step change in supporting students in developing clear post-graduation plans; this is a strategic priority, with planned targeted interventions.



Research income

Research grant income per full-time equivalent (FTE) academic

- Target: £130,000/FTE
- Current: £108,000/FTE

Action to improve this metric is focused on income generation and increasing application rates. Overall annual total research income is more optimistic: figures for May 2025 show that £913m was submitted in applications, 73% ahead of our plan for the year to date. New awards are 8% ahead of the plan and we should exceed our awards target of £200m.



Research citations

Field-weighted citation impact

- Target: 1.71
- Current: 1.69 (2018–2022 publications)

Field-weighted citation impact remains close to target. Action plans have been developed aimed at improving overall performance and reducing variability between schools.



Innovation and knowledge exchange

Knowledge exchange and civic engagement

- Peer benchmarking in [Knowledge Exchange Framework \(KEF\)](#) results

The University achieved KEF4 top quintile performance for the use of our facilities by the public and third sectors. A refreshed institutional approach to civic engagement has seen this formally incorporated into the remit of the Pro-Vice-Chancellor: Research and Innovation, who is leading on the development of a University Civic Engagement Framework.



Net zero

Progress towards net zero emissions

- Target: <= 43,381 tCO2e p.a.
- Current: 44,661 tCO2e

The design of phase 1 of key projects remains on track. A reduction in emissions is expected from next year due to operational changes in our University and Leeds General Infirmary shared generating station complex (GSC). University travel emissions were also higher than anticipated.



Student cohort mix

Proportion of international students

- Target: 30% to 35%
- Current: 32.6%

Targeted activities to support recruitment of international students will be used to mitigate the continuing sector-wide challenges in recruiting international students.



Student cohort mix

Access and success for disadvantaged students

- Target: 14.8% of the undergraduate UK cohort to be from IMD (Index of Multiple Deprivation) Quartile 1
  - Current: 16%
- Continued positive progress has seen us increase the proportion of IMD students from 12.7% in 2022/23 and move this measure from at risk to on track. A key focus area was ensuring a smooth transition into university, with interventions to minimise dropping out in the first term.



Financial sustainability

Operating surplus

- Target: 5%
  - Current (0.8%) 2024/25
- There was a significant downturn in international recruitment in 2024/25, coupled with a constrained national funding landscape requiring in-year cost reduction plans which have been implemented.
- We are working on plans to return us to generating a sufficient and sustainable level of operating surplus over the next five years.



Financial sustainability

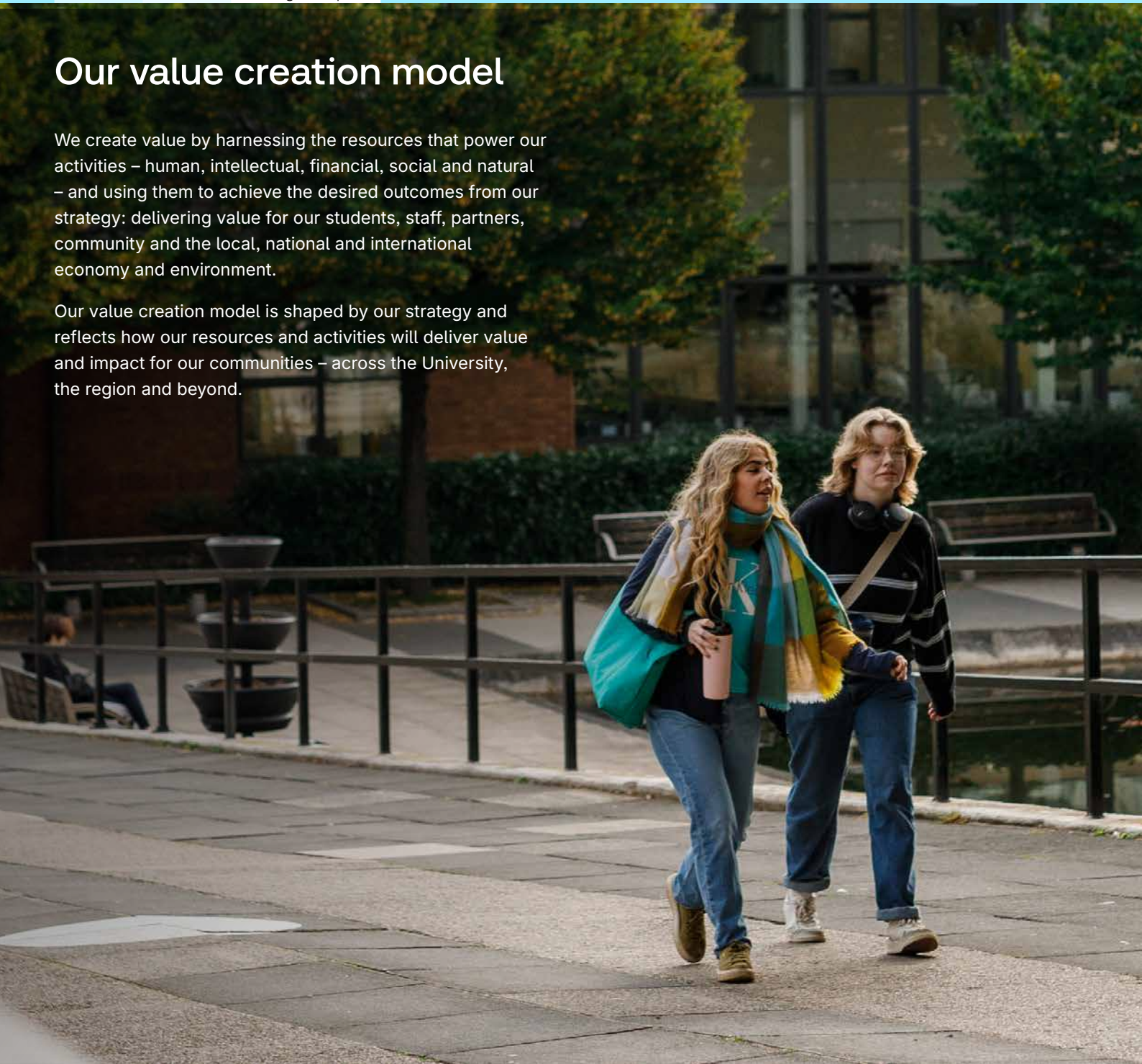
Professional services staff, FTE as a proportion of all staff

- Target: Less than or equal to 51.8% of all staff
  - Current: 60% (2023/24)
- Over the past 12 months we have made significant progress in identifying the scale and volume of change required to align to a lower cost base for professional services, which reflects a higher than peer benchmark.

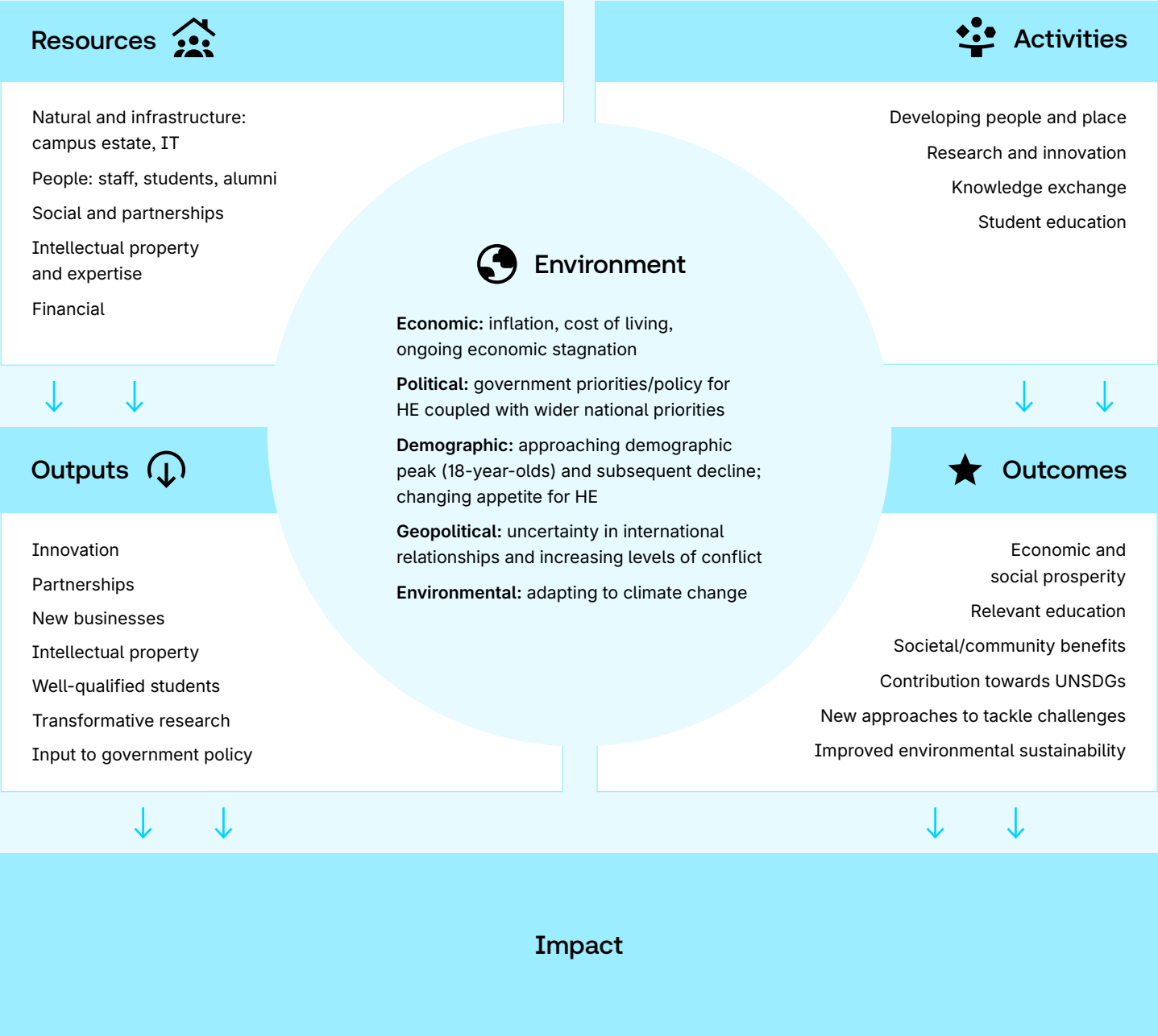
# Our value creation model

We create value by harnessing the resources that power our activities – human, intellectual, financial, social and natural – and using them to achieve the desired outcomes from our strategy: delivering value for our students, staff, partners, community and the local, national and international economy and environment.

Our value creation model is shaped by our strategy and reflects how our resources and activities will deliver value and impact for our communities – across the University, the region and beyond.







## Our approach to materiality

As indicated above, material issues are those which could affect our ability to create value, are important to key stakeholders, form the basis of strategic discussions and decision-making, and could intensify or lead to lost opportunity if left unchecked. This definition has been used to determine report content.

The material issues which impact on the achievement of our priority KPIs are detailed in the relevant sections of this report.

## Managing risks

Taking and dealing with risks is integral to being a creative and innovative university with an ambition to make a difference in the region and internationally. It also requires us to have a clear understanding of how we mitigate those risks and ensure our challenging objectives can be met.

Effective risk management is synonymous with good management and governance and is essential to ensuring we meet the aims set out in our ten-year strategy. We are careful to avoid risks which will damage our reputation and/or create financial or compliance issues, while ensuring that opportunities to enhance our research, student experience and knowledge exchange can be confidently acted upon.

Our key risks, and our process for managing risks, are detailed in the Corporate governance section (page 60).



# Public benefit statement

The University is a charity, and its work is, by its nature, directed to the public benefit.

We educate students so they can fulfil their potential and make a better contribution to society. We undertake research not just to improve our understanding of the world, but also to have a positive impact on global society.

The University's commitment to accountability, openness and transparency is outlined below.

## Students

In 2024/25, over 37,200 students benefited from 995 programmes, and more than 16,000 students graduated.

The quality of our student education is externally validated by the Quality Assurance Agency for Higher Education.

Like all other universities, the University of Leeds charges tuition fees to students. The Higher Education and Research Act 2017 capped fees for UK home undergraduate students at £9,250 in 2024/25, increasing by inflation to £9,535 in 2025/26.

Alongside government student loans, UK students from disadvantaged backgrounds can access nonrepayable financial support, bursaries and scholarships. The University of Leeds Financial Assistance Fund is available to all students facing a specific financial need. Financial support is delivered in tandem with non-financial support through schemes such as the Plus Programme. In 2024/25, the University committed £17.7m towards financial support, access, disability, and research and evaluation activities.

Our outreach teams, which support the progression to higher education for the brightest and best students, regardless of their background, delivered 2,309 activities across 193 strategically targeted schools and colleges.

Our contextual admissions schemes mean that students can demonstrate their potential in ways other than exam grades. This commitment to widening participation has contributed to an increase in students from ethnically minoritised backgrounds coming to Leeds. We also support entrants through the Lifelong Learning Centre and the Plus Programme, with the development of networks to build a sense of belonging and bespoke opportunities to increase employability.

## Research

The University of Leeds is one of the largest research-intensive higher education institutions in the UK, with a headcount of over 10,400 staff and almost 2,300 postgraduate research students.

As an anchor institution, our research brings economic, health, environmental and social benefits to our local communities. The University of Leeds operates as a 'university without walls', building effective external partnerships to maximise our impact. We place ourselves at the heart of the Leeds City Region, and work with local businesses, communities, public-sector and third-sector bodies to build a sustainable, inclusive and resilient economy.

In 2024/25, the University attracted research grant income worth £186m (2023/24: £191m) from a range of funders, allowing us to support a broad and deep research and innovation base that delivers transformational, curiosity-driven fundamental and applied research, not only nationally but also in partnership with 65 countries around the globe.

## Maintaining standards

The University supports and upholds the principles articulated in the Concordat to Support Research Integrity, publishing an annual statement. Our Code of Practice on Whistleblowing sets out how we will handle complaints of suspected malpractice or impropriety.

The University operates a Students Complaints Procedure, which provides for both informal and formal resolution of concerns about any aspect of a student's academic or pastoral experience.

# A year in review

Key highlights from 2024/25







### Win for innovative entrepreneurs

The Innovative Entrepreneurs programme was named **Accelerator of the Year** at the Yorkshire Financial Awards in June. Led by the University and Nexus, working with a consortium including other regional universities and private sector companies, and funded by West Yorkshire Combined Authority, Innovative Entrepreneurs supports people from underrepresented backgrounds with groundbreaking ideas, products or services in a bid to unlock innovation potential. Of the entrepreneurs we work with, 57% are female, 57% are from ethnic minority backgrounds and 14% identify as disabled; 64% of the startups contribute to solving major societal challenges.



### Joint project builds bridges in the creative economy

The University of Leeds and the University of Warwick have together secured one of only ten prestigious Doctoral Focal Awards from the Arts and Humanities Research Council (AHRC), part of UK Research and Innovation (UKRI), for our joint **Creative Bridges** programme, which draws on the established screen media clusters in Yorkshire and the Midlands to connect academic and industry expertise.

Running from 2026 until 2033, the partnership will train a new generation of interdisciplinary researcher-practitioners to work alongside and within the film, television, games and immersive media sectors. The award will fund 20 PhD scholarships focused on the creative economy, with a specific emphasis on sustainability and diversity in the screen industries.



### Investing in simulation

**Virtuocity**, the University's centre for city simulation, has completed a £1m refurbishment of the University of Leeds Driving Simulator (UoLDS), to upgrade a unique UK research facility. A brand-new Nissan Qashqai car has been converted for use in the simulator, which, coupled with a new enclosure, top-of-the-range projectors and image-generation computers, offers a completely new environment for participants and researchers.

Software systems have been reconstructed from scratch over 18 months by the facility's dedicated developer team to allow more user-friendly, immersive and feature-rich experiments to be created.

This timely investment will allow the University to build over the next decade on its internationally recognised research into human behaviour when interacting with transport systems.



### Microlub wins investment for tech to tackle obesity crisis

Northern Gritstone has invested £1.8m seed funding in ingredients technology company **Microlub**, a University of Leeds spinout.

With over half the world's population on course to be overweight or obese within the next decade, Microlub has developed a new ingredients technology that addresses the need for lower-calorie, sustainable food options that replace fats and oils with water without losing 'mouthfeel'.

Retail sales of reduced-fat dairy and plant-based food products in Europe, the US and the UK alone are worth more than £88bn, so there is significant market potential for the business, which already has strong links with some of the major food and food ingredients companies.



### Libraries and the future for knowledge

In June, the University hosted the **Knowledge Futures Symposium**, an event designed to explore the future of knowledge in a time of rapid technological change, global challenges and a shifting digital landscape, at our Nexus innovation hub.

Libraries have a key role to play in fighting the misuse of information and helping people to connect in a digital age. Attended by funders, partners and international guests, the event considered what the collective future for libraries could look like and the role they can play in combating disinformation, facilitating collaboration and promoting innovation.



### Leeds officially a University of Sanctuary

The University of Leeds has been awarded University of Sanctuary status, a testament to our ongoing efforts to provide a welcoming environment for refugees and asylum seekers displaced through devastating crises across the globe. We are the first university in the Leeds City Region to be accredited with the award, a formal recognition of the impact of our initiatives that welcome sanctuary seekers, including Sanctuary scholars and at-risk academics.

The University's sanctuary work is embedded in the local community, working closely with partner organisations including Leeds City Council and third-sector community groups. We have supported asylum seekers and forced migrants in accessing education since 2018, with more than 30 students able to find sanctuary at Leeds through our Sanctuary Scholarships.



### Stars of *The Piano* launch sessions at Leeds International Piano competition

The triennial Leeds International Piano Competition, one of the world's best-known music competitions, with the University of Leeds as its principal partner, took place during the year and featured the **Leeds' Sessions – Live @ the Pianodrome**, a specially created 150-seat amphitheatre, built entirely from discarded pianos and repurposed as tiered seating, staircases, balustrades and balconies by LIPC Artists in Resonance. The Pianodrome was the main venue at Leeds City Museum's Brodrick Hall, hosting an array of public events and serving as a community hub for the competition in August and September.

Launching the Pianodrome sessions were Lucy Illingworth and Brad Keller, stars of Channel 4's *The Piano*, performing together in public for the first time since their performances on the TV show.

Image credit: Leeds International Piano Competition (Frances Marshall)



### Collaborating to understand emissions from Bradford 2025

SAIL (Sustainable Arts in Leeds) is the sustainability partner for Bradford 2025 and is working with the universities of Leeds and Bradford through our Positive Impact Partners programme to help understand the emissions associated with the year-long Bradford 2025 UK City of Culture festival.

The partnership has supported Bradford 2025 by evaluating SAIL's data collection framework, which records emissions associated with events, such as electricity consumption, transport and audience travel. The research will provide a sustainability benchmark for future Cities of Culture and could contribute to improved sustainability in arts and cultural events.



### Poetry Centre funding confirmed

The National Poetry Centre, spearheaded by Professor of Poetry and Poet Laureate Simon Armitage, is to receive a £5m cash injection after ministers confirmed funding.

The new centre will make its home in the University of Leeds' Trinity St David's Church on the edge of campus on Woodhouse Lane.

The centre will include a 250-seat performance theatre as well as a bookshop, library, café, offices, recording facilities, rehearsal spaces and study rooms.

Situated in the heart of Leeds, the centre will help many more people access the arts and culture, and will play a significant part in the University's commitment to making a positive difference in the world.

Students and researchers in the School of English, which offers degrees in Creative Writing taught by internationally recognised poets and authors, will have the opportunity to take up placements at the centre, as well as participate in joint research projects and creative outreach activities.





Operational  
review





## Our students

### Our strategic priorities

Our 2025 mid-term strategy review highlighted a student-centred university as one of our key strategic priorities – with a vision to provide a transformative, research-based educational experience for students from diverse backgrounds, enabling them to develop the knowledge and skills they need to succeed and make a positive impact in the world.

Since our 10-year strategic plan was launched in 2020, our students have had to deal with the fallout from Covid, an economic downturn, increased climate instability, restrictions on international freedom of movement and an employment landscape transformed by AI.

Our curriculum needs to recognise and reflect these challenges and ensure that Leeds students are prepared for life post-university. In light of this, the Leeds Curriculum has been restructured around three pillars:

- **Your course:** offering students a coherent, engaging and academically rigorous experience
- **Your future:** equipping students with the skills, experiences and networks to succeed in work and life
- **Our world:** helping students to think critically, act responsibly and contribute meaningfully to society

This means continuing to deliver and embed our Curriculum Redefined programme, adapting student education to meet the varied challenges of a changing world, ensuring that our operations support an outstanding student experience, and reinforcing our approach to educational enhancement.

Leeds is the sixth most targeted university by the UK's top graduate employers, according to The Times Top 100 Graduate Employers survey

30% of graduates remain in the Leeds City Region and 80% of graduates are in graduate-level roles



## Curriculum Redefined

Curriculum Redefined involves an overhaul of more than 800 programmes – reducing complexity, giving academic staff more time for teaching, and taking advantage of innovative teaching and assessment methods that have a positive impact on the student experience.

We are approaching the end of the first phase of this major programme. All taught, campus-based programmes now adopt one of three common curriculum architectures focused on student and staff experience: increasing real choice for students, reducing timetable conflicts or enabling interdisciplinary innovation.

Over 600 redefined programmes are now live, with a further 180 due to launch in 2025/26. Complex areas like joint honours have been reviewed, and more than 600 students engaged in co-creation activities via workshops, design sprints and focus groups.

Seventy-five academics with disciplinary and education expertise have been appointed to lead change. We're reimagining our Leeds Institute for Teaching Excellence (LITE) as a research and development function of student education at Leeds, to build capacity for innovation in teaching and turn evidence into teaching practice.

### Understanding degree classification algorithms

In line with the wider higher education sector, the University is moving to a fixed weighting system for degree classification, where the second year counts for one-third and the final year for two-thirds of the overall degree grade, applicable to students who began their studies in 2022 or later. Modelling of results will inform our approach to setting standards and will provide insight into pedagogical approaches and support frameworks for less advantaged students to reduce degree awarding gaps.

## Online and digital education

We have advanced our phased approach to expanding market-led online postgraduate degree programmes. September 2025 will mark the first student intakes for two flagship programmes: MSc Genomic Medicine with Data Science and MSc Global Health.

Alongside new degrees, we continue to deliver a wide range of online short courses designed for learners at different stages of their education and careers. We are strengthening our professional learning portfolio in partnership through direct collaboration with industry and government, ensuring our educational offer addresses evolving workforce development needs.

A new online courses section of the University website now showcases the breadth of opportunities available for remote learners. This includes Masters taster courses, professional CPD programmes, academic skills development, 'Going to University' taster courses for secondary school students, and the Click Start programme supporting pathways into digital and technology careers.

The specialist learning design and development teams continue to work with academics across the University to support strategic initiatives. This includes design-led integration of educational technology, where appropriate, to ensure a robust student experience.

Solidifying Leeds' position of thought-leadership in the sector, the second Online Learning Summit brought together a community of academics, leaders in online, digital and flexible education from the UK, USA, Australia and beyond. The two-day event offered thought-provoking presentations, hands-on experiential workshops and insightful panel discussions for 270 in-person and online delegates.

## Adapting education to meet a changing world

As well as developing our curriculum, we're continuously reviewing how we teach and support students to ensure they get the best value from their experience at Leeds and are prepared for the world they will face when they leave.

Our Leeds Sustainable Curriculum programme is designed to embed education for sustainable development within our teaching. It is part of our Climate Plan and integrates with our ambitious Education Strategy and [Curriculum Redefined](#) programme.

### Experiential learning

Experiential learning is a flexible, adaptable and creative approach to education that enables students to experience subject-relevant, real-world scenarios and improve their employability. Across the last three cohorts, Leeds undergraduates who completed a year in industry saw a 10.2% improvement in graduate-level employment outcomes. Over the last 12 months, the University has established frameworks and processes to enable it to develop and scale up experiential learning opportunities across the curriculum.

The evidence and impact of experiential learning at Leeds is being supported by numerous student interns and the Leeds Institute for Teaching Excellence (LITE) experiential learning incubator. We have funded 22 projects exploring ways of introducing experiential learning into the curriculum.

### Measuring educational gain

We have been investigating how we measure educational gain – the 'value added' that students get from their experience at Leeds – developing a joined-up approach that will help us more confidently articulate and support the education, skills and personal development of our students.

## Prioritising the student voice

Our commitment to a student-centred university means we are continually looking to further strengthen our partnership, working with our students' union, Leeds University Union (LUU), and the broader student community to ensure that student insight is embedded in our plans (for example, in our revised Academic Regulations). Our campaign to boost engagement with the National Student Survey has seen response rates increase to 72% and a year-on-year improvement in our NSS ranking among Russell Group institutions, with the strongest improvements in Assessment and Feedback (up eight places to 13th) and Student Voice (up five places to 13th).

LUU continues to support the university experience and help students find a sense of belonging. This year has seen record levels of interest in LUU's clubs and societies, with a total of 38,084 memberships – a 4% increase on the previous year. In July, LUU was voted the best UK university union for clubs and societies in the StudentCrowd University awards.

The Union has supported over 4,200 students with food and essential items via Essentials, the basic needs hub, and offered impartial advice on topics such as housing and mental health support, with 4,000 cases managed this year.

LUU also works to increase employability for students, creating valuable volunteering and part-time or flexible job opportunities. There are almost 5,000 student volunteers, and the LUU JobLink service generated 2,287 paid work placements this year.



## Fostering a sense of belonging and supporting success

The University's Access and Student Success Strategy is designed to support students throughout the student lifecycle.

We work with pupils in secondary education to help them progress to university and offer contextual admissions, which support students from underrepresented backgrounds to enter higher education. While they're studying, our Plus Programme helps these students achieve their academic potential and realise their goals for employment or further postgraduate study. In addition, we provide lifelong learning opportunities tailored to mature students and those from underrepresented communities.

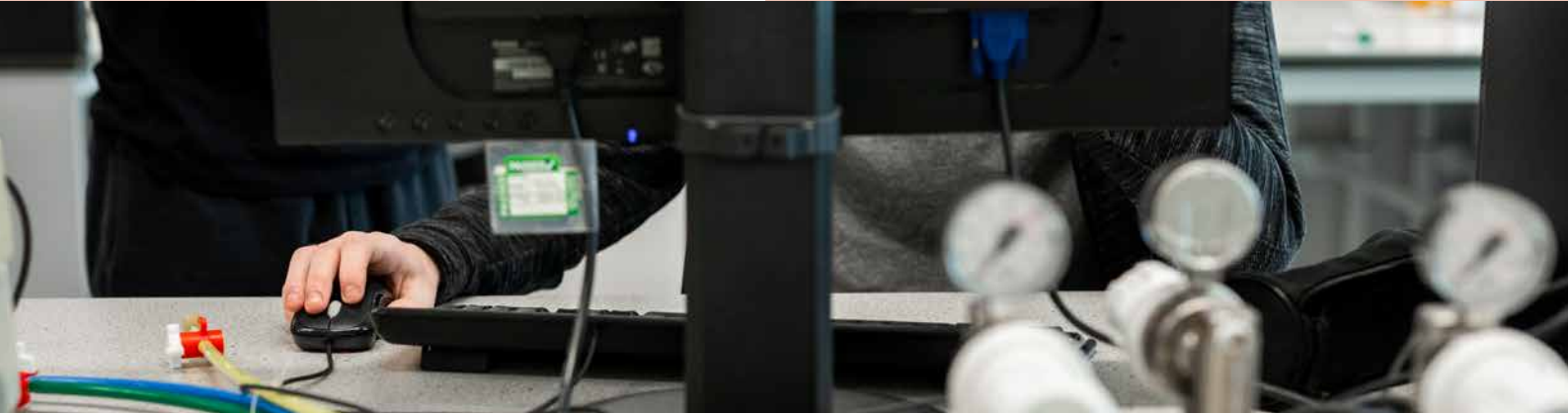
We are investing £1m over the next four years in a new Student Success Centre – the first of its kind in the UK – expanding current support and developing new initiatives to help tackle issues that are holding students back.

The centre will offer specialist services for students on foundation programmes to support those with disabilities, mental health conditions, long-term medical conditions and specific learning differences. Financial literacy education, through individual coaching sessions, presentations and outreach workshops, will help students manage their money.

### Turing bid win

The University has received £1.6m from the fifth iteration of the Turing Scheme to help underrepresented students study or work internationally – from a full year abroad to short immersions and projects such as internships, research placements, medical electives and postgraduate research opportunities. While government funding for the scheme was reduced by around £32m to £78m this year, the University maintained its share of this total.





## Case study

### Tackling global challenges online

Leeds students have been tackling global issues without even leaving Yorkshire, thanks to international collaboration modules with Nagoya University in Japan.

Ella Butterfield, a second-year neuroscience student at the University of Leeds, worked with first-year students in Japan in an online classroom project looking at solutions to air pollution.

The module was run by Dr Alexandra Holmes, a pharmacology lecturer at Leeds, and Dr Maria Vassileva, a biology lecturer at Nagoya University, as part of a COIL (Collaborative Online International Learning) module series enabling students from Leeds to collaborate virtually with students overseas.

Communicating directly with students on the other side of the world meant that Ella and a group of fellow Leeds students were able to benefit from first-hand experiences without the expense of studying abroad.

“We were able to ask students about their real-life experiences of air pollution to inform our project,” explains Ella. “It made the portfolio more personal because we actually understood what people in Japan thought, and their opinions on air pollution. We wouldn’t have been able to get this information if we didn’t know the students.”

Ella’s group took feedback from the Nagoya students to inform the work. When they were told that, despite a good train network, pollution from cars was still a problem, one of the Leeds team members came up with an idea for an app to help drivers find electric car charging points.

They collated their findings into a piece of work which included videos about life in Japan sent to them by Nagoya students.

“We run modules where students look at local challenges,” says Dr Holmes, “which are much easier because they’re physically here and can understand the systems which lead to problems”.

The COIL modules are coordinated by Martin Ward, Professor of Chinese and Japanese Translation and the COIL lead for Experiential Learning at Leeds. He first developed a partial COIL module with Southwest Jiaotong University – with which Leeds has a joint School of Engineering and Computer Science – thanks to funding from the University’s International Strategy Fund (ISF).

Supporting Leeds’ international strategy, the ISF represents a major investment worth £7m over five years and enables academic colleagues to engage in international collaboration.

## International reach

Leeds is a truly multicultural University, with over 13,000 international students from almost 150 countries, and Leeds remains one of the most popular UK destinations for overseas students looking to study in the UK. Nevertheless – and for a variety of reasons – most British universities are facing a challenging time for international recruitment.

For the first time this year, the University held a large-scale recruitment drive in China, with conversion events for offer-holders in Guangzhou, Beijing and Shanghai to show what it's like to live and study in Leeds, highlight the status of the University and our programmes, and encourage potential students to make us their university of choice. Several alumni attended and, as advocates for the University, engaged with prospective students. The event also saw the launch of a new [Global Industry Programme](#), guaranteeing every international postgraduate student an online industry internship opportunity to help them gain real-world experience to boost their employability.

Transnational education – where education is delivered in another country – is key to supporting our global ambitions. Between now and 2030, we will develop and strengthen our network of partners around the world to increase international opportunities in education and research, raising our global profile and supporting student recruitment in an increasingly competitive market.

## The responsible use of AI

The development of generative AI (genAI) has the potential to transform education, research and operations at the University of Leeds, but it is important to ensure its use by our students and staff embraces and reflects our values.

We have developed policies and information for the responsible use of genAI tools by students and staff based on the guiding principles of inclusivity and equitable access, ethical considerations and integrity, and collaboration and global leadership.

Detailed guidance has been published for taught students and postgraduate researchers, which focuses on how genAI works, its strengths and weaknesses, how and when it can be used in assessments, and how it should be referenced and acknowledged. Guidelines have also been developed for staff use of genAI.

## Careers and enterprise

The University of Leeds has long been renowned for the quality of its graduates and is the sixth most targeted university in the UK by graduate employers (The Times Top 100 Graduate Employers survey).

Leeds graduates continue to report strong levels of career satisfaction, with 76.4% of undergraduates and 79.3% of postgraduates saying their current work aligns with their future plans, and 81.8% of undergraduates and 81.7% of postgraduates describing their work as meaningful and important to them. Most of our graduates (79.6% of undergraduates and 84.7% of postgraduates) working in the UK are in graduate-level employment, with around a third of them staying in the region and helping support the local Yorkshire economy.

This year, for the first time, we conducted deep dives into graduate outcomes and on-course data to identify priority areas for action.

## Career-ready courses and industry placements

Employability is higher than ever in the minds of students – both home and international – when choosing what to study. Part of our Curriculum Redefined programme, **Surfacing Skills**, is designed to highlight the skills value of all degree courses, and help graduates compete in the job market as employers move to a skills-based hiring model.

All our new programmes and modules must now include skills learning outcomes, along with the explicit practice and authentic assessment of those skills.

The Student Opportunity team has intensified efforts to enhance the visibility and perceived value of employability initiatives among prospective international students. Informed by market research and stakeholder feedback, we have expanded targeted engagement activities in strategic regions, including China and India, to support this.

Industrial placements add real value to graduate employability and the **Global Industry Programme**, launching in the 2025/26 academic year, extends industry experience to international students on taught postgraduate courses, enabling them to gain consultancy experience with a UK or international organisation as part of their studies.

### A new **Student Opportunities and Futures Framework**

has been developed and sets out the overarching vision and direction for enhancing student opportunities and future pathways. These priorities have been embedded into the Access and Student Success Strategy, ensuring alignment with institutional goals. A set of key performance indicators measure progress and impact.

Our approach is holistic, ensuring that students are supported not only in achieving employment outcomes, but also in pursuing further study, entrepreneurship or other meaningful pathways. Approximately 7,250 taught students have updated their Career Readiness Statement and, of these, 5,700 have shown measurable progress in their career thinking.

### Careers support and guidance

Our sector-leading **Group Career Guidance** (GCG) model won ‘Innovation of the Year’ at the 2025 Association of Graduate Careers Advisory Services (AGCAS) Awards for Excellence, which celebrate outstanding achievements in employability across the UK higher education sector. A pioneering approach with student-focused delivery, GCG has increased the capacity of the careers service by 160% and sits alongside our existing one-to-one provision and wider menu of services.

Grounded in principles from group counselling and coaching models, GCG fosters a safe, interactive environment where students can share experiences, reflect on their goals, and build confidence together. This innovative format not only broadens access but also enriches the guidance experience through peer learning and collective problem-solving.

**Interview Wardrobe**, which provides free professional clothing to students for interviews, received an investment of £13,000 from the Enterprise Mobility Foundation, meaning we can continue to offer this confidence-boosting support to more students looking for that crucial first job.

### Student enterprise

**Spark**, our award-winning business advice and incubator service, continues to support students who are thinking about starting a business or freelancing, playing a key role in many student and graduate business startups. Philanthropic gifting to Spark has remained strong.

Spark’s **Discover Enterprise** programmes include mini business bootcamps and business simulation challenges, bringing experiential learning right across campus. The Earthshot Entrepreneurs Club grows at a steady pace and our freelancer workshops are designed to help creatives develop their business ventures.

The learning innovation hub, with the Enterprise Zone and Makerspace ecosystem, has been a game-changer for enterprise, attracting students from all faculties and at all levels of study. In addition, the **Enterprise Champions** network is rapidly growing, giving enterprise-curious students and staff information on UK policies on student enterprise, highlighting competency frameworks, and introducing new and practical resources they can use in their daily lives.



## Operational review



## Our research

### Our strategic priorities

Leeds is one of the UK's premier research universities and our research and innovation pedigree is a huge driver of student recruitment and income within the region, across the UK and internationally. Our mid-term strategy review highlighted our signature research strengths – areas where we have a global reputation and world-leading academic and interdisciplinary expertise – including:

- Climate and sustainability
- Health, wellbeing and healthtech
- Cultural and creative industries

Focusing our support on programmes which reflect these signature strengths will help us attract investment from public, commercial and philanthropic sources, boost our reputation, increase recruitment of the best students and academics, and support our efforts to influence public policy.

UK gross value added (GVA) – a measure of the total value of goods and services produced within an economy, industry or sector – of £1.2bn, with almost 24,500 direct and secondary employees

Climate and sustainability: an active research portfolio in excess of £268m

Health, wellbeing and healthtech: active health and care research funding of £291m

Cultural and creative industries: an active research portfolio of £38m



## Operational review



## Research impact and knowledge exchange

Our research activities are strongly linked to knowledge exchange – working and collaborating across our region and beyond with businesses, civic organisations and individuals to increase the social and economic impact of our research. In Research England's latest **Knowledge Exchange Framework** (KEF4), the University of Leeds ranked in the top quintile (Q5 – very high engagement) for intellectual property (IP) and commercialisation.

Between November and January, we ran the second impact portfolios exercise, an annual survey of research impact, in preparation for the impact element of the next round of the Research Excellence Framework, REF29. We have identified 276 potential REF impact case studies, all of which became eligible for dedicated development funding. This exercise was repeated in September 2025.

The University continues to see success in securing Future Leaders Fellowships, funded by [UK Research and Innovation](#) (UKRI). These fellowships enable universities and businesses to develop the next generation of world-class researchers and innovators: at July 2025, there are 16 such fellows at Leeds.

## Internally managed funding

Knowledge exchange and research impact is supported, in collaboration with external funders, by a portfolio of internally managed funding, including Impact Acceleration Accounts (IAAs) from the Biotechnology and Biological Sciences Research Council (BBSRC), the Engineering and Physical Sciences Research Council (EPSRC), the Science and Technology Facilities Council (STFC) and the Medical Research Council (MRC). In addition, Higher Education Innovation Funding (HEIF) supports IAAs for the Arts and Humanities Research Council (AHRC) and Natural Environmental Research Council (NERC) research areas.

This funding supports commercialisation, proof of concept and proof of market projects, along with collaboration and co-production work with new and existing partners from private, public and third-sector organisations. The Policy Support Fund from Research England enables collaborative research projects with policymakers and underpins much of our work with both regional and national government departments.

**Climate science and sustainability:** We have an active research portfolio in excess of £268m, with funders ranging from philanthropic donors to the Advanced Research and Invention Agency (ARIA).

**Health, wellbeing and healthtech:** We have active health and care research funding of £291m, delivering breakthrough trials in cancer treatment, improving life outcomes for children, and novel medical robots to enhance diagnosis and treatment.

**Cultural and creative industries:** We have an active research portfolio of £38m, including our world-leading Leeds Institute of Textiles and Colour (LITAC), which uses a mixture of philanthropic, UKRI and industry funding to support the textile and colour industries.

## Operational review



## Case study

## Using an algorithm to catch AF early

Nearly 2,000 patients in West Yorkshire have taken part in a groundbreaking trial of an algorithm developed by Leeds scientists and clinicians that should help doctors identify people at risk of developing a condition that makes them five times more likely to have a stroke.

Atrial fibrillation (AF) is a common abnormal heart rhythm where the electrical impulses that trigger the heartbeat fire chaotically instead of in a regular and steady way and dramatically increase a patient's risk of having a potentially life-changing or fatal stroke. It's estimated that AF is a contributing factor in around 20,000 strokes each year in the UK but, with early diagnosis and treatment, it can be managed effectively and the risk of a stroke reduced.

More than 1.6m people in the UK have been diagnosed with AF, but there are likely to be many thousands more who remain unaware they're living with the condition.

The trial investigated an algorithm called FIND-AF, developed using machine learning by scientists and clinicians at the University of Leeds and Leeds Teaching Hospitals NHS Trust with funding from the British Heart Foundation (BHF). The algorithm searches people's GP records to identify red flags for the risk of developing AF in the next six months, and these patients are then offered further testing to confirm the diagnosis.

The trial ran at several GP surgeries in West Yorkshire, where people identified as at risk of AF were offered at-home testing with a handheld ECG machine and asked to take regular readings for four weeks – all without needing to visit their GP surgery. If the readings revealed AF, their GP was informed and they could discuss treatment options.

The team developed the algorithm using the anonymised electronic health records of over 2.1 million people, and it was then validated using data from over 10 million people in countries outside the UK. It is hoped that the West Yorkshire pilot study will lay the groundwork for a UK-wide trial that could one day improve early diagnosis of AF and prevent more avoidable strokes.

## Business engagement, enterprise and entrepreneurship

An interim strategy and business case for business engagement and enterprise was approved by the University's Council in February 2024, with an ambition for the University to be recognised for its business engagement and entrepreneurialism. The business case provided for a year of investigation including worldwide benchmarking studies, limited capability build, extensive engagement with key stakeholders and proof of concept projects. Some earlier successes leveraging existing relationships have been seen in Executive Education, delivered through strong collaboration between faculties, central services and the Business Engagement and Enterprise team. This has created a pipeline of opportunities and repeat business.

The second phase over the next two to two-and-a-half years will continue this momentum to build on this pipeline while extending support to a wider group of stakeholders across the University.

During the academic year 2024/25, the Business Engagement and Enterprise team delivered and supported a focused programme of activity to strengthen innovation, enterprise and entrepreneurship across the University of Leeds.

### Supporting startups and spinouts

The University has 43 live spinout companies, which have raised £13.5m in investment in the last financial year.

**Nexus**, the University's business and innovation hub, continues to support a community of innovators and entrepreneurs. In November, it marked its fifth anniversary with a celebration uniting University stakeholders with our key external collaborators.

The Nexus community of over 180 businesses and organisations have raised £134m of private investment since 2019 and created more than 290 jobs.

This year saw the opening of the **Spark Imaginarium** at Nexus – a physical space with business support allowing business founders to develop their commercial innovations through to market launch.

The **Go-To-Market Launchpad programme**, a collaboration between Nexus, Leeds Beckett University and corporate innovation specialist L Marks, is providing expert guidance to help Leeds startups boost their business plans. Ten selected businesses followed an

eight-week accelerator programme which kicked off with a one-day bootcamp at Nexus and included weekly learning sessions with academics and one-to-one mentoring sessions, along with corporate engagement activities including a round table with industry leaders.

The foundation of **Northern Gritstone** in 2021 by the universities of Leeds, Manchester and Sheffield has proven to be a powerful force for commercialising University spinouts and science and technology businesses to create a leading ecosystem of support and funding. To date, Northern Gritstone investment has reached £312m, with a target to leverage £1bn.

### Making partnership working easier

Our recent Employee Engagement Survey highlighted a lack of agility when working with industry and businesses that hinders our current and potential partnerships. Over the next five years, the Business Engagement and Enterprise team will work with colleagues across the University to focus on professional learning, industry-funded research and knowledge transfer partnerships.

The Investment Zone workstreams are all being actively supported by Nexus. Funded by West Yorkshire Combined Authority, the Innovation Pathways workstream (previously Academic Brokerage) is providing funding of over £300,000 to the University for a relationship manager role to strengthen industry-driven collaboration. The role will have partner roles in three other universities across the region.

Further, Nexus is leading on the Health Innovation Leeds Incubator, a £2m partnership between the University of Leeds, Leeds Beckett University and Leeds Teaching Hospitals Trust, to provide project support for companies to deliver innovation in the health and care sector. Two further workstreams – Research Courses for Industry, supporting internships, MRes and PhD qualifications, and soft-landing support for businesses outside the region – have also been supported by the University of Leeds and Nexus.



## Operational review



### **From strategy to delivery: the Cluster Action Framework**

Many regions identify innovation clusters, but few know how to make them work. An innovation cluster is a group of businesses, researchers and organisations in the same place working on related activities, whose connections help new ideas grow and spread.

The University of Leeds has developed the Cluster Action Framework (CAF), a practitioner-led model informed by its participation in the Massachusetts Institute of Technology Regional Entrepreneurship Acceleration Programme (MIT-REAP). It aims to move innovation clusters from identification to delivery through shared priorities, lean governance and targeted interventions.

The work delivers against West Yorkshire's cluster action plans, a key part of its Local Growth Plan, and directly supports the UK's Modern Industrial Strategy 2025's priority on place-based innovation by providing a tested, transferable method for turning strategy into action at pace.

In line with our wider sustainability commitments, we are also ensuring a sustainable approach to research through reduced environmental impact and increased social and community benefits. As such, we are signatories of the [UK Concordat for the Environmental Sustainability of Research and Innovation Practice](#).



# Our people

## Our strategic priorities

Our people are the key to achieving our goals, and the clear focus we have set in response to our mid-term strategy review is to support and develop them to achieve their best.

We attract and retain talented people from diverse backgrounds and enable them to be the best they can be. The University’s values underpin our ambition to create a respectful culture where people are trusted to take responsibility for their actions and behaviours, where strengths are celebrated, and where people feel a sense of belonging and are proud to work for the University of Leeds.

Underpinned by our commitment to equity, diversity and inclusion and the wellbeing of our employees, we are creating an environment where people feel empowered and equipped with the capabilities, skills and resilience to achieve their full potential.

This includes removing obstacles to effective work by building an inclusive culture, and improving systems, processes and structures so people can do their jobs well. It also means clearly defining roles and responsibilities, helping colleagues understand how their work supports our overall goals, and ensuring they are fairly rewarded. Another part of our focus is offering targeted professional and career development, giving leaders the skills to support and develop staff, and ensuring people know what performance and behaviour are expected and can see clear opportunities for growth and progression.

35% of academic staff are from overseas (20% of overall staff)

Growth in proportion of female professors from 31.5% in 2024 to 32.6% in 2025

78% of Employee Engagement Survey respondents are proud to work for the University

## Operational review



## Making it easier to work at the University of Leeds

### Systems to support our vision

Our **Corporate Processes and Systems (CPS)** programme is the largest and most complex of our existing change programmes, designed to allow better collaboration across our People and Culture, Procurement and Finance services, and to streamline processes.

The CPS programme will offer opportunities across the University to improve ways of working and increase the quality of service for both staff and students. The technical design of our new SAP software system for our People and Culture, Finance and Procurement services is nearing completion, with the focus of the programme now shifting to the build and testing of the system and ensuring we are ready to adopt new ways of working.

We are committed to delivering CPS by the end of 2026, with colleagues enjoying simpler processes, better data and less manual processing of routine tasks.

Our Student Lifecycle Programme (SLP) has been replaced by the **Student Process Improvement Project (SPI)**, which will ensure that our processes and systems fully support our commitment to giving our students an excellent experience. Two foundational pieces of work include process redesign for

assessment and upgrading Banner, our core student record system – simplifying what is currently in place and making it a single trusted data source. This is arguably the most important enterprise system for the University. Continuous process and data developments are required to ensure that Banner remains functional and to allow updates to go live at appropriate points in the future.

The University continues to prioritise the protection of its digital infrastructure and information assets through an evolving cyber security strategy. During the last year, significant progress was made in enhancing the institution's security position, including implementing advanced threat detection technologies, strengthening identity and access controls, and improving capabilities for responding to incidents. Ongoing risk assessments, vulnerability scanning, and policy reviews ensure alignment with recognised cyber security and data protection standards. During this period, the University has also prioritised cyber security awareness and training initiatives to increase compliance rates and foster a culture of shared responsibility across the campus community.

Cyber security is a continually evolving challenge. Both internal and external threats require rapidly evolving responses. Measures must collectively reinforce the institution's resilience against increased cyber threats, ensuring the integrity, confidentiality and availability of institutional data and systems.

## High-performance computing and storage

Aire is the University's high-performance computing system, launched in February to bring cutting-edge computational power to support researchers across disciplines. Aire offers bigger nodes, an expanded memory, an improved scheduler, enhanced gated recurrent unit (GRU) capacity, faster networking and increased storage. This will help our researchers and the relevant postgraduate students access the computer power and high-speed storage they need to realise their full research potential.

## Reducing barriers to collaboration

The mid-term strategy review consultation revealed a widespread view that unwieldy academic structures and varying faculty sizes lead to a lack of cohesion and agility across the University. This was found to create barriers to collaboration and interdisciplinary working.

There are currently seven faculties within the University, reduced from nine in recent years. Over the next year we will move to five faculties and address variations in size, increase flexibility and financial sustainability, remove barriers and create the scale required for truly outstanding interdisciplinary research and educational collaboration.

## A clear route to performance and career development

### Clarifying roles, responsibilities and expectations

We are developing refreshed job profiles that will provide a consistent framework of expectations and skills for different types of roles at each grade. These will be used alongside a core behavioural framework, outlining what our values look like in practice, and providing a common understanding of expected behaviours.

These will feed through recruitment, induction, performance and talent management and allow us to focus on measuring the things that will help staff to succeed at the University.

## Performance management

Staff views on how effectively we manage performance was the only area to see a decline in the 2025 Employee Engagement Survey.

We have already begun to revise our current appraisal system with a new pilot, launched in April, targeted at senior leadership. This has received good feedback, and we are now working to make improvements and extend the approach to a larger pilot group before implementing it for all staff within the 2027/28 academic year.

Our simplified approach to performance and development will focus on clear accountabilities and expectations, underpinned by our values and expected behaviours, ensuring objectives are strategically aligned and people can see how their work supports our broader goals. Quality ongoing conversations between line managers and their direct reports will be central to the approach, leading to action across the full range of performance.

We have also completed the final phase of improvements to our pay and grading framework, ensuring it is highly competitive within and beyond the sector. Since 2023/24, all staff in grade 2 to 9 roles have received pay increases.

### Career pathways

A review of our career pathways was launched in January to ensure routes for career development and progression are more visible and straightforward, and that staff have access to effective support in planning and realising their career journeys.

Critical to this will be quality career conversations and opportunities to develop skills and experience, embedded as part of our approach to performance and development. We are further building our leadership development offer to support this.

Our approach to career pathways is designed with equity and inclusion at its core, supporting our work to reduce barriers to progression. It will be complemented by a programme of work to retain and reward high-performing staff, and more targeted professional development to support individuals' career ambitions and ensure they are meeting their objectives.



## Case study

### Boosting employee engagement

The University Employee Engagement Survey 2025 aimed to improve understanding of staff experiences and identify areas for improvement. It achieved a 60% response rate – above the sector average for similar sized institutions – and a 13 point increase in engagement, rising from 50% in 2023 to 63%. This improvement reflects both institution-wide actions addressing common themes and local initiatives, led by action group leads, that targeted feedback within faculties and services.

#### Key improvements:

- 82% feel they have autonomy in their roles
- 81% understand what's needed to succeed
- 78% are proud to work at the University
- Perceptions of leadership improved significantly, with a +19% increase in staff feeling that leaders value people as key to the University's success

As well as continuing to respond to feedback through targeted faculty and service action plans, three institutional focus areas are already in progress:

- Bringing the strategy to life and translating it into action
- Strengthening performance management
- Improving governance and decision-making

This marks a major step forward in creating a more engaged, responsive and inclusive working environment.



# Our place

## Our strategic priorities

The University of Leeds makes an enormous contribution to the city and wider Yorkshire region. Our research, economic and cultural activities support employment, investment, growth and enrichment across the region, and we have strong collaborative relationships with our civic partners.

We are home to some world-renowned cultural collections, many of which hold Arts Council England designated status, recognising their national and international significance. We are working towards the creation of the National Poetry Centre, the brainchild of our Professor of Poetry and current UK Poet Laureate, Simon Armitage, which will be located on the edge of our campus, while, with our students and staff through our Cultural Institute, we are playing a big part in Bradford 2025 UK City of Culture, including two year-in-industry placements and a fully-funded PhD scholarship exploring the impact of community engagement.

Through our developing Civic Engagement Framework, we will have a more ambitious, structured and strategic approach to regional engagement, bringing together the existing expertise and efforts in the community to make it more than the sum of its parts. Our aim is to increase our positive impact for the communities around us, realise new income streams, support business engagement and influence regional policymaking, making best use of the new powers and funding sources as these are being devolved to the English regions.

Leeds is ranked 3rd internationally as a healthtech hub, hosting 144 healthtech companies with a combined turnover of £1.6bn



## Reimagining our campus

The Leeds campus is one of the largest and most diverse in the country. Since the University's establishment in the 1870s, the campus has grown to encompass several iconic buildings and architectural styles. Ensuring that it is fit for the future – for our students, staff and local community – is key to our [Campus Reimagined](#) programme, designed to shape the strategic development of our campus so that it supports the University's current and future ambitions.

Campus Reimagined is based on four principal objectives: to provide a framework for planning and development over the next 15 years and beyond; to strengthen confidence in the purpose and identity of the University's campus; to support a financially sustainable strategy for the future of the campus; and to ensure that it is welcoming, inclusive and socially and environmentally sustainable.

Engagement with staff and students is vital, and the programme was launched at a three-day on-campus festival called Campus Reimagined Live! in February. Feedback and ideas from the event have been fed into the developing masterplan framework, which will help us consider the future shape and size of the campus creation, as well as informing six 'quick win' campus experience-enhancing projects. These will be delivered in 2025/26 and include:

- more eating areas for people who bring lunch onto campus
- making outdoor green spaces more usable all year round
- a big screen for pop-up movie nights, sports events and screening graduations
- an outdoor botanical garden for teaching and wellbeing
- a campus plant and greenery trail
- an outdoor exercise and jogging trail around campus.





## A new approach to civic engagement

Our new Vice-Chancellor and President has initiated a refreshed institutional approach to civic engagement.

The vision is for deep and meaningful engagement with regional partners across the private, public and third sectors to enable a positive impact on our local community. We want to play a greater leadership role in driving the economic, social and cultural growth of the West Yorkshire and Yorkshire and Humber regions.

We are committed to leading and supporting regional economic development and social and cultural place-making with civic, community and business partners.

The new approach will centre on three priority areas: leveraging our signature strengths to support growth and prosperity in the region; building strong relationships with communities; and telling the story of our civic engagement. These will be viewed through the lens of three signature strengths: climate and sustainability; health, wellbeing and healthtech; and cultural and creative industries.

### **Wider ecosystem work with the Combined Authority**

Following the English Devolution White Paper published in December 2024, we co-signed a West Yorkshire Compact along with all regional universities and higher education institutions and the West Yorkshire Combined Authority. The compact commits us to work together to stimulate inclusive economic growth, drive innovation, and enhance social and environmental wellbeing.

The Yorkshire & Humber Policy Engagement and Research Network (YPERN) initiative, led by the University of Leeds and funded by Research England, has received permission for a no-cost extension, using underspend to extend the life of YPERN.

The Yorkshire Policy Innovation Partnership (YPIP) is underway, exploring new approaches to policy, with a focus on inclusive growth and living sustainably in a greener economy where communities in their places sit at the heart of decision-making.

We also co-lead a new Research England-funded project designed to extend and develop the work of the national Universities Policy Engagement Network (UPEN) and continue to evolve our sector-leading work on the development of Areas of Research Interest with Leeds City Council.





## Operational review



## Case study

## Partnering to deliver transport expertise

Researchers from the Institute for Transport Studies at the University have joined forces with colleagues from the University of Huddersfield's Institute of Railway Research to drive forward West Yorkshire's £2.5bn Mass Transit scheme.

Currently Europe's largest metropolitan area without a large-scale urban transit system, government-approved plans could see trams run between Bradford and Leeds by the mid-2030s under the banner of the new Weaver integrated public transport network for West Yorkshire.

The Centre for Transport in Cities (Centric) will see the two universities working in a strategic alliance with the West Yorkshire Combined Authority to inform the planning, economics and railway engineering behind the Mass Transit proposals, while ensuring that leading-edge academic expertise in transport feeds into West Yorkshire's future transport plans.

They will advise on major regional investments in road, rail, bus and active travel, while developing a blueprint that can be shared to support urban transport schemes worldwide.

Mayor of West Yorkshire Tracy Brabin says, "Our ambition to get spades in the ground on our Mass Transit network by 2028 is on track, but there is still plenty of work to do."

West Yorkshire Mass Transit has the potential to be an exemplar for the delivery of a modern integrated mass transit scheme. Centric will play a pivotal role by providing independent expert advice along with research that identifies areas for innovation and opportunities for education and skills development.

## Cultural engagement

As part of the Reimagining Relationships with Urban Nature project, a collaboration between the University of Leeds, the University of Bradford, Natural England and local artists, four free creative workshops took place in May at the Kirkgate Centre, Shipley. Each focused on an ordinary but overlooked part of Bradford, the junction of Bradford Road and Otley Road, Shipley, and activities included scenography (stage and set design), creative writing, filmmaking and biodiverse mapping. These hands-on, sensory and creative sessions offered a chance to reconnect with nature and imagine new possibilities for forgotten urban spaces – places that may seem disused but are home to diverse habitats.

The Cultural Institute's plans for the Leeds Light Night 2025 programme include artwork that has been developed in collaboration with researchers in neuroscience, environmental change and design, and new work created in partnership with our Public Engagement team, the Polycrisis Network and Leeds Social Sciences Institute (LSSI).

The Ignite Fund has opened for 2025/26 applications. This fund offers £5,000 awards for research or impact projects developed between University of Leeds researchers and Yorkshire-based arts, cultural or third-sector organisations. The aim is to initiate or develop relationships between partners that benefit both and that could lead to longer-term work. A new strand of Ignite will offer up to three awards of between £1,000 and £3,000 for researchers to develop interdisciplinary partnerships with colleagues in other disciplines around the theme of creative health.



## Operational review



## Case study

## Spectacular Light Night draws more than 13,000 visitors

Over two October nights, some of Leeds' most recognisable spaces were transformed by artworks and performances by local, national and international artists as part of the popular Light Night Leeds.

Light Night is a prime example of a programme that draws together the strands of the University's Cultural Engagement Strategy: research, student opportunity, campus experience and public engagement.

The power of culture to bring people together was very evident. More than 13,000 visitors – local residents, families, students and staff – experienced a welcoming campus, filled with light, design, artmaking and performance. Nature-inspired installations engaged visitors of all ages, and involved everything from memorable projections and immersive sound trails to interactive dance.

Masters student Ben Finlay performed at Smeaton's Planetarium, galaxies, stars and nebula shooting around him as he played music created by fellow Masters student Harry O'Brien from the School of Music. The projections were masterminded by immersive video artist Paul Miller and the music was inspired by research conducted by scientists led by astrochemist Dr Catherine Walsh.

The planetarium, organised by Dr Scott McLaughlin and Dan Merrick, attracted 2,800 people over the two nights.

The Laidlaw Library was transformed with a large-scale sound and light installation, displaying patterns inspired both by nature and mathematics, created by Rebecca Smith from Urban Projections alongside Professor Alistair Rucklidge from the School of Mathematics and Dr Merin Joseph, a former visiting researcher at the University of Leeds and now a visiting researcher at the University of Copenhagen.

A particular highlight was a collaboration between Dr Briony Thomas from Mechanical Engineering with RJC Dance and Mango Arts, who together built an afro-futuristic carnival costume worn by Khadijah Ibrahim using 3D printed elements.

Other displays included jellyfish in trees, made from recycled materials, leaf lanterns and large flowers with the sound of buzzing insects in an installation called The Nectary, devised by artist Alison Smith and Dr Chris Hassall. The leaf lanterns were crafted by Dr Robin Hayward with [Smeaton 300](#), on behalf of [LEAF](#), funded by the [Festival of Social Sciences](#).





# Sustainability

## Strategic priorities

Our world-leading research and education play an essential part in plotting a path to a fairer and more sustainable future.

In 2019 we agreed seven principles to address the climate crisis, including setting an ambitious net zero greenhouse gas target. Delivering this target is still a goal, but we are reviewing our commitments in view of the changing definitions of net zero and whether our current approach remains the most effective one to achieve our targets.

For us, sustainability means creating value for society by taking responsibility for our economic, cultural, social and environmental impacts. But maintaining financial stability as an institution is also crucial if we are to deliver on our commitments to our students, staff, our community and the planet.

13.2% year-on-year decrease in Scope 1 and 2 emissions in 2024/25





## Investing in an environmentally and socially responsible university

### **Ethical and sustainable policies and standards**

This year has seen several key developments in our ability to deliver on our ambitious sustainability commitments. As part of our Environmental Policy, we are committed to meet and, where possible, exceed all relevant UK, European and international regulation guidelines and standards. Our environmental management system is certified to ISO14001:2015. This covers all activities conducted on our city campus, our residential sites and sports and conferencing facilities. In addition, we have been working to develop a new framework for environmental and social responsibility that will build on our previous Sustainability Strategy.

Our new biodiversity standard prioritises nature at the heart of our campus through our Campus Reimagined programme and shows how we collaborate through research and teaching in the region to promote climate and nature resilience.

In 2024 we developed and implemented an Ethical Investment and Banking Policy, including changing our banking partner.

### **A sustainable curriculum**

The Leeds Sustainable Curriculum is part of our Climate Plan and designed to increase opportunities for students to engage with real-world global challenges through internal and external collaborations, and for staff to access professional development, guidance and resources exploring education for sustainable development (ESD).

The Leeds University Network for Sustainability in Higher Education (LUNSHE) is now two years old and has 190 followers from across a diverse spectrum of disciplines, roles and levels of expertise. Together we explore ways to embed sustainability into programmes of study and student opportunities. Over the last academic year, the LUNSHE community of practice group, which meets monthly via hybrid sessions supported by an online collaborative channel, has delivered seven sessions and five workshops including student-led sessions and international collaborations.



## Operational review



## Case study

## Using AI to embed sustainability

A GenAI toolkit on embedding sustainability has been developed by second-year Natural Sciences student Grace Sara Ann Assheton as a result of a Laidlaw scholarship project.

Inspired by the urgent need for climate action, Grace studied the potential of generative AI (GenAI) tools like ChatGPT, Copilot, Claude and Gemini to support education for sustainable development (ESD) in higher education institutions.

Semi-structured ‘interviews’ with multiple GenAI models, using a method known as ‘thing ethnography’, explored how these tools perceive their role in ESD. A thematic analysis of responses was followed by validation and discussion in a focus group with sustainability experts at the University of Leeds and students interested in sustainability.

Several viable uses were identified, including personalising curriculum materials, simulating the environmental impact of student actions, and benchmarking educational approaches to global sustainability standards.

Potential limitations were also explored. Notably, the findings showed that GenAI models offered innovative ideas but often lacked practical feasibility, highlighting the need for critical analysis and interdisciplinary collaboration to harness their potential effectively.

Grace has since presented the toolkit at UNESCO’s Digital Learning Week in Paris and the 5th World Symposium on Sustainability Science and Research in Hamburg.

## Geothermal campus energy update

Geothermal drilling on the University campus began in 2024 with the aim of understanding the potential for low-carbon geothermal heating systems.

The project is a collaboration between Geosolutions Leeds, the University's Facilities Directorate, engineering consultancy Buro Happold and drilling contractor ANTS Group.

The first phase of the geothermal campus project is complete, with the discovery of abundant groundwater resources and high thermal conductivity values – positive findings that support the continued development of ground energy for low-carbon heating systems on campus. Both groundwater yields and thermal conductivity were higher than initial assumptions, meaning that more energy could be obtained from each borehole drilled.

Knowing the value of the ground resources helps the University to make more informed design decisions for heating systems and will have expansive implications for the University's journey to net zero.

## The path to net zero

We are moving into detailed design for our phase 1 projects and upcoming changes at the shared generating station complex (GSC) will see emissions drop from next year. The continued high cost of electricity when compared to gas means we must be vigilant about the impact on operational expenses of moving from gas to electricity for heating, and the potential for it to impact on 2030 electrification plans.

### **Secure an increased electrical supply to campus, allowing us to decarbonise our heating systems**

Our net zero mid-term review in summer 2025 is evaluating progress and assessing risks, including the decarbonisation of the GSC – a gas-fired power station.

We have completed the electrification of our Bodington playing fields and the testing wells for geothermal energy at the Engineering cluster showed promising results. Following the mid-term review, we will be in a strong position to start delivering phase 1 projects. These include building energy management system pilots, which, if successful, can be scaled up across campus.

## Emissions update

We [report quarterly and annually](#) on our emissions.

- Our latest figures for direct + travel emissions (Scopes 1 and 2 from 2019/20 and Scope 3 travel emissions from 2018/19) were 4% higher than our original trajectory, mainly due to unexpected rebounding of business travel post-Covid, commuting emissions and more accurate accounting of agricultural emissions from the University farm
- Emissions from the operation of the University estate (Scopes 1 and 2 excluding agricultural emissions) are 3% above the projected figure, partly due to new buildings coming into operation
- Total institutional emissions are rising – although these are not targeted until after 2030 – driven by increased Scope 3 supply chain emissions caused by our staff population increasing by 16% and the student population by 4%. In addition, the business has grown, with income up 33% and expenditure up 29% from 2020 to 2024, while spending in high-carbon areas, including IT and laboratories, grew 43% in one year to 2023/24

A new Net Zero+ Strategy is under development to address Scope 3 supply chain emissions pre- and post-2030.





## Maximising opportunities

### Turning climate anxiety into action

As part of our wider Sustainable Curriculum programme to provide students with the knowledge, capabilities and skills to have a positive impact in the world and contribute sustainable solutions in an equitable and just way, the University of Leeds has developed a Climate Action training module. Supporting the principles of Curriculum Redefined (page 32), this is a dynamic, interdisciplinary online course designed to push individual behaviour change and explore the systemic roots of the climate crisis.

Spearheaded by Professor Vera Trappmann, the initiative began with a focus on carbon literacy training, which had already shown measurable success in shifting student behaviours towards sustainability. From this, a collaboration with learning designers and media creators in digital education envisioned a course that both educates and inspires, tackling the social, environmental and economic dimensions of climate change and equipping learners to act both individually and collectively.

Taking around 16 hours to complete, the [training module](#) is aimed at Leeds students and staff but is freely accessible to anyone on the Future Learn platform.

### Promoting sustainability in primary schools

Through the Positive Impact Partners (PIP) programme, we have been working with two local primary schools on the **Sustainability into Primary Schools (SIPS)** pilot, discussing innovative ways to help them overcome some of their sustainability challenges. A priority for both schools was enhancing their climate change-, sustainability- and biodiversity-related lessons.

By running the pilot as a new thread of the existing Societies into Schools programme, PIP could recruit students from Leeds University Union (LUU) societies to deliver enrichment activities in schools in subjects they were passionate about.

In November and December, the students delivered their workshops to very excited and engaged local primary pupils. The Conservation Society created a session explaining why bug hotels are so important and provided an array of leaves, bamboo sticks and natural materials for the children to use to create their own bug hotels for their school grounds.





## Case study

### Collaborative urban land management in Leeds

Public–civic partnerships are a model of asset management promoting collaboration between local communities and public authorities to manage urban spaces. One such collaborative research project in Leeds has focused on how communities can access and co-manage council-owned land for nature recovery and urban regeneration.

Supported by the Positive Impact Partners (PIP) programme, the project brought together community organisations, university researchers and council officers to share insights and develop policy recommendations on urban land use for nature and community benefit.

The project aimed to make the management of public assets more democratic by promoting shared management between local communities and authorities. This model encourages people to get involved in governance, allowing for greater community involvement and shared decision-making. Case studies show that this approach has been effective in other cities.

**Engaging the community:** Participatory techniques, such as walking and mapping exercises led by community partners, enabled residents to identify underused spaces and think about how they could be transformed into thriving green areas supporting biodiversity and community wellbeing. This collaborative effort highlighted the power of combining community knowledge with innovative mapping techniques to reimagine and reclaim urban spaces for ecological and social benefits.

**Trust and respect:** The research team emphasised the importance of balancing lived experiences with academic theory, grounded in mutual trust and respect. This foundation was crucial for the project's success and for creating richer, more flexible outcomes.

**Giving a greater voice:** Partnership with the University helped give community groups a greater voice, enabling more constructive dialogue with the council, and improved access to land opportunities. The project aims to publish findings, including policy recommendations and practical tools to support community access to council land and inspire similar initiatives elsewhere.

Engaging participants required working with existing community networks to connect with interested residents. The value of collaboration was highlighted for broader and deeper engagement.

Dr Marie Avril Berthet, Research Fellow, explains: “Engaging in a partnership doesn’t have to be overly formal or bureaucratic. Just doing the exercise of putting each other’s interests and expectations into one document has the potential to very profoundly transform the relationship.”

It’s within this potentially messy process that truly innovative solutions can emerge. Professor Paul Chatterton, Professor of Urban Futures, notes: “Collaboration across the public, private and civic sectors is essential for addressing the complex challenges of the multifaceted crises facing local places today.”

The research team is now working to publish the final outputs of the study, with the aim of using it to inspire better use of urban spaces in Leeds and in other urban areas facing similar challenges.



## Outlook

Our mid-term strategy review gives us a clear sense of direction for the next five years and the changes we need to implement to support continued delivery of our ten-year strategy. We expect the student recruitment market to remain challenging for both UK and international students during this time and will be developing and strengthening our network of partners around the world as an integral part of our approach to meet these challenges.

The expansion of Curriculum Redefined will continue to enhance the student experience, while equipping our graduates with the skills they need to succeed in a job market that is likely to remain challenging. With that in mind, the launch of the Leeds Global Industry Programme will benefit international taught postgraduate students, with its offer of consultancy experience with a UK or international organisation.

In addition, the Spark service, which fosters student entrepreneurship, has several new initiatives planned, including innovation sprints, hackathons and outreach activities. We have also secured software licences to allow students to develop their

business ideas, plan, validate and pitch their ventures, and keep track of their own involvement in enterprise while at the University.

Artificial intelligence will continue to have a significant impact across higher education, and we will continue to monitor developments in this area, in both student education and research.

The University will continue to play a vital – and increasing – civic role in the region, and it will be important for us to build our business engagement and enterprise capability further by extending our networks. We will be providing innovation support for the West Yorkshire Mayor's Innovation Challenge on tackling health inequalities in the region.

Creating the conditions for staff to succeed in their roles, the whole operation will benefit from our focused investment in the Corporate Processes and Systems, and the Student Process Improvement programmes. Meanwhile, our investment in Campus Reimagined will make sure that our environment continues to support the University's future ambitions while meeting the University community's needs.





Corporate  
governance



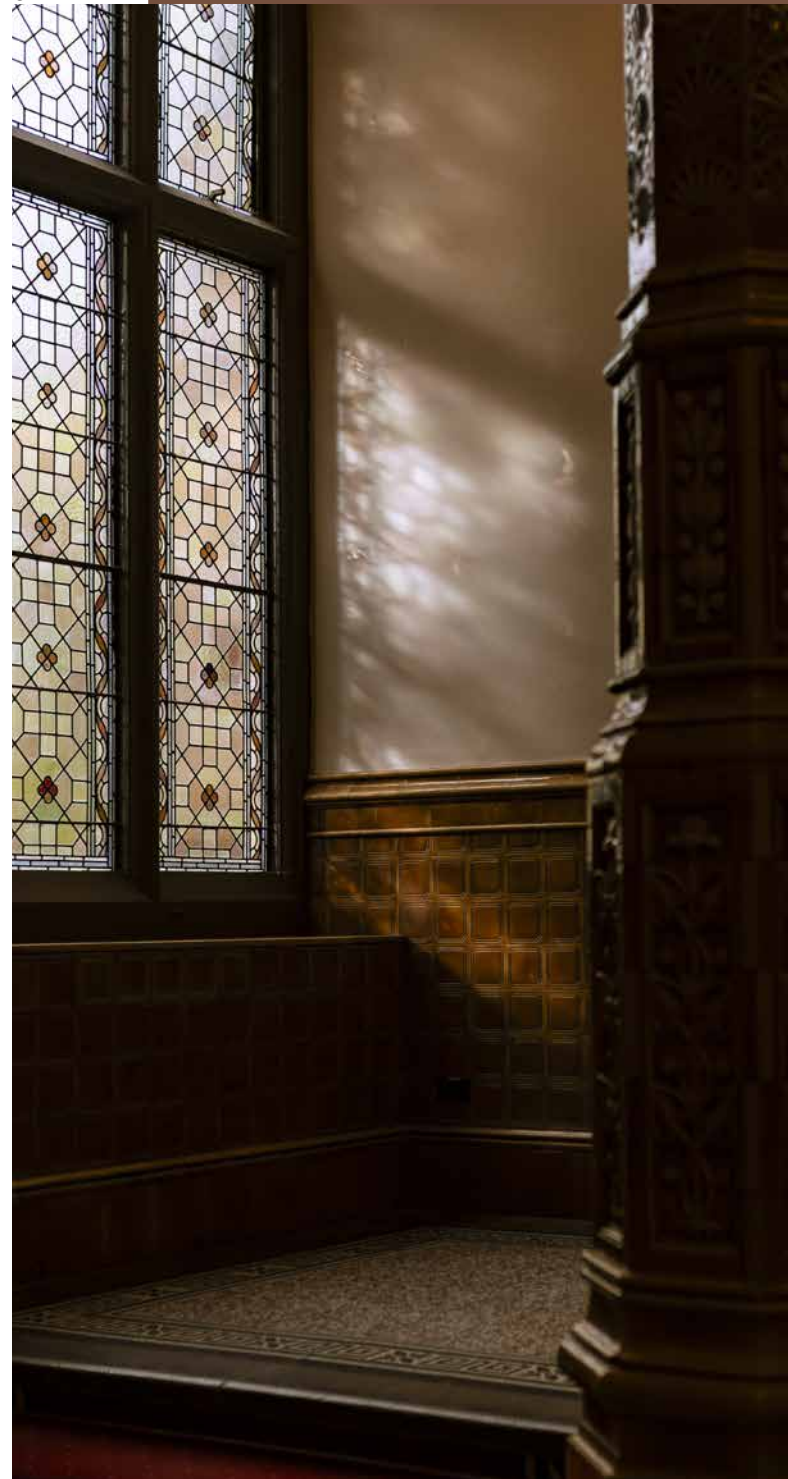
## Corporate governance

This statement covers the period 1 August 2024 to 31 July 2025 and up to the date of approval of the audited financial statements.

The University is an independent corporation established by Royal Charter as a “teaching and examining body... to cultivate and promote arts, science and learning”. These objectives, and the powers and framework of governance, are set out in the Charter and the supporting statutes, amendments to which must be approved by the Privy Council. The University receives substantial public funding and, by virtue of the educational nature of its objectives, is an exempt charity under Schedule 3 of the Charities Act 2011.

The Council is satisfied that the University has had regard to, and materially complies with, the Higher Education Code of Governance published by the Committee of University Chairs (CUC), as revised in September 2020, and that it also complies with relevant provisions in the Reports of the Committee on Standards in Public Life. The University is committed to upholding the highest standards of corporate governance.

The University strives to ensure that its corporate governance arrangements are transparent. Its committee structure for considering and reporting key decisions is described below. The Council receives a report of meetings of the Senate and regular reports from its committees. Papers of the meetings of the Council are made available online to members of the University, and the minutes are now made available publicly on our website. The Council reviews annually the membership and terms of reference of its committees, to ensure that they remain appropriate and inclusive. During 2024/25, we filled five lay member vacancies (four from 1 August 2024 and one from 1 August 2025) and one academic member vacancy (for 2024/25).





## The Council

The Council is the governing body of the University. As such, it has a collective responsibility to promote the University's wellbeing and ensure its sustainability.

The specific responsibilities of the Council are outlined in its [Statement of Primary Responsibilities](#) but, in summary, it is responsible for approving corporate strategy and associated plans and budgets, for determining major business decisions and corporate policy, for the framework of governance and management, and for monitoring institutional and executive performance. The Council is also responsible for satisfying itself that the methodologies used to maintain standards and ensure continuous improvement of the student academic experience and student outcomes are robust and appropriate. Information on the Council and its principal committees can be found on the [Governance and Compliance](#) area of the University's website.

The Council had 22 members in 2024/25, the majority of whom are lay (neither employees nor students at the University) but also including representatives of staff and students. For the purposes of charity law, members of the Council are trustees of the University and have regard to the Charity Commission's guidance on public benefit.

They do not receive fees or other remuneration as members or trustees. The University maintains a register of interests of all members of the Council (and senior officers of the University), available on the [University of Leeds website](#). The Council normally has six business meetings and two strategy away days each year.

The Council is responsible for ensuring the adequacy and effectiveness of arrangements for corporate governance, risk management and the oversight of regulatory responsibilities. This includes compliance with Office for Students (OfS) conditions of registration, any terms and conditions of funding, as well as any other relevant regulatory responsibilities. There is an annual cycle of reporting to the Audit and Risk Committee, which provides the Council with assurance on compliance. Other responsibilities are delegated to committees and officers in accordance with a scheme of delegation, available on the [Governance and Compliance](#) area of our website.

Alastair Da Costa has been the Chair of Council since 1 August 2022. Janet Sheriff holds the role of Deputy Chair of Council, supporting Mr Da Costa in his leadership of Council and oversight of the operation of Council and its sub-committees.



## University committees

The principal committees of the Council include:

**The Audit and Risk Committee**, chaired by Heather Swanston, normally meets five times a year. It has a significant role in reviewing the effectiveness of the systems of internal control, including financial procedures and risk management, considering the reports received from the University's internal and external auditor.

**The Strategy and Investment Committee**, chaired by Seb Elsworth, advises the Council on the development and implementation of the University strategy and on major investment, funding and borrowing decisions, including any significant changes to treasury policy.

**The Nominating and Governance Committee**, chaired by the Chair of the Council, brings forward to the Council nominations to fill vacancies for members of the Council and its committees. In doing so it has regard to a member's skills and diversity matrix, along with the need to both draw members from a diversity of backgrounds and to maintain an appropriate balance between continuity and rotation in membership. It also makes recommendations to Council as appropriate on matters concerning the operation and effectiveness of corporate governance arrangements, in line with best practice.

**The Health, Safety and Wellbeing Committee**, chaired by the Vice-Chancellor and President, maintains an overview of the University's arrangements for securing the health and safety of staff, students and visitors.

**The Remuneration Committee**, chaired by Helen Grantham, comprises five lay members of the Council. Its main responsibility is to determine the remuneration of the Vice-Chancellor and President and other members of the University Executive Group (UEG). In doing so, the Committee has regard to the Committee for University Chairs Higher Education Senior Staff Remuneration Code. The Remuneration Committee submits an annual report to the Council, which is publicly available.

**The Ethics and Values Committee**, chaired by Janet Sheriff, provides governance oversight and assurance on ethical matters affecting the University which contribute to the achievement of its strategic objectives, accord with its values and meet regulatory and legal obligations. It also provides an ethical and values-led framework for debate and decision-making on proposed institutional responses or activities that might have an impact on the University's reputation or its integrity.





## The Senate

The Senate is responsible to the Council for academic governance, especially for regulating the admission of students, the curriculum, the assessment, maintenance and enhancement of academic standards, and the award of degrees and other qualifications. Senate members are drawn from the academic staff and the student body. Committees of the Senate include a Taught Student Education Board, Graduate Board, International Strategy Board, Research and Innovation Board, and Digital Transformation Strategy Board.

## The Court

The University Court serves as a symbol of the University's accountability to its many different stakeholder constituencies. The Court is empowered to ask questions about, and express an opinion on, any matter whatsoever concerning the University, and to convey such opinions to the Council. Members of Court are widely drawn from the University community (Council members, staff, students, life fellows and alumni) and include external stakeholders such as representatives from charitable foundations, local authorities and schools, University-affiliated and local educational institutions and the Trades Union Congress (TUC).

The Court is responsible for the appointment of the Chancellor and for the approval of the award of honorary degrees.



## Value and impact

The University's established governance structures, as well as the deliberations and contributions of our Council members, help create and sustain value and impact over time. We achieve this through our formal mechanisms, as well as by providing additional opportunities for engagement and insight.

Actions from the previous year include:

### Audit and Risk Committee

- Onboarding of new internal audit partners (KPMG LLP), oversight of external audit tender process and fee, and the development of audit plans for 2025/26
- Increased self-reflection, scrutiny and challenge in light of the Gillies report to ensure best practice, including a workshop with our internal and external auditors
- Increased scrutiny of institutional risks to ensure robust management
- Challenge and support to the Executive on the implementation of audit recommendations
- Oversight of institutional risk register, risk appetite framework and insurance policies, as well as analysis of the external risk environment
- Consideration of particular areas of risk in greater depth in relation to fire safety, cyber security and international security
- Review of compliance with the Office for Students (OfS) conditions of registration, the schedule of assurance of the primary responsibility of the Council, and the management and quality of data
- Assurance on fraud risk management, including approval of policy updates in relation to risk management, anti-bribery and money laundering

### Strategy and Investment Committee

- Strategy deep dives in relation to research and innovation and student education
- Consideration and support for the next phase of the University's One Leeds strategy to 2030

- Scrutiny of progress in relation to the University's major transformation programmes
- Endorsement of a range of contractual matters, agreements, leases and business cases

### Nominating and Governance Committee

- Consideration of the size and shape of the Council
- Oversight of the annual review of effectiveness of Council committees.

### Health, Safety and Wellbeing Committee

- Consideration of policy and communications, Employee Engagement Survey outputs, performance standards, and health and safety training
- Consideration of accident statistics, fire safety, and interactions with enforcement and regulatory agencies
- Approval of the terms of reference and membership of the new Biological Safety Committee

### Ethics and Values Committee

- Consideration of key ethical issues with an impact on the University community, including the Israel-Gaza conflict, an ethical careers statement, approaches to ethical partnerships and collaboration
- Review of the annual statement on research integrity
- Review of the OfS condition to address harassment and sexual misconduct, and endorsement of policies on the prevention of bullying, harassment and sexual misconduct and personal relationships at work

In addition, Council strategy away days were provided to allow deeper consideration of aspects of the strategy, as well as informal briefings ahead of Council business meetings on key areas of interest.

The Council also commissioned an external governance effectiveness review during 2024/25, providing an independent assessment of our governance arrangements, as well as recommendations for further enhancements, with a particular focus on academic governance.

## Senior officers and executive management

The Vice-Chancellor and President is the Chief Executive and Senior Academic Officer of the University. As such, they exercise considerable influence on the development of institutional strategy, the identification and planning of new developments, and the shaping of the institutional ethos.

The Vice-Chancellor and President is formally responsible to the Council, within a prescribed framework, for the operational management of all aspects of the University's work. They are the 'Accountable Officer' who reports to the OfS and Research England, under their respective terms and conditions of funding, on behalf of the University.

The Vice-Chancellor and President delegates responsibility for specific aspects of the University's management to members of the University Executive Group (UEG) but retains ultimate responsibility for their work. Executive Deans and senior officers are responsible to the Council (through the Vice-Chancellor and President) for the leadership and overall management of the faculties and professional services.





## The risk management process

Our risk management framework is based on the principles of ISO31000 Enterprise Risk Management (ERM), which emphasises the involvement of managers and employees at all levels in the risk management life cycle.

Ultimate responsibility for risk management rests with the University’s Council, with the Audit and Risk Committee acting in a supervisory capacity. At the executive level, it is the responsibility of the University Secretary and Registrar, supported by the Director of Risk Management, whose office maintains the institutional risk register. Emerging and changing risks are identified in committees and forums and brought to the attention of the University Executive Group (UEG) throughout the year. The current level of each risk (the potential likelihood and impact taking into account existing mitigations) is rated on an increasing scale of minor, moderate, major and severe. The severity of each risk is indicated in brackets in the table below.

The Audit and Risk Committee ensures that key risks are actively managed and appropriate strategies are in place. It formally reviews an updated institutional risk register annually prior to further review at Council. The register has been refined during the year to ensure a clear focus on a core set of institutional risks which require effective mitigation to deliver the University’s strategy and address significant external challenges.

Our key risks are set out in the table below.

### Strategic risks

| Risk title and description                                                                                                                   | Mitigation                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Student experience (Major)</b><br>Delivering a poor, or unsatisfactory, student experience                                                | We have redefined over 600 programmes through our Curriculum Redefined programme and have established a new programme focused on improving student-focused processes and resetting current ways of working                          |
| <b>International student recruitment (Severe)</b><br>Failure to successfully recruit and retain the planned number of international students | Governed by an International Recruitment Steering Group, we have focused on improving the applicants’ experience through offer-making efficiency, student engagement, digital marketing capabilities and academic presence overseas |
| <b>Digital transformation (Major)</b><br>Limited growth in our online portfolio, digital education provision and ways of working             | We continue to enhance our provision of high-quality, flexible, secure, user-focused technology and are expanding our fully online education portfolio                                                                              |
| <b>Climate plan (Major)</b><br>Failure to meet our net zero commitments                                                                      | Through the delivery of our Climate Plan, we are fostering and embedding a sustainable mindset throughout our core strategies and decision-making                                                                                   |

Operational risks

| Risk title and description                                                                                                                                       | Mitigation                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Cyber security (Severe)</b><br>Failure to properly secure our IT infrastructure                                                                               | We continue to deploy market-leading cyber security technologies, with a dedicated team of IT security professionals                                                                          |
| <b>IT infrastructure and capability (Severe)</b><br>Failure to improve our IT skills and capabilities to align with the needs of our strategy                    | An IT modernisation programme is in place to modernise the technology in our IT services, improve our data infrastructure and deliver modern, high-quality customer services                  |
| <b>Mental health and wellbeing (Moderate)</b><br>Failure to evolve our support to facilitate the physical and mental health and wellbeing of our community       | We have developed a broad package of health and wellbeing training packages and made significant investments in internal support services including occupational health and staff counselling |
| <b>Strategic change (Major)</b><br>Failure to lead and manage the complex strategic programmes necessary to deliver the University strategy and realise benefits | We continue to strengthen a dedicated Transformation Office and have the ongoing support of a third-party digital assurance partner                                                           |

Financial and compliance risks

| Risk title and description                                                                                                                                                                                                                     | Mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Financial sustainability (Severe)</b><br>Inability to generate sufficient income, absorb cost inflation and deliver our target level of surplus, so that we can afford our significant investment demands and have a sufficient risk margin | The University has a healthy cash position, strong balance sheet and a bond repayment fund established with Sarasin & Partners. The mid-term strategy review continues to focus on driving financial benefits realisation, with an increased focus on size, shape, productivity and efficiency. Work continues to develop new high-margin income streams in areas such as professional learning and fully online education. Key changes to strengthen our mitigations include the establishment of a Services Delivery and Efficiency Steering Group to review cost structures and identify future efficiencies, engagement with the Directors of Professional Services and the re-introduction of an International Student Recruitment Steering Group |
| <b>Fire safety compliance (Major)</b><br>Failure to meet fire safety guidelines for an external wall cladding system of a single University building                                                                                           | We have reduced the occupancy level of the impacted building and continue to engage with the West Yorkshire Fire and Rescue Service to ensure we meet safety standards                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

## Internal control

The Council is responsible for ensuring a sound and effective system of internal control that supports the fulfilment of the University's policies, aims and objectives while safeguarding public and other funds and assets.

This process has been in place for the year ended 31 July 2025 and up to the date of the approval of the audited financial statements.

Detailed review and monitoring of the system of internal control is carried out on behalf of the Council by the Audit and Risk Committee, from which the Council receives periodic reports.

The Audit and Risk Committee receives regular reports from the internal auditor. These include an independent opinion on the adequacy and effectiveness of the University's arrangements for risk management, governance, internal control and securing value for money, with recommendations for improvement where appropriate.

Based on the work carried out during 2024/25, the internal auditors have concluded that an opinion of 'significant assurance with minor improvement opportunities' can be given on the overall adequacy and effectiveness of the organisation's framework of risk management, control and governance. The internal auditors consider that the University has adequate and effective arrangements to achieve economy, efficiency and effectiveness.

We expect a number of improvements and enhancements to the internal control environment to result from the investment in digital programmes and in particular the Corporate Processes and Systems (CPS) programme (see page 44).

The Audit and Risk Committee receives an audit report from the University's external auditor, indicating whether they observed any significant weaknesses in internal control from the external audit work performed. No significant weaknesses were reported this year.

The Committee seeks assurance that the University has in place adequate and effective arrangements for the management and quality assurance of data provided to the Higher Education Statistics Agency (HESA), the OfS, Research England, the Student Loans Company and other bodies. It also receives assurances on the University's compliance with the OfS's ongoing conditions of registration.

Review of the system of internal control is also informed by the work of executive officers, who have responsibility for the development and maintenance of the internal control framework.

## Financial control

The Council is required to secure the economical, efficient and effective management of the University's resources and expenditure and to safeguard its assets, including preventing and detecting corruption, fraud and bribery.

The University discharges these responsibilities through a system of internal financial control, which includes a comprehensive medium- and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets, together with monthly reviews of financial results involving variance reporting and updates of forecast out-turns.

The University's Scheme of Delegation includes clear definitions of the responsibilities of, and the authority delegated to, academic and administrative heads in relation to financial approvals and decision-making. This system is underpinned by comprehensive financial regulations which detail financial controls and procedures.

The Council is responsible for ensuring that the financial statements are prepared in accordance with the University's Charter, the Statement of Recommended Practice (SORP) on Accounting for Further and Higher Education, and other relevant law and UK Accounting Standards, within the terms and conditions of funding of the OfS and Research England. It also ensures that all judgements and estimates made are reasonable and supportable.



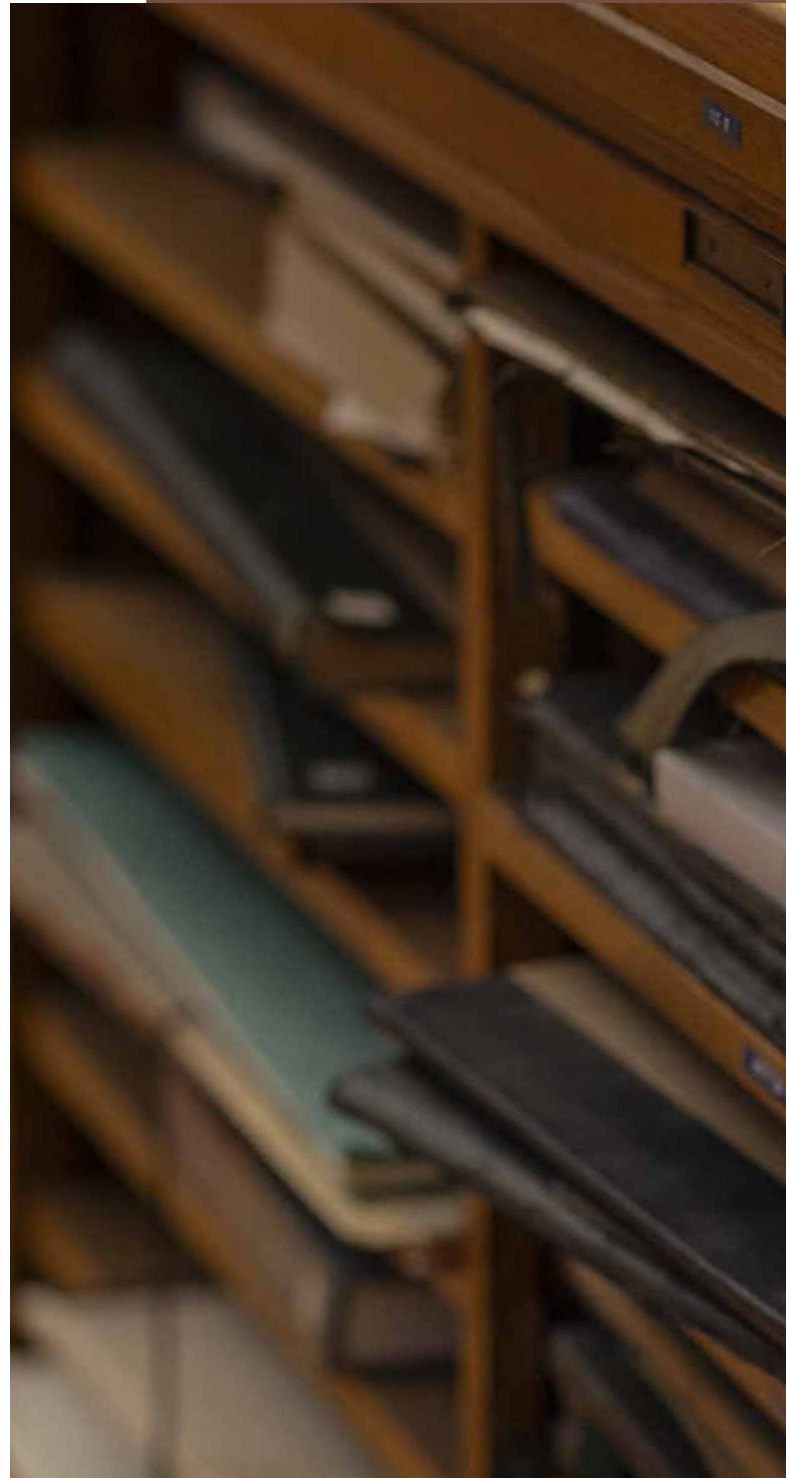
## Going concern

The Council is satisfied that the University has significant financial resources and a long-term financial plan that underpins the delivery of a broader strategic plan.

This assessment draws upon the strong financial position at July 2025 and financial forecasts to 2030 which show a trajectory towards a sustainable surplus. At 31 July 2025 we had cash and current investments of £484m (2024: £505m) and forecasts to 2030 show significant headroom compared to our target minimum cash level of £151m.

We have scoped risks and opportunities, and carried out scenario analysis including consideration of potential responses.

The Council is satisfied therefore that the University has adequate resources to continue operating for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements and its Integrated Annual Report.



# Members of the University Council 2024/25

| Member of the Council                            | Role                                               | Attendance<br>(6 business meetings<br>and 2 strategy away days) |
|--------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------------|
| Alastair Da Costa                                | Chair of Council                                   | 6+2                                                             |
| Professor Shearer West<br>(from 1 November 2024) | Ex Officio (Vice-Chancellor and President)         | 5+1                                                             |
| Professor Hai-Sui Yu (to 31 October 2024)        | Ex Officio (Interim Vice-Chancellor and President) | 1+1                                                             |
| Stephanie Burras                                 | Lay member                                         | 6+2                                                             |
| Tom Clark                                        | Lay member                                         | 1+0                                                             |
| Seb Elsworth                                     | Lay member                                         | 6+2                                                             |
| Peter Goldsbrough                                | Lay member                                         | 6+2                                                             |
| Helen Grantham                                   | Lay member                                         | 6+2                                                             |
| Stuart Murphy                                    | Lay member                                         | 5+2                                                             |
| Yvette Oade                                      | Lay member                                         | 5+2                                                             |
| Elizabeth Richards                               | Lay member                                         | 6+1                                                             |
| Wallace Sampson                                  | Lay member                                         | 6+2                                                             |
| Ken Sargison                                     | Lay member                                         | 5+2                                                             |
| Janet Sheriff                                    | Lay member                                         | 4+2                                                             |
| Heather Swanston                                 | Lay member                                         | 6+2                                                             |
| Shivani Gug                                      | Student member                                     | 5+2                                                             |
| Lucy Hart                                        | Student member                                     | 5+2                                                             |
| Amara Relf                                       | Student member from 1 July 2025                    | 1+0                                                             |
| Jessica Balme                                    | Staff member                                       | 4+1                                                             |
| Kendi Guantai                                    | Staff member                                       | 5+2                                                             |
| Lauren Huxley                                    | Staff member                                       | 6+2                                                             |
| Peter Jimack                                     | Staff member                                       | 6+2                                                             |
| Vanessa Kind                                     | Staff member                                       | 6+2                                                             |
| Alice O'Grady                                    | Staff member                                       | 5+2                                                             |

## Notes

- Lucy Hart, Union Affairs and Communications Officer of Leeds University Union, was a member from 1 July 2024 to 30 June 2025. She was succeeded on 1 July 2025 by Amara Relf. Shivani Gug remained a member of Council by virtue of her re-election to the position of LUU Education Officer.
- The term of office of Tom Clark ended on 31 July 2025.
- Kendi Guantai resigned from April 2025.
- Stephanie Burras, Stuart Murphy, Elizabeth Richards and Wallace Sampson were appointed to membership of the Council from 1 August 2024.

# Members of the University Executive Group 2024/25

| Member of the University Executive Group       | Role                                                         |
|------------------------------------------------|--------------------------------------------------------------|
| Professor Shearer West (from 1 November 2024)  | Vice-Chancellor and President (Chair)                        |
| Professor Hai-Sui Yu (to 31 October 2024)      | Interim Vice-Chancellor and President                        |
| Professor Hai-Sui Yu                           | Provost and Deputy Vice-Chancellor                           |
| Professor Jeff Grabill (to 20 July 2025)       | Pro-Vice-Chancellor: Student Education                       |
| Professor Kenneth McDowell (from 21 July 2025) | Interim Pro-Vice-Chancellor: Student Education               |
| Professor Nick Plant                           | Pro-Vice-Chancellor: Research and Innovation                 |
| Jennifer Sewel                                 | University Secretary and Registrar                           |
| Jane Madeley                                   | Chief Financial Officer                                      |
| Rachel Brealey                                 | Chief Operating Officer                                      |
| Louise Kindon (from 1 February 2025)           | Chief People and Culture Officer                             |
| Professor Andrew Thorpe                        | Executive Dean, Faculty of Arts, Humanities and Cultures     |
| Professor Karen Birch                          | Executive Dean, Faculty of Biological Sciences               |
| Professor Julia Bennell                        | Executive Dean, Faculty of Business                          |
| Professor Nora de Leeuw                        | Executive Dean, Faculty of Engineering and Physical Sciences |
| Professor Alan Haywood                         | Interim Executive Dean, Faculty of Environment               |
| Professor Mark Kearney                         | Executive Dean, Faculty of Medicine and Health               |
| Professor Paul Johnson                         | Executive Dean, Faculty of Social Sciences                   |



# Trade union facility time

## Relevant union officials

Total number of employees who were relevant union officials during the period 1 April 2024 to 31 March 2025.

| Number of employees | Full-time equivalent employee number |
|---------------------|--------------------------------------|
| 19                  | 17.9                                 |

## Percentage of time spent on facility time

The employees who were relevant union officials during the period 1 April 2024 to 31 March 2025 spent the following percentage of their working hours on facility time.

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0%                 | 0                   |
| 1%-50%             | 16                  |
| 51%-99%            | 1                   |
| 100%               | 2                   |

## Percentage of pay bill spent on facility time

Percentage of the pay bill spent on facility time during the period 1 April 2024 to 31 March 2025.

|                                                                                                                               |              |
|-------------------------------------------------------------------------------------------------------------------------------|--------------|
| Total cost of facility time                                                                                                   | £315,826.48  |
| Total pay bill                                                                                                                | £553,986,000 |
| Percentage of the total pay bill spent on facility time, calculated as:<br>(total cost of facility time/total pay bill) x 100 | 0.06%        |

## Paid trade union activities

The number of hours spent by employees who were relevant union officials during the relevant period on paid trade union activities during the period 1 April 2024 to 31 March 2025.

|                                                                                                                                                                                                                                                          |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Time spent on paid trade union activities as a percentage of total paid facility time hours, calculated as:<br>(total hours spent on paid trade union activities by relevant union officials during the relevant period/total paid facility hours) x 100 | 25.24% |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|



# Financial review



# Chief Financial Officer's Report

## Overview

Against the backdrop of an increasingly competitive international student recruitment market, exacerbated by the adverse impact of UK immigration policy interventions, the University has recorded an underlying operating deficit of £8m compared to a surplus of £60m for 2023/24 (before movement in the USS provision).

In last year's report we signalled that, as many of our competitors had already experienced, we were now seeing a downturn in our international student recruitment numbers, which crystallised as a 42% reduction against the record level of international postgraduate taught recruitment secured in 2023/24.

We responded quickly during the year to this significant reduction in income by imposing tight controls on expenditure, holding back on investment plans, applying a chill on recruitment and identifying other cost-saving opportunities. Through these controls and actions, we were able to deliver £64m of savings against our planned levels of expenditure for the year. As a result, we were able to partially mitigate the adverse impact of the significant reduction in student numbers, resulting in a modest underlying operating deficit.

We continue to hold a high cash balance and have maintained a strong balance sheet, boosted by a further actuarial gain in our local pension (PAS) scheme. Current year results also benefited from the non-cash release of provisions of £7m.

Total income has reduced to £999m, which is 5% lower than 2023/24. Tuition fee income of £511m was 10% lower, due primarily to the reduction in the international postgraduate taught student intake.

Overall expenditure of £1,007m was 1% higher than in 2023/24. Inflationary impacts, together with increased employment costs resulting from our investment in a new pay framework, and the increase in National Insurance contributions, have been offset by the above-mentioned cost-saving mitigations, which limited staff recruitment and non-staff expenditure.

As reported last year, following completion of the 2023 USS pension scheme valuation in December 2023, we recognised a £240m

release of deficit recovery provision in 2023/24. This was a one-off item and therefore drives a significant year-on-year movement on this year's consolidated statement of comprehensive income and expenditure (CSCI). The commentary in this report focuses largely on the underlying operating result excluding the movement in the USS provision, though there is a specific section which covers the financial impacts from our main pension schemes (in note 33).

The overall level of capital expenditure in 2024/25, including tangible and intangible assets, was £55m (2023/24: £50m). This spend continues to be lower than pre-pandemic levels and reflects our near-term focus on investment supporting critical IT infrastructure and digital transformation programmes. We expect to see an increase in capital expenditure levels as we move forward with major capital schemes, including our net zero plan.

As noted, in 2024/25, we felt the impact of the downturn in the international student recruitment market and its increasingly competitive nature, both in relation to international and UK higher education institutions (HEIs), and the adverse impact of the UK's national rhetoric and political interventions related to immigration policy. While we are on track to see some increase in both home and international student numbers for 2025/26, we believe that there has been a market correction in the international student recruitment market which will not simply reverse and therefore do not expect a return to the levels of international student numbers recruited in the years up to 2023/24. In addition, geopolitical and economic environments are increasingly volatile, and the impact of the very high levels of inflation in recent years is embedded into our cost base. In this challenging and uncertain context, we are focused on maximising and developing new income opportunities whilst also exploring the means to strategically right-size our cost base. In doing so, we aim to protect the critical strategic investment needed to support the successful implementation of the University strategy and to deliver on our ambition for the future.

In October 2025, we communicated a voluntary enhanced retirement scheme as part of the University's proactive approach to long-term financial sustainability. As the scheme was not approved or communicated prior to the balance sheet date of 31 July 2025, it is considered a non-adjusting event under FRS 102, and no provision has been made in these financial statements. This is disclosed as a post-balance sheet event in note 35.

## Financial review

## Consolidated financial summary

|                                                              | 2024/25<br>£'000   | 2023/24<br>£'000 | Change<br>% | Change<br>£'000 |
|--------------------------------------------------------------|--------------------|------------------|-------------|-----------------|
| <b>Summary</b>                                               |                    |                  |             |                 |
| <b>Total income</b>                                          | <b>998,550</b>     | 1,054,190        | (5%)        | (55,640)        |
| Expenditure (excluding movement on USS provision)            | <b>(1,006,703)</b> | (994,222)        | 1%          | (12,481)        |
| <b>Underlying operating (deficit)/surplus <sup>(1)</sup></b> | <b>(8,153)</b>     | 59,968           | (111%)      | (66,723)        |
| USS provision movement                                       | –                  | 239,546          | (100%)      | (239,546)       |
| <b>Operating (deficit)/surplus</b>                           | <b>(8,153)</b>     | 299,514          | (102%)      | (306,269)       |
| Other items <sup>(2)</sup>                                   | <b>(3,042)</b>     | 15,854           | (117%)      | (18,592)        |
| <b>(Deficit)/surplus</b>                                     | <b>(11,195)</b>    | 315,368          | (103%)      | (324,861)       |
| Actuarial gain                                               | <b>34,333</b>      | 53,241           | (36%)       | (18,908)        |
| <b>Total comprehensive income</b>                            | <b>23,138</b>      | 368,609          | (93%)       | (343,769)       |
| <b>Tuition fee and education contracts</b>                   |                    |                  |             |                 |
| Home students                                                | <b>192,232</b>     | 195,953          | (2%)        | (3,721)         |
| International students                                       | <b>281,553</b>     | 335,195          | (16%)       | (53,642)        |
| Other fees incl NHS teaching contract                        | <b>37,574</b>      | 33,980           | 11%         | 3,594           |
| <b>Total</b>                                                 | <b>511,359</b>     | 565,128          | (10%)       | (53,769)        |
| <b>Funding body grants</b>                                   |                    |                  |             |                 |
| Recurrent grants                                             | <b>88,930</b>      | 88,258           | 1%          | 672             |
| Specific grants                                              | <b>12,214</b>      | 13,551           | (10%)       | (1,337)         |
| <b>Total</b>                                                 | <b>101,144</b>     | 101,809          | (1%)        | (665)           |
| <b>Research grants and contracts</b>                         |                    |                  |             |                 |
| Research councils, UK charities and government               | <b>149,767</b>     | 153,864          | (3%)        | (4,097)         |
| Industry, overseas and other                                 | <b>35,796</b>      | 37,041           | (3%)        | (1,245)         |
| <b>Total</b>                                                 | <b>185,563</b>     | 190,905          | (3%)        | (5,342)         |

1. Underlying operating (deficit)/surplus is a non-statutory performance measure based on operating (deficit)/surplus less the USS provision movement.

2. Other items include: realised gains/(losses) on disposal of non-current assets, unrealised (losses)/gains on investments, share of operating (deficits)/surpluses in jointly controlled entities and share of operating (deficits)/surpluses in associates.



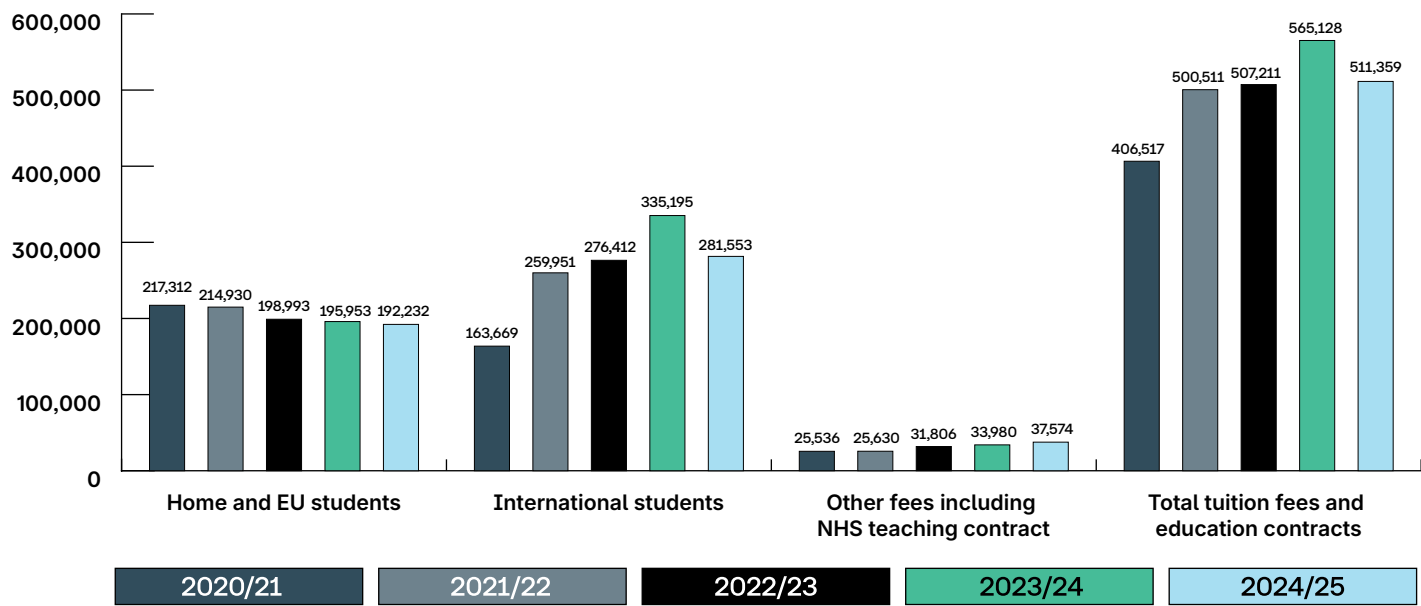
Consolidated financial summary *continued*

|                                 | 2024/25<br>£'000 | 2023/24<br>£'000 | Change<br>%  | Change<br>£'000 |
|---------------------------------|------------------|------------------|--------------|-----------------|
| <b>Capital expenditure</b>      |                  |                  |              |                 |
| Externally funded               | (12,418)         | (19,343)         | (36%)        | 6,925           |
| University funded               | (42,246)         | (30,438)         | 39%          | (11,808)        |
| <b>Total</b>                    | <b>(54,664)</b>  | <b>(49,781)</b>  | <b>10%</b>   | <b>(4,883)</b>  |
| <b>Cash and borrowings</b>      |                  |                  |              |                 |
| Cash and short-term investments | 483,579          | 504,681          | (4%)         | (21,102)        |
| Borrowings*                     | (319,253)        | (321,759)        | (1%)         | 2,506           |
| <b>Net funds</b>                | <b>164,326</b>   | <b>182,922</b>   | <b>(10%)</b> | <b>(18,596)</b> |

\*Excludes finance lease obligations and service concession arrangement liabilities.

# Tuition fees and education contracts

Tuition fees and education contract income over five years (£'000)



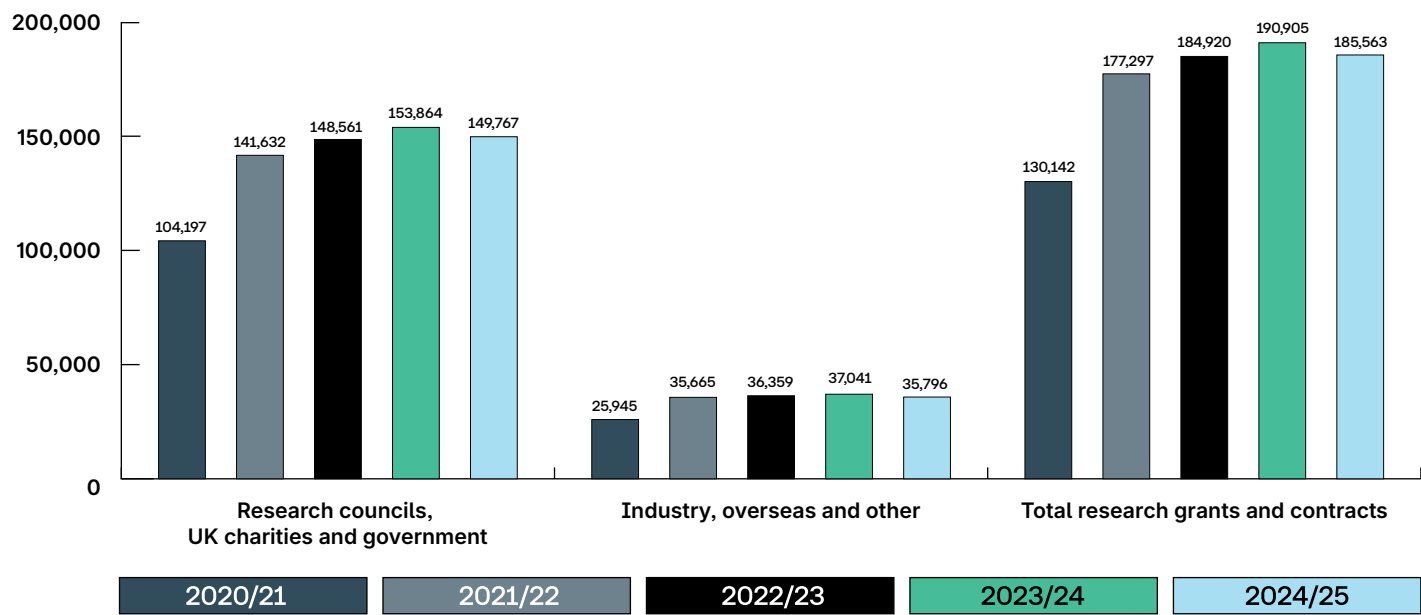
Income from tuition fees and education contracts was £511m, which is a 10% reduction from 2023/24.

Fee income from home students reduced by 2% to £192m compared to last year. This reflected a planned reduction in undergraduate numbers in the past three years following higher intakes during the period of the pandemic, together with a further reduction in postgraduate taught student numbers. Overall, home student numbers decreased by 2% to 23,217.

International fee income fell by £54m (16%) to £282m, due to the 42% reduction in the international postgraduate taught student intake. Total international on campus degree student numbers (excluding incoming exchange students) reduced by 22% from 13,695 to 10,659.

# Research grants and contract income

Research grants and contract income over five years £'000



Research income of £186m was £5m lower than last year following three years of growth. Despite this reduction, due to slower than expected spend, our pipeline of future research grants is strong, with £212m of new awards confirmed during 2024/25, 15% more than the previous year (2023/24: £185m). The value of research grant applications submitted during 2024/25 exceeded £1bn in value for the first time.

UK Research and Innovation (UKRI) continues to be our largest funder of research, with 183 new awards which will bring in £94m of income over the life of the research grants.

The National Institute of Health Research (NIHR) was the next largest funder, with 71 awards totalling over £27m. These included a grant of £2.6m to study early rituximab treatment in newly diagnosed, moderate-to-severe lupus patients, a £2.3m grant to study the role of nutrition in preschool children and a £2.1m grant to study stratified care of older people with frailty.

The Faculty of Environment was particularly successful this year, with seven of the top ten largest awards, including:

- the University's highest value award for £9m, awarded by Natural England, part of DEFRA, to support Upper Duddon Landscape Recovery, which aims to restore and improve the landscape, with a focus on creating habitats and improving biodiversity
- a £7m award from the Foreign and Commonwealth Development Office (FCDO) for the Congo Basin Science Initiative to train scientists and increase our understanding of the world's second largest rainforest
- a £5m award from the Biotechnology and Biological Sciences Research Council (BBSRC) to build a National Alternative Protein Centre to develop plant-based, cultured (lab-grown) and fermentation-derived proteins, as part of a collaboration with the James Hutton Institute, the University of Sheffield and Imperial College London. The research aims to make these proteins safe, tasty, affordable and sustainable for the UK and beyond. This work is complemented by MicroLub, a spinout company from the University of Leeds, whose work replaces oils and fats in foods with protein 'scaffolds'. MicroLub has received £3.5m of seed round investment from Northern Gritstone and others
- a £5m award from the Economic and Social Research Council (ESRC) to study healthy and sustainable smart spaces (HASP), building on the success of the Consumer Data Research Centre. This project will help address persistent and pressing challenges that cut across health and sustainability, and discover new ways to understand local economies, health, lifestyles and transportation patterns

In addition, the Business School won a £3m award from ESRC for its Digital Futures at Work to develop critical insights into the real-world challenges, opportunities, risks and benefits of the ongoing digital transformation of work.

In December 2024, the University and Leeds City Council established a new framework for research collaboration aimed at mobilising the research expertise of the University to address the challenges faced by the Council and providing a starting point for developing new research and collaboration and the translation of current knowledge into improvements in practice.

## Other income

Other income, including other operating income (which includes residences, catering, conferences, events and income from the NIHR Research Delivery Network contract (RDN), investment income, donations and endowments) was £4m (2%) higher than last year.

In 2024/25 the University received £7m in philanthropic gifts from 2,561 donors to support a range of research, capital developments and scholarships. The arrival of the new Vice-Chancellor and President provided an excellent opportunity to increase leadership engagement with supporters in the second half of the year, and to re-establish the University's Court of Benefactors for our most significant donors. Philanthropic growth remains a priority for the University, with the potential for a major new fundraising campaign identified in the mid-term strategy refresh, and development plans now underway.

Notable gift commitments this year included:

- £2.3m from an alumnus, the bulk of which will fund an endowment for scholarships for less advantaged students, while £0.3m will be used over a five-year period to support the student opportunities fund
- £1.35m to support a trial into regenerative agriculture at the University farm. This project will generate information that is urgently required to help UK agriculture transition to sustainable farming practices. It has been made possible through gifts of £0.5m from the Rothschild Foundation and £0.85m from the Sainsbury Family Charitable Trusts
- a donation of £0.23m from an alumnus to fund refurbishment and new equipment for a dental teaching laboratory in honour of the former Dean of Dentistry, Professor F E Hopper



Many gifts, from hundreds of donors, help us to advance our widening participation programmes each year. In 2024/25 we were able to award 86 undergraduate and 60 postgraduate scholarships thanks to the generous support of donors in previous years. Gifts from donors also continue to support the education and aspirations of nearly 4,000 children each year via programmes delivered through our partnership with IntoUniversity centres in Beeston and Harehills.

## Expenditure

Staff costs (before the movement in the USS provision) were 9% higher than last year (2023/24: £528m). The growth reflects pay inflation, including investment by the University in a new pay framework, and the impact of higher employer National Insurance contributions.

Other operating expenditure (including depreciation and impairment) reduced by 7% year-on-year to £422m (2023/24: £451m). This was a result of our quick and effective action to tighten controls on expenditure as part of the above-mentioned cost savings mitigation response.

Interest and other finance costs reduced by £5m to £10m. This was due to the release of the USS deficit recovery provision during 2023/24 and hence removal of the interest charges associated with that (see below).

## Investment priorities

Whilst the fall in our international student recruitment numbers required us to take strong action to tighten control over expenditure in-year, as described earlier, we aimed to protect as much as possible planned investment to support our key in-flight transformational strategic programmes, which were initiated in 2021 and remain critical to the successful delivery of our 2020–2030 strategy. In 2024/25 our total expenditure across these programmes was £52m non-capital spend (2023/24: £55m). Our main focus this year has been on progressing the delivery of the Corporate Processes and Systems (CPS), Curriculum Redefined programmes and Research IT (high-performance computing and storage to support researchers). These programmes are described earlier in this annual report.

We have developed financial plans which respond to the ongoing international recruitment challenges, and which aim to support our future investment plans, capital and digital. These plans will be re-assessed as we gain clearer sight of international recruitment market trends and expected medium-term student numbers.

Going forward, we expect the focus of new strategic programmes to be on enabling efficiencies in our operating models, improving the student experience and preparing us for the Research Excellence Framework (REF) 2029.

As the long-term impact of the downturn in the international recruitment market becomes clearer, we are reassessing the scale of capital investment we can afford in the short to medium term. Within the new envelope, we expect to continue to prioritise our net zero capital investment plans and to maintain the momentum behind the long-term estate's masterplan development, Campus Reimagined.

# Pensions

The latest monitoring position of the Universities Superannuation Scheme (USS) pension provision indicates a strong financial position, with an estimated £10.1bn surplus at March 2025. The next actuarial valuation is due in 2026, and the scheme's long-term investment strategy is supported by a significant number of employers.

Following the confirmation of a surplus in the 2023 scheme valuation, a deficit recovery provision was no longer required and therefore was reduced to zero during 2023/24. As a result, we recorded a £240m reduction in staff costs in the 2023/24 statement of comprehensive income.

There has also been a reduction in interest charges following the release of the provision in January 2024, resulting in an interest charge for six months of 2023/24, but no charge in 2024/25.

The University of Leeds Pension and Assurance Scheme (PAS) has reported, for accounting purposes, an increase in surplus to £216m (2023/24: £174m). This increase reflects the most recent actuarial valuation, together with higher corporate bond yields which affect the discount rate for scheme liabilities. The surplus includes an actuarial gain of £34m for the PAS scheme for 2024/25, (2023/24: £53m) driven by higher corporate bond yields, and also reflecting the level of contributions paid, service costs and interest receivable.

The funding valuation as of March 2023 was concluded in June 2024 and showed a surplus of £131m and an ongoing contribution rate of 21.3% (down from 23.1%), including employer contributions of 14.8% (down from 16%).

There has been a £1m increase in the PAS service cost in 2024/25 to £11m. This is calculated on an actuarial basis and is reported within staff costs in the underlying operating result.

## Balance sheet

Our balance sheet remains strong, and our liquidity position provides a cushion against both the immediate and medium-term risks of economic policy volatility; the adverse impacts of government policies on immigration (for example, the international fee income levy), education and skills; over-reliance on an increasingly competitive international student recruitment market; and an unsustainable funding model for home undergraduate students.

Our balance sheet strength has allowed us a window of time to carefully assess emerging challenges and to determine our strategic response to them. Consequently, we are prioritising initiatives that are supporting our new student recruitment strategy, enhancing the student experience, securing our readiness for the next REF or enabling us to drive out efficiencies and right-size our cost base.

Year-on-year net assets increased marginally by £23m to £1.29bn from £1.26bn. This has been driven predominantly by a £34m actuarial gain in the PAS pension scheme net of the operating deficit of £8m in the year.

The net book value of tangible and intangible assets has decreased by £10m to £894m due to relatively low levels of capital expenditure offset by depreciation and amortisation of £66m.

The University retained £484m of cash and current investments on 31 July 2025, of which £355m was held in five separate money market funds, £102m was held in a cash plus money market fund, £15m was held in short-term deposits and the remaining £12m was held on call. Further accessible investments of £72m are held with the intention of long-term growth and to repay our bond at maturity.

Cash outflows for self-funded capital expenditure (£42m), interest and loan payments (£15m) and other non-current investments (£2m) exceeded net cash inflows from operations (£11m) and investment income (£28m).

Following Moody's periodic review of ratings of the University of Leeds in May 2025, no credit rating action was announced; and consequently, the existing rating of A1, and positive outlook affirmed in May 2024, remains unchanged. The rating reflects our strong market position, solid financial performance, strong financial management, and resilient student demand despite a moderation following adverse immigration policy impacting the sector.

As borrowings have marginally reduced, and with no significant movements in unrestricted reserves this year, the gearing ratio has slightly reduced on 31 July 2025 to 29% (2023/24: 30%).

The recent market volatility sparked by US tariffs and geopolitical instability has had a negative impact on the value of our investment portfolios; the endowment reserve had new endowments of £2m but the investment portfolio only rose by £1m to £96m (2023/24: £95m) and the value of the bond repayment fund portfolio remained stable at £73m (2023/24: £73m). Portfolio values incorporate all asset classes including cash.

We continue to pursue a responsible investment strategy for our investment portfolio, and through our investment managers, Sarasin & Partners, we invest in purposeful institutions which aim to solve social and environmental problems profitably without causing further harm to people or the planet. Our investment portfolio is actively managed by professional investment managers acting on our behalf, and therefore despite recent market volatility and short-term lower returns we remain confident that our investment return target of CPI +4% will be achieved over the long term; and ongoing projects benefited from a distribution of £2.6m in the year.

## Conclusion

As anticipated in last year's report, 2024/25 has been a challenging year due to the significant downturn in international student recruitment, reflecting an increasingly competitive recruitment market and the adverse impact of new government policies related to immigration. We also had to deal with ongoing effects on our cost base from four years of high inflation without any uplifts in funding. We have responded strongly in-year to mitigate against a significant reduction in international fee income through tight control of staff recruitment and expenditure, which has limited the adverse impact on our financial results, with a relatively small operating deficit being recorded.

Looking ahead, we expect the competitiveness of the international recruitment market to continue to intensify, and whilst we are equipping ourselves to respond to that, we expect that the new international fee levy for UK HEIs will present further challenges to our international recruitment model. In light of this, and with no sight of a new and sustainable funding model for the sector, it is critical that we focus on delivery of our One Leeds plan, which will support improved academic performance in both research and education and deliver more efficient and effective operations; both of these will equip us to take full advantage of opportunities to accelerate innovation and to ambitiously pursue new income streams.

Following an effective tactical in-year response to the fall in income, delivery of the One Leeds plan will transition us towards a strategic response which will enable us to return to a sufficient and sustainable level of operating surplus over the next five years; right-sizing our cost base will be a key component of that response. Investment will be critical to delivering on those plans, so that we have modern and resilient infrastructure which we can rely on. This year's plan allows for some such investment and therefore we do not expect to return to surplus within this year.

In summary, we are pleased that we were able to implement significant mitigating actions during 2024/25 and limit the in-year financial impact; equally importantly, we have been working on our strategic response to the more challenging market and economic environment in which we now operate. Whilst our balance sheet and cash position still remain strong, we are committed to executing at pace those elements of the One Leeds plan that underpin our strategic response. We will remain vigilant of our cash and liquidity position and carefully consider new investment opportunities, prioritising those that are aligned with and critical to enabling us to return to generating a sufficient and sustainable level of operating surplus over the next five years.

**Jane Madeley, Chief Financial Officer**



# Independent auditor's report to the Council of the University of Leeds

## Report on the audit of the financial statements

### 1. Opinion

In our opinion the financial statements of University of Leeds (the 'University') and its subsidiaries (the 'Group'):

- give a true and fair view of the state of the Group's and University's affairs as at 31 July 2025 and of the Group's and the University's income and expenditure, gains and losses and changes in reserves and cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: Accounting for Further and Higher Education.

We have audited the financial statements which comprise:

- the Consolidated and University statement of comprehensive income and expenditure;
- the Consolidated and University statement of changes in reserves;
- the Consolidated and University balance sheet;
- the Consolidated statement of cash flows;
- the Statement of accounting policies;
- the related notes 1 to 35; and
- the Financial responsibility supplemental schedule for the US Department of Education (note 36), being required by reference to the University of Leeds accepting students under the US Department of Education student financial assistance programs.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019).

### 2. Basis for opinion

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

We are independent of the Group and the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the University. The non-audit services provided to the Group and the University for the year are disclosed in note 9 to the financial statements.

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

### 3. Summary of our audit approach

|                                     |                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key audit matters                   | The key audit matter that we identified in the current year was (which is consistent with the prior year): <ul style="list-style-type: none"><li>Capitalisation of expenditure on tangible assets</li></ul>                                                                                                                       |
| Materiality                         | The materiality that we used for the Group financial statements was £12.0m which was determined on the basis of 1.2% of total income. A lower materiality was used with respect to the expenditure on access and participation activities of the Group of £0.9m which was determined on the basis of 5% of the total expenditure. |
| Scoping                             | An audit of the entire financial information was performed on the University covering 99% of the Group's total income (2024: 99%), and 100% of the Group's total net assets (2024: 100%).                                                                                                                                         |
| Significant changes in our approach | There have been no significant changes to our audit approach in the current year.                                                                                                                                                                                                                                                 |

### 4. Conclusions relating to going concern

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

Our evaluation of the Council's assessment of the Group's and University's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of the forecasting process through enquiries with management and inspection of the forecasts;
- evaluating the reasonableness of the detailed assumptions underpinning the Group's forecasts taking into consideration the current economic environment;
- evaluating the University's financial position including the size and liquidity of its investment portfolio;
- assessing forecasting accuracy including the historical accuracy of forecasts against previous performance and comparing post-year end performance to forecast;
- evaluating the forecast loan covenant compliance and the amount of headroom thereon; and
- assessing the appropriateness of the associated disclosures in the financial statements.

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

### 5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### 5.1. Capitalisation of tangible fixed asset expenditure

|                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Key audit matter description</b>                                 | <p>The Group recognised a total of £54.7m (2024: £47.6m) of additions to property, plant and equipment and assets under construction in the year ended 31 July 2025, as disclosed in note 13 to the financial statements. These additions predominantly relate to new academic facilities and infrastructure improvements.</p> <p>Judgement is applied in determining whether expenditure is capital in nature under the definitions of capital spend within FRS 102. This judgement gives rise to the potential for manipulation and bias, which could result in overstatement of capital items on the balance sheet. Therefore, we consider this to be a risk of material misstatement due to fraud.</p> <p>Details of the accounting policies applied are set out in the statement of accounting policies note 13 as reflected in the annual report on page 107.</p>                                                                                                                                              |
| <b>How the scope of our audit responded to the key audit matter</b> | <p>To address the risk that tangible asset expenditure is inappropriately capitalised, our procedures included:</p> <ul style="list-style-type: none"><li>• obtaining an understanding of management’s process and the relevant controls over the capitalisation of tangible assets, including those in respect of related classes of transactions in the statement of comprehensive income and expenditure;</li><li>• assessing the appropriateness of management’s accounting policy and the application of that policy;</li><li>• for a sample of additions to tangible assets (including equipment purchases) and assets under construction, we obtained supporting documentation and challenged management’s judgement as to whether these specific additions represented capital items by assessing the nature of the additions against the criteria set out in FRS 102; and</li><li>• assessing the appropriateness of the related disclosures in note 13 to the consolidated financial statements.</li></ul> |
| <b>Key observations</b>                                             | <p>We are satisfied that the capitalisation of expenditure on tangible assets is appropriate and meets the capitalisation criteria.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

## 6. Our application of materiality

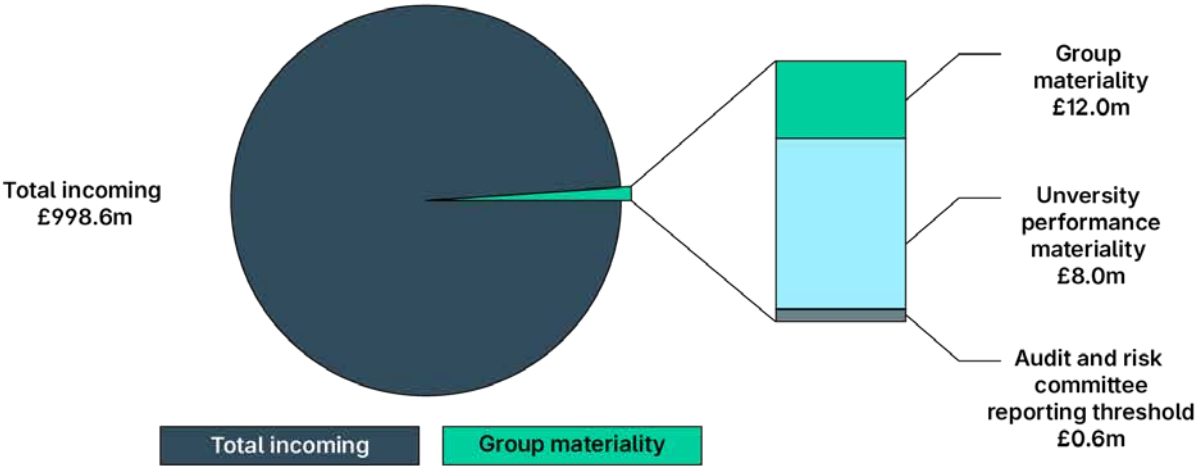
### 6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

|                                     | Group financial statements                                                                                                                                                                                              | University financial statements                                                                                                                      |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Materiality                         | £12.0m (2024: £12.7m)                                                                                                                                                                                                   | £11.4m (2024: £12.1m)                                                                                                                                |
| Basis for determining materiality   | 1.2% of total income (2024: 1.2% of total income)                                                                                                                                                                       | For the purpose of our opinion on the University financial statements materiality has been set at 1.1% of total income (2024: 1.1% of total income). |
| Rationale for the benchmark applied | We continue to use total income as the benchmark for determining materiality as we deem this reflects the underlying performance of the Group and University and is a key metric for users of the financial statements. |                                                                                                                                                      |

The amounts disclosed in note 10, expenditure on access and participation activities, has been audited to a lower materiality of £0.9m (2024: £0.9m). This is due to the importance of this information to the regulator, the Office for Students, as a key user of the financial statements. This lower materiality was determined on the basis of 5% (2024: 5%) of the total expenditure of £17.7m disclosed in that note (2024: £17.9m). No other account balances, classes of transactions or disclosures have been audited to a materiality lower than that for the financial statements as a whole.





6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

|                                                             | Group financial statements                                                                                                                                                                                                                                                                                                                                                                                                               | University financial statements           |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| Performance materiality                                     | 70% (2024: 70%) of Group materiality                                                                                                                                                                                                                                                                                                                                                                                                     | 70% (2024: 70%) of University materiality |
| Basis and rationale for determining performance materiality | In determining performance materiality, we considered the following factors: <ul style="list-style-type: none"><li>• risk assessment procedures, including our assessment of the quality of the control environment;</li><li>• management’s willingness to investigate and correct misstatements identified in the audit;</li><li>• the nature, volume and size of uncorrected misstatements identified in the previous audit.</li></ul> |                                           |

6.3. Error reporting threshold

We agreed with the Audit and Risk Committee that we would report to the Committee all audit differences in excess of £0.6m (2024: £0.6m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit and Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Identification and scoping of components

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risk of material misstatement at the Group level. The Group contains eight components with the only one component in scope for testing being the University. All audit work for the purposes of the group audit is performed directly by the group engagement team.

At the group level, we tested the consolidation process and performed analytical procedures to assess whether there were any significant risks of material misstatements in the aggregated financial information of the components not selected for further audit procedures. An audit of the entire financial information was performed on the University covering 99% of the Group’s total income (2024: 99%), and 100% of the Group’s total net assets (2024: 100%) by the Group. The performance materiality applied to the University was £8.0m. There have been no significant changes in our scoping compared to prior year.

7.2. Our consideration of the control environment

We have identified two key IT system relevant to the audit: SAP, which is the entity’s general ledger system and Banner, which is the entity’s student administration system. We involved our IT specialists to obtain an understanding of the IT environment and general IT controls within the underlying SAP and Banner systems.

Our controls approach focussed on obtaining an understanding of the relevant controls relating to capitalisation of expenditure on tangible assets, financial reporting, the University of Leeds Pension and Assurance Scheme (PAS) and research grant income.

We did plan to take a controls reliance approach on the tangible assets business cycle this year however during obtaining an understanding of relevant controls we noted control deficiencies in relation to the manual review controls in place. As a result, we did not apply a control reliance approach on any balance or business cycle and followed a fully substantive approach this year.

### 7.3. Our consideration of climate-related risks

In planning our audit, we have considered management's climate change risk assessment and resilience review and the potential impact of future plans on the Group's financial statements. As part of our audit, we have held discussions with management to understand and evaluate their process for assessing the impact of climate change on the Group and its financial statements. Management considers that the medium-term financial reporting risk is primarily physical and is likely to result in reassessment of useful economic life and potentially impairment in the future once the updated roadmap to net zero is finalised. Management also considers that the impact of climate change does not currently give rise to a material financial statement impact.

We have evaluated the appropriateness of disclosures included in the financial statements within note 23 of the Statement of Accounting Policies and have read the disclosure made in relation to climate change in the Annual Report to consider whether they are materially consistent with the financial statements and our knowledge obtained in the audit.

## 8. Other information

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

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## 9. Responsibilities of the Council

As explained more fully in the statement of primary responsibilities of the Council, the Council 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 Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## 10. Auditor's responsibilities for the audit of the financial statements

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

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

## **11. Extent to which the audit was considered capable of detecting irregularities, including fraud**

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

### **11.1. Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for the Vice-Chancellor and President's remuneration, bonus levels and performance targets;
- results of our enquiries of management, internal audit, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and relevant internal specialists, including pensions, and IT specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: capitalisation of expenditure on tangible assets. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Higher Education Act, Office for Students Regulatory Advice 9: Accounts Direction and the relevant provisions of the code of financial regulations relating to the supplemental schedule.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the Group's conditions of registration with the Office for Students.

### 11.2. Audit response to risks identified

As a result of performing the above, we identified the capitalisation of expenditure on tangible assets as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit and Risk Committee and in-house and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with the Office for Students; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

## Report on other legal and regulatory requirements

### 12. Opinions on other matters prescribed by the Office for Students (OfS) “Regulatory Advice 9: Accounts Direction”

In our opinion, in all material respects:

- funds from whatever source administered by the University for specific purposes have been applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the OfS and UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the OfS’s accounts direction have been met.



## 13. Matters on which we are required to report by exception

### 13.1. Matters required under the OfS Accounts Direction

Under the OfS Regulatory Advice 9: Accounts Direction, we are required to report in respect of the following matters if, in our opinion:

- the provider's grant and fee income, as disclosed in note 3a to the accounts, has been materially misstated; or
- the provider's expenditure on access and participation activities for the financial year, as disclosed in note 10 to the accounts, has been materially misstated.

We have nothing to report in respect of these matters.

## 14. Other matters which we are required to address

### 14.1. Auditor tenure

Following the recommendation of the Audit and Risk Committee, we were appointed by the Council in April 2004 to audit the financial statements for the year ending 31 July 2005 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 21 years. Our tenure covers the years ending 31 July 2005 to 31 July 2025.

### 14.2. Consistency of the audit report with the additional report to the Audit and Risk Committee

Our audit opinion is consistent with the additional report to the Audit and Risk Committee we are required to provide in accordance with ISAs (UK).

## 15. Use of our report

This report is made solely to the Council in accordance with the Accounts Direction issued by the Office for Students dated 25 October 2019. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council, for our audit work, for this report, or for the opinions we have formed.

Stephen Turner, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, UK

27 November 2025



# Financial statements for the year ended 31 July 2025

## Financial statements

**Consolidated and University statement of comprehensive income and expenditure**  
for the year ended 31 July 2025

|                                                                        | Notes    | 2024/25          |                 | 2023/24          |                  |
|------------------------------------------------------------------------|----------|------------------|-----------------|------------------|------------------|
|                                                                        |          | Consolidated     | University      | Consolidated     | University       |
|                                                                        |          | £'000            | £'000           | £'000            | £'000            |
| <b>Income</b>                                                          |          |                  |                 |                  |                  |
| Tuition fees and education contracts                                   | 1        | 511,359          | 511,359         | 565,128          | 563,779          |
| Funding body grants                                                    | 2        | 101,144          | 101,144         | 101,809          | 101,809          |
| Research grants and contracts                                          | 3        | 185,563          | 185,563         | 190,905          | 190,905          |
| Other income                                                           | 4        | 157,791          | 149,861         | 150,935          | 145,709          |
| Investment income                                                      | 5        | 37,321           | 37,474          | 36,872           | 37,045           |
| Donations and endowments                                               | 6        | 5,372            | 5,372           | 8,541            | 8,541            |
| <b>Total income</b>                                                    |          | <b>998,550</b>   | <b>990,773</b>  | <b>1,054,190</b> | <b>1,047,788</b> |
| <b>Expenditure</b>                                                     |          |                  |                 |                  |                  |
| Staff costs, excluding movement in USS deficit funding liability       | 7        | 574,369          | 570,695         | 527,623          | 523,754          |
| Decrease in USS pension provision                                      | 24       | –                | –               | (239,546)        | (239,546)        |
| <b>Total staff costs</b>                                               |          | <b>574,369</b>   | <b>570,695</b>  | <b>288,077</b>   | <b>284,208</b>   |
| Other operating expenses                                               | 9        | 356,260          | 353,101         | 382,668          | 380,497          |
| Depreciation and amortisation                                          | 12, 13   | 65,881           | 65,401          | 68,039           | 67,542           |
| Net impairment of tangible assets                                      | 13       | –                | –               | 202              | 202              |
| Interest and other finance costs                                       | 8        | 10,193           | 10,149          | 15,690           | 15,679           |
| <b>Total expenditure</b>                                               | <b>9</b> | <b>1,006,703</b> | <b>999,346</b>  | <b>754,676</b>   | <b>748,128</b>   |
| <b>Operating (deficit)/surplus</b>                                     |          | <b>(8,153)</b>   | <b>(8,573)</b>  | <b>299,514</b>   | <b>299,660</b>   |
| Realised gains/(losses) on disposal of non-current assets              |          | 2,311            | 2,311           | (1,797)          | (1,797)          |
| Unrealised (losses)/gains on investments                               |          | (4,621)          | (4,621)         | 16,087           | 16,087           |
| Share of operating (deficits)/surpluses in jointly controlled entities |          | (2)              | –               | 901              | –                |
| Share of operating (deficits)/surpluses in associates                  |          | (546)            | –               | 1,342            | –                |
| <b>(Deficit)/surplus before tax</b>                                    |          | <b>(11,011)</b>  | <b>(10,883)</b> | <b>316,047</b>   | <b>313,950</b>   |

**Consolidated and University statement of comprehensive income and expenditure**  
for the year ended 31 July 2025 *continued*

|                                                        | Notes | 2024/25         |                 | 2023/24        |                |
|--------------------------------------------------------|-------|-----------------|-----------------|----------------|----------------|
|                                                        |       | Consolidated    | University      | Consolidated   | University     |
|                                                        |       | £'000           | £'000           | £'000          | £'000          |
| Taxation charge                                        | 11    | (184)           | (232)           | (675)          | (195)          |
| <b>(Deficit)/surplus for the year</b>                  |       | <b>(11,195)</b> | <b>(11,115)</b> | <b>315,372</b> | <b>313,755</b> |
| Actuarial gain in respect of pension schemes           | 33    | 34,333          | 34,333          | 53,241         | 53,241         |
| Translation losses on foreign currency net investments |       | (7)             | –               | (4)            | –              |
| <b>Total comprehensive income for the year</b>         |       | <b>23,131</b>   | <b>23,218</b>   | <b>368,609</b> | <b>366,996</b> |
| Represented by:                                        |       |                 |                 |                |                |
| Endowment comprehensive income for the year            |       | 1,096           | 1,096           | 11,606         | 11,606         |
| Restricted comprehensive expense for the year          |       | (6,880)         | (6,845)         | (1,421)        | (1,420)        |
| Unrestricted comprehensive income for the year         |       | 28,915          | 28,967          | 358,424        | 356,810        |
| <b>Total comprehensive income for the year</b>         |       | <b>23,131</b>   | <b>23,218</b>   | <b>368,609</b> | <b>366,996</b> |

All items of income and expenditure relate to continuing activities.



## Financial statements

**Consolidated and University statement of changes in reserves**  
for the year ended 31 July 2025

| Consolidated                                                                 | Notes | Income and expenditure account |                |                  |                  |
|------------------------------------------------------------------------------|-------|--------------------------------|----------------|------------------|------------------|
|                                                                              |       | Endowment                      | Restricted     | Unrestricted     | Total            |
|                                                                              |       | £'000                          | £'000          | £'000            | £'000            |
| Balance at 1 August 2023                                                     |       | 83,156                         | 28,136         | 783,388          | 894,680          |
| Surplus/(deficit) from the statement of comprehensive income and expenditure |       | 11,606                         | (1,421)        | 305,183          | 315,368          |
| Other comprehensive income                                                   | 33    | –                              | –              | 53,241           | 53,241           |
| <b>Total comprehensive income/(expense) for the year</b>                     |       | <b>11,606</b>                  | <b>(1,421)</b> | <b>358,424</b>   | <b>368,609</b>   |
| <b>Balance at 31 July 2024</b>                                               |       | <b>94,762</b>                  | <b>26,715</b>  | <b>1,141,812</b> | <b>1,263,289</b> |
| Surplus/(deficit) from the statement of comprehensive income and expenditure |       | 1,096                          | (6,880)        | (5,418)          | (11,202)         |
| Other comprehensive income                                                   | 33    | –                              | –              | 34,333           | 34,333           |
| <b>Total comprehensive income/(expense) for the year</b>                     |       | <b>1,096</b>                   | <b>(6,880)</b> | <b>28,915</b>    | <b>23,131</b>    |
| <b>Balance at 31 July 2025</b>                                               |       | <b>95,858</b>                  | <b>19,835</b>  | <b>1,170,727</b> | <b>1,286,420</b> |

| University                                                                   | Notes | Income and expenditure account |                |                  |                  |
|------------------------------------------------------------------------------|-------|--------------------------------|----------------|------------------|------------------|
|                                                                              |       | Endowment                      | Restricted     | Unrestricted     | Total            |
|                                                                              |       | £'000                          | £'000          | £'000            | £'000            |
| Balance at 1 August 2023                                                     |       | 83,156                         | 28,100         | 786,395          | 897,651          |
| Surplus/(deficit) from the statement of comprehensive income and expenditure |       | 11,606                         | (1,420)        | 303,569          | 313,755          |
| Other comprehensive income                                                   | 33    | –                              | –              | 53,241           | 53,241           |
| <b>Total comprehensive income/(expense) for the year</b>                     |       | <b>11,606</b>                  | <b>(1,420)</b> | <b>356,810</b>   | <b>366,996</b>   |
| <b>Balance at 31 July 2024</b>                                               |       | <b>94,762</b>                  | <b>26,680</b>  | <b>1,143,205</b> | <b>1,264,647</b> |
| Surplus/(deficit) from the statement of comprehensive income and expenditure |       | 1,096                          | (6,845)        | (5,366)          | (11,115)         |
| Other comprehensive income                                                   | 33    | –                              | –              | 34,333           | 34,333           |
| <b>Total comprehensive income/(expense) for the year</b>                     |       | <b>1,096</b>                   | <b>(6,845)</b> | <b>28,967</b>    | <b>23,218</b>    |
| <b>Balance at 31 July 2025</b>                                               |       | <b>95,858</b>                  | <b>19,835</b>  | <b>1,172,172</b> | <b>1,287,865</b> |

## Financial statements

**Consolidated and University balance sheet**  
as at 31 July 2025

|                                                         | Notes | 2024/25          |                  | 2023/24          |                  |
|---------------------------------------------------------|-------|------------------|------------------|------------------|------------------|
|                                                         |       | Consolidated     | University       | Consolidated     | University       |
|                                                         |       | £'000            | £'000            | £'000            | £'000            |
| <b>Non-current assets</b>                               |       |                  |                  |                  |                  |
| Intangible assets                                       | 12    | 9,710            | 9,710            | 11,171           | 11,171           |
| Tangible assets                                         | 13    | 851,020          | 844,130          | 860,833          | 854,013          |
| Heritage assets                                         | 14    | 33,562           | 33,562           | 33,562           | 33,562           |
| Investments                                             | 16    | 162,910          | 167,961          | 161,586          | 166,637          |
| Investments in joint ventures                           | 17    | 323              | –                | 325              | –                |
| Investments in associates                               | 18    | 635              | –                | 1,181            | –                |
| Debtors: falling due after more than one year           | 19    | 8,114            | 14,793           | 10,000           | 16,124           |
| Retirement benefit assets                               | 33    | 216,459          | 216,459          | 174,041          | 174,041          |
| <b>Total non-current assets</b>                         |       | <b>1,282,733</b> | <b>1,286,615</b> | <b>1,252,699</b> | <b>1,255,548</b> |
| <b>Current assets</b>                                   |       |                  |                  |                  |                  |
| Stock                                                   |       | 892              | 852              | 1,043            | 1,001            |
| Debtors: falling due within one year                    | 19    | 90,390           | 90,627           | 93,252           | 93,944           |
| Investments                                             | 20    | 117,094          | 117,094          | 117,130          | 117,130          |
| Cash and cash equivalents                               | 21    | 366,485          | 363,028          | 387,551          | 385,071          |
| <b>Total current assets</b>                             |       | <b>574,861</b>   | <b>571,601</b>   | <b>598,976</b>   | <b>597,146</b>   |
| Less: Creditors: amounts falling due within one year    | 22    | (223,899)        | (222,003)        | (231,924)        | (230,183)        |
| <b>Net current assets</b>                               |       | <b>350,962</b>   | <b>349,598</b>   | <b>367,052</b>   | <b>366,963</b>   |
| <b>Total assets less current liabilities</b>            |       | <b>1,633,695</b> | <b>1,636,213</b> | <b>1,619,751</b> | <b>1,622,511</b> |
| Creditors: amounts falling due after more than one year | 23    | (339,821)        | (340,894)        | (343,473)        | (344,876)        |
| <b>Provisions</b>                                       |       |                  |                  |                  |                  |
| Other provisions                                        | 24    | (7,454)          | (7,454)          | (12,989)         | (12,989)         |
| <b>Total net assets</b>                                 |       | <b>1,286,420</b> | <b>1,287,865</b> | <b>1,263,289</b> | <b>1,264,646</b> |

Consolidated and University balance sheet  
as at 31 July 2025 *continued*

|                                                        | Notes | 2024/25          |                  | 2023/24          |                  |
|--------------------------------------------------------|-------|------------------|------------------|------------------|------------------|
|                                                        |       | Consolidated     | University       | Consolidated     | University       |
|                                                        |       | £'000            | £'000            | £'000            | £'000            |
| <b>Restricted reserves</b>                             |       |                  |                  |                  |                  |
| Income and expenditure reserve – endowment reserves    | 25    | 95,858           | 95,858           | 94,762           | 94,762           |
| Income and expenditure reserve – restricted reserves   | 26    | 19,835           | 19,835           | 26,715           | 26,680           |
| <b>Unrestricted reserves</b>                           |       |                  |                  |                  |                  |
| Income and expenditure reserve – unrestricted reserves |       | 1,170,727        | 1,172,172        | 1,141,812        | 1,143,204        |
| <b>Total reserves</b>                                  |       | <b>1,286,420</b> | <b>1,287,865</b> | <b>1,263,289</b> | <b>1,264,646</b> |

The financial statements were approved by Council on 27 November 2025 and were signed on its behalf by:

Professor Shearer West CBE  
Vice-Chancellor and President

Alastair Da Costa  
Chair of Council

Jane Madeley  
Chief Financial Officer

## Financial statements

**Consolidated statement of cash flows**

as at 31 July 2025

|                                                                        | Notes | 2024/25       | 2023/24       |
|------------------------------------------------------------------------|-------|---------------|---------------|
|                                                                        |       | £'000         | £'000         |
| <b>Cash flows from operating activities</b>                            |       |               |               |
| (Deficit)/surplus before tax                                           |       | (11,011)      | 316,047       |
| <b>Adjustment for non-cash items</b>                                   |       |               |               |
| Depreciation                                                           | 13    | 64,420        | 67,747        |
| Amortisation of intangible assets                                      | 12    | 1,461         | 292           |
| Net impairment of tangible assets                                      | 13    | –             | 202           |
| Unrealised losses/(gains) on investments                               |       | 4,621         | (16,087)      |
| Defined benefit pension adjustment                                     |       | 602           | (590)         |
| Decrease in stock                                                      |       | 151           | 207           |
| Decrease in debtors                                                    |       | 3,362         | 6,198         |
| Decrease in creditors                                                  |       | (5,941)       | (43,492)      |
| Decrease in pension provisions                                         |       | –             | (246,627)     |
| Decrease in other provisions                                           |       | (5,535)       | (1,409)       |
| Share of operating deficits/(surpluses) in jointly controlled entities |       | 2             | (901)         |
| Share of operating deficits/(surpluses) in associates                  |       | 546           | (1,342)       |
| <b>Adjustment for investing or financing activities</b>                |       |               |               |
| Investment income                                                      | 5     | (37,321)      | (36,872)      |
| Interest and other finance costs                                       | 8     | 10,193        | 15,690        |
| Endowment income                                                       |       | –             | (31)          |
| (Gains)/losses on disposal of non-current assets                       |       | (2,311)       | 1,797         |
| Capital grant income                                                   |       | (12,418)      | (19,343)      |
| <b>Cash inflows from operating activities</b>                          |       | <b>10,821</b> | <b>41,486</b> |
| Tax paid                                                               |       | (130)         | (92)          |
| <b>Net cash inflows from operating activities</b>                      |       | <b>10,691</b> | <b>41,394</b> |



## Financial statements

**Consolidated statement of cash flows**as at 31 July 2025 *continued*

|                                                                     | Notes | 2024/25         | 2023/24         |
|---------------------------------------------------------------------|-------|-----------------|-----------------|
|                                                                     |       | £'000           | £'000           |
| <b>Cash flows from investing activities</b>                         |       |                 |                 |
| Proceeds from sales of tangible assets                              |       | 91              | 381             |
| Capital grant receipts                                              |       | 12,055          | 17,338          |
| Placement of deposits                                               |       | (30,000)        | (90,731)        |
| Withdrawal of deposits                                              |       | 30,000          | 140,000         |
| Investment income                                                   |       | 27,834          | 31,847          |
| Payments made to acquire tangible assets                            |       | (53,984)        | (43,840)        |
| Payments made to acquire intangible assets                          |       | –               | (2,164)         |
| Payments made to acquire heritage assets                            |       | –               | (400)           |
| New non-current asset investments                                   |       | (2,416)         | (3,253)         |
| <b>Net cash (outflow)/inflow from investing activities</b>          |       | <b>(16,420)</b> | <b>49,178</b>   |
| <b>Cash flows from financing activities</b>                         |       |                 |                 |
| Interest paid                                                       |       | (9,714)         | (9,839)         |
| Interest element of finance lease and service concession payments   | 8     | (938)           | (961)           |
| Endowment cash received                                             |       | –               | 31              |
| New finance leases                                                  |       | 250             | 78              |
| Repayments of amounts borrowed                                      |       | (2,061)         | (1,965)         |
| Capital element of finance lease and service concession payments    |       | (2,874)         | (2,683)         |
| <b>Net cash outflow from financing activities</b>                   |       | <b>(15,337)</b> | <b>(15,339)</b> |
| <b>(Decrease)/increase in cash and cash equivalents in the year</b> |       | <b>(21,066)</b> | <b>75,233</b>   |
| Cash and cash equivalents at beginning of the year                  | 21    | 387,551         | 312,318         |
| <b>Cash and cash equivalents at end of the year</b>                 | 21    | <b>366,485</b>  | <b>387,551</b>  |

## Statement of accounting policies for the year ended 31 July 2025

### 1. University information

The University is an independent corporation established by Royal Charter in 1904 as a teaching and examining body to cultivate and promote arts, science and learning. These objects, and its powers and framework of governance, are set out in the Charter and its supporting Statutes, amendments to which must be approved by the Privy Council. It receives substantial public funding and, by virtue of the educational nature of its objectives, is an exempt charity under Schedule 3 of the Charities Act 2011.

#### Address:

University of Leeds  
Woodhouse Lane  
Leeds, England  
LS2 9JT

Royal Charter Number: RC000658

### 2. Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition) and in accordance with Financial Reporting Standard 102, the financial reporting standard applicable in the UK (FRS 102). 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 as modified by the revaluation of endowment asset investments, listed fixed-asset investments, heritage assets and certain other fixed assets.

These financial statements have also been prepared in accordance with the Office for Students (OfS) Accounts Direction as published in October 2019.

The financial statements are prepared in pound sterling, which is the University's and consolidated functional presentation currency, and rounded to the nearest £1k unless otherwise stated.

#### Going concern

The Council is satisfied that the University has significant financial resources, a strong underlying financial performance, the flexibility to cope with reasonable financial pressures, and a longer-term financial forecast that underpins the delivery of a broader strategic plan.

This assessment draws upon the strong financial position at July 2025 and financial forecasts to 2030, which incorporate investment to support our ambitious strategic plan. At 31 July 2025 we had cash and current investments of £484m (2024: £505m) and a target minimum cash level in our forecast period of £151m. Our forecasts show a trajectory back to a sustainable in-year surplus by 2026/27 and positive cash-generation targets, supported by developing and implementing plans to right size the cost base in the short term. They include an assessment of the financial risks we face, including inflationary pressures. We have carried out scenario analysis to scope further risks and considered potential responses, including mitigations to support liquidity if required.

The Council is satisfied therefore that the University has adequate resources to continue operating for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements and its Integrated Annual Report.

### 3. Exemptions under FRS 102

The University has taken the exemption under Section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the University in its separate financial statements, and the exemption within FRS 102 Section 33: Related Party Disclosures to not disclose transactions with other wholly owned Group entities.

### 4. Basis of consolidation

The consolidated financial statements combine the financial statements of the University and its subsidiary undertakings. The consolidated financial statements do not include the income and expenditure of Leeds University Union (LUU) as the University does not exert control or dominant influence over policy decisions. Associated companies and jointly controlled entities are accounted for using the equity method.

### 5. Income recognition

Income from the sale of goods or services is credited to the statement of comprehensive income and expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Tuition fee income is stated gross of any expenditure and credited to the statement of comprehensive income and expenditure over the period in which students are studying. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Investment income is credited to the statement of comprehensive income and expenditure on a receivable basis.

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

The University had no significant income or operating surplus from activities other than its principal activity or from activities outside the United Kingdom and, as a result, no segmental reporting is presented.

#### Grant funding

Grant funding, including block grants from Funding Councils, research grants from government sources and grants (including research grants) from non-government sources, are recognised as income when the University is entitled to the income. Income received in advance of performance-related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the underlying performance conditions are met.

### Donations and endowments

Donations and endowments are non-exchange transactions without performance-related conditions. Donations and endowments with donor-imposed restrictions are recognised in income when the University is entitled to the funds. The 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 movement in the fair value of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

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

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

Donations of tangible assets are included within income at the fair value of the fixed asset.

### Capital grants

Capital grants are recognised in income when the University is entitled to the funds subject to any performance-related conditions being met. Where grant-funded assets are in the course of construction, we consider on a case-by-case basis whether their construction constitutes a performance-related condition. In the event that it does, income will be recognised as the expenditure to complete the asset is incurred.

## 6. Total return

The University operates a total return endowment investment management policy for permanent endowments and an associated total return accounting policy. Total return accounting allows the spending of permanent endowment investment gains regardless of whether they are realised/unrealised capital gains or dividend/interest income. Investment gains on permanent endowment assets are recognised in the statement of comprehensive income and expenditure as accrued.

The gains are recorded within the University's permanent endowment reserves as the unapplied return. For permanent endowments, the unapplied return is transferred to unrestricted reserves as expenditure is incurred against the charitable purposes of each endowment.

UK charity law requires the University to maintain the charitable benefit of all permanent endowments in perpetuity. The University has adopted a policy of indexing brought forward permanent endowment capital by the consumer price index (CPI) to maintain the original capital value in real terms. To achieve this, a transfer is made on an annual basis from the unapplied return to an indexation reserve (a subset of permanent endowment capital).



## 7. Accounting for retirement benefits

The principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and, for support staff, there is a choice between the University of Leeds Defined Contribution Plan (DC Plan) and the University of Leeds Pension and Assurance Scheme (PAS). Under auto-enrolment regulations the DC Plan is the default scheme for support staff.

USS and PAS are hybrid and defined benefit schemes respectively that are externally funded and contracted out of the State Second Pension Scheme. The funds are valued every three years by actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities to institutional members due to the mutual nature of the scheme and this scheme is therefore accounted for as a defined contribution retirement benefit scheme, as required by Section 28 of FRS 102: Employee Benefits. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the USS scheme continues to be in a surplus position, there is no requirement for the University to hold a liability.

For the other defined benefit scheme, PAS, the cost of providing benefits is determined using the projected unit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The pension deficit recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and the pension asset represents the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refund and reductions in future contributions to the scheme.

### Defined benefit plan

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

### Defined contribution plan

A DC plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of comprehensive income and expenditure in the periods during which services are rendered by employees. Further detail is provided on the specific pension schemes in note 33 of the accounts.

## 8. 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 the University expects to pay as a result of the unused entitlement.

## 9. 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 charged 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.

## 10. Service concession arrangements

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

## 11. Operating leases

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

## 12. Foreign currency

Transactions in foreign currencies are translated to sterling at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the surplus or deficit within the statement of comprehensive income and expenditure.

### 13. Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Residential buildings have been revalued to fair value prior to the date of transition to SORP 2019 and FRS 102, and are measured on the basis of deemed cost, being the revalued amount. Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the University.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of tangible assets. Land is not depreciated as it is considered to have an indefinite useful life. Buildings under construction are not depreciated until they are completed.

Buildings are depreciated in equal instalments over their expected useful lives as follows:

- |                                                                          |            |
|--------------------------------------------------------------------------|------------|
| • Academic buildings:                                                    | 50 years   |
| • Residences:                                                            | 30 years   |
| • Laboratories, lecture theatres and other major building refurbishment: | 30 years   |
| • Other building refurbishment:                                          | 10 years   |
| • Plant, fixtures and fittings:                                          | 6–10 years |

### Equipment

In the accounts of the University, individual items or groups of functionally dependent items costing less than £25k are written off in the year of acquisition. All other equipment is capitalised. On a similar basis, the University's subsidiaries apply limits of £1k or less, commensurate with the lower asset values in their respective balance sheets.

Equipment is depreciated in equal instalments over its expected useful life as follows:

- |                                                      |              |
|------------------------------------------------------|--------------|
| • Computing equipment:                               | 3–5 years    |
| • Equipment acquired for specific research projects: | Project life |
| • Other equipment:                                   | 10 years     |
| • Motor vehicles:                                    | 4 years      |
| • Furniture:                                         | 5 years      |

### Impairment

A review for potential indicators of impairment is carried out at each reporting date. If events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable, a calculation of the impact is completed and arising impairment values charged against the asset and to the statement of comprehensive income and expenditure.

### Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred and are not separately identified and capitalised.

## 14. Heritage assets

Works of art and other valuable artefacts valued at over £25k are capitalised and recognised at their value where reasonably obtainable, or their cost of acquisition. Heritage assets are not depreciated, as their value typically increases over time. The assets are subject to a periodic impairment review in accordance with applicable accounting standards.

## 15. Intangible assets

Where the Group has control over the asset, intangible assets that cost more than £25k are capitalised at cost and are amortised from the point they are ready for use on a straight-line basis over four to 10 years, representing the estimated economic life of the assets.

### Software as a service (SaaS)

The University assesses whether it controls acquired software, including cloud computing and SaaS arrangements, in order to determine the appropriate accounting treatment.

Costs associated with these arrangements (that are not controlled by the University) are expensed to the income and expenditure as incurred. Costs incurred relating to customisation and configuration activities for these arrangements controlled by the University are capitalised as an intangible asset providing the University can demonstrate all of the following:

- it is technically feasible to complete the software and make it available for use or sale
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- there are sufficient technical, financial, and other resources to complete the development and to use or sell the software
- the expenditure attributable to the software during its development can be reliably measured

The directly attributable costs that are typically capitalised include professional fees, as well as the costs of materials and services that are consumed. Amortisation of capitalised costs begins at the point when the intangible asset becomes available for use.

Intangible assets are amortised over their useful lives.

Costs that qualify as research costs are written off against surpluses or deficits in the year in which they are incurred. Customisation and configuration costs associated with SaaS arrangements not controlled by the University are expensed as incurred unless they are directly attributable to identifiable intangible assets developed or acquired during implementation. Costs related to maintaining intangible assets that are in use are recognised and recorded as incurred.

Intangible assets are subject to an assessment of whether there are any indicators of impairment at each reporting date. If such indicators exist, the institution will perform an impairment review.

## 16. Investments

Non-current asset investments are held on the balance sheet at amortised cost less impairment where the shares are unlisted and hence the fair value cannot be reliably determined. Listed investments are held at fair value, with movements recognised as surplus or deficit. Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment in the University's accounts. Current asset investments are held at fair value with movements recognised in the surplus or deficit.

## 17. Stock

Except for farm livestock, which is valued as biological assets at fair value less selling costs, stock is stated at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis and includes all direct costs incurred. Net realisable value is based on estimated selling price less any further selling costs.



## 18. Cash and cash equivalents and short-term investments

Cash and cash equivalents include cash at bank and in hand and deposits, either repayable on demand or with a maturity of up to three months from the balance sheet date. This also includes short-term, highly liquid money market funds that are readily convertible to known amounts of cash with insignificant risk of change in value.

Deposits with a maturity period of greater than three months from the balance sheet date, and money market funds which have a greater than insignificant risk of change in value are classified as current investments.

## 19. Financial assets and liabilities

Financial assets and liabilities are recognised when the University becomes a party to the contractual provision of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through the statement of comprehensive income and expenditure, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when there exists a legally enforceable right to set off the recognised amounts and the University intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on

the transfer. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

### Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through the statement of comprehensive income and expenditure. Where fair value cannot be measured reliably, investments are measured at cost less impairment. In the consolidated and University balance sheets, investments (including investments in associates and subsidiaries), are measured at cost less impairment.

### Loans

Loans which are basic financial instruments (as defined in paragraph 11.9 of FRS 102) are initially recorded at the transaction price, net of any transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method and are subject to an annual impairment review. Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

### Public bonds

Bonds are initially measured at the proceeds of issue less all transaction costs directly attributable to the issue. After initial recognition, the bonds are measured at amortised cost using the effective interest rate method. Under this method the discount at which the bonds were issued and the transaction costs are accounted for as an additional interest expense over the term of the bonds.

### Short-term debtors and creditors

Debtors and creditors with no stated interest rate that are receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income and expenditure in other operating expenses.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

### Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active, and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

## 20. Provisions

Provisions are recognised in the financial statements when:

- (a) the University has a present obligation (legal or constructive) as a result of a past event
- (b) it is probable that an outflow of economic benefits will be required to settle the obligation
- (c) a reliable estimate can be made of the amount of the obligation

Where material, the amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

## 21. Taxation

The University is an exempt charity within the meaning of Chapter 1, Section 3 of the Charities Act 2011. It is therefore a charity within the meaning of Part 1 of Section 6 of the Finance Act 2010 and, accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 (CTA 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).

The University's principal activities are exempt from VAT but certain ancillary supplies and services are liable to VAT at various rates. Expenditure includes irrecoverable VAT charged by suppliers to the University. The University does not have to pay stamp duty land tax when buying and leasing a property.

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

The University's subsidiaries are liable to corporation tax in the same way as other commercial organisations.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that exist at the balance sheet date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in periods in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the balance sheet date. Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against future taxable surpluses. Deferred tax assets and liabilities are not discounted.

## 22. Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a restricted fund which the University invests to generate a return.

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.

## 23. Significant estimates and judgements

Significant estimates and judgements used in the preparation of the financial statements are as follows:

### Critical accounting judgements

#### Recognition of surplus on defined benefit pension scheme

The University operates its own defined benefit scheme, the University of Leeds Pension and Assurance Scheme (PAS). There is a judgement to be made over whether the University has the right to recognise the surplus that has arisen in the scheme during the year. Since the scheme is within the full control of the University and the surplus will mean a reduction in contributions in future years, the surplus has been recognised on the balance sheet.

### Significant estimation uncertainties

#### Retirement benefits obligations

The Group's operation of PAS and its participation in USS give rise to estimation uncertainties as detailed below. Actuarial valuations are carried out as determined by the trustees of these schemes at intervals of not more than three years.

#### University of Leeds Pension and Assurance Scheme (PAS)

PAS pension costs under FRS 102 are calculated by the University's actuary based upon the latest actuarial valuation and assumptions agreed by management following actuarial advice. These assumptions are documented in note 33. Changes in actuarial assumptions would have a significant impact on the size of the pension liability; sensitivity analysis is set out in note 33.

#### USS

At 31 July 2023, the institution's balance sheet included a liability of £241m for future contributions payable under the deficit recovery agreement, which was concluded on 30 September 2021 following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions.

The remaining liability of £240m was released to the statement of comprehensive income and expenditure account. Further disclosures relating to the deficit recovery liability can be found in note 24.

The following elements do not meet the definition of a key source of estimation certainty; however, they are subject to longer-term uncertainties.

### Provisions

Significant uncertainty is inherent in the estimation of the provisions that are recognised on the balance sheet. Provisions cover a range of areas including legal disputes and indirect taxation. Whilst no single provision is considered to be individually material, each item requires estimation. The amount recognised represents our current best estimate of the potential future outflow but there is the possibility that these provisions, individual or in aggregate, could materially change in a future period. The movement is set out in note 24.

### Climate-related risks

In preparing the financial accounts, the University has considered the impact of climate change and any related risks, which are set out on page 53. The University has also considered the impact of these risks on its financial performance and position, mainly around forecasting for the purpose of going concern, viability and impairment assessments, and also the effect on the useful economic life of critical assets. The expected timing of our roadmap to net zero targets was set at 2030. Delivering this target is still a goal, but we are considering how updated science-based definitions on net zero will impact on the 2030 commitment, alongside maximising new opportunities for collaboration with critical partners, and whether our current approach remains the most effective one to achieve our targets. We are still considering our overall climate-related strategy, at present, we have still not identified a material impact on the financial reporting judgement and estimates this brings. The University is aware of the ever-changing risks and is regularly assessing these risks against any judgements and estimates made in the financial statements. There is a risk therefore that a material adjustment may be required in the future to the carrying value of our asset base or the useful economic lives applied to our assets as our Climate Plan is put into action.

## Notes to the accounts

for the year ended 31 July 2025

### 1 Tuition fees and education contracts

|                                                   | 2024/25               |                     | 2023/24               |                     |
|---------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                   | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Full-time home/EU students                        | 187,225               | 187,225             | 189,322               | 189,322             |
| Full-time international students                  | 280,026               | 280,026             | 333,736               | 333,736             |
| Part-time home/EU students                        | 5,007                 | 5,007               | 6,631                 | 6,631               |
| Part-time international students                  | 1,527                 | 1,527               | 1,459                 | 1,459               |
| Research training support grants                  | 14,587                | 14,587              | 12,681                | 12,681              |
| Short course fees                                 | 20,669                | 20,669              | 19,054                | 17,705              |
| NHS teaching contract                             | 2,318                 | 2,318               | 2,245                 | 2,245               |
| <b>Total tuition fees and education contracts</b> | <b>511,359</b>        | <b>511,359</b>      | <b>565,128</b>        | <b>563,779</b>      |

Students from the EU who registered with the University prior to Brexit are classed as home/EU students. Post-Brexit, any students from the EU are classed as international students.

### 2 Funding body grants

|                                         | 2024/25               |                     | 2023/24               |                     |
|-----------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                         | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| <b>Recurrent grants:</b>                |                       |                     |                       |                     |
| Office for Students (OfS)               | 27,370                | 27,370              | 27,601                | 27,601              |
| UK Research and Innovation (UKRI)       | 53,500                | 53,500              | 53,316                | 53,316              |
| OfS capital                             | –                     | –                   | 50                    | 50                  |
| UKRI capital                            | 8,060                 | 8,060               | 7,291                 | 7,291               |
| <b>Specific grants:</b>                 |                       |                     |                       |                     |
| Higher Education Innovation Fund (HEIF) | 5,745                 | 5,745               | 5,592                 | 5,592               |
| Widening participation                  | 1,431                 | 1,431               | 1,534                 | 1,534               |
| Uni-Connect programme                   | 803                   | 803                 | 1,480                 | 1,480               |
| Other                                   | 4,235                 | 4,235               | 4,945                 | 4,945               |
| <b>Total funding body grants</b>        | <b>101,144</b>        | <b>101,144</b>      | <b>101,809</b>        | <b>101,809</b>      |



## Financial statements

## 3 Research grants and contracts

|                                            | 2024/25               |                     | 2023/24               |                     |
|--------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                            | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| UK research councils                       | 92,590                | 92,590              | 99,780                | 99,780              |
| UK-based charities                         | 21,100                | 21,100              | 23,942                | 23,942              |
| UK government                              | 36,077                | 36,077              | 30,142                | 30,142              |
| UK industry                                | 7,571                 | 7,571               | 6,594                 | 6,594               |
| European Commission                        | 12,379                | 12,379              | 13,139                | 13,139              |
| Other grants and contracts                 | 15,846                | 15,846              | 17,308                | 17,308              |
| <b>Total research grants and contracts</b> | <b>185,563</b>        | <b>185,563</b>      | <b>190,905</b>        | <b>190,905</b>      |

## 3a The sources of grant and fee income included in notes 1 to 3 are as follows:

|                                        | 2024/25               |                     | 2023/24               |                     |
|----------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                        | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| <b>Grant and fee income;</b>           |                       |                     |                       |                     |
| Grant income from the OfS              | 29,604                | 29,604              | 30,665                | 30,665              |
| Grant income from other bodies         | 71,540                | 71,540              | 71,144                | 71,144              |
| Fee income for research awards         | 185,563               | 185,563             | 190,905               | 190,905             |
| Fee income from non-qualifying courses | 35,256                | 35,256              | 31,735                | 30,386              |
| Fee income for taught awards           | 476,103               | 476,103             | 533,393               | 533,393             |
| <b>Total grant and fee income</b>      | <b>798,066</b>        | <b>798,066</b>      | <b>857,842</b>        | <b>856,493</b>      |

## Financial statements

## 4 Other income

|                                               | 2024/25               |                     | 2023/24               |                     |
|-----------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                               | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Residences, catering and conferences          | 73,127                | 68,581              | 68,804                | 64,497              |
| Health authorities                            | 14,442                | 14,442              | 13,702                | 13,702              |
| Subscriptions                                 | 3,117                 | 3,117               | 2,649                 | 2,649               |
| Grants                                        | 9,598                 | 9,598               | 10,499                | 10,499              |
| Other services rendered                       | 16,292                | 14,918              | 12,944                | 12,944              |
| National Institute for Health Research (NIHR) | 25,625                | 25,625              | 27,052                | 27,052              |
| Other income                                  | 15,590                | 13,580              | 15,285                | 14,366              |
| <b>Total other income</b>                     | <b>157,791</b>        | <b>149,861</b>      | <b>150,935</b>        | <b>145,709</b>      |

## 5 Investment income

|                                    | 2024/25               |                     | 2023/24               |                     |
|------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                    | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Income from expendable endowments  | 128                   | 128                 | 127                   | 127                 |
| Income from permanent endowments   | 1,651                 | 1,651               | 1,576                 | 1,576               |
| Income from short-term investments | 25,916                | 25,916              | 28,363                | 28,363              |
| Pension scheme credits             | 8,687                 | 8,687               | 5,739                 | 5,739               |
| Other investment income            | 939                   | 1,092               | 1,067                 | 1,240               |
| <b>Total investment income</b>     | <b>37,321</b>         | <b>37,474</b>       | <b>36,872</b>         | <b>37,045</b>       |

## 6 Donations and endowments

|                                       | 2024/25               |                     | 2023/24               |                     |
|---------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                       | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| New endowments                        | 2,000                 | 2,000               | 4,355                 | 4,355               |
| Donations with restrictions           | 1,310                 | 1,310               | 2,857                 | 2,857               |
| Unrestricted donations                | 2,062                 | 2,062               | 1,329                 | 1,329               |
| <b>Total donations and endowments</b> | <b>5,372</b>          | <b>5,372</b>        | <b>8,541</b>          | <b>8,541</b>        |

## Financial statements

## 7 Staff costs

|                                                                        | Consolidated |              |
|------------------------------------------------------------------------|--------------|--------------|
|                                                                        | 2024/25      | 2023/24      |
|                                                                        | Number       | Number       |
| <b>Average staff numbers (full-time equivalents) by major category</b> |              |              |
| Academic/teaching                                                      | 2,616        | 2,574        |
| Research                                                               | 1,064        | 1,032        |
| Management/professional                                                | 2,148        | 2,022        |
| Support                                                                | 3,527        | 3,523        |
| <b>Total average staff numbers*</b>                                    | <b>9,355</b> | <b>9,151</b> |

\* The average staff numbers are presented on a Group level. Of the 9,355 disclosed, 112 (2023/24: 134) relate to subsidiaries of the University. This is split as 104 support (2023/24: 128) and 8 management/professional (2023/24: 6).

|                                                                              | 2024/25               |                     | 2023/24               |                     |
|------------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                              | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Wages and salaries                                                           | 462,133               | 458,976             | 426,830               | 423,451             |
| Social security costs                                                        | 49,178                | 48,888              | 42,086                | 41,806              |
| Other pension costs                                                          | 59,070                | 58,859              | 54,607                | 54,397              |
| Apprenticeship levy                                                          | 2,164                 | 2,148               | 1,961                 | 1,961               |
| Severance payments                                                           | 1,824                 | 1,824               | 2,139                 | 2,139               |
| <b>Total staff costs excluding movement in USS deficit funding liability</b> | <b>574,369</b>        | <b>570,695</b>      | <b>527,623</b>        | <b>523,754</b>      |
| Decrease in USS pension provision                                            | –                     | –                   | (239,546)             | (239,546)           |
| <b>Total staff costs</b>                                                     | <b>574,369</b>        | <b>570,695</b>      | <b>288,077</b>        | <b>284,208</b>      |
| Severance payments were payable to 115 individuals (2024: 125).              |                       |                     |                       |                     |

7 Staff costs *continued*

|                                                                                                                  | 2024/25    | 2023/24    |
|------------------------------------------------------------------------------------------------------------------|------------|------------|
|                                                                                                                  | £'000      | £'000      |
| <b>Emoluments of the Vice-Chancellor and President,<br/>Professor Shearer West</b>                               |            |            |
| Salary as Vice-Chancellor and President<br>(1 November 2024–31 July 2025)                                        | 248        | –          |
| Employer contributions to defined benefit scheme                                                                 | –          | –          |
| Benefits in kind                                                                                                 | –          | –          |
| <b>Total</b>                                                                                                     | <b>248</b> | <b>–</b>   |
| The emoluments of the Vice-Chancellor and President represent in-year earnings.                                  |            |            |
| <b>Emoluments of the Interim Vice-Chancellor and President,<br/>Professor Hai-Sui Yu</b>                         |            |            |
| Salary as Interim Vice-Chancellor and President<br>(1 August 2024–31 October 2024, 1 November 2023–31 July 2024) | 80         | 230        |
| Employers contributions to defined benefit scheme                                                                | 9          | 30         |
| Benefits in kind                                                                                                 | –          | –          |
| <b>Total</b>                                                                                                     | <b>89</b>  | <b>260</b> |
| The emoluments of the Interim Vice-Chancellor and President represent in-year earnings.                          |            |            |
| <b>Emoluments of the Vice-Chancellor and President,<br/>Professor Simone Buitendijk</b>                          |            |            |
| Salary as Vice-Chancellor and President<br>(1 August 2023–31 October 2023)                                       | –          | 87         |
| Pay as outgoing Vice-Chancellor and President<br>(1 November 2023–31 December 2023)                              | –          | 59         |
| Contractual post-employment notice pay                                                                           | –          | 173        |
| Compensation for loss of office                                                                                  | –          | 115        |
| Employer contributions to defined benefit scheme                                                                 | –          | –          |
| Benefits in kind                                                                                                 | –          | –          |
| <b>Total</b>                                                                                                     | <b>–</b>   | <b>434</b> |
| The emoluments of the former Vice-Chancellor and President represent in-year earnings.                           |            |            |

## 7 Staff costs *continued*

The University of Leeds is a large and complex organisation with more than 9,000 staff and 37,000 students. It has an annual turnover approaching £1bn and an ambitious ten-year strategy. The University is a world top 100 University with a global reputation for excellence in teaching and research. Students and staff are drawn from almost 170 countries. The remuneration of the Vice-Chancellor and President is reviewed annually by the Remuneration Committee. This includes consideration of the scale, complexity and performance of the University and external benchmarking such as from the Universities and Colleges Employers Association (UCEA) and Korn Ferry, and the guidance of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code.

The Interim Vice-Chancellor and President, Professor Hai-Sui Yu, stepped down from the interim role on 31 October 2024 and returned to his position as Provost and Deputy Vice-Chancellor. Professor Shearer West was appointed as Vice-Chancellor and President from 1 November 2024.

The Vice-Chancellor and President, Professor Shearer West, and her predecessor, Professor Hai-Sui Yu, continued to hold a number of external appointments (see our [Council Register of Interests](#))

The Office for Students (OfS) requires the University to publish two key ratios to show the relationship of the remuneration of the Vice-Chancellor and President to that of employees within the University. These ratios are prepared in accordance with paragraph 12d of the OfS Accounts Direction issued in October 2019.

### **Vice-Chancellor and President – Professor Shearer West**

The Vice-Chancellor and President's basic salary (on a full-time equivalent basis) is 9.7 times the median pay of staff (2024: 10.5), where the median pay is calculated on a full-time equivalent basis for the salaries provided by the University to its staff.

The Vice-Chancellor and President's total remuneration (on a full-time equivalent basis) is 8.6 times the median total remuneration of staff (2024: 12.4\*), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration of the University's staff.

In the interest of transparency, the University provides two further ratios to show the relationship of the remuneration of the Vice-Chancellor and President to that of employees within the institution (a calculation that excludes those individuals who are engaged on worker contracts):

The Vice-Chancellor and President's basic salary (on a full-time equivalent basis) is 7.9 times the median pay of employees (2024: 8.8), where the median pay is calculated on a full-time equivalent basis for the salaries provided by the University to its employees.

The Vice-Chancellor and President's total remuneration (on a full-time equivalent basis) is 6.9 times the median total remuneration of employees (2024: 10.4\*), where the median is calculated on a full-time equivalent basis for the total remuneration of the University's employees.



7 **Staff costs** *continued*

**Interim Vice-Chancellor and President – Hai-Sui Yu**

The Interim Vice-Chancellor and President's basic salary (on a full-time equivalent basis) is 9.4 (2024: 9.4) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The Interim Vice-Chancellor and President's total remuneration (on a full-time equivalent basis) is 9.4 (2024: 9.4) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration of the University's staff.

In the interests of transparency, the University provides two further ratios to show the relationship of the remuneration of the Interim Vice-Chancellor and President to that of employees

within the institution (a calculation that excludes those individuals who are engaged on worker contracts):

The Interim Vice-Chancellor and President's basic salary (on a full-time equivalent basis) is 7.7 (2024: 7.9) times the median pay of employees, where the median pay is calculated on a full-time equivalent basis for the salaries provided by the University to its employees.

The Interim Vice-Chancellor and President's total remuneration (on a full-time equivalent basis) is 7.5 (2024: 7.8) times the median total remuneration of employees, where the median is calculated on a full-time equivalent basis for the total remuneration of the University's employees.

\*Impacted by loss of office payment

## Financial statements

7 Staff costs *continued*

|                                                                                           | Consolidated               |                            |
|-------------------------------------------------------------------------------------------|----------------------------|----------------------------|
|                                                                                           | 2024/25<br>Number of staff | 2023/24<br>Number of staff |
| <b>Basic salary of other higher paid staff calculated on a full-time equivalent basis</b> |                            |                            |
| £100,000 – £104,999                                                                       | 73                         | 51                         |
| £105,000 – £109,999                                                                       | 53                         | 43                         |
| £110,000 – £114,999                                                                       | 27                         | 40                         |
| £115,000 – £119,999                                                                       | 42                         | 35                         |
| £120,000 – £124,999                                                                       | 23                         | 16                         |
| £125,000 – £129,999                                                                       | 37                         | 9                          |
| £130,000 – £134,999                                                                       | 9                          | 67                         |
| £135,000 – £139,999                                                                       | 62                         | 9                          |
| £140,000 – £144,999                                                                       | 11                         | 6                          |
| £145,000 – £149,999                                                                       | 6                          | 4                          |
| £150,000 – £154,999                                                                       | 4                          | 5                          |
| £155,000 – £159,999                                                                       | 4                          | 4                          |
| £160,000 – £164,999                                                                       | 9                          | 6                          |
| £165,000 – £169,999                                                                       | 3                          | 1                          |
| £170,000 – £174,999                                                                       | 3                          | 3                          |
| £175,000 – £179,999                                                                       | 3                          | 2                          |
| £180,000 – £184,999                                                                       | 1                          | 2                          |
| £185,000 – £189,999                                                                       | 1                          | 2                          |
| £190,000 – £194,999                                                                       | 2                          | 4                          |
| £195,000 – £199,999                                                                       | 3                          | 1                          |
| £200,000 – £204,999                                                                       | –                          | 1                          |
| £205,000 – £209,999                                                                       | 2                          | –                          |
| £225,000 – £229,999                                                                       | –                          | 1                          |
| £230,000 – £234,999                                                                       | 1                          | –                          |
| £235,000 – £239,999                                                                       | –                          | 1                          |
| £240,000 – £244,999                                                                       | 1                          | 1                          |
| £245,000 – £249,999                                                                       | 1                          | –                          |
| £255,000 – £259,999                                                                       | 1                          | –                          |
| £310,000 – £314,999                                                                       | –                          | 1                          |
| <b>Total number of staff</b>                                                              | <b>382</b>                 | <b>315</b>                 |

Prepared in accordance with paragraph 12a of the OfS Accounts Direction issued in October 2019; consequently, any staff who joined or left part way through the year have been excluded.

## 7 Staff costs *continued*

### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University and are represented by the University's Executive Group (UEG). During the period, membership of UEG consisted of: Vice-Chancellor and President, Interim Vice-Chancellor and President, Provost and Deputy Vice-Chancellor, Pro-Vice-Chancellors, Interim Pro-Vice Chancellor, Executive Deans, Interim Executive Dean, Chief Operating Officer, Chief Financial Officer, Chief People and Culture Officer, and University Secretary and Registrar. The cost below includes compensation paid to these key management personnel, including any employer's pension contributions, relating to the period they were a member of UEG during the year.

|                                       | Consolidated     |                  |
|---------------------------------------|------------------|------------------|
|                                       | 2024/25<br>£'000 | 2023/24<br>£'000 |
| Key management personnel compensation | 3,384            | 3,146            |

## 8 Interest and other finance costs

|                                                                         | 2024/25               |                     | 2023/24               |                     |
|-------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                         | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Interest payable on bank loans                                          | 322                   | 322                 | 447                   | 447                 |
| Interest payable on public bond                                         | 8,932                 | 8,932               | 8,938                 | 8,938               |
| Pension scheme charges                                                  | –                     | –                   | 5,344                 | 5,344               |
| Finance lease interest<br>(including service concession finance charge) | 938                   | 895                 | 961                   | 950                 |
| Other interest                                                          | 1                     | –                   | –                     | –                   |
| <b>Total interest and other finance costs</b>                           | <b>10,193</b>         | <b>10,149</b>       | <b>15,690</b>         | <b>15,679</b>       |

## Financial statements

## 9 Analysis of total expenditure by activity

|                                                                                                  | Staff costs    | Other operating expenses | Depreciation and amortisation | Interest and other finance costs | 2024/25 Total    | 2023/24 Total  |
|--------------------------------------------------------------------------------------------------|----------------|--------------------------|-------------------------------|----------------------------------|------------------|----------------|
|                                                                                                  | £'000          | £'000                    | £'000                         | £'000                            | £'000            | £'000          |
| <b>Consolidated</b>                                                                              |                |                          |                               |                                  |                  |                |
| Academic departments                                                                             | 305,869        | 59,436                   | 10,519                        | 3                                | 375,827          | 368,998        |
| Research grants and contracts                                                                    | 92,651         | 84,047                   | 2,499                         | –                                | 179,197          | 170,834        |
| <b>Total teaching and research</b>                                                               | <b>398,520</b> | <b>143,483</b>           | <b>13,018</b>                 | <b>3</b>                         | <b>555,024</b>   | <b>539,832</b> |
| Administration and corporate services                                                            | 136,483        | 110,532                  | 8,525                         | 1                                | 255,541          | 252,743        |
| Premises                                                                                         | 21,846         | 50,004                   | 34,970                        | 1,073                            | 107,893          | 110,724        |
| Residences, catering and conferences                                                             | 16,007         | 48,433                   | 9,362                         | 1,533                            | 75,335           | 79,494         |
| Other expenses                                                                                   | 1,513          | 3,808                    | 6                             | 7,583                            | 12,910           | 11,429         |
| Pensions provision movements not allocated to departments                                        | –              | –                        | –                             | –                                | –                | (239,546)      |
| <b>Total</b>                                                                                     | <b>574,369</b> | <b>356,260</b>           | <b>65,881</b>                 | <b>10,193</b>                    | <b>1,006,703</b> | <b>754,676</b> |
| <b>Included within other operating expenses are the following costs:</b>                         |                |                          |                               |                                  |                  |                |
| Fees payable for the audit of the University and its subsidiaries' annual accounts including VAT |                |                          |                               |                                  | 633              | 554            |
| Other fees payable to auditors                                                                   |                |                          |                               |                                  | 34               | 26             |
|                                                                                                  |                |                          |                               |                                  | <b>667</b>       | <b>580</b>     |

## 9 Analysis of total expenditure by activity *continued*

[illegible]



10 Access and participation

|                                                                                                                                                                                                                                          | 2024/25               |                     | 2023/24               |                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                                                                                                                                                                                          | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Analysis of total expenditure by activity:                                                                                                                                                                                               |                       |                     |                       |                     |
| Access investment                                                                                                                                                                                                                        | 4,084                 | 4,084               | 3,751                 | 3,751               |
| Financial support                                                                                                                                                                                                                        | 10,796                | 10,796              | 11,961                | 11,961              |
| Disability support                                                                                                                                                                                                                       | 2,353                 | 2,353               | 1,794                 | 1,794               |
| Research and evaluation                                                                                                                                                                                                                  | 489                   | 489                 | 439                   | 439                 |
| Total                                                                                                                                                                                                                                    | 17,722                | 17,722              | 17,945                | 17,945              |
| Included in the table above are costs already included in the overall staff costs figures shown in note 7, as follows:                                                                                                                   |                       |                     |                       |                     |
| Access investment                                                                                                                                                                                                                        | 2,969                 | 2,969               | 2,655                 | 2,655               |
| Financial support                                                                                                                                                                                                                        | 25                    | 25                  | –                     | –                   |
| Disability support<br>(excluding expenditure included in the two categories above)                                                                                                                                                       | 1,893                 | 1,893               | 1,462                 | 1,462               |
| Research and evaluation                                                                                                                                                                                                                  | 468                   | 468                 | 399                   | 399                 |
| Total                                                                                                                                                                                                                                    | 5,355                 | 5,355               | 4,516                 | 4,516               |
| Access and participation plans are viewable at <a href="https://leeds.ac.uk/about/doc/access-participation-plan">leeds.ac.uk/about/doc/access-participation-plan</a>                                                                     |                       |                     |                       |                     |
| Financial support is lower in 2024/25 compared to 2023/24 as a result of a lower number of Leeds Financial Support (LFS) eligible students. The overall undergraduate population has also reduced in 2024/25 compared to 2023/24.        |                       |                     |                       |                     |
| Financial support spend only includes home undergraduate financial support within the Access and Participation Plan (APP). In addition, the Financial Assistance Fund paid a further £0.2m (2024: £1.1m) for hardship (non-APP related). |                       |                     |                       |                     |

## Financial statements

## 11 Taxation

|                                                                            | 2024/25               |                     | 2023/24               |                     |
|----------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                            | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| <b>Recognised in the statement of comprehensive income and expenditure</b> |                       |                     |                       |                     |
| <b>Current tax</b>                                                         |                       |                     |                       |                     |
| Overseas corporation tax on profits for the period                         | 221                   | 232                 | 204                   | 195                 |
| Adjustment in respect of previous years                                    | –                     | –                   | (2)                   | –                   |
|                                                                            | 221                   | 232                 | 202                   | 195                 |
| <b>Deferred tax</b>                                                        |                       |                     |                       |                     |
| Adjustment in respect of prior period                                      | (37)                  | –                   | 473                   | –                   |
|                                                                            | (37)                  | –                   | 473                   | –                   |
| <b>Total tax (credit)/charge in the year</b>                               | 184                   | 232                 | 675                   | 195                 |

Where profits are generated in the UK-based subsidiary entities, these are gifted to the University on agreement by the Board and are therefore not liable to corporation tax. There is an unrecognised deferred tax asset of £1.2m (2024: £1.2m) due to losses in one of the subsidiary entities.

## 12 Intangible assets

|                                  | 2024/25               |                     | 2023/24               |                     |
|----------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                  | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| <b>Software</b>                  |                       |                     |                       |                     |
| Opening balance                  | 11,171                | 11,171              | 9,299                 | 9,299               |
| Additions in the year            | –                     | –                   | 2,164                 | 2,164               |
| Amortisation charge for the year | (1,461)               | (1,461)             | (292)                 | (292)               |
| <b>Closing balance</b>           | 9,710                 | 9,710               | 11,171                | 11,171              |

There were no additions to intangible assets during the year ended 31 July 2025.

## Financial statements

## 13 Tangible assets

|                                                                                                                                                                                                                                                                                                                            | Freehold land and<br>buildings<br>£'000 | Equipment<br>£'000 | Assets under<br>construction<br>£'000 | Service concession<br>arrangement:<br>Land and buildings<br>(note 15)<br>£'000 | Total<br>£'000   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|--------------------|---------------------------------------|--------------------------------------------------------------------------------|------------------|
| <b>Consolidated</b>                                                                                                                                                                                                                                                                                                        |                                         |                    |                                       |                                                                                |                  |
| <b>Cost or valuation</b>                                                                                                                                                                                                                                                                                                   |                                         |                    |                                       |                                                                                |                  |
| At 1 August 2024                                                                                                                                                                                                                                                                                                           | 1,300,009                               | 233,818            | 41,039                                | 42,839                                                                         | 1,617,705        |
| Additions                                                                                                                                                                                                                                                                                                                  | 3,453                                   | 22,042             | 28,436                                | 733                                                                            | 54,664           |
| Transfers                                                                                                                                                                                                                                                                                                                  | 21,875                                  | 1,586              | (23,461)                              | –                                                                              | –                |
| Disposals                                                                                                                                                                                                                                                                                                                  | –                                       | (6,813)            | –                                     | –                                                                              | (6,813)          |
| <b>At 31 July 2025</b>                                                                                                                                                                                                                                                                                                     | <b>1,325,337</b>                        | <b>250,633</b>     | <b>46,014</b>                         | <b>43,572</b>                                                                  | <b>1,665,556</b> |
| <b>Depreciation</b>                                                                                                                                                                                                                                                                                                        |                                         |                    |                                       |                                                                                |                  |
| At 1 August 2024                                                                                                                                                                                                                                                                                                           | 558,528                                 | 164,954            | 12,145                                | 21,245                                                                         | 756,872          |
| Charge for the year                                                                                                                                                                                                                                                                                                        | 43,546                                  | 18,607             | (85)                                  | 2,352                                                                          | 64,420           |
| Disposals                                                                                                                                                                                                                                                                                                                  | –                                       | (6,756)            | –                                     | –                                                                              | (6,756)          |
| <b>At 31 July 2025</b>                                                                                                                                                                                                                                                                                                     | <b>602,074</b>                          | <b>176,805</b>     | <b>12,060</b>                         | <b>23,597</b>                                                                  | <b>814,536</b>   |
| <b>Net book value</b>                                                                                                                                                                                                                                                                                                      |                                         |                    |                                       |                                                                                |                  |
| <b>At 31 July 2025</b>                                                                                                                                                                                                                                                                                                     | <b>723,263</b>                          | <b>73,828</b>      | <b>33,954</b>                         | <b>19,975</b>                                                                  | <b>851,020</b>   |
| At 1 August 2024                                                                                                                                                                                                                                                                                                           | 741,481                                 | 68,864             | 28,894                                | 21,594                                                                         | 860,833          |
| Included in consolidated freehold land and buildings is land with a carrying value of £39.6m (2024: £41.7m) which is not depreciated. Consolidated equipment includes assets held under finance leases with a net book value of £0.2m (2024: £0.1m). The related depreciation charge for the year was £0.1m (2024: £0.1m). |                                         |                    |                                       |                                                                                |                  |

## Financial statements

13 Tangible assets *continued*

|                                                                                                                                                                                                                                                                                                                     | Freehold land and<br>buildings<br>£'000 | Equipment<br>£'000 | Assets under<br>construction<br>£'000 | Service concession<br>arrangement:<br>Land and buildings<br>(note 15)<br>£'000 | Total<br>£'000   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|--------------------|---------------------------------------|--------------------------------------------------------------------------------|------------------|
| <b>University</b>                                                                                                                                                                                                                                                                                                   |                                         |                    |                                       |                                                                                |                  |
| <b>Cost or valuation</b>                                                                                                                                                                                                                                                                                            |                                         |                    |                                       |                                                                                |                  |
| At 1 August 2024                                                                                                                                                                                                                                                                                                    | 1,287,369                               | 228,386            | 41,039                                | 42,839                                                                         | 1,599,633        |
| Additions                                                                                                                                                                                                                                                                                                           | 3,453                                   | 21,483             | 28,436                                | 733                                                                            | 54,105           |
| Transfers                                                                                                                                                                                                                                                                                                           | 21,875                                  | 1,586              | (23,461)                              | –                                                                              | –                |
| Disposals                                                                                                                                                                                                                                                                                                           | –                                       | (6,786)            | –                                     | –                                                                              | (6,786)          |
| <b>At 31 July 2025</b>                                                                                                                                                                                                                                                                                              | <b>1,312,697</b>                        | <b>244,669</b>     | <b>46,014</b>                         | <b>43,572</b>                                                                  | <b>1,646,952</b> |
| <b>Depreciation</b>                                                                                                                                                                                                                                                                                                 |                                         |                    |                                       |                                                                                |                  |
| At 1 August 2024                                                                                                                                                                                                                                                                                                    | 552,255                                 | 159,975            | 12,145                                | 21,245                                                                         | 745,620          |
| Charge for the year                                                                                                                                                                                                                                                                                                 | 43,281                                  | 18,392             | (85)                                  | 2,352                                                                          | 63,940           |
| Disposals                                                                                                                                                                                                                                                                                                           | –                                       | (6,738)            | –                                     | –                                                                              | (6,738)          |
| <b>At 31 July 2025</b>                                                                                                                                                                                                                                                                                              | <b>595,536</b>                          | <b>171,629</b>     | <b>12,060</b>                         | <b>23,597</b>                                                                  | <b>802,822</b>   |
| <b>Net book value</b>                                                                                                                                                                                                                                                                                               |                                         |                    |                                       |                                                                                |                  |
| <b>At 31 July 2025</b>                                                                                                                                                                                                                                                                                              | <b>717,161</b>                          | <b>73,040</b>      | <b>33,954</b>                         | <b>19,975</b>                                                                  | <b>844,130</b>   |
| At 1 August 2024                                                                                                                                                                                                                                                                                                    | 735,114                                 | 68,411             | 28,894                                | 21,594                                                                         | 854,013          |
| Included in University freehold land and buildings is land with a carrying value of £38.3m (2024: £40.4m) which is not depreciated. University equipment includes assets held under finance leases with a net book value of £nil (2024: £0.1m). The related depreciation charge for the year was £nil (2024: £nil). |                                         |                    |                                       |                                                                                |                  |

## 14 Heritage assets

The University has been fortunate to receive donations of a variety of cultural items and collections for over 100 years. Many items have also been purchased to augment existing collections and/or add to the variety of items within a special area of interest. Most of these purchases have been funded by benefaction.

Where cost is not readily available, heritage assets are recognised at market value, established by specialist University personnel. Heritage assets include many unique items (and collections) such as handwritten manuscripts and original artworks, the current value of which can only be estimated, as they cannot be matched to identical items available on the market. Many other items are extremely rare, though not unique, and identical items may not appear on the market for decades.

Heritage assets are classified into three main categories: special collections, art collections, and the University of Leeds International Textile Archive (ULITA).

### Special collections

Special collections contain individual items and constituent collections consisting primarily of books and manuscripts. Constituent collections are characterised as such when their contents are acquired together from a single source or when they are generally used in association with each other, for example, the 'archive' of an organisation or person.

### Art collections

Art collections consist of individual paintings and drawings, collections of drawings, and sculptures.

### ULITA

This category consists of tapestries, pattern books, stencils and fibre collections.

### Preservation and management

The custodianship of these items has been given to specific areas and persons for their care and maintenance.

All the collections are valued for insurance purposes at £83m (2024: £83m). In addition, collections are held for other organisations for custodial purposes, notably Ripon Cathedral's heraldry collection, and these are insured separately.



14 Heritage assets *continued*

|             | Consolidated and University  |                          |                |                           |                           |
|-------------|------------------------------|--------------------------|----------------|---------------------------|---------------------------|
|             | Special collections<br>£'000 | Art collections<br>£'000 | ULITA<br>£'000 | 2024/25<br>Total<br>£'000 | 2023/24<br>Total<br>£'000 |
| At 1 August | 25,648                       | 7,389                    | 525            | 33,562                    | 33,537                    |
| Additions   | –                            | –                        | –              | –                         | 25                        |
| At 31 July  | 25,648                       | 7,389                    | 525            | 33,562                    | 33,562                    |

|                        | 2024/25<br>£'000 | 2023/24<br>£'000 | 2022/23<br>£'000 | 2021/22<br>£'000 | 2020/21<br>£'000 |
|------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Purchases</b>       |                  |                  |                  |                  |                  |
| Special collections    | –                | 25               | 404              | 60               | –                |
| Art collections        | –                | –                | 37               | –                | 213              |
| <b>Donations</b>       |                  |                  |                  |                  |                  |
| Special collections    | –                | –                | 271              | 2,320            | –                |
| Art collections        | –                | –                | 400              | –                | –                |
| <b>Total additions</b> | –                | 25               | 1,112            | 2,380            | 213              |

There were no additions during this year.

15 Service concession arrangements

Movement in service concession arrangement assets

The asset value of the service concession included in the balance sheet at 31 July 2025 was £20.0m (2024: £21.6m). The reduction of £1.6m is as a result of depreciation of £2.3m less additions of £0.7m.

Movement in service concession arrangement liabilities

The total liability relating to the service concession included in the balance sheet at 31 July 2025 was £23.4m (2024: £25.5m). £3.7m was repaid during the year (2024: £3.5m).

|                                 | Notes | Consolidated and University |                  |
|---------------------------------|-------|-----------------------------|------------------|
|                                 |       | 2024/25<br>£'000            | 2023/24<br>£'000 |
| At 1 August                     |       | 25,483                      | 27,031           |
| Additions in the year           |       | 733                         | 1,028            |
| Finance charge for the year     |       | 892                         | 946              |
| Repayments made during the year |       | (3,669)                     | (3,522)          |
| At 31 July                      | 22,23 | 23,439                      | 25,483           |

Future commitments

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

|                                                           | Liability repayments<br>£'000 | Finance charge<br>£'000 | Total<br>£'000 |
|-----------------------------------------------------------|-------------------------------|-------------------------|----------------|
| Payable not later than one year                           | 2,974                         | 820                     | 3,794          |
| Payable later than one year and not later than five years | 10,537                        | 2,339                   | 12,876         |
| Payable later than five years                             | 9,928                         | 728                     | 10,656         |
|                                                           | 23,439                        | 3,887                   | 27,326         |

On 8 July 2002, the University entered into a 30-year contract with a third-party provider for the provision and maintenance of James Baillie Park, providing accommodation to 563 students. The assets and liabilities relating to this scheme are recognised on the University's balance sheet. Service commenced on 20 September 2003 and the contract will finish on 19 September 2033. The University has an annual occupancy guarantee amounting to committed occupancy of 80% (100% occupancy has been agreed for 2025/26) recorded within other operating expenses.

## 16 Non-current investments

|                                          | 2024/25                          |                                              |                | 2023/24                          |                                              |                |
|------------------------------------------|----------------------------------|----------------------------------------------|----------------|----------------------------------|----------------------------------------------|----------------|
|                                          | Subsidiary<br>companies<br>£'000 | Other<br>non-current<br>investments<br>£'000 | Total<br>£'000 | Subsidiary<br>companies<br>£'000 | Other<br>non-current<br>investments<br>£'000 | Total<br>£'000 |
| <b>Consolidated</b>                      |                                  |                                              |                |                                  |                                              |                |
| Cost or valuation at 1 August            | –                                | 161,586                                      | <b>161,586</b> | –                                | 144,209                                      | 144,209        |
| Additions                                | –                                | –                                            | –              | –                                | 1,433                                        | 1,433          |
| Disposals                                | –                                | (1)                                          | <b>(1)</b>     | –                                | –                                            | –              |
| Dilution of investments<br>in associates | –                                | –                                            | –              | –                                | 400                                          | 400            |
| Revaluation of<br>listed investments     | –                                | 1,325                                        | <b>1,325</b>   | –                                | 15,544                                       | 15,544         |
| <b>Cost or valuation at 31 July</b>      | <b>–</b>                         | <b>162,910</b>                               | <b>162,910</b> | <b>–</b>                         | <b>161,586</b>                               | <b>161,586</b> |
| <b>University</b>                        |                                  |                                              |                |                                  |                                              |                |
| Cost or valuation at 1 August            | 4,825                            | 161,812                                      | <b>166,637</b> | 4,825                            | 144,849                                      | 149,674        |
| Additions                                | –                                | –                                            | –              | –                                | 1,433                                        | 1,433          |
| Disposals                                | –                                | (1)                                          | <b>(1)</b>     | –                                | –                                            | –              |
| Write-down of investment                 | –                                | –                                            | –              | –                                | (14)                                         | (14)           |
| Revaluation of<br>listed investments     | –                                | 1,325                                        | <b>1,325</b>   | –                                | 15,544                                       | 15,544         |
| <b>Cost or valuation at 31 July</b>      | <b>4,825</b>                     | <b>163,136</b>                               | <b>167,961</b> | <b>4,825</b>                     | <b>161,812</b>                               | <b>166,637</b> |

Other non-current asset investments include mixed portfolios of listed investments, £87m (2024: £87m) of which are managed to support the University's endowment funds, and £72m (2024: £70m) of which are designated to support repayment of the University's £300m public bond in 2050.

**16 Non-current investments** *continued***Listed investments**

| Name of company                                                            | Nature of business                                                                                                                        |
|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Avacta Group plc                                                           | Provides analytical and diagnostic technology, consumables and reagents to the drug development and healthcare sectors                    |
| Cizzle Biotechnology Holdings PLC                                          | Research and experimental development in biotechnology                                                                                    |
| Getech Group plc                                                           | Provider of geoscience and geospatial products and services to de-risk exploration programmes and improve management of natural resources |
| Gunsynd PLC                                                                | Investing in the natural resources sector                                                                                                 |
| Tissue Regenix Group plc                                                   | International medical technology company                                                                                                  |
| Tracsis plc                                                                | A technology provider to the rail industry                                                                                                |
| Xeros Technology Group plc                                                 | Laundering systems and cleaning technologies                                                                                              |
| The University's shareholdings in the above listed companies are below 5%. |                                                                                                                                           |

**Subsidiary companies**

Details of the trading companies in which the University held directly or indirectly more than 50% of the voting rights are as follows:

| Name of company                                                                                                                                                                                      | Percentage voting rights | Country of registration | Nature of business                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------|--------------------------------------------------------------|
| Bright Beginnings<br>Childcare Centre Leeds                                                                                                                                                          | 100%                     | England                 | Childcare facilities and services                            |
| Leeds Management<br>Consulting (Beijing) Co., Ltd                                                                                                                                                    | 100%                     | China                   | Advisory services for the University's customers in China    |
| Leeds University Press Ltd                                                                                                                                                                           | 100%                     | England                 | Dormant                                                      |
| Leeds Ventures Ltd                                                                                                                                                                                   | 100%                     | England                 | Advisory services for the University's customers in China    |
| Leeds Ventures Malaysia Sdn Bhd                                                                                                                                                                      | 100%                     | Malaysia                | Advisory services for the University's customers in Malaysia |
| Nexus Leeds Ltd                                                                                                                                                                                      | 100%                     | England                 | Business accommodation and facilities management             |
| University of Leeds IP Ltd                                                                                                                                                                           | 100%                     | England                 | Intellectual property management                             |
| Weetwood Hall Ltd                                                                                                                                                                                    | 100%                     | England                 | Hotel and conference centre                                  |
| Leeds Management Consulting (Beijing) Co., Ltd and Leeds Ventures Malaysia Sdn Bhd are wholly owned subsidiaries of Leeds Ventures Ltd. All other subsidiaries are directly owned by the University. |                          |                         |                                                              |

17 Investments in joint ventures

The University holds shares in joint ventures as follows:

| Name of company                | Percentage voting rights | Nature of business                                                                                          |
|--------------------------------|--------------------------|-------------------------------------------------------------------------------------------------------------|
| Leeds Boathouse Ltd            | 25%                      | Rowing club partnership                                                                                     |
| Stem Learning Ltd              | 25%                      | Continuous professional development for science teachers and technicians                                    |
| N8 Ltd                         | 13%                      | Enabling UK northern businesses to access world-class knowledge to gain a significant competitive advantage |
| Worldwide Universities Network | 4%                       | Collaboration of universities to achieve international objectives in research and graduate education        |

Jointly controlled entities' financial summary – University share

|                                                         | 2024/25<br>£'000 | 2023/24<br>£'000 |
|---------------------------------------------------------|------------------|------------------|
| <b>Income and expenditure account</b>                   |                  |                  |
| Income                                                  | 5,677            | 9,164            |
| Surplus before tax                                      | 6                | 797              |
| <b>Balance sheet</b>                                    |                  |                  |
| Non-current assets                                      | 260              | 180              |
| Current assets                                          | 1,491            | 2,419            |
| <b>Total assets</b>                                     | <b>1,751</b>     | <b>2,599</b>     |
| Creditors: amounts falling due within one year          | (1,426)          | (2,259)          |
| Creditors: amounts falling due after more than one year | (2)              | (15)             |
| <b>Total creditors</b>                                  | <b>(1,428)</b>   | <b>(2,274)</b>   |
| <b>Share of net assets</b>                              | <b>323</b>       | <b>325</b>       |



18 Investments in associates

Details of the other trading companies in which the University holds directly or indirectly 20% or more of the voting rights are listed below. All are registered in England except for CalTIC GmbH, which is registered in Germany.

| Name of company                                                                                                                 | Percentage voting rights | Nature of business                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| 4-XTRA Technologies Ltd                                                                                                         | 28.6%                    | Risk management technology                                                                                                              |
| Acuity Robotics Ltd                                                                                                             | 25.7%                    | Software developer for the robotics industry                                                                                            |
| Apoptogenth Ltd                                                                                                                 | 23.5%                    | Development of metastatic cancer treatments using haematopoietic stem cell gene therapy                                                 |
| Aronnax Ultrasound Ltd                                                                                                          | 33.3%                    | Non-invasive blood glucose sensing                                                                                                      |
| Assemblify Ltd                                                                                                                  | 49.0%                    | Modular platform technology for improved brain organoid production                                                                      |
| Auxetec Ltd                                                                                                                     | 32.5%                    | Synthetic auxetic materials enabling resistance to high-impact applications                                                             |
| CalTIC GmbH                                                                                                                     | 25.3%                    | Development, production, commercialisation and marketing of therapeutics and companion diagnostics                                      |
| ClotProtect Therapeutics Ltd                                                                                                    | 25.3%                    | Development of a first-in-class small-molecule direct plasmin inhibitor for intravenous administration                                  |
| Dietary Assessment Ltd                                                                                                          | 20.4%                    | Health and wellbeing software                                                                                                           |
| HyFaCol Ltd                                                                                                                     | 22.5%                    | Development of immuno-oncology therapeutic vaccines targeting multiple tumour indications                                               |
| Keracol Ltd                                                                                                                     | 21.8%                    | Functional, natural and sustainable cosmetics                                                                                           |
| Mimetrik Solutions Ltd                                                                                                          | 30.2%                    | Robotics, data analytics and asset inspections                                                                                          |
| Petriva Ltd                                                                                                                     | 49.9%                    | Software to analyse and visualise petrophysical data for the oil and gas industry                                                       |
| Silex World Ltd                                                                                                                 | 25.0%                    | Development and commercialisation of patented work for the extraction and concentration of rare earth oxides and other strategic metals |
| ULMCG Ltd (Acoro Medical Ltd from 1 August 2025)                                                                                | 49.0%                    | Data processing, hosting and related activities                                                                                         |
| All holdings in the associated companies are less than 50% and the University has assessed that it does not have joint control. |                          |                                                                                                                                         |

## Financial statements

18 Investments in associates *continued*

|                                                    | Consolidated     |                  |
|----------------------------------------------------|------------------|------------------|
|                                                    | 2024/25<br>£'000 | 2023/24<br>£'000 |
| <b>Movement in share of net assets in the year</b> |                  |                  |
| Balance at 1 August                                | 1,181            | 253              |
| Investments in new associates                      | –                | 624              |
| Derecognition of associates                        | (27)             | –                |
| Dilution of shareholding                           | (93)             | (35)             |
| Share of (loss)/gain in year                       | (426)            | 344              |
| Dissolution of companies                           | –                | (5)              |
| <b>Balance at 31 July</b>                          | <b>635</b>       | <b>1,181</b>     |

## 19 Trade and other receivables

|                                            | 2024/25               |                     | 2023/24               |                     |
|--------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                            | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| <b>Amounts falling due within one year</b> |                       |                     |                       |                     |
| Research grant receivables                 | 36,724                | 36,724              | 33,076                | 33,076              |
| Other trade receivables                    | 27,392                | 26,937              | 36,570                | 35,946              |
| Prepayments and accrued income             | 26,076                | 25,469              | 23,454                | 23,134              |
| Amounts owed by subsidiary undertakings    | –                     | 1,497               | –                     | 1,788               |
| Deferred tax asset                         | 198                   | –                   | 152                   | –                   |
| <b>Total</b>                               | <b>90,390</b>         | <b>90,627</b>       | <b>93,252</b>         | <b>93,944</b>       |
| <b>Amounts falling due after one year</b>  |                       |                     |                       |                     |
| Accrued income                             | 8,114                 | 8,114               | 10,000                | 10,000              |
| Amounts owed by subsidiary undertakings    | –                     | 6,679               | –                     | 6,124               |
| <b>Total</b>                               | <b>8,114</b>          | <b>14,793</b>       | <b>10,000</b>         | <b>16,124</b>       |

Amounts owed by subsidiary undertakings include trading balances that are non-interest bearing, unsecured and repayable on demand, a concessionary loan repayable in 17 years, and a further loan receivable with a variable market interest rate of 1.9% over SONIA, which is repayable over a period of four years. £6.7m (2024: £6.1m) of the amounts owed is due after more than one year.

Endowment income of £0.4m (2024: £nil) is included in accrued income due within one year and a further £1.6m (2024: £nil) is included in accrued income due after one year (see note 25).

20 Current investments

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2024/25               |                     | 2023/24               |                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Short-term treasury deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 15,000                | 15,000              | 15,000                | 15,000              |
| Money market funds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 102,094               | 102,094             | 102,130               | 102,130             |
| Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 117,094               | 117,094             | 117,130               | 117,130             |
| <p>The fair value of these investments was not materially different from the book value.</p> <p>Treasury deposits are held with banks and building societies operating in the London market and licensed by the Financial Conduct Authority (FCA). These short-term deposits do not meet the definition of cash equivalent because the maturity date is more than three months after the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.</p> |                       |                     |                       |                     |

21 Cash and cash equivalents

|                                                                                                                                                                                                                                     | 2024/25               |                     | 2023/24               |                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                                                                                                                                                                                     | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Cash at bank and in hand                                                                                                                                                                                                            | 11,485                | 8,028               | 12,551                | 10,071              |
| Money market funds                                                                                                                                                                                                                  | 355,000               | 355,000             | 345,000               | 345,000             |
| Short-term treasury deposits                                                                                                                                                                                                        | -                     | -                   | 30,000                | 30,000              |
| Total                                                                                                                                                                                                                               | 366,485               | 363,028             | 387,551               | 385,071             |
| <p>Cash and cash equivalents comprise cash at bank and in hand, money market funds which meet the cash equivalent criteria, and treasury deposits with banks with a maturity of three months or less at the balance sheet date.</p> |                       |                     |                       |                     |

## Financial statements

**22 Creditors: amounts falling due within one year**

|                                                      | 2024/25               |                     | 2023/24               |                     |
|------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                      | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Trade payables                                       | 26,541                | 25,883              | 34,580                | 34,211              |
| Social security and other taxation payable           | 15,016                | 14,724              | 12,894                | 12,613              |
| Amounts owed to subsidiary undertakings              | –                     | 693                 | –                     | 471                 |
| Accruals and deferred income                         | 168,260               | 166,671             | 167,594               | 166,177             |
| Tuition fees received in advance                     | 9,367                 | 9,367               | 11,738                | 11,738              |
| Corporation tax                                      | 206                   | 211                 | 106                   | –                   |
| Obligations under finance leases                     | 83                    | 28                  | 65                    | 26                  |
| Service concession arrangement liabilities (note 15) | 2,974                 | 2,974               | 2,777                 | 2,777               |
| Unsecured loans (note 23)                            | 1,000                 | 1,000               | 1,724                 | 1,724               |
| Unsecured fixed-rate public bond (note 23)           | 452                   | 452                 | 446                   | 446                 |
| <b>Total</b>                                         | <b>223,899</b>        | <b>222,003</b>      | <b>231,924</b>        | <b>230,183</b>      |

Amounts owed to subsidiary undertakings include trading balances, which are non-interest bearing and repayable on demand.

Tuition fees received in advance of the start of the academic year are shown as a separate line item, reflecting the fact that these are funds received from students in advance of the University providing tuition, and in some cases may be refundable if a student does not enrol, subject to defined criteria.

**Deferred income**

Included within accruals and deferred income are the following items of income which have been deferred until specific performance-related conditions have been met.

|                                     |               |               |               |               |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Research grants received on account | 71,341        | 71,341        | 69,106        | 69,106        |
| Grant income and donations          | 16,543        | 16,543        | 17,317        | 17,317        |
| <b>Total</b>                        | <b>87,884</b> | <b>87,884</b> | <b>86,423</b> | <b>86,423</b> |

## Financial statements

## 23 Creditors: amounts falling due after more than one year

|                                                      | 2024/25               |                     | 2023/24               |                     |
|------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                      | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Amounts owed to subsidiary undertakings              | –                     | 1,250               | –                     | 1,417               |
| Accruals and deferred income                         | 1,378                 | 1,378               | 1,136                 | 1,136               |
| Obligations under finance leases                     | 177                   | –                   | 42                    | 28                  |
| Service concession arrangement liabilities (note 15) | 20,465                | 20,465              | 22,706                | 22,706              |
| Unsecured loans                                      | 3,750                 | 3,750               | 5,087                 | 5,087               |
| Unsecured fixed-rate public bond                     | 314,051               | 314,051             | 314,502               | 314,502             |
| <b>Total</b>                                         | <b>339,821</b>        | <b>340,894</b>      | <b>343,473</b>        | <b>344,876</b>      |
| <b>Analysis of unsecured borrowings:</b>             |                       |                     |                       |                     |
| Due between one and two years                        | 1,458                 | 1,458               | 1,788                 | 1,788               |
| Due between three and five years                     | 2,409                 | 2,409               | 4,391                 | 4,391               |
| Due after more than five years                       | 313,934               | 313,934             | 313,410               | 313,410             |
| <b>Due after more than one year</b>                  | <b>317,801</b>        | <b>317,801</b>      | <b>319,589</b>        | <b>319,589</b>      |
| Due within one year (note 22)                        | 1,452                 | 1,452               | 2,170                 | 2,170               |
| <b>Total unsecured borrowings</b>                    | <b>319,253</b>        | <b>319,253</b>      | <b>321,759</b>        | <b>321,759</b>      |

In February 2016 an unsecured fixed-rate public bond was issued for the sum of £250m over a 34-year term with a coupon rate of 3.126%. It is listed on the London Stock Exchange. There are no capital repayments to be made over the term, with the bond maturing in 2050. The bond transaction costs of £3.4m are being amortised over the life of the bond and charged to interest and other finance costs.

The University has utilised the bond to fund the capital investment programme since inception. All funds from the initial bond issue of £250m were utilised by 31 July 2020.

In July 2020 a tap issue of the unsecured fixed-rate public bond was made for the sum of £50m, with a coupon rate of 1.533%. There are no capital repayments over the term, with maturity in 2050. The value of the differential coupon rate of £19.5m was received on issue, to be repaid over the remaining life of the bond of 28 years and seven months. The transaction costs of £0.7m are being amortised over the remaining life of the bond and charged to interest and other finance costs.



## Financial statements

**23 Creditors: amounts falling due after more than one year** *continued*

Unsecured bank loans at commercial rates are repayable by instalments falling due between 1 August 2025 and 10 February 2030 and are subject to a negative pledge over the University's assets.

| Lender   | Amount<br>£'000 | Term             | Interest rate | Borrower            |
|----------|-----------------|------------------|---------------|---------------------|
| Barclays | 4,750           | 20 years to 2030 | 5.25%         | University of Leeds |

**24 Provisions for liabilities**

|                                | Consolidated                                                   |                              |                | University                                                     |                              |                |
|--------------------------------|----------------------------------------------------------------|------------------------------|----------------|----------------------------------------------------------------|------------------------------|----------------|
|                                | Obligation<br>to fund<br>deficit<br>on USS<br>pension<br>£'000 | Other<br>provisions<br>£'000 | Total<br>£'000 | Obligation<br>to fund<br>deficit<br>on USS<br>pension<br>£'000 | Other<br>provisions<br>£'000 | Total<br>£'000 |
| At 1 August 2023               | 241,283                                                        | 15,172                       | 256,455        | 241,283                                                        | 14,398                       | 255,681        |
| Utilised in year               | (1,737)                                                        | (376)                        | (2,113)        | (1,737)                                                        | (376)                        | (2,113)        |
| Released as no longer required | (239,546)                                                      | (3,440)                      | (242,986)      | (239,546)                                                      | (2,666)                      | (242,212)      |
| Additions                      | –                                                              | 1,633                        | 1,633          | –                                                              | 1,633                        | 1,633          |
| At 1 August 2024               | –                                                              | 12,989                       | 12,989         | –                                                              | 12,989                       | 12,989         |
| Utilised in year               | –                                                              | (651)                        | (651)          | –                                                              | (651)                        | (651)          |
| Released as no longer required | –                                                              | (6,800)                      | (6,800)        | –                                                              | (6,800)                      | (6,800)        |
| Additions                      | –                                                              | 1,916                        | 1,916          | –                                                              | 1,916                        | 1,916          |
| At 31 July 2025                | –                                                              | 7,454                        | 7,454          | –                                                              | 7,454                        | 7,454          |

Other provisions comprise overseas taxation and a number of smaller legal disputes, and are expected to be utilised within the next five years.

**USS deficit**

In line with USS guidance, there is still no requirement to consider a deficit recovery plan or provision following the issue of the 2023 valuation.

## Financial statements

## 25 Endowment reserves

|                                   | Consolidated and University |                              |                |                  |                              |                | Total<br>£'000 |
|-----------------------------------|-----------------------------|------------------------------|----------------|------------------|------------------------------|----------------|----------------|
|                                   | Restricted                  |                              |                | Unrestricted     |                              |                |                |
|                                   | Capital<br>£'000            | Unapplied<br>return<br>£'000 | Total<br>£'000 | Capital<br>£'000 | Unapplied<br>return<br>£'000 | Total<br>£'000 |                |
| Original capital                  | 41,183                      | –                            | 41,183         | 21,065           | –                            | 21,065         | 62,248         |
| Indexation reserve                | 9,434                       | –                            | 9,434          | 4,030            | –                            | 4,030          | 13,464         |
| Unapplied return                  | –                           | 5,440                        | 5,440          | –                | 4,672                        | 4,672          | 10,112         |
| Balance as at 1 August 2024       | 50,617                      | 5,440                        | 56,057         | 25,095           | 4,672                        | 29,767         | 85,824         |
| Additions                         | 2,000                       | –                            | 2,000          | –                | –                            | –              | 2,000          |
| Investment income                 | –                           | 1,074                        | 1,074          | –                | 577                          | 577            | 1,651          |
| Indexation                        | 1,890                       | (1,890)                      | –              | 967              | (967)                        | –              | –              |
| Market value losses               | –                           | (614)                        | (614)          | –                | (326)                        | (326)          | (940)          |
| Released to unrestricted reserves | –                           | (566)                        | (566)          | –                | (373)                        | (373)          | (939)          |
| Balance as at 31 July 2025        | 54,507                      | 3,444                        | 57,951         | 26,062           | 3,583                        | 29,645         | 87,596         |
|                                   |                             |                              |                |                  |                              |                |                |
| Represented by:                   |                             |                              |                |                  |                              |                |                |
| Original capital                  | 43,183                      | –                            | 43,183         | 21,065           | –                            | 21,065         | 64,248         |
| Indexation reserve                | 11,324                      | –                            | 11,324         | 4,997            | –                            | 4,997          | 16,321         |
| Unapplied return                  | –                           | 3,444                        | 3,444          | –                | 3,583                        | 3,583          | 7,027          |
|                                   | 54,507                      | 3,444                        | 57,951         | 26,062           | 3,583                        | 29,645         | 87,596         |

| <b>Restricted expendable endowments</b> | <b>£'000</b> |
|-----------------------------------------|--------------|
| Balance as at 1 August 2024             | 8,938        |
| Investment income                       | 122          |
| Market value losses                     | (92)         |
| Expenditure                             | (706)        |
| <b>Balance as at 31 July 2025</b>       | <b>8,262</b> |

## Financial statements

25 Endowment reserves *continued*

|                                                     | Consolidated and University   |                                 |                                |                           |                           |
|-----------------------------------------------------|-------------------------------|---------------------------------|--------------------------------|---------------------------|---------------------------|
|                                                     | Restricted permanent<br>£'000 | Unrestricted permanent<br>£'000 | Restricted expendable<br>£'000 | 2024/25<br>Total<br>£'000 | 2023/24<br>Total<br>£'000 |
| <b>Endowment analysis by purpose:</b>               |                               |                                 |                                |                           |                           |
| Chairs                                              | 9,849                         | –                               | 30                             | 9,879                     | 9,986                     |
| Lectureships                                        | 4,045                         | –                               | 300                            | 4,345                     | 4,564                     |
| Fellowships                                         | 10,047                        | 201                             | 2,176                          | 12,424                    | 12,965                    |
| Scholarships                                        | 19,542                        | 2,142                           | 473                            | 22,157                    | 20,130                    |
| Prizes                                              | 6,030                         | 520                             | 113                            | 6,663                     | 6,557                     |
| Specific funds                                      | 11                            | –                               | 4,225                          | 4,236                     | 4,242                     |
| General funds                                       | 8,427                         | 26,782                          | 945                            | 36,154                    | 36,318                    |
| <b>Total</b>                                        | <b>57,951</b>                 | <b>29,645</b>                   | <b>8,262</b>                   | <b>95,858</b>             | <b>94,762</b>             |
| <b>Analysis by asset:</b>                           |                               |                                 |                                |                           |                           |
| Non-current investments                             |                               |                                 |                                | 86,981                    | 86,556                    |
| Cash and cash equivalents                           |                               |                                 |                                | 6,877                     | 8,206                     |
| Accrued income falling due within one year          |                               |                                 |                                | 400                       | –                         |
| Accrued income falling due after more than one year |                               |                                 |                                | 1,600                     | –                         |
| <b>Total</b>                                        |                               |                                 |                                | <b>95,858</b>             | <b>94,762</b>             |

## 26 Restricted reserves

|                                     | 2024/25               |                     | 2023/24               |                     |
|-------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                     | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Balance at 1 August                 | 26,715                | 26,680              | 28,136                | 28,100              |
| New restricted grants and donations | 3,444                 | 3,415               | 6,146                 | 6,146               |
| Expenditure                         | (10,324)              | (10,260)            | (7,567)               | (7,566)             |
| <b>Balance at 31 July</b>           | <b>19,835</b>         | <b>19,835</b>       | <b>26,715</b>         | <b>26,680</b>       |

27 Capital commitments

|                                                                                                                                                                                                                                                                  | 2024/25               |                     | 2023/24               |                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                                                                                                                                                                                                                  | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Provision has not been made for the following capital commitments at 31 July:                                                                                                                                                                                    |                       |                     |                       |                     |
| <b>Commitments contracted for</b>                                                                                                                                                                                                                                | <b>32,937</b>         | <b>32,937</b>       | <b>11,649</b>         | <b>11,649</b>       |
| Capital commitments at 31 July 2025 comprise contracted works for campus infrastructure £18.8m (2024: £8.5m), educational facilities £6.6m (2024: £1.3m), and residences £4.8m (2024: £1.8m), along with £2.7m (2024: £nil) for research and teaching equipment. |                       |                     |                       |                     |

28 Lease obligations

|                                                   | Consolidated       |                    |                |                |
|---------------------------------------------------|--------------------|--------------------|----------------|----------------|
|                                                   |                    |                    | 2024/25        | 2023/24        |
|                                                   | Buildings<br>£'000 | Equipment<br>£'000 | Total<br>£'000 | Total<br>£'000 |
| <b>Expenditure during the year</b>                | <b>21,318</b>      | <b>306</b>         | <b>21,624</b>  | <b>21,524</b>  |
| <b>Future minimum lease payments due:</b>         |                    |                    |                |                |
| Not later than one year                           | 21,938             | 304                | 22,242         | 21,289         |
| Later than one year and not later than five years | 64,130             | 415                | 64,545         | 74,822         |
| Later than five years                             | 32,215             | 8                  | 32,223         | 40,439         |
| <b>Total lease payments due</b>                   | <b>118,283</b>     | <b>727</b>         | <b>119,010</b> | <b>136,550</b> |

|                                                   | University         |                    |                |                |
|---------------------------------------------------|--------------------|--------------------|----------------|----------------|
|                                                   |                    |                    | 2024/25        | 2023/24        |
|                                                   | Buildings<br>£'000 | Equipment<br>£'000 | Total<br>£'000 | Total<br>£'000 |
| <b>Expenditure during the year</b>                | <b>21,520</b>      | <b>304</b>         | <b>21,824</b>  | <b>21,524</b>  |
| <b>Future minimum lease payments due:</b>         |                    |                    |                |                |
| Not later than one year                           | 22,169             | 302                | 22,471         | 21,289         |
| Later than one year and not later than five years | 64,303             | 415                | 64,718         | 74,822         |
| Later than five years                             | 32,514             | 8                  | 32,522         | 40,439         |
| <b>Total lease payments due</b>                   | <b>118,986</b>     | <b>725</b>         | <b>119,711</b> | <b>136,550</b> |

## Financial statements

**28 Lease obligations** *continued*

|                                                   | 2024/25               |                     | 2023/24               |                     |
|---------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                   | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| <b>Amounts due under finance leases</b>           |                       |                     |                       |                     |
| <b>Future minimum lease payments due:</b>         |                       |                     |                       |                     |
| Not later than one year                           | 116                   | 29                  | 70                    | 29                  |
| Later than one year and not later than five years | 215                   | –                   | 44                    | 29                  |
| <b>Total lease payments due</b>                   | <b>331</b>            | <b>29</b>           | <b>114</b>            | <b>58</b>           |
| Less: finance charges allocated to future periods | (71)                  | (1)                 | (7)                   | (4)                 |
| <b>Total</b>                                      | <b>260</b>            | <b>28</b>           | <b>107</b>            | <b>54</b>           |
| All finance leases relate to equipment.           |                       |                     |                       |                     |

**29 Connected charitable institutions**

Bright Beginnings Childcare Centre Leeds is a connected charitable company of the University. Its charitable objects are the advancement of education, nursery education and childcare facilities for the staff and students of the University of Leeds.

|                                                  | 2024/25        | 2023/24        |
|--------------------------------------------------|----------------|----------------|
|                                                  | Total<br>£'000 | Total<br>£'000 |
| <b>Bright Beginnings Childcare Centre Leeds:</b> |                |                |
| Member funds at 1 August                         | 705            | 559            |
| Income                                           | 2,042          | 1,817          |
| Expenditure                                      | (1,700)        | (1,671)        |
| <b>Member funds at 31 July</b>                   | <b>1,047</b>   | <b>705</b>     |

**30 Contingent liabilities****Student class action claim**

The University has received a draft set of particulars of a claim from solicitors acting on behalf of a group of students. The claim relates to alleged breaches of contract concerning the delivery of educational services and access to University facilities during the academic years affected by Covid-19: 2019/20, 2020/21 and 2021/22. Based on correspondence received from the claimants' legal representatives to date, the University intends to defend the claim (if issued) and does not accept liability.

Given the current understanding of the proposed claim, an economic outflow of resources is considered to be possible but uncertain and it is not possible to estimate any potential financial impact reliably at this stage. As the University has only received draft pleadings at this stage, the timeline for any further developments remains uncertain.



## Financial statements

**30 Contingent Liabilities** *continued*

As such, no provision has been made in these financial statements.

The University continues to monitor the situation and will update its assessment as further information becomes available.

**31 Reconciliation of net funds**

|                                                                           | 2024/25               |                     | 2023/24               |                     |
|---------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                           | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| Net funds at 1 August                                                     | 157,332               | 154,905             | 126,694               | 125,057             |
| (Decrease)/increase in cash and cash equivalents                          | (21,066)              | (22,043)            | 75,233                | 74,526              |
| Decrease in current investments                                           | (36)                  | (36)                | (48,577)              | (48,577)            |
| Decrease in borrowings                                                    | 4,397                 | 4,576               | 3,982                 | 3,899               |
| <b>Net funds at 31 July</b>                                               | <b>140,627</b>        | <b>137,402</b>      | <b>157,332</b>        | <b>154,905</b>      |
| <b>(Decrease)/increase in net funds</b>                                   | <b>(16,705)</b>       | <b>(17,503)</b>     | <b>30,638</b>         | <b>29,848</b>       |
| <b>Analysis of net funds</b>                                              |                       |                     |                       |                     |
| Cash and cash equivalents (note 21)                                       | 366,485               | 363,028             | 387,551               | 385,071             |
| Current investments (note 20)                                             | 117,094               | 117,094             | 117,130               | 117,130             |
| <b>Total net funds</b>                                                    | <b>483,579</b>        | <b>480,122</b>      | <b>504,681</b>        | <b>502,201</b>      |
| <b>Borrowings: amounts falling due within one year (note 22)</b>          |                       |                     |                       |                     |
| Obligations under finance leases                                          | (83)                  | (28)                | (65)                  | (26)                |
| Service concession arrangement liabilities                                | (2,974)               | (2,974)             | (2,777)               | (2,777)             |
| Unsecured loans                                                           | (1,000)               | (1,000)             | (1,724)               | (1,724)             |
| Unsecured fixed-rate public bond                                          | (452)                 | (452)               | (446)                 | (446)               |
|                                                                           | <b>(4,509)</b>        | <b>(4,454)</b>      | <b>(5,012)</b>        | <b>(4,973)</b>      |
| <b>Borrowings: amounts falling due after more than one year (note 23)</b> |                       |                     |                       |                     |
| Obligations under finance leases                                          | (177)                 | –                   | (42)                  | (28)                |
| Service concession arrangement liabilities                                | (20,465)              | (20,465)            | (22,706)              | (22,706)            |
| Unsecured loans                                                           | (3,750)               | (3,750)             | (5,087)               | (5,087)             |
| Unsecured fixed-rate public bond                                          | (314,051)             | (314,051)           | (314,502)             | (314,502)           |
|                                                                           | <b>(338,443)</b>      | <b>(338,266)</b>    | <b>(342,337)</b>      | <b>(342,323)</b>    |
| <b>Net funds</b>                                                          | <b>140,627</b>        | <b>137,402</b>      | <b>157,332</b>        | <b>154,905</b>      |

## Financial statements

## 32 Financial instruments

|                                                                                                                                                                                | 2024/25               |                     | 2023/24               |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                                                                                                                                                                                | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| <b>Financial assets</b>                                                                                                                                                        |                       |                     |                       |                     |
| Financial assets at fair value through statement of comprehensive income and expenditure                                                                                       |                       |                     |                       |                     |
| Listed investments                                                                                                                                                             | 159,306               | 159,306             | 157,982               | 157,982             |
| Financial assets that are equity instruments measured at cost less impairment                                                                                                  |                       |                     |                       |                     |
| Other investments                                                                                                                                                              | 3,604                 | 3,830               | 3,604                 | 3,830               |
| Financial assets that are debt instruments measured at amortised cost                                                                                                          |                       |                     |                       |                     |
| Cash and cash equivalents                                                                                                                                                      | 366,485               | 363,028             | 387,551               | 385,071             |
| Other investments                                                                                                                                                              | 117,094               | 117,094             | 117,130               | 117,130             |
| Other receivables                                                                                                                                                              | 82,380                | 89,866              | 83,694                | 90,809              |
| <b>Total financial assets</b>                                                                                                                                                  | <b>565,959</b>        | <b>569,988</b>      | <b>588,375</b>        | <b>593,010</b>      |
| <b>Financial liabilities</b>                                                                                                                                                   |                       |                     |                       |                     |
| Financial liabilities measured at amortised cost                                                                                                                               |                       |                     |                       |                     |
| Unsecured loans                                                                                                                                                                | 319,253               | 319,253             | 321,759               | 321,759             |
| Service concessions                                                                                                                                                            | 23,439                | 23,439              | 25,483                | 25,483              |
| Tuition fees received in advance                                                                                                                                               | 9,367                 | 9,367               | 11,738                | 11,738              |
| Trade payables                                                                                                                                                                 | 26,541                | 25,883              | 34,580                | 34,211              |
| Other payables                                                                                                                                                                 | 86,729                | 87,615              | 86,309                | 87,025              |
| <b>Total financial liabilities</b>                                                                                                                                             | <b>465,329</b>        | <b>465,557</b>      | <b>479,869</b>        | <b>480,216</b>      |
| Financial assets held at fair value through the statement of comprehensive income and expenditure comprise listed investments which are measured at their quoted market price. |                       |                     |                       |                     |

### 32 Financial instruments *continued*

The income, expenses, gains and losses in respect of financial instruments are summarised below:

|                                                                                                          |   | 2024/25               |                     | 2023/24               |                     |
|----------------------------------------------------------------------------------------------------------|---|-----------------------|---------------------|-----------------------|---------------------|
|                                                                                                          |   | Consolidated<br>£'000 | University<br>£'000 | Consolidated<br>£'000 | University<br>£'000 |
| <b>Interest income/(expense)</b>                                                                         |   |                       |                     |                       |                     |
| Total income for financial assets at amortised cost                                                      | 5 | 28,634                | 28,787              | 31,133                | 31,306              |
| Total interest expense for financial liabilities at amortised cost                                       | 8 | (10,193)              | (10,149)            | (10,346)              | (10,335)            |
| <b>Total</b>                                                                                             |   | <b>18,441</b>         | <b>18,638</b>       | <b>20,787</b>         | <b>20,971</b>       |
| <b>Fair value (losses)/gains</b>                                                                         |   |                       |                     |                       |                     |
| On financial assets measured at fair value through the statement of comprehensive income and expenditure |   | (4,621)               | (4,621)             | 16,087                | 16,087              |

### 33 Pension schemes

The principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and, for support staff, there is a choice between the University of Leeds DC Plan or the University of Leeds Pension and Assurance Scheme (PAS). The assets of the schemes are held in separate trustee-administered funds. USS is a hybrid scheme, comprised of a mixture of defined benefit and defined contribution benefits. PAS is a defined benefit scheme. Both are externally funded and are valued every three years by actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The DC Plan, which was introduced from 1 March 2013, is the main auto-enrolment vehicle for University support staff. The investment of scheme contributions for the DC Plan is managed by The People's Pension.

The University also contributes to the Teachers' Pension Scheme (TPS), which has five members, and the National Health Service (NHS) Pension Scheme, which has 200 members; both are multi-employer schemes.

#### Total pension costs for the University and its subsidiary undertakings

|                           | 2024/25<br>£'000 | 2023/24<br>£'000 |
|---------------------------|------------------|------------------|
| USS                       | 42,767           | 40,213           |
| PAS                       | 9,875            | 8,724            |
| DC Plan                   | 3,721            | 3,202            |
| Other pension schemes     | 2,707            | 2,468            |
| <b>Total pension cost</b> | <b>59,070</b>    | <b>54,607</b>    |

The total pension cost is included within note 9.

### 33 Pension schemes *continued*

#### The Universities Superannuation Scheme (USS)

A deficit recovery plan was put in place as part of the 2020 valuation. It required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in note 24, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of income and expenses in the prior year.

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

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

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

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

#### Price inflation – Consumer Prices Index (CPI)

- 3.0% pa (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)

#### RPI/CPI gap

- 1.0% pa to 2030, reducing linearly by 0.1% pa from 2030

#### Pension increases (subject to a floor of 0%)

- Benefits with no cap: CPI assumption plus 3bps
- Benefits subject to a soft cap of 5% (providing inflationary increases up to 5% and half of any excess inflation over 5%, up to a maximum of 10%): CPI assumption minus 3bps

#### Discount rate (forward rates)

- Fixed-interest gilt yield curve plus: pre-retirement: 2.5% pa, post-retirement: 0.9% pa

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

33 Pension schemes *continued*

2023 valuation

|                                  |                                                                                                                                                                                              |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mortality base table             | 101% of S2PMA 'light' for males and 95% of S3PFA for females                                                                                                                                 |
| Future improvements to mortality | CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.40% pa, 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.80% pa for males and 1.60% pa for females |

The current life expectancies on retirement at age 65 are:

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

University of Leeds Pension and Assurance Scheme (PAS)

PAS is a defined benefit scheme for support and technical staff within the University. Triennial valuations are carried out by professionally qualified independent actuaries. The last valuation took place as at 31 March 2023. The results of the PAS valuation showed a funding level of 133% and a surplus of £131.4m. There is a judgement to be made over whether the University has the right to recognise the surplus that has arisen in the scheme during the year. Since the scheme is within the full control of the University and the surplus will mean a reduction in contributions in future years, the surplus has been recognised on the balance sheet.

| PAS contributions  | Final salary |          | Career revalued benefit |          |
|--------------------|--------------|----------|-------------------------|----------|
|                    | Employee     | Employer | Employee                | Employer |
| Pre 1 August 2024  | 7.5%         | 16.0%    | 6.5%                    | 16.0%    |
| Post 1 August 2024 | 6.9%         | 14.8%    | 5.9%                    | 14.8%    |

A contribution rate of 0.5% applies to provide death in service cover within PAS for members of the DC Plan. The University will continue to pay the Pension Protection Fund (PPF) levy, the cost of benefit augmentations and the cost of any ill health early retirements.

PAS final salary members who are promoted to a USS eligible grade are now permitted, under USS rules and with the agreement of the University, to remain in PAS. Members are made aware of this choice.



33 Pension schemes *continued*

Assumptions

The financial assumptions used to calculate scheme liabilities under FRS 102 are:

|                                         | At 31 July                                                                                                                                                          | At 31 July                                                                                                                                                          |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                         | 2025                                                                                                                                                                | 2024                                                                                                                                                                |
|                                         | %pa                                                                                                                                                                 | %pa                                                                                                                                                                 |
| Price inflation (RPI)                   | 3.0                                                                                                                                                                 | 3.0                                                                                                                                                                 |
| Price inflation (CPI)                   | 2.7                                                                                                                                                                 | 2.7                                                                                                                                                                 |
| Rate of increase in salaries            | 3.7                                                                                                                                                                 | 3.7                                                                                                                                                                 |
| Rate of increase of pensions in payment | 2.7                                                                                                                                                                 | 2.7                                                                                                                                                                 |
| Discount rate                           | 5.9                                                                                                                                                                 | 5.0                                                                                                                                                                 |
| Mortality assumption                    | 109% S3PMA_All (males)<br>101% S3PFA_Mid (females)<br>CMI 2024 with a long-term rate<br>of 1.5% pa and default extended<br>parameters for both<br>males and females | 109% S3PMA_All (males)<br>101% S3PFA_Mid (females)<br>CMI 2023 with a long-term rate<br>of 1.5% pa and default extended<br>parameters for both<br>males and females |

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 60.

|                                                  | 2025 | 2024 |
|--------------------------------------------------|------|------|
| Male pensioner                                   | 25.7 | 25.5 |
| Male non-pensioner (currently aged 40 in 2025)   | 27.6 | 27.4 |
| Female pensioner                                 | 28.4 | 28.3 |
| Female non-pensioner (currently aged 40 in 2025) | 30.3 | 30.2 |

Virgin Media vs NTL Pension Trustees II Limited

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023, considered the implications of Section 37 of the Pension Schemes Act 1993. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court, and the case has the potential to cause significant issues in the pensions industry.

The government announced on 5 June 2025 that it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. The Trustees will investigate the possible implications of this with its advisers in due course, but it is not possible at present to estimate the potential impact, if any, on the fund.

33 Pension schemes *continued*

Sensitivity analysis

As set out in the accounting policies, there are some significant estimates used to calculate the actuarial valuation of the PAS asset. The sensitivities of the principal assumptions used to calculate the provision are set out below:

| Change in assumptions at 31 July 2025 | Approximate increase/(decrease) to the net defined benefit asset |
|---------------------------------------|------------------------------------------------------------------|
|                                       | £m                                                               |
| 0.5% pa increase in discount rate     | 26.6                                                             |
| 0.5% pa increase in salary inflation  | (6.8)                                                            |
| 0.5% pa increase in inflation         | (29.1)                                                           |

Scheme assets

The assets in the scheme were:

|                                                                                 | Fair value as at      |                       |
|---------------------------------------------------------------------------------|-----------------------|-----------------------|
|                                                                                 | 31 July 2025<br>£'000 | 31 July 2024<br>£'000 |
| Equities and other growth assets                                                | 287,168               | 260,199               |
| Property                                                                        | 47,858                | 53,789                |
| Bonds and cash                                                                  | 234,848               | 249,986               |
| <b>Total</b>                                                                    | <b>569,874</b>        | <b>563,974</b>        |
| <b>Analysis of the amount shown in the balance sheet for PAS</b>                |                       |                       |
| Scheme assets                                                                   | 569,874               | 563,974               |
| Scheme liabilities                                                              | (353,415)             | (389,933)             |
| <b>Surplus in the scheme – net pension asset recorded in non-current assets</b> | <b>216,459</b>        | <b>174,041</b>        |

## Financial statements

33 Pension schemes *continued*

|                                                                 | Fair value as at      |                       |
|-----------------------------------------------------------------|-----------------------|-----------------------|
|                                                                 | 31 July 2025<br>£'000 | 31 July 2024<br>£'000 |
| Current service cost                                            | 11,242                | 9,974                 |
| Non-investment expenses                                         | 1,710                 | 2,014                 |
| <b>Total operating charge</b>                                   | <b>12,952</b>         | <b>11,988</b>         |
| <b>Analysis of the amount credited to investment income</b>     |                       |                       |
| Interest income                                                 | (8,687)               | (5,739)               |
| <b>Net amount credited to investment income</b>                 | <b>(8,687)</b>        | <b>(5,739)</b>        |
| <b>Total charge before deduction for tax</b>                    | <b>4,265</b>          | <b>6,249</b>          |
| <b>Analysis of other comprehensive income</b>                   |                       |                       |
| Actuarial gain on defined benefit obligation                    | 52,382                | 32,362                |
| Actuarial (loss)/gain on assets                                 | (18,049)              | 20,879                |
| <b>Amount recognised in other comprehensive income</b>          | <b>34,333</b>         | <b>53,241</b>         |
| <b>Analysis of movement in surplus</b>                          |                       |                       |
| <b>Surplus at beginning of year</b>                             | <b>174,041</b>        | <b>114,471</b>        |
| Contributions or benefits paid by the University                | 12,350                | 12,578                |
| Current service cost                                            | (11,242)              | (9,974)               |
| Non-investment expenses                                         | (1,710)               | (2,014)               |
| Net interest credit                                             | 8,687                 | 5,739                 |
| Gain recognised in other comprehensive income                   | 34,333                | 53,241                |
| <b>Surplus at end of year</b>                                   | <b>216,459</b>        | <b>174,041</b>        |
| <b>Analysis of movement in the present value of liabilities</b> |                       |                       |
| <b>Present value of liabilities at the start of the year</b>    | <b>389,933</b>        | <b>408,227</b>        |
| Current service cost (net of member contributions)              | 11,242                | 9,974                 |
| Actual member contributions                                     | 329                   | 288                   |
| Interest cost                                                   | 19,409                | 20,258                |
| Actuarial gain                                                  | (52,382)              | (32,362)              |
| Actual benefit payments                                         | (15,116)              | (16,452)              |
| <b>Present value of liabilities at the end of the year</b>      | <b>353,415</b>        | <b>389,933</b>        |

33 Pension schemes *continued*

|                                                                | Fair value as at      |                       |
|----------------------------------------------------------------|-----------------------|-----------------------|
|                                                                | 31 July 2025<br>£'000 | 31 July 2024<br>£'000 |
| <b>Analysis of movement in the fair value of scheme assets</b> |                       |                       |
| <b>Fair value of assets at the start of the year</b>           | <b>563,974</b>        | <b>522,698</b>        |
| Interest income on assets                                      | 28,096                | 25,997                |
| Non-investment expenses                                        | (1,710)               | (2,014)               |
| Actuarial (loss)/gain on assets                                | (18,049)              | 20,879                |
| Actual contributions paid by University                        | 12,350                | 12,578                |
| Actual member contributions                                    | 329                   | 288                   |
| Actual benefit payments                                        | (15,116)              | (16,452)              |
| <b>Fair value of scheme assets at the end of the year</b>      | <b>569,874</b>        | <b>563,974</b>        |

PAS assets do not include any of the University's own financial instruments, or any property occupied by the University.

|                                           |               |               |
|-------------------------------------------|---------------|---------------|
| <b>Actual return on scheme assets</b>     |               |               |
| Interest income on assets                 | 28,096        | 25,997        |
| Actuarial (loss)/gain on assets           | (18,049)      | 20,879        |
| <b>Change to actuarial gain on assets</b> | <b>10,047</b> | <b>46,876</b> |

**University of Leeds Defined Contribution Pension Plan (DC Plan)**

To comply with pensions automatic enrolment legislation, from 1 March 2013 the University introduced a new defined contribution plan, the University of Leeds Defined Contribution Pension Plan (DC Plan). This is the default scheme for all new eligible support staff employees, although they can still opt to join PAS within 12 months of joining the University.

The DC Plan had 2,220 contributing members at 31 July 2025 (2024: 2,041). The default contribution rate is 3% member and 6% employer. Some members pay a higher contribution rate and this is matched by the University, up to a maximum of 10% employer contribution.

## Financial statements

### 34 Related parties

Due to the nature of the institution's operations and the composition of its Council (being drawn from local public and private sector organisations) and senior leadership team, it is expected that transactions will take place with organisations in which a member of Council or the senior leadership team could be deemed to have influence or control. All such transactions are conducted at arm's length and in accordance with the institution's financial regulations and normal procurement procedures.

The University has taken advantage of the exemption within FRS 102, Section 33: Related Party Disclosures, and has not disclosed transactions with other wholly owned group entities.

Transactions with related parties, and parties where members of Council and the senior leadership team have significant influence or control, during the year and outstanding balances at the year-end are detailed below:

| Related party                                                  | Income           |                  | Expenditure      |                  | Balance receivable by the University |                  | Balance payable by the University |                  |
|----------------------------------------------------------------|------------------|------------------|------------------|------------------|--------------------------------------|------------------|-----------------------------------|------------------|
|                                                                | 2024/25<br>£'000 | 2023/24<br>£'000 | 2024/25<br>£'000 | 2023/24<br>£'000 | 2024/25<br>£'000                     | 2023/24<br>£'000 | 2024/25<br>£'000                  | 2023/24<br>£'000 |
| Ahead Partnership Limited <sup>1</sup>                         | –                | –                | 37               | 7                | –                                    | –                | –                                 | –                |
| Association of Commonwealth Universities <sup>2</sup>          | –                | N/A              | 8                | N/A              | –                                    | N/A              | –                                 | N/A              |
| Association of Heads of University Administration <sup>3</sup> | –                | N/A              | 12               | N/A              | –                                    | N/A              | 2                                 | N/A              |
| British Computer Society <sup>4</sup>                          | –                | –                | 1                | –                | –                                    | –                | –                                 | –                |
| Cancer Research UK <sup>5</sup>                                | 2                | –                | 1                | –                | –                                    | –                | –                                 | –                |
| CBI <sup>6</sup>                                               | –                | –                | 32               | 36               | –                                    | –                | –                                 | –                |
| Chartered Association of Business Schools <sup>7</sup>         | 212              | 297              | 22               | 22               | –                                    | 24               | 12                                | –                |
| Global Health Education Group <sup>6</sup>                     | –                | –                | 4                | 2                | –                                    | –                | –                                 | –                |
| GORSE Academies Trust <sup>8</sup>                             | –                | 82               | 4                | –                | –                                    | –                | –                                 | –                |
| JBA Trust Limited <sup>9</sup>                                 | –                | –                | 9                | –                | –                                    | –                | –                                 | –                |
| Leeds Hospitals Charity <sup>9</sup>                           | 721              | 638              | 1                | 21               | 80                                   | 137              | –                                 | –                |
| Leeds International Piano Competition <sup>2</sup>             | 1                | 5                | 201              | 201              | 76                                   | –                | –                                 | –                |
| Leeds University Union <sup>11</sup>                           | 1,288            | 1,041            | 6,425            | 6,022            | 46                                   | 263              | 89                                | 232              |
| N8 Limited <sup>2,12</sup>                                     | 1                | 1                | 102              | 96               | –                                    | 1                | –                                 | –                |
| National Poetry Centre <sup>6</sup>                            | –                | –                | 60               | –                | –                                    | –                | –                                 | –                |
| National Portrait Gallery <sup>2</sup>                         | 4                | N/A              | –                | N/A              | –                                    | N/A              | –                                 | N/A              |

## Financial statements

34 Related parties *continued*

| Related party                                                      | Income           |                  | Expenditure      |                  | Balance receivable by the University |                  | Balance payable by the University |                  |
|--------------------------------------------------------------------|------------------|------------------|------------------|------------------|--------------------------------------|------------------|-----------------------------------|------------------|
|                                                                    | 2024/25<br>£'000 | 2023/24<br>£'000 | 2024/25<br>£'000 | 2023/24<br>£'000 | 2024/25<br>£'000                     | 2023/24<br>£'000 | 2024/25<br>£'000                  | 2023/24<br>£'000 |
| Northern Gritstone Limited <sup>6</sup>                            | 9                | 3                | –                | –                | 1                                    | 2                | –                                 | –                |
| Red Kite Learning Trust <sup>13</sup>                              | 171              | 332              | –                | –                | –                                    | –                | –                                 | –                |
| Rosalind Franklin Institute <sup>14</sup>                          | N/A              | 17               | N/A              | 125              | N/A                                  | –                | N/A                               | –                |
| Royal College Paediatrics and Child Health <sup>5</sup>            | 1                | –                | –                | –                | –                                    | –                | –                                 | –                |
| Russell Group of Universities <sup>2</sup>                         | –                | –                | 96               | 93               | –                                    | –                | –                                 | –                |
| The Clothworkers' Company <sup>15</sup>                            | N/A              | 988              | N/A              | –                | N/A                                  | –                | N/A                               | –                |
| The University of Leeds Pension and Assurance Scheme <sup>16</sup> | 268              | 322              | 7,545            | 12,980           | 29                                   | 16               | 1,080                             | 1,087            |
| Universities UK <sup>17</sup>                                      | N/A              | –                | N/A              | 111              | N/A                                  | –                | N/A                               | –                |
| White Rose University Consortium <sup>2,12</sup>                   | –                | 2                | –                | –                | 6                                    | –                | –                                 | –                |
| Worldwide Universities Network <sup>2,12</sup>                     | 79               | 74               | 55               | 51               | 48                                   | 54               | –                                 | –                |
| Yorkshire Cancer Research <sup>10,18</sup>                         | 3,256            | 4,016            | –                | 161              | 316                                  | 371              | –                                 | –                |
| Yorkshire Universities <sup>2,12</sup>                             | 2,673            | 2                | 195              | 116              | –                                    | –                | –                                 | –                |

<sup>1</sup> Stephanie Burras and Janet Sheriff, members of Council, are on the board of Ahead Partnership Limited, an enterprise established to tackle social disadvantage and connect young people to opportunity.

<sup>2</sup> Professor Shearer West, Vice-Chancellor and President from 1 November 2024, is a Council/board member of the following organisations: Association of Commonwealth Universities, N8 Limited, Russell Group of Universities, White Rose University Consortium, Yorkshire Universities and Worldwide Universities Network. Shearer is also a trustee of Leeds International Piano Competition and National Portrait Gallery.

<sup>3</sup> Rachel Brealey, Chief Operating Officer, was elected to the Executive Committee of Association of Heads of University Administration on 1 September 2024.



**34 Related parties** *continued*

- <sup>4</sup> Tom Clark, a member of Council, was a member of the council of British Computer Society until 31 March 2025.
- <sup>5</sup> The spouse of Peter Goldsbrough, a member of Council, is a trustee and the audit committee chair of Cancer Research UK, and a trustee and chair of Royal College Paediatrics and Child Health.
- <sup>6</sup> Jane Madeley, Chief Financial Officer, is Vice-Chair of the Regional CBI Council. Jane is also a member of the board of Global Health Education Group and, a director of Northern Gritstone Limited. Jane is also a trustee of National Poetry Centre.
- <sup>7</sup> Professor Julia Bennell, Executive Dean: Faculty of Business, is a council member of Chartered Association of Business Schools.
- <sup>8</sup> Jennifer Sewel, University Secretary and Registrar, is a member of the board of GORSE Academies Trust.
- <sup>9</sup> Professor Peter Jimack, a member of Council, is a director and trustee of JBA Trust Limited
- <sup>10</sup> Dr Yvette Oade, a member of Council, is chair of the board of trustees of Leeds Hospitals Charity, and was a trustee of Yorkshire Cancer Research until 31 March 2025.
- <sup>11</sup> Lucy Hart, a member of Council until 30 June 2025, was an officer of Leeds University Union. Shivani Gug and, from 1 July 2025, Amara Relf, members of Council, are officers of Leeds University Union.
- <sup>12</sup> Professor Hai-Sui Yu, Interim Vice-Chancellor and President until 31 October 2024 and Provost and Deputy Vice-Chancellor from 1 November 2024, was a board member of N8 Limited, White Rose University Consortium and Yorkshire Universities until 31 October 2024, and was a director of Worldwide Universities Network until 27 February 2025.
- <sup>13</sup> The spouse of Janet Sheriff, a member of Council, is the CEO of Red Kite Learning Trust, a multi-academy trust made up of 16 schools in North and West Yorkshire.
- <sup>14</sup> Professor Nora de Leeuw, Executive Dean: Faculty of Engineering and Physical Sciences, was a board member of Rosalind Franklin Institute, a charity and national research institute dedicated to developing new technologies to tackle important health research challenges, until 31 July 2024.
- <sup>15</sup> Dr Cordelia Rogerson, a member of Council until 31 May 2024, was a member of the board of The Clothworkers' Company.
- <sup>16</sup> Helen Grantham, a member of Council, is a director of PAS Trustees Limited and a corporate trustee of The University of Leeds Pension and Assurance Scheme.
- <sup>17</sup> Professor Simone Buitendijk, Vice-Chancellor and President until 31 October 2023, was a board member of Universities UK during her tenure on Council.
- <sup>18</sup> Elizabeth Richards, a member of Council, is a trustee of Yorkshire Cancer Research.

35 Post balance sheet events

Voluntary enhanced retirement scheme

On 28 October 2025, a voluntary enhanced retirement scheme was announced as part of a strategic approach to long-term financial sustainability. The scheme is open to eligible staff across the organisation.

At the date of authorising these financial statements, the number of participants and the associated costs remain uncertain. The financial impact will be recognised in the year ending 31 July 2026, once the extent of uptake is known.

As the scheme was not approved or communicated prior to the balance sheet date of 31 July 2025, it is considered a non-adjusting event under FRS 102, and no provision has been made in these financial statements.

36 Financial responsibility supplemental schedule for the US Department of Education

This schedule has been compiled from the Section 2, Example Financial Statements, included in the Federal Register / Vol 84, No 184 / Monday, September 23, 2019 / Rules and Regulations.

The numbers presented in the tables below are taken from the consolidated financial statements and therefore have been prepared in accordance with UK GAAP and presented in pound sterling.

The following abbreviations have been used in note references: CSCI – consolidated statement of comprehensive income and expenditure.

| Description: supplemental schedule              | Description: UK GAAP accounts                           | Notes         | 2024/25<br>£'000 | 2023/24<br>£'000 |
|-------------------------------------------------|---------------------------------------------------------|---------------|------------------|------------------|
| Primary reserve ratio:<br>Expendable net assets |                                                         |               |                  |                  |
| Net assets without donor restrictions           | Income and expenditure reserve – unrestricted*          | Balance sheet | 1,170,727        | 1,141,812        |
| Net assets without donor restrictions           | Endowment reserves – unrestricted permanent endowments* | 25            | 29,645           | 29,767           |
| Net assets with donor restrictions              | Endowment reserves – restricted expendable endowments** | 25            | 8,262            | 8,938            |
| Net assets with donor restrictions              | Endowment reserves – restricted permanent endowments**  | 25            | 57,951           | 56,057           |
| Net assets with donor restrictions              | Income and expenditure reserve – restricted reserve**   | Balance sheet | 19,835           | 26,715           |

## Financial statements

36 Financial responsibility supplemental schedule for the US Department of Education *continued*

| Description: supplemental schedule                                         | Description: UK GAAP accounts                                                                                             | Notes | 2024/25<br>£'000 | 2023/24<br>£'000 |
|----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-------|------------------|------------------|
| Pre-implementation property, plant and equipment                           | Fixed assets consolidated net book value at 1 August 2019, less depreciation and disposals, excluding service concessions | 13    | (437,904)        | (469,840)        |
| Post-implementation property, plant and equipment with outstanding debt    | Additions purchased with debt since 1 August 2019, excluding service concessions                                          | 13    | (44,926)         | (44,926)         |
| Construction in progress                                                   | Assets under construction                                                                                                 | 13    | (33,954)         | (28,894)         |
| Post-implementation property, plant and equipment with no outstanding debt | Freehold land and buildings and equipment additions and transfers since 1 August 2019, excluding service concessions      | 13    | (346,686)        | (328,004)        |
| Lease right-of-use assets – pre-implementation                             | Service concession arrangements at 1 August 2019, less subsequent depreciation and disposals                              | 13    | (14,778)         | (17,130)         |
| Lease right-of-use assets – post-implementation                            | Service concession arrangements – additions since 1 August 2019                                                           | 13    | (5,197)          | (4,464)          |
| Intangible assets                                                          | Software                                                                                                                  | 12    | (9,710)          | (11,171)         |
| Post-employment and pension liability                                      | Pension provisions                                                                                                        | 24    | –                | –                |
| Note payable for long-term purposes – pre-implementation                   | Borrowings used to purchase fixed assets at 1 August 2019                                                                 | 23    | 205,074          | 205,074          |
| Note payable for long-term purposes – post-implementation                  | Borrowings used to purchase fixed assets since 1 August 2019                                                              | 23    | 44,926           | 44,926           |
| Lease right-of-use liability – pre-implementation                          | Service concession liabilities at 1 August 2019 less movements since 1 August 2019                                        | 15    | 18,242           | 21,019           |
| Lease right-of-use liability – post-implementation                         | Service concession liabilities movement since 1 August 2019                                                               | 15    | 5,197            | 4,464            |
| Annuities                                                                  | Endowment reserves: restricted expendable endowments                                                                      | 25    | (8,262)          | (8,938)          |
| Restricted in perpetuity                                                   | Endowment reserves: restricted permanent endowments                                                                       | 25    | (57,951)         | (56,057)         |
| <b>Total expendable net assets</b>                                         |                                                                                                                           |       | <b>600,491</b>   | <b>569,348</b>   |

## Financial statements

36 Financial responsibility supplemental schedule for the US Department of Education *continued*

| Description: supplemental schedule                          | Description: UK GAAP accounts                                                        | Notes | 2024/25<br>£'000 | 2023/24<br>£'000 |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------|-------|------------------|------------------|
| <b>Expenses and losses without donor restrictions</b>       |                                                                                      |       |                  |                  |
| Total operating expenses and other deductions               | Total expenditure                                                                    | CSCI  | 1,006,703        | 754,676          |
| Total operating expenses and other deductions               | Restricted expendable endowments – expenditure                                       | 25    | (706)            | (576)            |
| Total operating expenses and other deductions               | Restricted reserves – expenditure                                                    | 26    | (10,324)         | (7,567)          |
| Pension-related changes other than net periodic costs       | Obligation to fund deficit on USS pension: increased due to changes in recovery plan | 24    | –                | 239,546          |
| Sale of fixed assets, gains/(losses)                        | Realised losses on disposal of non-current assets                                    | CSCI  | –                | (1,797)          |
| Other losses                                                | Share of operating deficits in jointly controlled entities                           | CSCI  | (2)              | –                |
| Other losses                                                | Share of operating deficits in associates                                            | CSCI  | (546)            | –                |
| Other losses                                                | Taxation charge                                                                      | CSCI  | (184)            | (675)            |
| <b>Total expenses and losses without donor restrictions</b> |                                                                                      |       | <b>994,941</b>   | <b>983,607</b>   |
| <b>Equity ratio:</b>                                        |                                                                                      |       |                  |                  |
| <b>Modified net assets</b>                                  |                                                                                      |       |                  |                  |
| Net assets without donor restrictions                       | Items in expendable net assets above marked*                                         |       | 1,200,372        | 1,171,579        |
| Net assets with donor restrictions                          | Items in expendable net assets above marked**                                        |       | 86,048           | 91,710           |
| Intangible assets                                           | Software                                                                             | 12    | (9,710)          | (11,171)         |
| <b>Total modified net assets</b>                            |                                                                                      |       | <b>1,276,710</b> | <b>1,252,118</b> |

## Financial statements

36 Financial responsibility supplemental schedule for the US Department of Education *continued*

| Description: supplemental schedule                      | Description: UK GAAP accounts                                                      | Notes         | 2024/25<br>£'000   | 2023/24<br>£'000 |
|---------------------------------------------------------|------------------------------------------------------------------------------------|---------------|--------------------|------------------|
| <b>Modified assets</b>                                  |                                                                                    |               |                    |                  |
| Total assets                                            | Non-current assets                                                                 | Balance sheet | 1,282,733          | 1,252,699        |
| Total assets                                            | Current assets                                                                     | Balance sheet | 574,861            | 598,976          |
| Lease right-of-use asset – pre-implementation           | Service concession liabilities at 1 August 2019 less movements since 1 August 2019 | 13            | (14,778)           | (17,130)         |
| Lease right-of-use liability – pre-implementation       | Service concession liabilities at 1 August 2019 less movements since 1 August 2019 | 13            | 18,242             | 21,019           |
| Intangible assets                                       | Software                                                                           | 12            | (9,710)            | (11,171)         |
| <b>Total modified assets</b>                            |                                                                                    |               | <b>(1,851,348)</b> | <b>1,844,393</b> |
| <b>Net income ratio</b>                                 |                                                                                    |               |                    |                  |
| Changes in net assets without donor restrictions        | Unrestricted comprehensive income for the year                                     | CSCI          | 28,915             | 358,424          |
| Changes in net assets without donor restrictions        | Movement in unrestricted permanent endowments                                      | 25            | (122)              | 2,197            |
| <b>Changes in net assets without donor restrictions</b> |                                                                                    |               | <b>28,793</b>      | <b>360,621</b>   |
| <b>Revenues and gains without donor restrictions</b>    |                                                                                    |               |                    |                  |
| Total revenue                                           | Total Income                                                                       | CSCI          | 998,550            | 1,054,190        |
| Revenue with donor restrictions                         | New restricted grants and donations                                                | 26            | (3,444)            | (6,146)          |
| Revenue with donor restrictions                         | Restricted endowment investment income                                             | 25            | (1,196)            | (1,202)          |
| Sale of fixed assets (losses)                           | Realised losses on disposal of non-current assets                                  | CSCI          | 2,311              | –                |
| Other gains                                             | Share of operating surpluses in jointly controlled entities                        | CSCI          | –                  | 901              |
| Other gains                                             | Share of operating surpluses in associates                                         | CSCI          | –                  | 1,342            |

36 Financial responsibility supplemental schedule for the US Department of Education *continued*

| Description: supplemental schedule                     | Description: UK GAAP accounts                                            | Notes | 2024/25<br>£'000 | 2023/24<br>£'000 |
|--------------------------------------------------------|--------------------------------------------------------------------------|-------|------------------|------------------|
| Net assets released from restriction                   | Released to unrestricted reserves from permanent endowments (restricted) | 25    | 566              | 691              |
| Total revenue and gains without donor restrictions     |                                                                          |       | 996,787          | 1,049,776        |
| * Items total to net assets without donor restrictions |                                                                          |       |                  |                  |
| ** Items total to net assets with donor restrictions   |                                                                          |       |                  |                  |



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