



Royal
Agricultural
University

Annual Report and Financial Statements 2023-24



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Vice-Chancellor's Introduction



Professor Peter McCaffery, Vice-Chancellor

A distinctiveness of the Royal Agricultural University is, of course, our royal connection. British sovereigns have served as Patrons of the RAU throughout our 179-year history, and I am delighted to report that – further to the review of royal patronages following His Majesty King Charles III's accession to the throne – His Majesty's gracious acceptance of our patronage means this tradition will continue. More than that, it bears testament to the importance of the sector we serve and the personal interest of the King.

Taking the cue from our historic mission – to cultivate care for the land and all who depend on it – our strategy is a simple one. We aim to be the very best in all that we do at a local level, national level, and global level, and to do so in as sustainable a way as possible. And we are pleased to have made good progress in this regard.

Over the last two years there have been three national framework assessments – one in Research Excellence, one in Teaching Excellence, and one in Knowledge Exchange. That is the REF, TEF and the KEF – the so-called 3Fs of higher education.

In the Research Excellence Framework, over half of our research was deemed to be “world-leading and

international in quality” – we are the leading specialist university for research in England (three of our professoriate were recognised in this year’s Stanford University list of the top 2% of influential scientists in the world).

In the Teaching Excellence Framework, we were awarded a Silver Rating meaning that the student experience we provide and the student outcomes we generate are typically very high quality with outstanding features. The TEF Silver Award is a powerful endorsement of a Royal Agricultural University education.

In the Knowledge Exchange Framework, we came top of the class in our cluster of STEM universities – that is, those institutions specialising in science, engineering, technology and mathematics. We exceeded others in our support for graduate start-ups and continuous professional development, public and community engagement, working with the public and voluntary sector, and local growth and regeneration, where we contribute over £50M to the local and regional economy.

This year’s Graduate Outcomes Survey, conducted by the Higher Education Statistics Agency (HESA) which assesses the progression of final-year students 15 months after their graduation, confirmed a year-on-year trajectory of improvement for our graduates over the last four years.

The proportion of RAU graduates in “highly skilled jobs” (i.e. those commensurate with graduate employment) has successively increased from

63.2% in 2020-21 to 71.8% this year – the latter being around seven per cent higher than the national average.

We were also delighted that Kaleb Cooper - the self-made agricultural entrepreneur and farming contractor who features in Prime Video’s Clarkson’s Farm – has very generously agreed to sponsor two new bursaries in his name to support new student entrants looking to launch a career in agriculture. A donation that was, in turn, also match funded by the Elizabeth Creak Charitable Trust.

We have also been re-accredited as a national Centre of Excellence by the Institute of Enterprise and Entrepreneurs (IOEE).

We recognise too that the hallmark of a great university is also to be a great local university:

Our agri-tech business incubator Farm491 – which has supported over 200 start-ups in attracting £33M in investment since its inception in 2016 - was featured as a national case study of high impact by GuildHE, a 60-university member network.

And our projected Innovation Village @ RAU will turbocharge this activity by bringing together industry, food producers, farmers and landowners to develop new innovative practices that are global as well as local in reach that will restore biodiversity and increase agricultural productivity, while maintaining land health and building resilience in rural communities.

We are delighted to be working in partnership with Cotswold District Council (CDC), Gloucestershire County Council, GFirst LEP, Business West, and the Department of International Trade in realising our ambition. We submitted an outline planning application to CDC on 7 April (all 4,000 pages of it!) and are hopeful of approval early in the new year.

Centred on agriculture, food, and land management, our Innovation Village will be “a first for the UK” and, according to the Savills Economic Impact Assessment Report we commissioned, it will contribute a further £50M to the local and regional economy.

We’ve also launched – in the spirit that we should practice what we preach – our own Food and Farming Strategy aimed at producing as much of what we consume as we can as sustainably as possible.

Not forgetting our award-winning wines and vineyard – “a little gem” as the Hairy Bikers put it! Indeed, our Cotswold Hills wine was selected as the beverage of choice at the Times Higher Education (THE) Awards ceremony attended by more than 1,200 delegates. Toasting the contestants raised our profile among around 100 universities and 20 sponsors across the higher education sector.



We “put shovels in the ground” on 4 June for our new Land Laboratory Teaching Centre - funded by the £5.8M (the maximum available) which we secured in the Office for Students’ first capital bidding round – and the state-of-the-art facilities are on track for completion in March 2025.

We are engaged with the Swindon Futures Commission and are committed to the development of the Knowledge Hub in the railway heritage quarter of the town. We established a new partnership with the Water Research Centre in Swindon and will launch an MBA in Water Management this September.

Globally, we are also a university on which the sun never sets and our international partnerships continue to flourish. Revenues from transnational education have increased seven-fold over the last five years and all surpluses are re-invested here in the UK.

We signed a new partnership with the Government of the Emirate of Sharjah in the United Arab Emirates (UAE) on 25 April to deliver a BSc programme in Sustainable Agriculture which will build leadership capacity in the Emirate, to help it meet their landmark international commitments agreed at COP 28 in Dubai in 2023.

This development means that the RAU has co-founded two brand-new universities in the last eighteen months – the University of Al Dhaid, Sharjah, and the International Agricultural University, Tashkent, Uzbekistan. These are significant milestones in RAU’s history – no other UK university can lay claim to such an achievement.

In China we are one of only five “highly trusted” UK universities recognised by the Chinese Ministry of Education, with planned postgraduate growth on top of our 2,500 students at Qingdao Agricultural University and Shandong University. Indeed, our Joint Institute at QAU has been recognised as a “Shandong Distinguished Professional College”

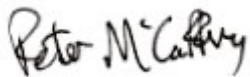
meaning our provision is of the highest quality placing us in the top 3% of the 1,800+ colleges in Shandong Province.

In Ukraine, the twinning initiative we pioneered with Sumy National Agrarian University, on the war frontline in NE Ukraine, is a role model for the rest of the higher education sector. We secured £400K+ funding to help in humanitarian, teaching, and research collaboration support, examining the effects of war on agriculture, food security, and land health.

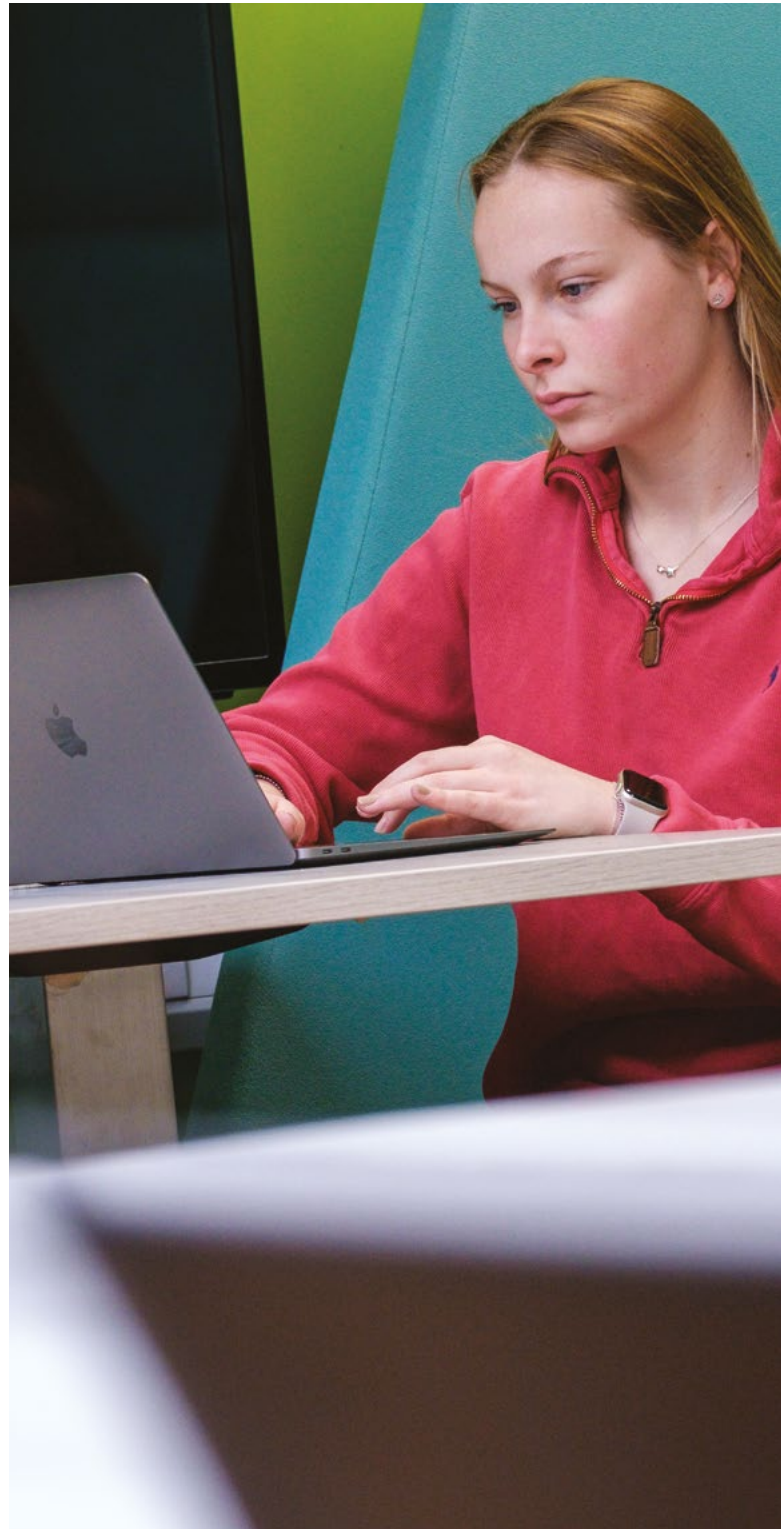
The wider higher education environment continues to be characterised by uncertainty and the maximum tuition fee for undergraduate courses remains frozen (since 2017) at £9,250 a year up to and including 2024-25, leaving us with a 25 per cent reduction in fee income in real terms compared with 2012 when the (£9,000) fee cap was introduced.

Consequently, we face ever-increasing competition in all areas of our activity and particularly so in the home undergraduate student market. We must also do more to ensure that what we offer is commensurate with our students' expectations.

Be that as it may, as we celebrate our 180th anniversary next year we have much to take pride in and we will endeavour to continue to be as socially relevant in the future as we have been in the past.



Professor Peter McCaffery
Vice-Chancellor



Message from the Chair of Governing Council



Dame Fiona Reynolds
Chair of Governing Council

Photo credit: Marcus Ginns

It was a huge honour this year to receive the news that King Charles III has bestowed his patronage on the Royal Agricultural University. Our royal connections go back to our foundation in 1845, and we are proud of them. It's a clear expression of continuity at a time of change as we work to meet the challenges of a twenty-first century academic institution.

And that's not always easy. It's only just over ten years since we became an accredited University and we are both small and specialist, focusing on the vital importance of sustainable food production and management of the land. In many ways that's an advantage, especially at a time when public interest in food, farming, climate, and nature is at an all-time high. But it is also a challenge to operate in a highly regulated – and, currently, financially challenging – environment with such a small base.

As a result we need a clear focus, and our strategy – with its three interconnected goals of Quality, Reach, and Sustainability – acts as our constant guide. Over the past year we have made significant progress on several of our key performance indicators, especially student employability and sustainability, though many challenges remain.

So we are particularly proud that, over the last two years, we have performed extremely well against the three big public measures of university performance: the REF (Research Excellence Framework which categorised 52% of our research as world-leading), the TEF (Teaching Excellence Framework, where we achieved a solid Silver grade), and the KEF (Knowledge Excellence Framework, where we were top of our peer group). These are strong foundations for our future plans, which include applying for Research Degree Awarding Powers to recognise our growing research capabilities; continuing investment in our campus supported by a major grant from the Office for Students; and developing the Innovation Village for which we have now applied for outline planning permission. A further success is our strategy for global diversification in teaching, with new relationships established in Uzbekistan and Sharjah where we teach students the same curriculum as our domestic students, to increasing acclaim.

All these are signs of progress, we were however disappointed by a second year of very poor results in the National Student Survey (NSS). We could look for excuses, and no doubt there are some, but that would not be right. While our students are successful, we are clearly not meeting their expectations of the learning and teaching we offer and this requires radical intervention. Our plan in response provides just that, and, with the wholehearted support of the Students' Union, we are committed to improvement.

So our work continues: maintaining the energy and innovation that has characterised the RAC and (now) the RAU from the very beginning, keeping a clear focus on our vision, and gripping the detail of our challenges.

I'm enormously grateful to my fellow Governors, who offer a lively mix of challenge and support, and to our staff, ably led by Professor Peter McCaffery, our Vice-Chancellor. Everyone at the RAU shares a passion for our mission, and works enormously hard. We could not operate without you, and I thank you all.



Dame Fiona Reynolds
Chair of Governing Council





Key Facts



We performed strongly in the Knowledge Exchange Framework (KEF) and came first in the STEM cluster.



Times Higher Education
Impact Rankings

We ranked in the top 200 globally for Zero Hunger (Goal 2) and top 300 globally for the Life on Land Goal (Goal 15) in the Times Higher Education (THE) University Impact Rankings.



We were ranked in the top 10 universities in the UK for Land & Property Management in the Complete University Guide 2025.



We ranked in the top ten at the Whatuni Student Choice Awards in 2024 in the Small or Specialist category and were ranked second in the South West in the Small or Specialist category.



We were ranked fifth in the UK in the Daily Mail University Guide's ranking theme of 'Career on track'.



The RAU has been re-approved as a Centre of Excellence for Enterprise Education by the IOEE (Institute of Enterprise and Entrepreneurs). As the only small and specialist University in the UK to have been granted the IOEE's Centre of Excellence status, it highlights the emphasis we place on entrepreneurship and innovation, vital skills required for the future workforce.



Last year we became the first university to offer the Kaleb Cooper Agriculture Bursary with two £3,000 bursaries available as well as the opportunity for a work placement with Kaleb or one of his industry partners.



Working with the Government of the Emirate of Sharjah in the United Arab Emirates (UAE), the RAU has helped to establish the new University of Al Dhaid and its BSc in Sustainable Agriculture.



Our students are regularly nominated for awards. In 2022, 2023, and 2024, two students were shortlisted in the South West Women in Property Student Awards.



The RAU was awarded Silver in the 2023 Teaching Excellence Framework. Our student experience and student outcomes were commended as being of “typically very high quality”.



RAU alumna Kate Drury was announced as one of just 50 national winners of a coveted Women in Innovation award run by Innovate UK and UK Research and Innovation (UKRI).



Dr David O'Connor and Pro Vice-Chancellor (Academic Planning and Resources) Professor David Main were included in the Stanford University list of the top 2% of scientists in the world.



93% of the RAU's graduates with a known disability were in employment and/or further study. (The 2024 Graduate Outcomes Survey)



The RAU's Farm491 is a technology and innovation space focused on the future of farming and food systems.



The RAU has a 17,000 strong alumni network with international reach and influence.



**A global university with more than
1,600 students from 46 countries**

Plus more than 2,500 students studying with our Chinese partnerships

More than half the research we produce at the RAU has been assessed as 'world-leading and international in quality' in the latest round of the national Research Excellence Framework.

REF 2021 Research Excellence Framework



Our History



1845
Queen Victoria granted the Royal Charter to the RAC

1984



The first modern degree programme was launched – BSc (Hons) in Rural Land Management

2013



Privy Council awarded the College full University status

1842

The seeds of the Royal Agricultural College (RAC) were first sown

1931

Professor Robert “Bobby” Boutflour became Principal of the College

2001

First received funding from the Higher Education Funding Council for England (HEFCE)

Since its beginnings in 1845, our institution has always been full of innovators and pioneers who have made a substantial contribution to farming practice and agricultural science.

The seeds of the Royal Agricultural College (RAC), now known as the Royal Agricultural University (RAU), were sown by Victorian gentleman Robert Jeffreys-Brown. He suggested the foundation of an agricultural school in November 1842 at a meeting of the Cirencester and Fairford Farmers’ Club.

Construction in the Victorian Gothic style began in April 1845 when Earl Bathurst leased 425 acres and a site to build the College. Completed within a year at a cost of £3,674, the first 25 students, who were aged between 14 and 18, were admitted on 15 September 1845.

Queen Victoria granted the Royal Charter to the College in the same year and Sovereigns have been Patrons ever since, visiting in every reign.

The then Prince of Wales, now King Charles III, became President in 1982.

Throughout our tenure, staff have always inspired their students with their teaching and have also led as industry specialists in their chosen fields. Their impact on farming practice and agricultural science in the field is not to be contested. In 1931, Professor R “Bobby” Boutflour, CBE, one of the greatest leaders of change in farming practice in his time, became Principal.

In 1979, the RAC admitted its first female students.

In 1984, in partnership with Reading University, the first modern degree programme started – a BSc (Hons) in Rural Land Management. The College had been independent of Government control since its foundation until 2001 when it first received funding from the Higher Education Funding Council for England (HEFCE). This allowed us to widen access to our courses to students of all backgrounds.

The Privy Council awarded the College full University status in 2013.

2020

175
YEARS

The RAU opened a major Joint Institute with Qingdao Agricultural University (QAU) in China. We celebrated our 175th anniversary

2022

Worked with the Uzbekistan Government to establish a Centre of Excellence in Central Asia



2024

King Charles III became the new patron of the RAU following the death of Queen Elizabeth II, who was Patron of the institution from 1952 until her death in 2022

2018

Launched our state-of-the-art £4.2M Alliston Centre. The University is registered with the newly-created Office for Students (OfS)

2021

Half of all RAU research commended as world-leading, and internationally excellent, according to the Research Excellence Framework (REF 2021)

2023

Launched our £100 million Innovation Village concept at the Cirencester campus

In 2018 we opened the state-of-the-art Alliston Centre which houses Farm491 and the Cirencester Growth Hub, which was part of the GFirst Local Enterprise Partnership's (LEP) Growth Hub network.

In 2020 we opened a major Joint Institute with Qingdao Agricultural University (QAU) in China which will help expand transnational higher education in the land-based sector. The RAU is the only small specialist university in the UK to have established a Joint Institute with endorsement from the Chinese Government.

We celebrated our 175th anniversary in 2020.

In 2022 the RAU was selected by the Uzbekistan Ministry of Agriculture to be its founding partner for the new International Agriculture University in Tashkent. Working with the Uzbekistan Government, we set up a Centre of Excellence in Central Asia. We also established a twinning initiative with Sumy National Agrarian University (SNAU) in Ukraine.

The Research Excellence Framework (REF 2021) found that half of the research carried out at the RAU has been commended as world-leading and international in quality. The University's research is at its highest ever level according to this assessment.

In 2023 the RAU launched its £100 million Innovation Village concept on a 29-acre site at our Cirencester campus. This concept is central to our vision and aims to support industry, food producers, farmers, and landowners in developing sustainable solutions for healthy land and nature, food production, and resilience in rural communities.

In 2024 King Charles III became the new Patron of the RAU following the death of his mother Queen Elizabeth II, who was Patron of the institution from 1952 until her death in 2022.



We are the leading supplier in the country of rural chartered surveyors with 165 alumni holding Director level posts at the major national and international firms.

Highlights – 2023-24 in focus

2023

July 2023

- » The RAU agrees to collaborate with Royal Holloway, University of London, on science and agriculture research projects and to develop knowledge exchange opportunities, as well as sharing teaching and expertise to help develop solutions to enhance the impact of food security research at both institutions.



- » Following the signing of a Memorandum of Understanding between the RAU and the University of Al Dhaid in the Emirate of Sharjah in the United Arab Emirates earlier in the year, a high-level delegation from Sharjah visits the RAU.

August 2023

- » The RAU's Professor Nicola Cannon comments widely in the media about the problems the summer's wet weather has been causing for farmers trying to make hay and harvest their crops.
- » The RAU opens the doors of both its historic Cirencester campus, and its campus at RAU Swindon, to the public as part of a free Heritage Open Days event taking place across England. Visitors to RAU Swindon join archaeologists from the University's Cultural Heritage Institute for an archaeological excavation uncovering the WWII secrets of Swindon's GWR Park.



September 2023

- » The RAU scores top marks for its work with industry and the public sector in the Knowledge Exchange Framework, a survey of 139 English universities and institutes. Half of the University's activities are ranked as very high or high engagement with industry and the public sector and the RAU is particularly commended for its graduate start-ups and professional training.

- » The RAU is awarded Silver in the 2023 Teaching Excellence Framework, a national scheme run by the Office for Students which aims to encourage higher education providers to improve and deliver excellence in teaching and learning. The RAU student experience and student outcomes are commended as being of “typically very high quality”.



- » Professor Duncan Westbury joins the RAU as Dean of Land and Property Management.

October 2023

- » RAU rural land management student Victoria Menzies is awarded the 2023 Pilkington Farms Partnership Prize, which covers the winning student’s final year tuition fees, for being the top performing student in the first two years of her course. Created by RAU alumnus Richard Pilkington in 2021, the annual award is designed to reward academic performance and to celebrate excellence and innovation in real estate and land management.

- » The RAU teams up with Swindon Town Academy and Stratton Youth football club to give them both a regular, year-round, place to train and play matches. Use of the pitches at the RAU’s Cirencester campus is scheduled to fit around the University’s own sports activities and matches, and the income funds improvements to the pitches and sports facilities.
- » RAU Food & Beverage Operations Manager Charlie Savage scoops the Rising Star award at the annual Gloucestershire Live Business Awards.

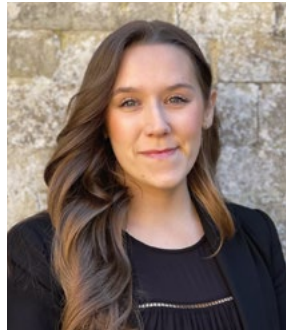
November 2023

- » The RAU welcomes a high-level delegation from the United States Government who visit as part of a fact-finding trip to study the present state of British agriculture, food, and drink.
- » The RAU’s Dr David O’Connor and Professor David Main are included in prestigious lists recognising the world’s leading scientists at the very top of their profession.
- » In a special ceremony, presided over by RAU Vice-President Lord Bathurst, Wiltshire organic farmer and Chief Executive of the Soil Association, Helen Browning, and Jeremy Moody, Secretary and Adviser to the Central Association of Agricultural Valuers (CAAV), are awarded Honorary Fellowships of the RAU, the University’s highest honour.

2023 - 2024



Charlie Savage



Victoria Menzies

December 2023

- » Agriculture students Caitlyn Bartlett and Caitlin Oxtan are announced as the inaugural recipients of the first ever Kaleb Cooper Agriculture Bursary. To mark the announcement, they join Kaleb at Cirencester Livestock Market where they help him to buy some calves.
- » RAU researchers, who have been working with colleagues at Sumy National Agrarian University in Ukraine to study heavy metal pollution in Ukrainian farmland caused by Russian bombs since the Russian invasion in March 2022, share their results at the annual meeting of the American Geophysical Union in San Francisco.



February 2024

- » A new course, offering would-be estate agents the chance to obtain a foundation degree in residential estate agency, is launched at RAU Swindon. The unique course will be taught two days a week, thereby enabling students to work while studying for the qualification.
- » A project to digitise a unique historic collection of more than 10,000 dried and pressed plant specimens dating back more than 200 years which is housed in the RAU's laboratories, is featured on the prestigious "And finally..." slot of ITN's national News at Ten. Many specimens were collected by the English geologist Samuel P Woodward, Professor of Natural History and Geology at the Royal Agricultural College between 1845 and 1848. Other specimens were gathered by Woodward's successor James Buckman, Professor of Geology, Botany, and Zoology at the RAC from 1848 to 1862, who conducted a number of botanical experiments in the College's botanical garden, some of which are mentioned in Darwin's *The Origin of Species*.



2024

March 2024

- » An appeal by archaeologists from the RAU to find out more about a large Elizabethan house in Lydney which was burned and demolished in April 1645 during the Civil War, turns up a medieval sword.
- » The RAU is one of the first universities in the country to screen Six Inches of Soil, a British independent feature documentary shining a spotlight on soil health and regenerative farming. The screening and following Q&A panel discussion, organised by two students, is a sell-out, filling the University's Boutflour Hall.



April 2024

- » The RAU hosts its first ever Go Green Week to raise awareness of climate change and encourage us all to think about what we can do to make a difference. The aim is to help the University reduce its carbon footprint, learn about our strategy around sustainability, encourage behaviour changes, discuss the environment, and look at sustainable options for the future.
- » We welcome a delegation from Qingdao Agricultural University (QAU), one of our partner Universities in China. This coincides with the fourth anniversary of the opening of the RAU's Joint Institute for Advanced Agri-technology at QAU. During the visit there is an official ceremony to bestow former QAU President Professor Xinmin Liu with an Honorary Fellowship of the RAU.



2024 (cont.)



May 2024

- » Vice-Chancellor Professor Peter McCaffery, and other senior RAU staff, travel to the Emirate of Sharjah in the UAE for the official opening of the new University of Al Dhaid. Established in collaboration with the RAU, the new university will offer students the opportunity to study for a BSc in Sustainable Agriculture, as well as building research capacity and expertise to solve the country's food security challenges.
- » Following a major review of more than 1,000 royal patronages, the RAU is delighted to receive confirmation from Buckingham Palace that King Charles III has accepted the Patronage of the RAU. Originally founded as the Royal Agricultural College in 1845, the RAU has had monarchs as Patrons throughout its existence and had been waiting to hear the outcome of the review since the death of Queen Elizabeth II, its Patron since 1952.

June 2024

- » The RAU enters the Times Higher Education (THE) University Impact Rankings, a global survey of more than 2,000 universities from 125 countries which identify and celebrate universities that excel across multiple UN's Sustainable Development Goals (SDGs). It ranked in the top 200 globally for Zero Hunger (Goal 2) and top 300 globally for the Life on Land Goal (Goal 15).



Times Higher Education Impact Rankings 2024

- » In a bid to tackle a shortage of practically-skilled people to work in managing horses and running equine yards, we launch a new two-year foundation degree course in Equine Management. The course offers students the opportunity to build their knowledge and skills in horse care and management, as well as teaching them equine science and business management skills.
- » A plaque is unveiled in our Emrys Jones building to celebrate alumna and current PhD student, Kate Drury, who won a coveted Women in Innovation award. Kate was one of just 50 winners in the Women in Innovation Awards run by Innovate UK and UKRI and was selected from more than 900 applications. She received a £50,000 grant, as well as business coaching, and a suite of networking, role modelling, and training opportunities to help her grow her business.



Innovate
UK

Women in Innovation Award Winner

Katherine Drury

Royal Agricultural University,
Student 1994/96 and 2019/21

Founder of Sustainable Rope,
developed an alternative to
synthetic rope with wool
supporting UK farmers.



Appointments to New Roles



Julia Jenkins
Head of Development
& Alumni Relations

Julia joined the RAU in December 2023 and has responsibility for managing the RAU's growing programme of engagement

with its alumni, friends, and well-wishers. Julia will lead the fundraising campaign to raise funds for campus development, protection of our existing heritage, and to support staff and students through scholarships, bursaries, and research funds.

She has a background in income generation and partnership development, most recently as Fundraising Director for medical charity Cobalt and Development Director for Cheltenham Festivals.

Julia has over twenty years' experience working in the HE sector managing the alumni, events, and fundraising teams at Oxford Brookes University and the University of Gloucestershire.

Julia is passionate about working with donors to provide opportunities to enable our staff and students to achieve their potential.



Lindah Muzangwa
Lecturer in Agronomy

Lindah joined the RAU as a lecturer in Agronomy in September 2023. She leads several modules and supervises MSc and PhD students. Before joining

the RAU, Lindah held various roles in agricultural extension and higher education. She served as a Principal Agronomist with AGRITEX in Mashonaland Central Province, Zimbabwe, and as a senior lecturer at North-West University in South Africa. She also completed post-doctoral research fellowships at the University of Fort Hare (South Africa) and Coventry University (United Kingdom).

Lindah is an expert in open-field agronomy, focusing on sustainable cropping systems, particularly in Africa. Her work addresses the needs of small-scale and commercial farmers, with notable projects including carbon sequestration and soil health benefits from conservation agriculture systems integrated with livestock and participatory research on conservation agriculture with South African smallholder farmers.

Lindah holds a PhD and MSc in Agriculture Crop Science from the University of Fort Hare and a BSc Honours degree from the University of Zimbabwe. She received the faculty teaching award from North-West University in 2022. At the RAU, Lindah looks forward to serving the diverse needs of agriculture students and advancing research in the UK and beyond, contributing her expertise to shaping the future of sustainable agriculture on a global scale.



Melanie Stennett

Health and Safety Manager

Melanie joined the RAU in April 2024. She joined with 17 years' experience in the field of health and safety management, having worked for various sectors

before joining us. She completed a degree in Environmental Science and Technology before working in microbiology and asbestos bulk analysis. Her career continued in the asbestos consultancy sector whilst putting herself through the NEBOSH General Certificate in occupational health and safety before becoming the group compliance manager. A change of pace led to health and safety and facilities management for a manufacturer until the facility closed a few years later, and also completing the NEBOSH Diploma in occupational safety and health.

In 2014 she then went to work as the safety, health, environment and quality manager of a water hygiene and water engineering company. That company started growing by acquisition a few years later and the SHEQ management extended to chemical blending, GRP assembly, effluent management, asbestos management and training services. Whilst with the same company her role changed to audit manager after six years, then again a year later to group compliance manager.

Melanie is passionate about improving the health and safety of the university and also helping others to better understand what they can do too. She will work with people from across the University to shape the health and safety culture to improve resilience and uphold the RAU values.



Will Marsh

Director of External Relations

Will joined the RAU in July 2024 as its Director of External Relations. In the role Will oversees the marketing, recruitment,

communications, and development and alumni areas of the University.

Will joins the RAU from the University of Wolverhampton where he was the Director of Marketing, Communications and Digital. He is a PR, communications, and marketing professional with over 25 years' experience including holding senior roles at both the University of Bath and the University of Bristol. He began his career in newspaper journalism before moving into PR for a local authority. He also worked for eight years in the communications team of Avon & Somerset Police.

Will is passionate about delivering a first-class external relations service in support of the University's strategic aims. He is committed to improving two-way communication and engagement with the RAU's key internal and external audiences including staff, students, and alumni, ensuring our students enjoy a first-class student experience during their time at the University.



Dr Karen Rial-Lovera

Associate Professor in Agriculture and Co-Dean for Agricultural Science and Practice.

Karen returned to the RAU in October 2023 as a Senior Lecturer and was later

promoted to Associate Professor in Agriculture. Her affiliation with the RAU dates back to her completion of a PhD in Crop Systems, undertaken in collaboration with Coventry University. Her research focused on how soil cultivations, nutrient management, and intercropping affected soil health and crop productivity. After her PhD, Karen worked as a consultant at the RAU, overseeing agricultural development projects in Sub-Saharan Africa where she led research and academic teams. She worked as a Lecturer/Senior Lecturer in Agricultural Engineering at the RAU as the Douglas Bomford Trust Chair until 2019. She then moved to Nottingham Trent University where she led the BSc (Hons) in Agriculture course and taught across UG and PG courses until September 2023.

Karen currently holds the position of Co-Dean (Students) in Agricultural Science and Practice, as well as Programme Lead for the BSc (Hons) Agriculture and the BSc (Hons) Agricultural Management (Top-Up).



Dr Kin Wing (Ray) Chan

Wellcome Research Fellow / Proleptic Lecturer

Ray joined the RAU in February 2024 as a Wellcome Research Fellow, focusing on global industrial

farming systems, biosecurity practices, and antimicrobial resistance (AMR) within the British and Chinese One Health frameworks. His interdisciplinary research combines insights from human geography, veterinary science, and science and technology studies to explore the interrelationships between precision livestock farming technologies, disease control, and farm animal production.

Currently, Ray serves as the principal investigator on two major projects at the RAU: (1) Wellcome Trust Project: Using Digital Technologies to Manage Animal Health Responses in China (2022–2025); (2) AWRN Kick-Start Award: Opportunities for the Progression of Farm Animal Welfare in China. Ray holds a PhD in Planning and Geography from Cardiff University, a master's degree in social sciences from the University of Calgary, Canada, and a bachelor's degree in Geography from Hong Kong Baptist University.

His dedication to course design and teaching excellence earned him the status of Associate Fellow of the Higher Education Academy in 2016. Ray has extensive experience delivering high-quality instruction at both the RAU and Qingdao Agricultural University, particularly in the areas of food supply chains, farm animal production, and sustainability studies in the China Programme. opportunities for excellence via academic quality processes within all programmes delivered at the RAU.



Matthew Wix
*Business Development
Executive*

Matthew brings extensive experience as a former Marketing Director and Head of Sales, with a strong background in the

pharmaceutical industry, hospital management, and care sectors.

Throughout his career, he has honed his skills in crafting effective sales and marketing strategies, leading successful teams, and driving business growth.

In his current role as a Business Development Executive at the RAU, Matthew leverages his previous leadership experience to grow the University's commercial conference and events sector. His work revolves around boosting revenue, building strategic collaborations, and creating memorable experiences for clients. He takes pride in developing creative strategies that not only meet but exceed client expectations.

Matthew is dedicated to applying his industry expertise to create real business value. By focusing on the needs and experiences of clients, he ensures that every initiative is impactful and aligns with the RAU's vision for future growth. His efforts are helping to shape the university's exciting expansion and strengthen its position in the market.



Duncan Westbury
*Professor and Dean of Land
and Property Management*

Duncan joined the RAU in September 2023 after more than 12 years at the University of Worcester and nearly 10 years at the

University of Reading. He has a very strong background in applying ecological principles to habitat creation and management, with specific research experience on the management of agro-ecosystems to support biodiversity whilst simultaneously supporting ecosystem services within agricultural landscapes.

Duncan has been a lead plant ecologist on several Defra-funded agro-ecology projects investigating methods of promoting biodiversity in arable and grassland habitats. He is currently a project partner on SHOWCASE, which aims to deliver new insights and innovative tools facilitating the transition of the agricultural sector towards more sustainable farming. He is also an advisor on RSPB's internationally acclaimed 'Operation Turtle Dove'. Duncan also has a track record in delivering sustainable approaches to fruit production, including apples, cherries, and oranges. A new project in collaboration with the University of Worcester seeks to enhance the sustainability of UK wine through alleyway management.

At the RAU, Duncan is the Dean of Land and Property Management and is a Professor of Sustainable Agriculture. He is committed to the RAU's vision of being the UK's global university for sustainable farming and land management.

Our Vision, Mission, and Purpose

Our Vision

To be the UK's global university for sustainable farming and land management, enabling communities locally, nationally, and across the world to thrive in harmony with nature.

Our Mission

To equip a new generation to thrive through change to address the global challenges that face us.

Our Purpose

To cultivate care for the land and all who depend on it.

Thrive, equip, cultivate



Our Strategic Goals

The RAU's Strategy was launched in July 2023 and sets out our vision, **to be the UK's global university for sustainable farming and land management**, and will extend the RAU's impact and engagement with global challenges.

It will build upon our international reputation and brand and will help provide RAU graduates with access to a diversity of education and opportunities on a global scale. Crucially, it recognises the synergy between our international presence and the quality and impact generated through our Cirencester campus.

We will pursue our vision by focusing on three strategic goals that run through all we do. These are:

1. Quality

A global reputation for excellence and leadership across our teaching, research, and engagement.

- » All our programmes are market leaders
- » Our graduates are prized by employers
- » Our staff develop into recognised leaders within their disciplines
- » Professional bodies seek our expertise and help

2. Reach

A growing, diverse, and inclusive community of students and partners in the UK and internationally.

- » Increase in student applications to study in the UK
- » Attracting more students from under-represented groups
- » Growth in transnational education
- » Growing partnerships with like-minded organisations

3. Sustainability

A showcase for sustainable and resilient management through our land and estate, our finances, and our culture.

- » Physical transformation of our estate
- » Generating sufficient revenues to reinvest
- » Material progress towards achieving net zero
- » Our staff enjoy working here

1. Quality

Our students, as always, are at the heart of everything we do. Our Silver rating, awarded in the Teaching Excellence Framework (TEF) in September 2023, reflects our commitment to very high quality and outstanding features of the student experience we provide and the student outcomes we generate. This year's Graduate Outcomes Survey confirmed that the proportion of RAU graduates in "highly skilled jobs" 15 months after graduation was 72% which is around 7% higher than the national average. This strong performance reflects the



importance of employability within the RAU programmes. After extensive consultation with employers, all assessments with RAU programmes are also now linked to the following four important employability attributes; professional approach, sustainable mindset, innovative thinker, and technically skilled.

Unfortunately, another measure of teaching quality the 2024 National Student Survey was disappointing with aspects of our provision including learning, teaching, assessment, and feedback below the relevant national benchmark. The academic team is now working hard to return to our previously high levels of student satisfaction. For example, in the 2022 survey our students rated the RAU the highest UK University for learning community.

In the Knowledge Exchange Framework (KEF), we came top-of-the-class in our cluster of STEM (science, technology, engineering, and mathematics) universities. We exceeded others in our support for graduate start-up businesses, professional development, public and community engagement, and local growth and regeneration where we contribute over £50M to the regional economy.

Building on our performance in the most recent Research Excellence Framework (REF), where over half of our research was deemed to be "world-leading and international in quality", the academic teams have been actively engaged in high impact research. For example, RAU researchers have been working with colleagues at Sumy National Agricultural University (SNAU) in Ukraine to examine the pollution arising from the Ukraine Russia conflict. RAU colleagues presented their findings at the American Geophysical Union (AGU) 2023 annual meeting in San Francisco.

Senior RAU researchers have once again been included in prestigious worldwide lists recognising the world's leading scientists at the very top of their profession. For a second year, Associate Professor of Sustainable Land Management Dr David O'Connor has been named as a Highly Cited Researcher in Clarivate's 2023 listings of the top 1% of the world's most influential researchers.

Our portfolio of programmes offered to students has been extended by working in partnership with organisations with specialist expertise. We have launched an MBA in Water Management, in collaboration with the Water Research Centre, that will focus on the Water-Food-Energy Nexus, business, environmental policies, and sustainable technology. In collaboration with Farming and Wildlife Advisory Group (FWAG) we have also developed an MSc Agroecology and Postgraduate Certificate in Regenerative Farming.

2. Reach

As in the past, we continue to promote and develop land management and agricultural education across the globe. We are a university on which the sun never sets with strong and successful partnerships in China, Sharjah, Ukraine, and Uzbekistan. Our revenue from transnational education has increased seven-fold over the last five years and all surpluses are re-invested to enhance the student and staff experience at home.

In the last annual report, we reported that the RAU was a founding partner in establishing the International Agriculture University (IAU) in Tashkent, Uzbekistan. This year we have co-founded another new university, the University of Al Dhaid with the Government of Sharjah in United Arab Emirates. This new initiative includes teaching and research collaborations with students who started on a BSc Sustainable Agriculture in September 2024. The new programme will help create more sustainable crop and livestock systems, while

building critical agricultural capacity, in their government's quest to produce the world's finest wheat.

In Ukraine we are pleased to support the Sumy National Agricultural University in Ukraine, to deliver an MSc Sustainable Agriculture and Food Security alongside our ambitious research activity in the region.

Our China programmes go from strength to strength. With more than 2,500 students at our Joint Institute in Qingdao Agricultural University and Shandong Agricultural University, we are one of only five 'highly trusted' UK universities in China recognised by the Chinese Ministry of Education. Guided by the British Council and the Foreign Office, and with the support of the Department for International Trade and the British Embassy in Beijing, we look forward to also delivering postgraduate programmes.

As a local and national university, we have expanded our outreach programme offer to include science-based and business-related subjects. This has resulted in an increase in the proportion of students drawn from state schools and from lower socio-economic groups. And, while we have comparatively high levels of diversity in our postgraduate community, we recognise we must, in line with the land-based sector overall, do more to broaden participation in undergraduate land-based programmes.

In order to drive our commitment to a diverse and inclusive community, the Vice-Chancellor chairs the Equality, Diversity and Inclusion Steering Group and has appointed staff Diversity Champions representing each area of the University.

3. Sustainability

In July 2024, the RAU was, for the first time, recognised in the Times Higher Education (THE) University Impact Rankings, a global survey of more than 2,000 universities from 125 countries/regions. These rankings identify and celebrate universities that excel across the UN's Sustainable Development Goals (SDGs). We were very pleased to see the RAU ranked in the top 200 globally for our contribution to Zero Hunger (Goal 2) – coming in at joint 15th for UK universities and joint 12th for an English university. Universities are able to enter in three areas, and we were positioned in the top 300 globally, and joint 38th for a UK university, for our contribution to the Life on Land Goal (Goal 15) and in the top 800 globally, and 49th in the UK, for Sustainable Cities and Communities (Goal 11).

This recognition is a reflection of our commitment and progress, academically and operationally, to making a real-world impact and creating a sustainable future.

In April 2024 we submitted an outline planning application for our 29-acre Innovation Village, which centres upon agriculture, food, and land, and will be a first for the UK. The development at the Cirencester campus is designed to Passivhaus standard, is landscape led, and will be carbon positive. It aims to capitalise upon the RAU's international profile and national leadership role to attract like-minded organisations to take residency in the village, and to support industry, food producers and farmers, in developing sustainable solutions for healthy land, nature, food production, and resilience in rural communities.



The estate has seen further changes, as the “Land Labs” project broke ground on 4 June 2024, which will help to transform several of our buildings and create new state-of-the-art teaching facilities. Funded entirely by the £5.8M we were awarded by the OfS following our successful bid to their Capital Funding Competition, the new Land Laboratories will entail the refurbishment of the Frank Garner lecture block and Cedar Lodge, will enhance the delivery of our curriculum, the quality of our students’ learning experience, and the development of our research. It will also help to improve the environmental performance of our estate, including more efficient energy usage.

Next to our campus, we have also embarked on an exciting project working with the Farming & Wildlife Advisory Group South West to lay out a seven-acre market garden. This is using the ‘Zerodig’ method, a form of regenerative horticulture, to grow vegetables and supply nutritious local produce that are already being used in our University kitchens to feed our students and guests. This project also provides a great opportunity for student involvement, either directly through the curriculum or as volunteers.

Finally, this year also saw the University host our first ‘Go Green Week’ from 15 to 20 April 2024. Working with the Students’ Union, a number of events were held throughout the week including an exclusive screening of Six Inches of Soil, a British independent feature documentary shining a spotlight on soil health and regenerative farming. This was arranged by students studying on the BSc in Environment, Food and Society course and was the first public screening by an English university, attracting more than 200 people from across the University and the wider local community.







We are delighted to have been shortlisted in the Small or Specialist University category in this year's Whatuni Student Choice Awards, the largest exclusively student-voted awards in the UK.



Public Benefit Statement

The RAU provides public benefit through the provision of specialist education and training in sustainable farming and land-based subjects, providing a substantial output of skilled, reflective, independent, and self-directed learners and researchers equipped to address the most pressing challenges in the world today.

The University believes its responsibility is to create, explore, apply, and evaluate the application of new knowledge in a range of settings. We pride ourselves on close connections with business, providing entrepreneurial support and helping accelerate the establishment and growth of rural enterprises and business. Alongside this, we provide world-leading leadership and skills programmes for individuals to develop the strategic insight and business acumen required to lead and manage businesses.

Our research activities provide both societal impact and innovative projects with extensive industry connections and university partnerships, spanning pure and applied research. We have a strong focus on dissemination of knowledge gained from the research activities of our academics and others in the industries we serve. This enables the development needs of industry to be met, challenges faced, and opportunities embraced, increasing productivity, economic growth, and wellbeing. Many of our graduates also engage in research and entrepreneurship and thus contribute to innovation, and the development and application of technology, especially those

who engage with Farm491 and the Growth Hub to accelerate their business ideas into viable commercial enterprises.

An entrepreneurial mindset lies at the heart of enterprise and innovation. The University has an award-winning Institute of Enterprise and Entrepreneurs (IOEE) enterprise scheme that encourages students to embrace entrepreneurship and innovation and develop skills that make our graduates highly employable and become confident, practical, leaders and owners of small, medium, and large enterprises contributing to the economy across a range of industries, not only in the land-based sector.

In recent years, the RAU's academics have increased their contribution to public policy development providing intellectual influence, strategic insight, and innovative thinking to address the policy challenges facing governments and rural industries. This has included input to Government's National Food Strategy, advising on the development of new farmer-led research funding schemes, developing a collaborative policy position for the Farm Animal Welfare Forum, and contributing to the work of charities that inform policy, such as the Food, Farming and Countryside Commission. A number of staff also provide advice to professional bodies (e.g. the Royal Institution of Chartered Surveyors and Institute of Food Science and Technology), support grant funding agencies by reviewing proposals and with membership of review panels, and sit on the boards of national charities and HE and land-based institutions.

We have a strong civic mission and contribute to our local, regional, and national communities in a variety

of ways, recognising and addressing the needs and concerns of the public and our communities. We are particularly proud of the role that we play in supporting communities locally, for example through our support groups 'Cirencester Menopause Group' and 'Cirencester Tuition'. The RAU is one of the largest organisations in Cirencester and prides itself on having nurtured a relationship between 'town and gown' that has gone from strength-to-strength in recent years. Our public engagement activities have grown in scope and impact through lectures, webinars, interviews, social media channels, podcasts, and television and radio programmes, with audiences reaching across BBC Points West, ITV local and national news, New Scientist Live, BBC cookery show: Hairy Bikers Go Local and Farming Today.

The RAU also makes a significant contribution to the wider region. This includes working closely with the Gloucestershire Local Enterprise Partnership (LEP) through engagement with its Agri-food and Rural Business Group, contribution to the Gloucestershire Local Industrial Strategy, and developing a Local Food strategy for Gloucestershire. Our staff are encouraged to act as Trustees of local charities, to take leadership roles in community organisations, and support a range of events mainly, but not exclusively, related to the land-based and agri-food industries.

Developing our planned Innovation Village is central to the University's vision. It will be a diverse and vibrant cluster of entrepreneurs, policymakers, practitioners, and researchers, committed to unlocking the power of the land to meet global challenges. Relevant fields of innovation include the development and governance of financial drivers of

land management change, novel mapping and decision-support technologies, environmental monitoring, resilient rural housing development, land access, integrating land-based renewables into agriculture, and nature-based solutions to climate change. The RAU also hosts a Cultural Heritage Institute, located in Swindon's Railway Village, which provides a local facility for research and teaching in cultural heritage, but also as a focal point to bring local communities together and influence national policy.

We are open to all students on the basis of ability and academic achievement and there is no geographical restriction on entry. Attracting more students from the state sector is a priority and a range of introductory experiences are held for school children and potential applicants.

The University is also active in public education activities, such as school visits and careers events, whether locally, nationally, or internationally. The RAU is committed to providing a welcoming environment in which every student, staff member, and visitor feels valued and respected, and is treated fairly. The staff and student community works to eliminate direct or indirect discrimination, to promote good relations between people of all backgrounds, and to provide an environment in which all individuals have the opportunity to achieve their full potential, underpinned by the RAU Equality, Diversity and Inclusion Strategy (2021-25).

We are committed to continuous, positive change and we will proactively advance equality and inclusive practice across the University community.





Financial Review

Consolidated Statement of Comprehensive Income for the year ended 31 July 2024

	Year ended 31 July 2024 Consolidated £'000	Year ended 31 July 2023 Consolidated £'000
Income		
Tuition fees and education contracts	12,170	12,467
Funding body grants	2,001	1,973
Research grants and contracts	657	383
Other income	5,497	5,065
Investment income	57	87
Donations and endowments	501	289
Total income	20,883	20,264
Expenditure		
Staff costs	10,854	9,428
Other operating expenses	9,262	9,656
Interest and other finance costs	385	236
Depreciation and amortisation	1,113	1,057
Total expenditure	21,614	20,377
Deficit before other gains and losses	(731)	(113)
(Loss)/profit on sale of fixed assets	(11)	135
Profit/(loss) on investments	217	(40)
Operating deficit for the year	(525)	(18)
Actuarial pension loss	(100)	(552)
Asset revaluation reserve movement	(3)	(51)
Total comprehensive expenditure	(628)	(621)

Global economic factors continue to present significant challenges to the University's operations, particularly with respect to student recruitment and operating costs.

Total income for the year was £20.9m (2023: £20.3m), an increase of £0.6m. Tuition fee income decreased by £0.3m, offset by an increase in other income of £0.4m compared with the previous year, as additional income has been received from our international partnerships.

Total expenditure for the year was £21.6m (2023: £20.4m), an increase of £1.2m. This was largely driven by an uplift in staff costs of £1.4m, offset by a reduction in other operating expenditure of £0.4m

Going Concern

The preparation of the financial statements on the going concern basis is appropriate.

The University conducted a Going Concern review for the period from 1 August 2024 to 31 July 2027 (being a period of at least 12 months from the signing of the financial statements), which was reviewed and approved by the Governing Council. The Going Concern review included an assessment of the opportunities, risks and mitigating actions should the University's financial performance be unexpectedly worse than forecasted. Downside scenario stress-testing was also performed. It was concluded that the group and University is a Going Concern and has sufficient access to funding to enable it to withstand material unforeseen calls on cash. Full details are included in the Accounting Policies note on page 90.

Total net assets at the 2024 year end were £30.7m (2023: £31.4m)

Fixed assets increased by £0.5m from £32.2m in 2023 to £32.7m in 2024. Capital expenditure during the year was £1.5m (2023: £0.5m).

Cash at bank and in hand at the year end was £3.5m (2023: £3.7m).

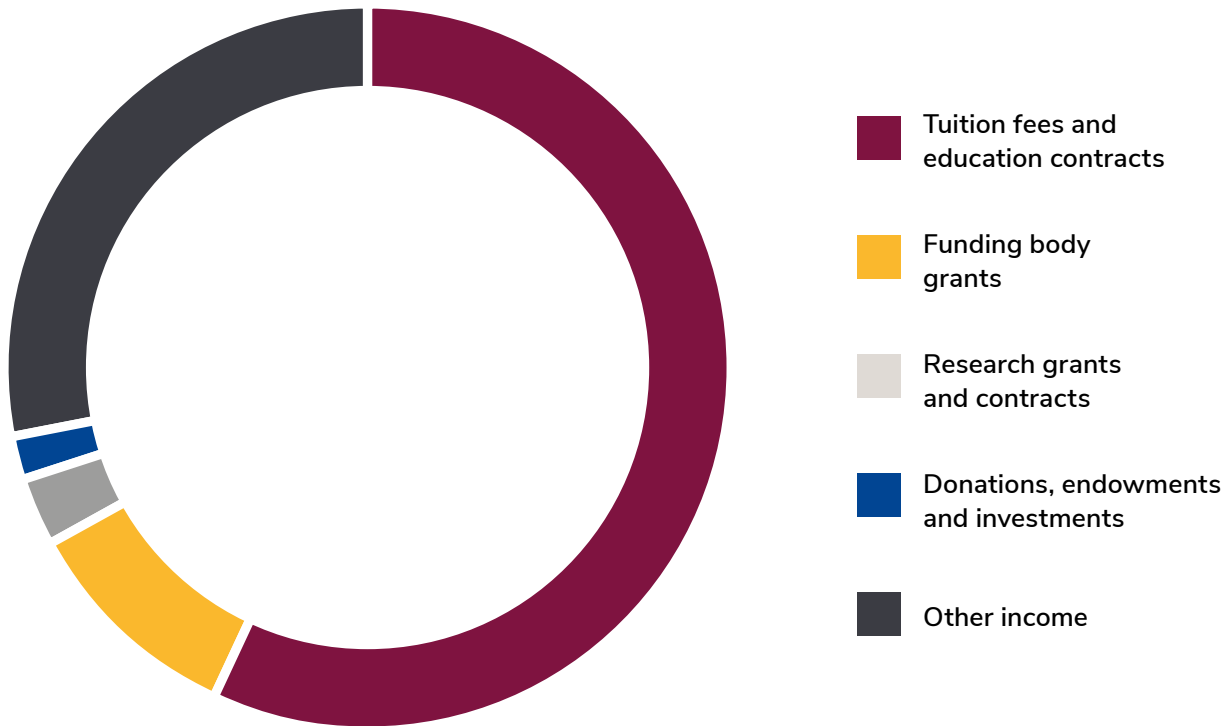
The pension provision increased by £0.1m to £8.0m (2023: £7.9m) following the annual revaluation of the RAU's pension liabilities by an independent actuary.

Stock increased by £0.6m following additional expenditure on the Innovation Village project.

Creditors increased by £1.5m due to an increase in deferred capital grants. This relates to funding received from the Office for Students for the Land Laboratory Teaching Centre.



RAU Income 2023 - 2024

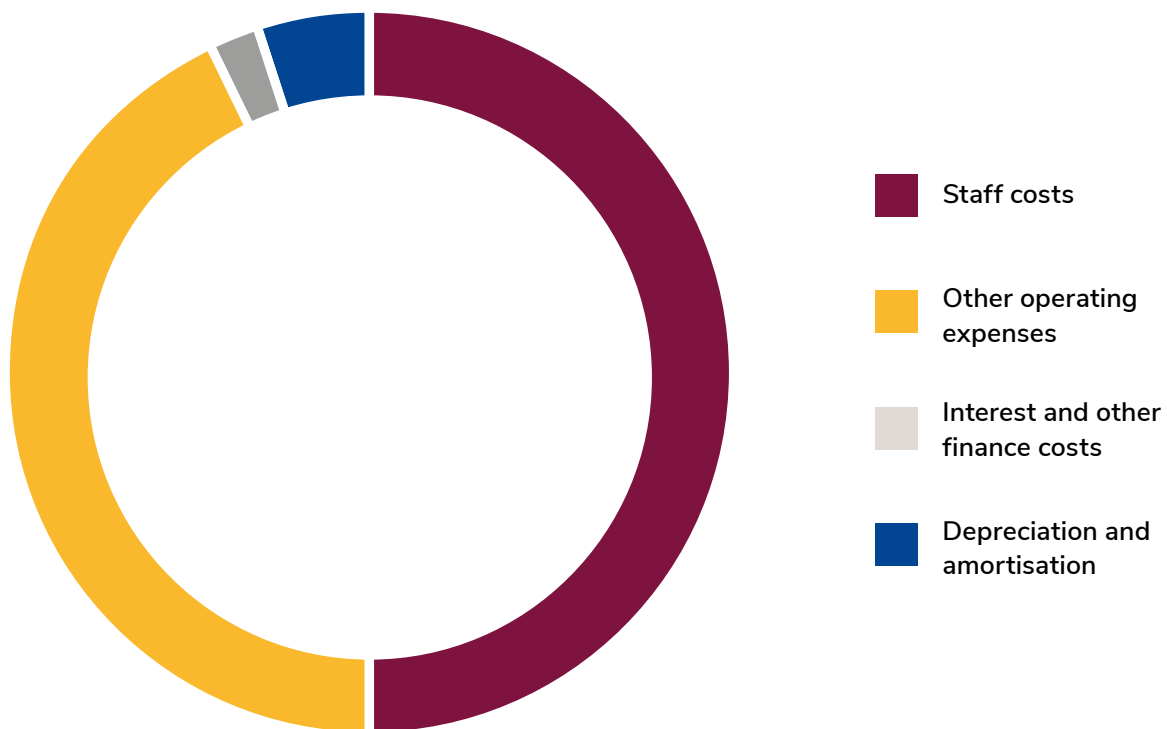


Total income for the year was £20.9m (2023: £20.3m)

The pie chart graphic above shows RAU's total income for the year 2023-2024. This information is also detailed in the table below.

RAU Income 2023-24	%
Tuition fees and education contracts	58
Funding body grants	10
Research grants and contracts	3
Donations, endowments and investments	2
Other income	27

RAU Expenditure 2023-24



Total expenditure for the year was £21.6m (2023: £20.4m)

The pie chart graphic above shows RAU's total expenditure for the year 2023-2024. This information is also detailed in the table below.

RAU Expenditure 2023-24	%
Staff costs	50
Other operating expenses	43
Interest and other finance costs	2
Depreciation and amortisation	5

Tuition fees and education contracts contributed 58%, or £12.2m of income (2023: £12.5m). A number of projects and plans are being progressed to support the growth of our student population over the coming years.

Other income from commercial activities, including conferencing and farming, accounted for 27%, or £5.5m of income (2023: £5.1m).

Staff costs comprised 50%, or £10.9m of expenses (2023: £9.4m). Staff numbers were 221 at the year end (2023: 202).

Other operating expenses comprised 43%, or £9.3m of expenses (2023: £9.7m).





Land & Property Management has been ranked in the top ten nationally in the Complete University Guide 2025's Subject League Table.



Principal Risks and Uncertainties

A number of challenges exist which are monitored by the Executive Team, the Audit and Risk Committee, and Governing Council.

Estates & Facilities

Risk of having an ineffective Estates Strategy and capital programme which fails to meet the needs of the University.

Causes:

- » Failure to invest in regular maintenance of the buildings and estate
- » Lack of funded long-term capital programme
- » Failure to effectively prioritise
- » Lack of evidence-based understanding for the performance of the estate

Mitigating actions:

- » Continued development of an Estates Strategy and Masterplan
- » Design of Innovation Village development
- » Investment in a new CAFM system
- » Development of a maintenance programme informed by recent condition survey
- » Targeted opportunities to leverage external capital investment into the campus estate
- » Establishment of effective governance structures for estates

External Environment & Sustainability

Risk of changes within the external environment that will prevent us reaching our targets towards environmental, social and financial sustainability.

Causes:

- » Failure to commit to an appropriate net zero target with an associated development plan
- » Lack of Government support and external funding to decarbonise the estate
- » Changes in public attitude towards sustainability goals
- » Change in league table methodologies that may impact upon our perceived performance

Mitigating actions:

- » Development of Estates Strategy with focus upon decarbonisation plans
- » Development of Sustainability Action Group to guide our Sustainability Strategy
- » Having ready-to-go projects to react effectively to funding calls when announced

Finance

Risk of failing to grow and diversify income, control cost, and invest in the future.

Causes:

- » Shortfall in tuition fee income attributed to a reduction in student recruitment and/or changes to national policies
- » A shortfall in commercial income
- » Costs exceed financial assumptions
- » Lack of financial control and management
- » Failure to deliver capital investment priorities
- » Inadequate liquidity

Mitigating actions:

- » Improved financial controls and budgetary management
- » Investment in strategic planning function and integrated planning cycle
- » Continued progress on key investment opportunities
- » Strong cash flow management
- » Diversification of revenue streams through new international partnerships
- » Regular reporting to Finance & Estates and Audit & Risk Committees, and to Governing Council
- » The University has a Revolving Credit Facility of £1.0m until September 2027



Digital

Risk of an ineffective Digital Strategy and implementation plan which leaves the University exposed to security threat, systems failure, and poor service.

Causes:

- » Poor understanding of exposure to digital infrastructure risks and cyber threats
- » Lack of funded long-term capital programme
- » Failure to effectively prioritise
- » Lack of in-house capacity to deliver at scale and pace

Mitigating actions:

- » Development and publication of new Digital Strategy
- » Formation of a Digital Steering Group
- » Investment in key projects like the University's middleware
- » Appropriate use of external contracts and consultants to provide capacity

Institutional Foresight

Failure to adjust our product and service offering in time to respond to changes in the UK and global operating environment.

Causes:

- » Changes to inter-governmental relationships that lead to operational barriers
- » Changes to national policies, for example, regarding UKVI regulation
- » Failure to have effective internal structures in place to predict and respond to changes

Mitigating actions:

- » Diversifying activity to dilute our vulnerability to the impact of external changes
- » Introduction of a Strategic Planning function to help the RAU navigate changes in the external operating environment
- » Ensuring that the RAU's network of national and international supporters and stakeholders is nurtured and developed



Legal & Compliance

Risk of the University failing to be compliant with regulatory requirements and standards.

Causes:

- » Failure to meet:
 - Office for Students (OfS) targets and regulatory requirements
 - Access and Participation Plan (APP) targets and expectations
 - GDPR requirements
 - Health and safety regulations
 - Funding requirements

Mitigating actions:

- » Improved processes, procedures, and data capture to assist the management of compliance
- » Programme of internal audit
- » Investment in planning and governance function to increase skills capacity to meet the needs of regulatory and statutory requirements
- » Regular reporting to Audit & Risk Committee and Governing Council

People

Risk that the University is unable to recruit, engage, and retain a workforce capable of delivering the University's strategic goals.

Causes:

- » Factors impacting the national operating environment and labour market
- » Quality of recruitment and selection inadequate
- » Lack of commitment to training and development opportunities
- » Loss of key staff, lack of succession planning
- » Inadequate resources for staff
- » Non-competitive remuneration

Mitigating actions:

- » Renewal of recruitment and selection policy and processes, with training for recruiting managers
- » Succession planning, mentoring, appraisals, and career reviews
- » Continual Professional Development (CPD) and job specific training is provided
- » Staff Engagement Group and improved communications
- » Focus on staff welfare initiatives
- » Adoption of hybrid working policies



Reputation & Culture

Risk that the University fails to embed a culture that is consistent with its values, resulting in poor productivity and damaging to the RAU's reputation.

Causes:

- » Ineffective staff and student inductions
- » Dissatisfied students, staff, alumni and other stakeholders
- » Public opposition to University strategy
- » Failing relationships with key strategic partners

Mitigating actions:

- » Mechanisms to promptly capture and act on student feedback
- » Investment in senior academic leadership to drive quality of the student experience
- » Proactive marketing and communications strategy aligned to organisational vision, mission and values
- » Development of suite of mechanisms to continually engage staff and listen/act on feedback
- » Enhanced governance to oversee strategic partnerships

Research

The University fails to demonstrate its standing as a leading agricultural university through the impact of our academic research.

Causes:

- » Inability to retain high quality academic staff with a global reputation
- » Inability to attract and build a pipeline of research students
- » Lack of ability to attract and increase funding
- » Unable to broaden and diversify our world-leading global portfolio in agriculture
- » Unable to attain research degree awarding power

Mitigating actions:

- » Allowing staff time to pursue research
- » Research infrastructure and resourcing i.e. creation of a research office
- » Maximising funding opportunities and ensuring that we are exploring all avenues of funding
- » Leveraging our partnerships with institutions in the UK and globally for research collaboration
- » Developing a research culture and environment across the institution
- » Prepare and submit application to secure research degree awarding power



Student Experience & Outcomes

The University fails to deliver student success outcomes and a good university experience, impeding the RAU's ability to attract and grow a diverse student community.

Causes:

- » Programme content lacking in currency and relevance
- » Inflexible delivery methods
- » Students are not sufficiently supported through their learning journey
- » Students receive an academic experience below expectations
- » Not providing a fit for purpose learning environment
- » Low graduate employability comparative to sector
- » Ineffective pastoral support to cater for a breadth of student needs

Mitigating actions:

- » Internal audit of student experience
- » Investment in academic leadership
- » Strong links with the Students' Union to provide integrated support
- » Effective governance structures, that include student representation and the student voice
- » Development of the estate to improve on-campus facilities
- » Investment in Student Support teams

**We co-founded the new
University of Al Dhaid in
the Emirate of Sharjah,
United Arab Emirates.**



Corporate Governance

The Governors have pleasure in presenting their report and financial statements for the year ended 31 July 2024, and confirm that they comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association of the University, the Further and Higher Education SORP (Statement of Recommended Practice), and FRS102 (Financial Reporting Standard).

Principles

The RAU is committed to exhibiting best practice in all aspects of corporate governance. We aim to conduct our business in accordance with the seven principles set out by the Nolan Committee on Standards in Public Life: selflessness, integrity, objectivity, accountability, openness, honesty, and leadership.

Legal Status

The Royal Agricultural College was incorporated by Royal Charter in 1845. It was registered under the Charities Act (registered charity number 311780) in 1964 and at Companies House as a limited company (registered number 99168) in 1908, the word 'limited' being omitted by licence of the Board of Trade. It traded as such until 23 April 2013 when it attained University status and changed the name of both the charity and the limited company to "Royal Agricultural University". For ease of use the limited company is described as "the University" throughout these statements. In 2019 it was awarded Exempt Charitable Status by the Privy Council. The University has two wholly owned subsidiaries: Royal Agricultural University Enterprises Limited and Royal Agricultural College Limited.

The Governing Council

The Governing Council is responsible for preparing the Report of the Governors, the Corporate Governance Statement, and the financial statements of the group (the “financial statements”) in accordance with applicable law and regulations.

Company law requires the Governors (who are the Directors) to prepare financial statements for each financial year. Under that law, the Governors have prepared the group and company financial statements in accordance with United Kingdom Accounting Standards, comprising FRS102 “the Financial Reporting Standard applicable in the UK and Republic of Ireland” and applicable law (United Kingdom Generally Accepted Accounting Practice).

Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and University, and of the profit or loss of the group and University for that period. In preparing these financial statements, the Governing Council is required to:

- » select suitable accounting policies and then apply them consistently;
- » make judgements and accounting estimates that are reasonable and prudent;
- » state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- » notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS102 used in the preparation of financial statements; and
- » prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in business.



The Directors, who are also the Trustees and Governors of the University, are responsible for keeping adequate accounting records that are sufficient to show and explain the University's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In addition, the Governing Council has taken reasonable steps to:

- » ensure that funds from the OfS are used only for the purposes for which they have been given and in accordance with the Memorandum of Assurance and Accountability with the Funding Council and any other conditions which the Funding Council may from time to time prescribe;
- » ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- » secure the economic, efficient, and effective management of the University's resources and expenditure.

The Governing Council is responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Governing Council is responsible for ensuring that the University adheres to its charitable objects in line with its vision as laid out in the RAU Strategy 2023-2028 and in accordance with its Key Purpose.

The Governing Council

The Governing Council consists of up to 12 Independent Governors, up to two co-opted Governors, the Vice-Chancellor, one Student Governor, and one Staff Governor.

The Governing Council has at least four formal meetings each year and ad hoc meetings as necessary. No members of the Governing Council receive any remuneration for the work they perform. The Governing Council has a number of committees that report to it. These are formally constituted with terms of reference and delegated powers. Much of the detailed University work is initially performed by committees and their decisions are formally reported to the Governing Council.

The committees include the following:

The Finance and Estates Committee

The Finance and Estates Committee comprises at least three Independent Governors and is attended by the Vice-Chancellor and Finance Director. The Committee meets formally four times a year with ad hoc meetings as required. The Governing Council delegates some of its powers to this Committee. The Committee is responsible for overseeing the development and implementation of the University's financial and estate strategies.

The Audit and Risk Committee

The Audit and Risk Committee has three formal meetings a year and ad hoc meetings as necessary. The Committee comprises at least three Independent Governors or co-optees, at least one with recent and relevant experience in finance, accounting, or auditing. The Vice-Chancellor and Finance Director may attend meetings. The Committee meets the external and internal auditors in private, with no officers of the University present, at least once a year. The Committee is responsible for monitoring internal control systems, risk management and value for money. It appoints the internal auditors and receives their reports. It also receives the annual financial statements and management letter from the external auditors and submits an annual report to the Governing Council before they are signed.

The Nominations Committee

The Nominations Committee has at least two formal meetings a year and ad hoc meetings as necessary. The Committee is chaired by the Vice-Chair of Governing Council and includes in its membership at least three Independent Governors, the Vice-Chancellor, and the Student Governor.

The function of the Nominations Committee is to seek out and recommend new Independent and co-opted Governors as well as leading the search for Council and Committee Chairs. It ensures that a wide search for names is achieved and, in making recommendations, the Committee pays due regard to the balance of membership of the Governors and the needs of the University. The Committee is empowered to appoint Governors to sub-committees, to co-opt persons (other than Governors) for specific purposes, and make recommendations to Academic Board and Governing Council on the appointment of a President or Vice-President and, when required, a new Vice-Chancellor.

The Remuneration Committee

The Remuneration Committee has at least two formal meetings a year and ad hoc meetings as necessary. The Committee consists of at least three Independent Governors. The Chair of Governing Council will normally be a member but shall not be Chair of the Committee. Other individuals, such as the Vice-Chancellor, the Director of Human Resources, and external advisors, may be invited to attend for all or part of any meeting. The Vice-Chancellor and any other member of staff attending are excluded when matters of personal salary, terms, and conditions are being discussed. The Committee is responsible for considering and reviewing the salaries, terms, and conditions, and any severance payments, for senior members of staff of the University.

In all its activities it will consider the public interest and the safeguarding of public funds alongside the interests of the institution when considering all forms of payment, reward, and severance to the staff within its remit. It will encourage high standards in areas of equality, diversity, and inclusion.

Governing Council Members

Governors as at 31 July 2024:



Dame Fiona Reynolds

Chair of Governing Council

Appointed March 2021

Dame Fiona Reynolds DBE became Chair of the RAU's Governing Council in January 2022. Her previous role was as Master of Emmanuel College, Cambridge where she served from 2012-2021. She joined Emmanuel after a long career in the voluntary sector, latterly as Director-General of the National Trust from 2001-2012. During her time as DG, she made the Trust warmer and more welcoming, bringing the houses to life and raising the profile of the Trust's work in the countryside.

Before the Trust, she was Director of the Women's Unit in the Cabinet Office from 1998 to 2000, Director of the Council for the Protection of Rural England (now Campaign to Protect Rural England) from 1987 to 1998, and Secretary to the Council for National Parks (now Campaign to Protect National Parks) from 1980 to 1987. She read Geography and Land Economy as an undergraduate at Cambridge University.

Fiona also holds a number of non-Executive roles. She is Chair of the National Audit Office, a Trustee of the Grosvenor Estate, a Non-Executive Director of Wessex Water, a Trustee of the Green Alliance, and Chair of the International National Trusts Organisation, the Cathedrals Fabric Commission for England, Cambridge University's Botanic Garden, and Cambridge University's Bennett Institute for Public Policy. She was a Panel Member for the Glover Review of Protected Landscapes, Advisor to the Building Better Building Beautiful Commission, and a member of the Advisory Panel for the Dasgupta Review of the Economics of Biodiversity.



Mr Kim Frost

Deputy Chair of Governing Council. Chair of Remuneration Committee and Nominations Committee

Appointed March 2021

Kim was Director of Human Resources at the University of London for more than 15 years and combined that role with the position of University Secretary for 18 months before taking semi-retirement in 2018. He was National Chair of the Universities Human Resources Association from 2014 to 2016. Kim is currently a Non-Executive Director of PHES (the umbrella organisation for professional bodies in higher education), a Board member and Chair of the Audit Committee of the Health Sciences University, a Board Director of the consultancy Direct Reports Ltd, and runs his own HR consultancy.



Mr Bob Branson

Independent Governor. Chair of Audit and Risk Committee

Appointed January 2019

Since qualifying as a Chartered Accountant in 1986, Bob's career has spanned a number of organisations including starting up a forensic accountancy service within PriceWaterhouseCoopers in Birmingham. He joined the Environment Agency in 2000 and was Finance Director from 2016-18. From 2012 to 2018 Bob was a member of the Financial Reporting Advisory Board that sets accounting standards for the whole of the public sector. Bob then became Director of Finance Operations at Defra, aligning systems and processes across the five largest organisations in Defra group. In October 2019, he was appointed Finance Director for Birmingham City University. He retired in April 2022.



Dr Catherine MacKenzie

Independent Governor

Appointed January 2020

Catherine holds judicial office, together with a number of public appointments, and is also an academic lawyer. She is Chairman of the Plant Varieties and Seeds Tribunal, a Governing Bencher of Inner Temple Inn of Court, UK Commonwealth Scholarship Commissioner, and member of the Agricultural and Horticultural Development Board. She has academic appointments at Oxford, Cambridge, and UCD and is the author/editor of leading publications on international environmental law.

Catherine sits on the Audit and Risk Committee.



Professor Peter McCaffery

Vice-Chancellor and Governor

As Vice-Chancellor, Peter's role is to provide guidance and leadership on all aspects of academic activity within the University.

Peter has more than 35 years leadership, management, teaching, and research experience across a range of institutions from further education colleges to USA Ivy League University, including as Vice-Chancellor and Chief Executive at the University of Cumbria and Deputy Vice-Chancellor at London Metropolitan University.

A Winston Churchill Fellow and Idlewild Fellow at the University of Pennsylvania – where he pioneered new modes of inquiry into political corruption in the American city – Peter is a graduate of the Cabinet Office Top Management Programme and has acted as a consultant for a variety of bodies including the British Council, the governments of Botswana and Jamaica, and the Centre for HE, Germany.

A National Leadership Fellow of the Leadership for HE, Peter is also the UK editor, author, and collaborator for the Epigeum (Oxford University Press) project that pioneered the first world class, online programme with global reach on university leadership and management development. In 2021, he was appointed a Companion of the Chartered Management Institute.

An American historian by background, Peter is a regular analyst for Sky News on the Trump Presidency and its legacy.



Mr Neil Scott

**Independent Governor. Chair of Finance and Estates Committee
Appointed March 2021**

Neil has extensive experience in the UK Higher Education sector and is currently the Chief Financial Officer at Durham University. He has previously held senior positions at Aston University, the University of Hull, and private sector roles at Wyevale Garden Centres, Marstons, and Ford Motor Company. He also has been chair of Trustees at Family Fund and a non-executive director at Birmingham Community Healthcare NHS Trust.

Neil sits on the Remuneration Committee.



Ms Joy Lo Dico

**Independent Governor
Appointed February 2022**

Joy is a columnist for the Financial Times and owner of Voltaire's Wood, 120 acres of woodland in Gloucestershire. For the Financial Times she writes about life and culture with a focus on reactions to the ecological crisis. Voltaire's Wood is a project to restore and revive a semi-ancient natural woodland through the involvement of people with nature. Previously, Joy was an executive editor of the London Evening Standard and also founded Trouble, the talks club for women. She currently also sits on Purpose Union's Climate Council and divides her time between London and Stroud.

Joy sits on the Nominations Committee.



Mr Andrew Murphy

Independent Governor

Appointed June 2024

Andrew retired from Brunel University London in the autumn of 2023 where he was interim Chief Operating Officer having previously been the Chief Financial Officer. Andrew is a chartered accountant and has spent nearly 20 years in the Higher Education sector, working as the Finance Director at Imperial College and Chief Financial Officer at the University of London before joining Brunel. He initially worked for a number of companies including British Airways and GE and has undertaken non-executive roles across the NHS and the public sector.

Andrew sits on the Finance and Estates Committee



Mr Wilfred Emmanuel-Jones MBE

Independent Governor

Appointed February 2022

Wilfred was born in Jamaica and, after his parents came to the UK in the 50s as part of the Windrush generation, he was raised in inner city Birmingham. He worked as a chef before pursuing a career in television, becoming a producer/director for the BBC. In 1994, he founded a food and drink marketing agency in London which went on to run successful marketing campaigns for many well-known brands. In 2000, Wilfred fulfilled a lifelong ambition when he bought a small farm in Devon which inspired him to develop and launch his own food brand The Black Farmer. He was awarded an Honorary Doctorate in Marketing by Plymouth University in 2012 and, in 2021, an Honorary Degree for Distinction in the Farming Industry by Writtle University College. He has published two books and, in 2019, set up The Hatchery, an incubator scheme for fledgling brands. Wilfred was awarded an MBE for services to farming in the 2020 New Year's Honours List.

Wilfred sits on the Nominations Committee.



Mr Jason Makepeace

Independent Governor

Appointed February 2022

Jason has worked in Government and public sector transformation for 20 years. He is currently an interim Government leader, applying emerging science and technology to strengthen global resilience. He is a non-executive director of Gloucestershire Health and Care NHS Foundation Trust, a digital advisor to the board of Access Social Care, and a Government and charities advisor to Cheltenham's Golden Valley development and CyNam start up community.

Jason sits on the Audit and Risk Committee and the Remuneration Committee.



Mr David Morgan

Independent Governor

Appointed February 2022

David has spent more than 40 years working in the agricultural industry and has lived and worked in Europe, South America, North America, and Asia. He retired in 2021 and is now an independent advisor to agricultural enterprises and a consultant to venture capital and private equity companies engaged in the food and agriculture sector. David has an MA in Agricultural and Forestry Sciences from Oxford University. During his career, David has been the Global Head of Seeds and Biotechnology for Bayer Crop Science as well as Regional Head Asia Pacific and Regional Head North America for Syngenta, and latterly Global Head of the Vegetables and Specialty Crops business of Syngenta. Beyond his corporate roles, David has been a Board member of EuropaBio (Brussels), BIO (Washington), and The Future Farmers of America (USA).

David sits on the Audit and Risk Committee.



Ms Sue Pritchard

Independent Governor

Appointed February 2022

Sue is Chief Executive of the independent charity, the Food, Farming, and Countryside Commission (FFCC). Before FFCC, Sue worked in leadership, strategy, culture, and change, with a portfolio career as a consultant and coach, a researcher, writer, and non-executive, including Non-Executive Director, and then chair, of a local health board in Wales.

Sue has held Visiting and Honorary Fellowships at Salford University, Leeds University, Ashridge Business School, and University College, London, typically working with consortia of public and private sector organisations on large scale systems change, and leading and delivering major and complex projects. Sue sits on several academic advisory boards and is also a trustee of CoFarm Foundation. She lives on a Soil Association accredited organic livestock farm in Monmouthshire, with a focus on farming for conservation, breeding Hereford cattle, Jacob sheep, and Suffolk horses.

Sue sits on the Finance and Estates Committee.



Ms Alexandra Godfrey

Student Governor

Appointed July 2024

Alexandra is one of our own First Class BSc (Hons) Agriculture graduates and the Students' Union (SU) President. Alexandra supports a team of SU Sabbaticals and Officers to deliver major events in the student calendar including Welcome Week, RAG Week, Varsity, and May Ball. She also ensures students have access to an array of SU services such as academic representation and pastoral support. Alexandra represents the views of our student body at a range of University Committees, acting as a 'critical friend' to the University.

Outside of work, Alexandra enjoys participating in a range of country sports and enjoys spending time outdoors.



Mr William Leschallas

Staff Governor

Appointed March 2024

William is Head of Employability & Professional Engagement and Senior Lecturer.

William joined the RAU in July 2018 after some 30 years in professional practice. He is a Member of the Royal Institution of Chartered Surveyors (MRICS) and a Fellow of the Association of Agricultural Valuers (FAAV). Whilst at the RAU he has obtained Fellowship of the Higher Education Academy (FHEA). He is proud to be a RICS Assessor.

He has been Head of School for Real Estate and Rural Land Management and Programme Leader of the Real Estate, Rural Land Management, Estate Agency degree programmes. He has taught at and leads the Real Estate Double Degree at Shandong Agricultural University (SDAU) in China.

During his time in practice, he provided advice on a wide range of matters across rural and real estate property. Latterly he was a director at Jackson-Stops, managing the office in Burford, West Oxfordshire. He has also carried out voluntary work as a Trustee of the Friends of Westonbirt Arboretum.

He likes to spend his spare time with his family and on the golf course. He is an avid cricket fan and is a former co-Chairman of Sheepscombe Cricket Club.

William sits on the Finance and Estates Committee and the Nominations Committee

Patron

His Majesty King Charles III

Register of Interests

The University maintains a Register of Interests of Governors. This may be inspected by prior arrangement with the Head of Governance.

A similar register is maintained for senior managers, budget holders, and academics.

Governing Council members who left during the year

Independent Governors

Susan Steer – February 2024

Philip Hudson – February 2024

Hugh Baker – April 2024

Student Governor

Ellie Pincombe – January 2024





Governors' Shareholdings

Governors' interests in shares of the University

Governors, as at 31 July 2024, with an interest in shares of the University.

The remaining shares are held by former Governors, Friends of the University, or members of the original founding families. No dividends or tangible benefits accrue to the holders of the shares.

	31 July 2023	31 July 2024
Mr Hugh Baker	2	-
Mr Bob Branson	5	5
Mr Wilfred Emmanuel-Jones	2	2
Mr Kim Frost	5	5
Ms Joy Lo Dico	2	2
Dr Catherine MacKenzie	5	5
Mr Jason Makepeace	2	2
Professor Peter McCaffery	4	4
Mr David Morgan	2	2
Ms Sue Pritchard	2	2
Dame Fiona Reynolds	5	5
Mr Neil Scott	5	5
Mrs Susan Steer	5	-
Total	46	39

Risk Management and Statement of Internal Controls

The Governing Council of the University is responsible for maintaining a sound system of internal control that supports the achievements of policies, aims, and objectives, while safeguarding the public and other funds and assets for which it is responsible.

This is done in accordance with the responsibilities assigned to the Governing Council in the University's Memorandum and Articles, and the Memorandum of Assurance and Accountability of the OfS.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve policies, aims, and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness. It is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims, and objectives, to evaluate the nature and extent of those risks, and to manage them efficiently, effectively, and economically. We review the effectiveness of internal control on at least an annual basis.

The Governing Council is required to express a view as to whether its processes are adequate in accordance with the direction from the OfS for identifying, evaluating, and managing the University's risks during the year. The appropriate committees of the Governing Council have considered these processes and are of the view that they are adequate. Nevertheless, the University seeks to continue to strengthen them.

The aforementioned policies and procedures continue to be developed and the Governing Council is satisfied that the University's internal control and risk management assessments meet the requirements set out by OfS Accounts direction to higher education institutions OfS 2018.26.

The Audit and Risk Committee is tasked with providing oversight and advice on the effectiveness

of the establishment and implementation of risk management. Key strategic risk assessments are performed by senior managers within the University and included in the Strategic Risk Register (SRR) which is allocated to the most appropriate member of the Executive Team for monitoring and action.

For each strategic risk, a more detailed risk register log is maintained identifying risk causes, rating, and ownership details. The SRR is reviewed on a regular basis by the Executive Team and updates to the SRR are presented to the Audit and Risk Committee at each meeting, showing progress and/or movements in the overall risk status from the previous review. This summary is then taken to the next Governing Council meeting for review and approval.

The University's Internal Audit function for the financial year was carried out by Uniac, a higher education internal audit specialist. Their programme of work was built upon a risk-based approach with focus on key strategic risks, value for money, and any areas of suspected weakness that might require further attention. The Internal Auditors operate to standards defined in the OfS Audit Code of Practice and submit regular reports, which include the head of internal audit's independent opinion on the adequacy and effectiveness of the system of internal control, together with recommendations for improvement.

During the year, an internal audit report on end of life systems was given an overall rating of inadequate, due to serious and significant weaknesses in the risk management and governance frameworks and internal control system.

Five high risk recommendations for improvement were made by the internal auditors and were accepted by management. Audit and Risk Committee will continue to closely monitor the work in this area and will ensure that the recommendations are implemented satisfactorily through a follow up by the internal auditors.

The Governors' review of the effectiveness of the system of internal control is informed by the work of the Internal Auditors and the executive managers within the University. The Executive Team has responsibility for the development and maintenance of the internal control framework, taking account of any points made by the External Auditors in their management letter and other reports to Governors and management. On the basis of this information, the Governors identify areas where actions are required to improve the effectiveness of the systems of internal control and steps are taken to address these.

The University's Articles of Association give Governors Indemnity Insurance and Qualifying Third Party Indemnity provision as permitted by the Companies Act 2006. This was in force throughout the year and at the year end.

On behalf of the Governing Council:



Dame Fiona Reynolds
Chair of Governing Council





Independent Auditor's Report to the Governing Council of the Royal Agricultural University

Opinion on the financial statements

In our opinion, the financial statements:

- » Give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2024 and of the Group's and the University's income and expenditure, gains and losses, changes in reserves and of the Group's and the University's cash flows for the year then ended;
- » Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- » Have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Royal Agricultural University ("the University") and its subsidiaries (the "Group") for the year ended 31 July 2024 which comprise the Consolidated and University Statements of Comprehensive Income, the Consolidated and University Statements of Changes in Reserves, the Consolidated and University Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

Independence

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the University's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Governing Council is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- » The information given in the Annual Report, which includes the report of the Governing Council and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- » The Strategic Report and the report of the Governing Council, which are included in the Annual Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the University and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the report of the Governing Council.

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

- » Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- » The financial statements are not in agreement with the accounting records and returns; or
- » Certain disclosures of board members' remuneration specified by law are not made; or
- » We have not received all the information and explanations we require for our audit.

Opinion on other matters required by the Office for Students (“OfS”) and UK Research and Innovation (including Research England)

In our opinion, in all material respects:

- » Funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- » Funds provided by the OfS and UK Research and Innovation (including Research England) have been applied in accordance with the relevant terms and conditions.
- » The requirements of the OfS’s Accounts Direction (OfS 2019.41) have been met.

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

- » The University’s grant and fee income, as disclosed in note 4 to the accounts, has been materially misstated.
- » The University’s expenditure on access and participation activities for the financial year, as has been disclosed in note 10 to the accounts, has been materially misstated.

Responsibilities of Governing Council

As explained more fully in the Governing Council’s responsibilities statement, the Council Members (who are also the directors of the University for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governing Council are responsible for assessing the Group 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 Governing Council either intend to liquidate the Group or the University or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

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

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:

- » Our understanding of the Group and the sector in which it operates;
- » Discussion with management and those charged with governance and the Audit and Risk Committee;
- » Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- » Direct representation from the Accountable Officer

We considered the significant laws and regulations to be the Financial Reporting Standard 102, the Statement of Recommended Practice: Accounting for Further Education and Higher Education (FEHE SORP 2019), the OfS' Accounts Direction (OfS 2019.41), Companies Act 2006 and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations.

We identified such laws and regulations to be the health and safety legislation, the Bribery Act 2010, data protection and registration with the Office for Students and their ongoing conditions of registration.

Our procedures in respect of the above included:

- » Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- » Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- » Review of financial statement disclosures and agreeing to supporting documentation; and
- » Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- » Enquiry with management, those charged with governance and the Audit and Risk Committee regarding any known or suspected instances of fraud;
- » Obtaining an understanding of the Group's policies and procedures relating to:
 - » Detecting and responding to the risks of fraud; and
 - » Internal controls established to mitigate risks related to fraud.
- » Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- » Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- » Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override including the posting of inappropriate journals to manipulate financial results and management bias in accounting estimates. In addition, we considered revenue recognition an area to be susceptible to fraud, particularly in relation to the posting of journals to material revenue streams, the recognition of tuition fee revenue in line with course dates, revenue recognised in relation to partnership arrangements and the recognition of research grant income in line with performance conditions .

Our procedures in respect of the above included:

- » Testing a sample of journal entries throughout the year, which met a defined risk criterion, by agreeing to supporting documentation;
- » A review of estimates and judgements applied by Management in the financial statements to assess their appropriateness and the existence of any systematic basis;
- » In addressing the risk of fraud through improper income recognition, we tested the appropriateness of certain journals to material revenue streams, tested a sample of research grant contracts to the performance conditions noted in their agreements, recalculated the expected total deferred tuition fee income and compared it to the deferred tuition fee income recorded in the financial statements and verified the arrangements and recognition of fees for a sample of overseas partners; and
- » A review of unadjusted audit differences for indications of bias or deliberate misstatement.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Governing Council members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the University's Governing Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Governing Council as a body, for our audit work, for this report, or for the opinions we have formed.

Samantha Lifford (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
Birmingham, UK

Date: 6 December 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Financial Statements



Consolidated and University Statements of Comprehensive Income Year ended 31 July 2024

	Note	Year ended 31 July 2024		Year ended 31 July 2023	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	2	12,170	12,038	12,467	12,398
Funding body grants	3	2,001	2,001	1,973	1,973
Research grants and contracts	4	657	657	383	383
Other income	5	5,497	4,938	5,065	4,495
Investment income	6	57	47	87	87
Total income before donations and endowments		20,382	19,681	19,975	19,336
Donations and endowments	7	501	501	289	289
Total income		20,883	20,182	20,264	19,625
Expenditure					
Staff costs	8	10,854	10,502	9,428	9,164
Other operating expenses		9,262	8,906	9,656	8,975
Interest and other finance costs	9	385	385	236	236
Depreciation and amortisation	10	1,113	1,113	1,057	1,057
Total expenditure	10	21,614	20,906	20,377	19,432
(Deficit)/surplus before other gains and losses		(731)	(724)	(113)	193
(Deficit)/surplus on sale of fixed assets and investments		(11)	(11)	135	135
Profit/(loss) on investments	14	217	217	(40)	(40)
Operating (deficit)/surplus for the year before taxation		(525)	(518)	(18)	288
Taxation		-	-	-	-
Operating (deficit)/surplus for the year		(525)	(518)	(18)	288
Actuarial loss in respect of pension schemes	29	(100)	(100)	(552)	(552)
Asset revaluation reserve movement		(3)	(3)	(51)	(51)
Total comprehensive expenditure for the year		(628)	(621)	(621)	(315)
Represented by:					
Endowment comprehensive income/(expenditure) for the year		204	204	(114)	(114)
Unrestricted comprehensive expenditure for the year		(832)	(825)	(507)	(201)
Attributable to the University		(628)	(621)	(621)	(315)

All items of income and expenditure relate to continuing activities.

Consolidated and University Statements of Changes in Reserves Year ended 31 July 2024

	Income reserve			Revaluation reserve	Share capital	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000			
Consolidated				£'000	£'000	£'000
At 1 August 2022	2,361	-	17,923	11,703	1	31,988
Operating (deficit)/surplus from the comprehensive income statement	(34)	-	16	-	-	(18)
Other comprehensive income - actuarial loss	-	-	(552)	-	-	(552)
Asset revaluation reserve movements	-	-	-	(51)	-	(51)
Transfer of excess depreciation on revaluation of fixed assets	-	-	307	(307)	-	-
Release of endowment and restricted capital funds spent in year	(80)	-	80	-	-	-
Total comprehensive expenditure for prior year	(114)	-	(149)	(358)	-	(621)
At 31 July and 1 August 2023	2,247	-	17,774	11,345	1	31,367
Operating surplus/(deficit) from the comprehensive income statement	224	-	(749)	-	-	(525)
Other comprehensive income - actuarial loss	-	-	(100)	-	-	(100)
Asset revaluation reserve movements	-	-	-	(3)	-	(3)
Transfer of excess depreciation on revaluation of fixed assets	-	-	172	(172)	-	-
Release of endowment and restricted capital funds spent in the year	(20)	-	20	-	-	-
Total comprehensive income/ (expenditure) for the year	204	-	(657)	(175)	-	(628)
Balance at 31 July 2024	2,451	-	17,117	11,170	1	30,739


University	Income reserve			Revaluation reserve	Share capital	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000			
At 1 August 2022	2,361	-	17,932	11,703	1	31,997
Operating (deficit)/income from the comprehensive income statement	(34)	-	322	-	-	288
Other comprehensive income - actuarial loss	-	-	(552)	-	-	(552)
Asset revaluation reserve movements	-	-	-	(51)	-	(51)
Transfer of excess depreciation on revaluation of fixed assets	-	-	307	(307)	-	-
Release of endowment and restricted capital funds spent in the year	(80)	-	80	-	-	-
Total comprehensive (expenditure)/income for prior year	(114)	-	157	(358)	-	(315)
At 31 July and 1 August 2023	2,247	-	18,089	11,345	1	31,682
Operating surplus/(deficit) from the comprehensive income statement	224	-	(742)	-	-	(518)
Other comprehensive income - actuarial loss	-	-	(100)	-	-	(100)
Asset revaluation reserve movements	-	-	-	(3)	-	(3)
Transfer of excess depreciation on revaluation of fixed assets	-	-	172	(172)	-	-
Release of endowment and restricted capital funds spent in the year	(20)	-	20	-	-	-
Total comprehensive income/ (expenditure) for the year	204	-	(650)	(175)	-	(621)
Balance at 31 July 2024	2,451	-	17,439	11,170	1	31,061

Consolidated and University Balance Sheets at 31 July 2024

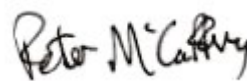
Company Number 99168

	Note	At 31 July 2024		At 31 July 2023	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Intangible assets	11	174	174	259	259
Fixed assets	12	32,670	32,670	32,173	32,173
Heritage assets	13	550	550	553	553
Investments	14	2,435	4,985	2,218	4,768
		35,829	38,379	35,203	37,753
Current assets					
Stock	15	3,480	347	2,870	354
Trade and other receivables	16	1,560	2,998	1,618	2,361
Cash and cash equivalents	22	3,517	2,878	3,687	3,168
		8,557	6,223	8,175	5,883
Creditors: amounts falling due within one year	17	(5,546)	(5,440)	(4,023)	(3,966)
Net current assets		3,011	783	4,152	1,917
Total assets less current liabilities		38,840	39,162	39,355	39,670
Provisions					
Pension provisions	18	(8,015)	(8,015)	(7,906)	(7,906)
Other provisions	18	(86)	(86)	(82)	(82)
Total net assets		30,739	31,061	31,367	31,682
Restricted Reserves					
Income account reserve - endowment	19	2,451	2,451	2,247	2,247
Income account reserve - restricted	20	-	-	-	-
Unrestricted Reserves					
Income account reserve - unrestricted		17,117	17,439	17,774	18,089
Revaluation reserve		11,170	11,170	11,345	11,345
		30,738	31,060	31,366	31,681
Share capital	21	1	1	1	1
Total Reserves		30,739	31,061	31,367	31,682

The financial statements were approved and authorised for issue by the Governing Body on 27 November 2024 and were signed on its behalf on 5 December 2024 by:



Dame Fiona Reynolds,
Chair of Governing Council



Professor Peter McCaffery,
Governor

Consolidated Cash Flow Statement

Year ended 31 July 2024

	Year ended 31 July 2024	Year ended 31 July 2023
	£'000	£'000
Cash flow from operating activities		
Deficit for the year	(525)	(18)
Adjustment for non-cash items		
Amortisation of intangible assets	99	118
Depreciation	1,014	939
Endowment investment movements	(217)	40
Increase in stock	(610)	(81)
Decrease/(increase) in debtors	58	(415)
Increase in creditors	1,523	887
Increase in other provisions	4	4
Post-employment benefits less payments	9	(74)
Adjustment for investing or financing activities		
Investment income	(57)	(87)
Loss/(profit) on the sale of fixed assets and investments	11	(135)
Capital grant income	(50)	(100)
Net cash inflow from operating activities	1,259	1,078
Cash flows from investing activities		
Capital grant receipts	50	100
Proceeds from sale of fixed assets and investments	-	244
Investment income	57	87
Payments made to acquire intangible assets	(20)	(87)
Payments made to acquire tangible fixed assets	(1,516)	(655)
Net cash outflow from investing activities	(1,429)	(311)
(Decrease)/increase in cash and cash equivalents in the year	(170)	767
Cash and cash equivalents at beginning of the year	3,687	2,920
Cash and cash equivalents at end of the year (note 22)	3,517	3,687

Notes to the Financial Statements for the year ended 31 July 2024

1. Statement of Principal Accounting Policies and Estimation Techniques

Basis of preparation

The financial statements are prepared in sterling (£) which is the functional and presentational currency of the University.

The financial statements have been prepared under the historical cost convention modified by the revaluation of certain fixed assets, in accordance with the Companies Act 2006, the Statement of Recommended Practice (SORP) – Accounting for Further and Higher Education (2019 edition), the Accounts Direction issued by the Office for Students (OFS) and in accordance with Financial Reporting Standard 102 (FRS102).

As in previous years the University has adapted some of the headings and sub-headings in its financial statements due to the special nature of its business as permitted by Section 404 (5) of the Companies Act 2006.

The following accounting policies have been applied consistently in dealing with items that are considered material to the financial statements:

Going concern

In preparing the financial statements, the Governing Council has considered going concern.

The University has conducted a going concern review for the period from 1 August 2024 to 31 July 2027 (being a period of at least 12 months from the signing of the financial statements). This comprised a three-year cash flow projection which showed that the University maintained sufficient liquidity (without the use of its revolving credit facility) to meet its liabilities as they fall due over this period.

The going concern review included an assessment of the opportunities, risks and mitigating actions should the University's financial performance be unexpectedly worse than the base forecast. Downside scenario stress testing was performed which demonstrated that with a 10% reduction in future student numbers, the University would still retain sufficient liquidity (with the use of its revolving credit facility) to meet its liabilities as they fall due over this period. In this scenario, the revolving credit facility would not be required.

The University has renewed its £1 million revolving credit facility with Lloyds Bank to take it to September 2027. Its primary purpose is to provide additional liquidity in periods of low cash balances caused by the known impact of the irregular timing of cash receipts (primarily Student Loan Company funding). The facility has certain covenants attached but forecasts demonstrate that covenant compliance will be maintained. This facility will provide access to liquidity during the going concern period and beyond.

At the date of approval of these financial statements, the Governing Council has prepared cash flow forecasts to 31 July 2027 and performed an assessment which considers a period of at least 12 months from the date of approval of the financial statements. As the University enters the post-pandemic world, it is difficult to predict future performance and cash flows with certainty. The actual scenarios which materialise in the period ahead will undoubtedly be different to the scenarios modelled. In the event that the actual position is worse than that modelled in the forecasts, the Governing Council has a reasonable expectation that the University's current liquidity and the further mitigation actions available would enable the University to respond to such circumstances. As such, the Governing Council acknowledges that uncertainty exists but does not consider this to be material uncertainty that would cast doubt on the University's ability to continue as a going concern. At the date of approval of these financial statements and having taken into consideration all of the aforementioned comments, the Governing Council considers that the University has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the signing of these accounts. Therefore, the Governing Council considers it appropriate to continue to adopt the going concern basis in preparing the annual financial statements.

Basis of consolidation

The consolidated financial statements include the University and its trading subsidiaries, Royal Agricultural University Enterprises Limited (RAUEL) and Royal Agricultural College Limited (RACL). As required by the SORP, a separate Statement of Comprehensive Income for the University is presented. Intra-group sales and profits are eliminated on consolidation. Accounting policies have been applied consistently across the group.

Income recognition

Funding body block grants are accounted for in the period to which they relate.

Fee income is stated gross and credited to the Statement of Comprehensive Income over the period in which the students are studying. Where the amount of the tuition fee is reduced, income receivable is shown net of the discount. Bursaries and scholarships are accounted for as expenditure and included within operating expenditure.

Income from government grants are recognised on the accruals basis.

Notes to the Financial Statements for the year ended 31 July 2024

Income from other grants, contracts, and other services rendered are accounted for on a performance basis and included in income as the performance requirements are met. Payments received in advance of performance are recognised on the balance sheet as deferred income in liabilities.

Non-recurrent grants received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants. The grants are credited to deferred income in liabilities on the balance sheet until performance criteria are met, at which point they are released to the Statement of Comprehensive Income.

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

Endowment and investment income is credited to the Statement of Comprehensive Income on a receivables basis. Income from endowments not expended in accordance with the conditions of the endowment is transferred from the Statement of Comprehensive Income to endowment reserve. Any realised gains or losses from dealing in the related assets are retained within the endowment reserve in the balance sheet.

Changes in value arising on the revaluation of fixed asset investments to market value are charged/credited to the Statement of Comprehensive Income as they arise. Increases/decreases in value arising on revaluation or disposal of endowment assets are added to or subtracted from the funds concerned and accounted for through the balance sheet by debiting or crediting the endowment asset and crediting or debiting the endowment fund and reported in the Statement of Changes in Reserves.

Agency arrangements

Funds the University receives and disburses as paying agent on behalf of a funding body or other body, where the University is exposed to minimal risk or enjoys minimal economic benefit related to the receipt and subsequent disbursement of the funds, are excluded from the Statement of Comprehensive Income of the University.

Leases and hire purchase contracts

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Leasing agreements, which transfer to the University substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital elements of the leasing commitments are shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements.

The capital element is applied in order to reduce outstanding obligations and the interest element is charged to the Statement of Comprehensive Income in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

Taxation

The University is an exempt charity and is classed as a charity within the meaning of Paragraph 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively to charitable purposes.

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. Irrecoverable VAT on inputs is included in the costs of such expenditure. Any irrecoverable VAT allocated to tangible fixed assets is included in their cost.

The University's wholly owned subsidiary companies, RAUEL and RACL, are liable to Corporation Tax and VAT in the same way as any other commercial organisation.

Apportionment of costs

Where costs are apportioned between cost headings, the apportionment is carried out so as to best reflect the time spent by staff in carrying out their duties in the different operations of the University.

Termination benefits

Termination benefits are recognised when an agreement is made with an employee. This expenditure is recognised in the period to which the agreement is made with any unpaid amounts accrued for at year end.

Intangible fixed assets

An intangible asset purchased separately and/or developed by the University is capitalised at its cost and amortised over its useful economic life. The University has intangible fixed assets relating to the University's IT software including its website, Customer Relationship Management System and financial and other support software. IT software is being amortised over its estimated economic life of four years.

Notes to the Financial Statements for the year ended 31 July 2024

Tangible fixed assets for University use

Tangible fixed asset additions where cost of acquisition exceeds £5,000 (2023: £5,000) are capitalised. Items costing less than this, unless part of a larger asset, are written off in the year of purchase.

Land and building fixed assets held as at 1 August 2014 were revalued as at that date and are carried at deemed cost based on that valuation. Any subsequent additions to land and buildings are included at cost. Cost of fixed assets includes interest on borrowings to finance construction of assets to the extent that such interest accrues in respect of the period of construction.

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is recognised in the Statement of Comprehensive Income in the period it is incurred. The asset values are reviewed each year to ensure they still represent fair value and an impairment is made in the Statement of Comprehensive Income if a material reduction in net book value is noted.

Acquisition with the aid of specific grants

Where tangible fixed assets are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account, and are released to the Statement of Comprehensive Income as soon as the performance criteria for the grant have been met.

Depreciation

Depreciation is provided on tangible fixed assets and intangible fixed assets at rates calculated to write off the cost, less estimated residual value, over their expected useful lives on a straight line basis as shown below. Freehold land is not depreciated.

Freehold buildings	1% to 5%
Fixed fixtures and fittings	10%
Farm plant and machinery	10% to 20%
Plant and machinery	10% to 20%
Computers – hardware	17% to 33%
Moveable fixtures and fittings	20% to 33%
Computers – software	25%

Investments

Investment property is land for capital appreciation and not for use in the provision of services, for administrative purposes or sale in the ordinary course of business. Direct development costs incurred to enhance the value or saleability of the land is capitalised before a fair value review each year.

The investment property is recorded in the balance sheet at its fair value and is not depreciated. Any increase or decrease in valuation is recorded as an unrealised gain or loss in the Statement of Comprehensive Income. The asset values are reviewed each year to ensure they still represent fair value and a formal valuation is conducted every three years.

Listed investments held as fixed or endowment assets are shown at market value. Gains and losses arising on investment assets, through change in valuation, are credited/charged in the Statement of Comprehensive Income. Gains or losses arising from the disposal of assets are also included in the Statement of Comprehensive Income as realised, being the difference between sales proceeds and market value at the beginning of the year. The University's investment in its wholly owned trading subsidiaries is carried at cost.

Heritage assets

Heritage assets relate primarily to two groups of vintage assets which are of significant value to the study of agriculture and the rural environment, and comprise:

- » Certain displayed paintings including past University Governors, Principals and Vice-Chancellors, and other senior staff and agricultural scenes.
- » A collection of books and manuscripts of historical importance from the 16th to 19th centuries on subjects including animal husbandry, botany and natural history. Some of these manuscripts are on permanent display or otherwise available for public viewing by arrangement with the University Library.

These assets have been gifted to or purchased by the University over the years since its establishment in 1845 and, if capitalised originally, no longer feature in the fixed asset register. The two groups of assets are stated at valuation in the financial statements and the valuations are not subject to depreciation. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material. Heritage assets are independently valued every 10 years.

Notes to the Financial Statements for the year ended 31 July 2024

Agriculture

The University's operations include arable farming and a small vineyard. The plants and their harvested crops are treated as current assets within farm stocks.

Stocks

Farm stocks are valued in accordance with the Royal Institution of Chartered Surveyors and the Central Association of Agricultural Valuers Guidance Notes. Growing crops, feedstuffs, sprays and fertilisers are valued at cost. Land for development is valued at deemed cost and is reviewed for impairment annually. Other stock is valued at cost. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

Cash and cash equivalents

Cash includes cash in hand, cash at bank, deposits repayable on demand and overdrafts, if they form an integral part of cash management.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. They also include any such assets held as endowment asset investments.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Accounting for research and development

Expenditure on pure and applied research is treated as a part of the continuing activities of the University. Development expenditure is only capitalised where it is probable that the asset developed will generate future economic benefit. Any other expenditure on development is written off as incurred. Expenditure on capitalised development activities is carried forward and amortised over the period of expected benefit.

Intra-group transactions

Gains or losses on any intra-group transactions and amounts in relation to debts and claims between group undertakings are eliminated on consolidation.

Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

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

These are the main types of donations and endowments identified within reserves:

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

Notes to the Financial Statements for the year ended 31 July 2024

Financial instruments

The University has only financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets include the University's trade and other receivables. Financial liabilities include the University's trade creditors, accruals, other creditors, and bank loans.

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate to their fair values. Where the financial instruments are of short maturity, the carrying value is equal to their fair value.

Accounting for retirement benefits

Retirement benefits were provided to many employees of the University by its own defined benefit scheme funded by contributions from the University and employees. This scheme was closed to future accruals on 30 September 2010. The defined benefit scheme is an independently administered scheme whose funds are valued every three years by a professionally qualified independent actuary. The level of deficit recovery plan payments are agreed with the scheme Trustees.

The University also participates in the Federated Superannuation System for Universities (FSSU) pension scheme which is treated as a defined benefit scheme.

The assets of defined benefit schemes are measured at fair value at each balance sheet date and the liabilities are measured using a specified actuarial valuation method to be discounted using a corporate bond rate. The cost to the University of funding its own defined benefit scheme is accounted for in accordance with FRS102.

Since October 2010 teaching staff have been active members of the Teachers' Pension Scheme (TPS), whose accounting treatment is outlined in note 29. The University also operates two defined contribution schemes which are independently administered. The contributions paid by the University to the defined contribution schemes are charged as expenditure in the year in which they are payable.

Provisions, contingent liabilities and contingent assets

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

Contingent liabilities are disclosed by way of a note, when the definition of a provision is not met and includes three scenarios: a possible rather than a present obligation; a possible rather than a probable outflow of economic benefit or an inability to measure the economic outflow. Contingent assets are disclosed by way of a note where there is a possible, rather than a present, asset arising from a past event.

Notes to the Financial Statements for the year ended 31 July 2024

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
2. Tuition fees and education contracts				
Full-time home and EU students	7,077	7,077	7,460	7,460
Full-time international students	1,432	1,432	1,855	1,855
Part-time students and non qualifying course students	3,661	3,529	3,152	3,083
	12,170	12,038	12,467	12,398
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
3. Funding body grants				
Office for Students/Research England funding	1,951	1,951	1,873	1,873
Capital grant	50	50	100	100
	2,001	2,001	1,973	1,973
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
4. Research grants and contracts				
Research charities	13	13	-	-
Industry and commerce	121	121	128	128
Other	523	523	255	255
	657	657	383	383
Details of grant and fee income	£'000	£'000	£'000	£'000
Grant income from OfS	1,111	1,111	1,210	1,210
Grant income from other bodies	890	890	763	763
Fee income for taught awards	8,819	8,819	9,693	9,693
Fee income for research awards	743	743	501	501
Fee income for non-qualifying courses	3,265	3,133	2,656	2,587
	14,828	14,696	14,823	14,754

Notes to the Financial Statements for the year ended 31 July 2024

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
5. Other income				
Residences, catering and conferences	3,759	3,068	3,826	3,154
Farms income	528	528	555	555
Property rentals and ground hire income	72	72	72	72
Other income	1,138	1,270	612	714
	5,497	4,938	5,065	4,495
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
6. Investment income				
Other investment income	57	47	87	87
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
7. Donations and endowments				
Donations unrestricted	123	123	212	212
Donations with restrictions	378	378	77	77
	501	501	289	289
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
8. Staff costs				
Salaries	9,022	8,670	7,901	7,637
Social security costs	893	893	791	791
Other pension costs	939	939	736	736
	10,854	10,502	9,428	9,164

Notes to the Financial Statements for the year ended 31 July 2024

	Year ended 31 July 2024	Year ended 31 July 2023
8. Staff costs (cont.)		
Emoluments of the Vice-Chancellor:	£	£
Salary	214,137	203,940
	214,137	203,940

The remuneration of the senior staff at the RAU is in accordance with the principles of the Committee of Chairs' Voluntary Remuneration Code for HE Senior Staff, including Vice-Chancellors. The remuneration package of the Vice-Chancellor is subject to annual review by the Remuneration Committee (a sub-committee) of the Governing Council of the University.

The Vice-Chancellor reports to the Chair of Governing Council, who undertakes an annual review of their performance against the University's overall objectives using both qualitative and quantitative measures of performance.

	Year ended 31 July 2024	Year ended 31 July 2023
	Number	Number
Relationship of the Vice-Chancellor to all other employees expressed as a pay multiple		
Vice-Chancellor's basic salary to employees' median	6.3	6.5
Vice-Chancellor's total remuneration to employees' median	6.1	6.3
Remuneration of other higher paid staff excluding pension contributions and termination payments		
£140,000 - £144,999	-	1
£145,000 - £149,999	1	-

Notes to the Financial Statements for the year ended 31 July 2024

8. Staff costs (cont.)	Year ended 31 July 2024	Year ended 31 July 2023
Average full time equivalent staff numbers by major category		
Academic	49	43
Academic support	5	2
Continuing education	4	5
Academic services	47	41
Central administration	50	49
Staff and student facilities	4	4
Premises	16	17
Residences and catering	46	41
	221	202

Termination payments were paid or due for the year totalling £18,000 (2023: £41,000) relating to termination severance and settlement payments. £nil (2023: £nil) is included in creditors. The accounting policy for termination payments is shown in note 1.

	Year ended 31 July 2024	Year ended 31 July 2023
Key management personnel	£'000	£'000
Key management personnel remuneration	854	821

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. The Key Management Personnel are the Vice-Chancellor, Chief Operating Officer, Finance Director, University Treasurer, Pro Vice-Chancellor Education and Students, Pro Vice-Chancellor Academic Planning and Resources and Pro Vice-Chancellor Research and Enterprise. Remuneration consists of salary and benefits, including any employer's pension contributions and supplements.

Governing Council members

The Governing Council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the Governing Council, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Governing Council may have an interest. All transactions involving organisations in which a member of Governing Council may have an interest are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures.

No Council member has received any remuneration or waived payments from the University or any subsidiary during the year (2023: £Nil). The total expenses paid to or on behalf of 7 council members in the year was £3,665 (2023: £2,629 to 8 council members). This represents travel and subsistence expenses incurred in attending Governing Council, Committee and other meetings in their official capacity.

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
9. Interest and other finance costs				
Pension scheme charge (note 29)	385	385	236	236
	385	385	236	236

Notes to the Financial Statements for the year ended 31 July 2024

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
10. Analysis of total expenditure by activity				
Academic departments	4,591	4,541	3,700	3,648
Academic services	3,262	3,262	2,896	2,896
Research grants	891	891	596	495
Consultancy	25	-	39	-
Commercial services	2,607	2,156	2,543	2,001
Premises	3,885	3,938	3,529	3,570
Central administration	3,370	3,377	4,000	3,914
General education expenditure	1,289	1,289	1,366	1,391
Staff and student facilities	539	387	657	563
Others including general endowment expenditure	1,155	1,065	1,051	954
	21,614	20,906	20,377	19,432
	Consolidated £'000		Consolidated £'000	
Total expenditure includes:				
Amortisation of intangible fixed assets	99		118	
Depreciation of tangible fixed assets	1,014		939	
Total amortisation and depreciation	1,113		1,057	
External auditors' remuneration – audit services including VAT	111		102	
External auditors' remuneration – non-audit services including VAT	3		3	
Operating lease rentals:				
Land and buildings	486		462	
Other	106		118	

Notes to the Financial Statements for the year ended 31 July 2024

10. Analysis of total expenditure by activity (cont.)

	Year ended 31 July 2024	Year ended 31 July 2023
Access and Participation expenditure	Consolidated £'000	Consolidated £'000
Total expenditure includes:		
Access investment	630	637
Financial support investment	120	163
Support for disabled students	71	62
Research and evaluation investment	63	74
	884	936

The University's Access and Participation plan is available at www.rau.ac.uk/royal-agricultural-university-access-agreements-and-access-and-participation-plans.

	Software
	Consolidated and University £'000
11. Intangible assets	
Cost	
At 1 August 2023	1,443
Additions	20
Disposals	(20)
At 31 July 2024	1,443
Accumulated amortisation	
At 1 August 2023	1,184
Charge for the year	99
Disposals	(14)
At 31 July 2024	1,269
Net book value	
At 31 July 2023	259
At 31 July 2024	174

Notes to the Financial Statements for the year ended 31 July 2024

	Freehold Land and Buildings	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
	Consolidated and University £'000	Consolidated and University £'000	Consolidated and University £'000	Consolidated and University £'000
12. Fixed assets				
Cost or valuation				
At 1 August 2023	37,299	2,846	222	40,367
Additions	138	656	722	1,516
Disposals	-	(14)	-	(14)
At 31 July 2024	37,437	3,488	944	41,869
Consisting of:				
Valuation as at 1 August 2014	31,544	-	-	31,544
Cost	5,893	3,488	944	10,325
At 31 July 2024	37,437	3,488	944	41,869
Accumulated depreciation				
At 1 August 2023	6,163	2,031	-	8,194
Charge for the year	682	332	-	1,014
Disposals	-	(9)	-	(9)
At 31 July 2024	6,845	2,354	-	9,199
Net book value				
At 31 July 2023	31,136	815	222	32,173
At 31 July 2024	30,592	1,134	944	32,670

Notes to the Financial Statements for the year ended 31 July 2024

	At 31 July 2024	At 31 July 2023
	Consolidated and University £'000	Consolidated and University £'000
13. Heritage assets		
Heritage assets at valuation	550	553

The latest independent valuation was performed in October 2020 by Forum Auctions and Dreweatts.

	Subsidiary Companies	Investment in Stocks and Shares	Total
	£'000	£'000	£'000
14. Investments			
Consolidated			
At 1 August 2023	-	2,218	2,218
Valuation gain on investment	-	217	217
At 31 July 2024	-	2,435	2,435
	£'000	£'000	£'000
University			
At 1 August 2023	2,550	2,218	4,768
Valuation gain on investment	-	217	217
At 31 July 2024	2,550	2,435	4,985

The non-current investments have been valued at market value plus development costs where applicable.

The shares valuation was based on the closing price on the London Stock Exchange at 31 July 2024.

There were no movements in stocks and shares in the year to 31 July 2024 other than revaluation (2023: £nil).

Subsidiary companies were the Royal Agricultural University Enterprises Ltd and the Royal Agricultural College Ltd (note 27).

	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
15. Stock				
Farm stocks	237	237	260	260
Finished goods	90	86	71	68
General consumables	52	24	56	26
Land for development	3,101	-	2,483	-
	3,480	347	2,870	354

Notes to the Financial Statements for the year ended 31 July 2024

On 6 October 2020, the Royal Agricultural University transferred investment property to its subsidiary company, the Royal Agricultural College Limited. The land is being held by the Royal Agricultural College Limited for development purposes and is therefore treated as trading stock. The development is being carried at the lower of cost and open market value.

Farm stocks include arable crops of £217,000 (2023: £246,000), vineyard crop £20,000 (2023: £13,000) and other farm stocks £nil (2023: £1,000).

	At 31 July 2024		At 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
16. Trade and other receivables				
Amounts falling due within one year:				
Trade receivables	631	494	917	809
Prepayments and accrued income	929	896	701	700
Amounts due from subsidiaries	-	1,608	-	852
	1,560	2,998	1,618	2,361

	Consolidated £'000	University £'000	Consolidated £'000	University £'000
	17. Creditors: amounts falling due within one year			
Trade payables	658	651	592	576
Social security and other taxation payable	245	245	245	245
Accruals and deferred income	4,643	4,544	3,186	3,145
	5,546	5,440	4,023	3,966

Deferred income

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

	Consolidated £'000	University £'000	Consolidated £'000	University £'000
	Donations	621	621	528
Research grants received on account	256	256	204	204
Grant income	2,135	2,135	405	405
Other income	706	667	749	716
	3,718	3,679	1,886	1,853

Notes to the Financial Statements for the year ended 31 July 2024

	Defined Benefit Pensions	Leasehold Dilapidations	Total Provisions
	Consolidated and University £'000	Consolidated and University £'000	Consolidated and University £'000
18. Provisions for liabilities			
At 1 August 2023	7,906	82	7,988
Increase in provisions	109	4	113
At 31 July 2023	8,015	86	8,101

	Year ended 31 July 2024	Year ended 31 July 2023
	Consolidated and University £'000	Consolidated and University £'000
19. Endowment reserves		
Restricted net assets relating to endowments are as follows:		
Capital	2,247	2,361
	2,247	2,361
Expenditure	(20)	(80)
Revaluation	224	(34)
Total endowment comprehensive income/(expense)	204	(114)
At 31 July	2,451	2,247
Represented by:		
Capital	2,451	2,247
At 31 July	2,451	2,247
Analysis by type of purpose:		
Scholarships and bursaries	2,451	2,247
Analysis by asset:		
Marketable securities	2,451	2,247

Notes to the Financial Statements for the year ended 31 July 2024

	Consolidated and University £'000	Consolidated and University £'000
20. Restricted reserves		
Reserves with restrictions are as follows:		
At 1 August 2023	–	–
New donations	378	157
Restricted income	378	157
Approved expenditure	(378)	(157)
Total restricted comprehensive income/(expenditure) for the year	-	-
Transfer to income reserves as funds not restricted	–	–
At 31 July 2024	-	-

	At 31 July 2024		At 31 July 2023	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
21. Share Capital				
Alloted, called up and fully paid				
120 (2023: 120) ordinary shares of £10 each	1	1	1	1

The ordinary shares each carry one voting right.

Notes to the Financial Statements for the year ended 31 July 2024

	At 1 August 2023	Cash flows	At 31 July 2024
	Consolidated £'000	Consolidated £'000	Consolidated £'000
22. Analysis of changes in net debt			
Included in current assets: cash and cash equivalents	3,687	(170)	3,517
Included in Creditors: amounts falling due in one year	-	-	-
Cash and cash equivalents	3,687	(170)	3,517
Loans due in one year	-	-	-
Loans due after one year	-	-	-
	3,687	(170)	3,517

Cash and cash equivalents includes the bank account balances of endowment restricted reserves of £108,000 (2023: £128,000).

	At 31 July 2024	At 31 July 2023
	Consolidated and University £'000	Consolidated and University £'000
23. Capital commitments		
Provision has not been made for the following capital commitments: commitments contracted	4,856	385

24. Contingent liabilities

Pursuant to the University's existing planning consent for development land, it entered into a Section 106 planning agreement whereby, should the site be developed, it would incur financial commitments up to £1,522,000 (2023: £1,522,000).

Notes to the Financial Statements for the year ended 31 July 2024

			At 31 July 2024	At 31 July 2023
	Land and Buildings	Plant and Machinery	Total	Total
Consolidated and University	£'000	£'000	£'000	£'000
25. Lease obligations				
Payable during the year	486	106	592	580
Future minimum lease payments due:				
Not later than 1 year	228	71	299	541
Later than 1 year and not later than 5 years	162	24	186	401
Later than 5 years	-	-	-	6
Total lease payments due	390	95	485	948

26. Events after the reporting year

There are no reportable events after the year end.

27. Subsidiary undertakings

The subsidiary companies (both of which are registered in England & Wales), wholly-owned or effectively controlled by the University, are as follows:

Company	Principal Activity	Ownership
Royal Agricultural University Enterprises Limited (Company No. 02752048)	Residential conference facilities, consultancy and retail	100%
Royal Agricultural College Limited (Company No. 08542114)	Property development	100%

Both subsidiaries' registered addresses are Royal Agricultural University, Stroud Road, Cirencester, Gloucestershire, GL7 6JS.

28. Trade Union Facility Time

Trade Union Facility Time is the provision of paid and unpaid time off from an employee's normal role to undertake Trade Union duties and activities as a Trade Union representative. We publish this data under the Trade Union (Facility Time Publication Requirements) Regulations 2017. Note the data is for the year ended 31 March 2024.

There was one full time employee (2023: 1) who was a relevant union official for the University during the year.

The employee spent facility time within the 1% to 50% category (0%, 51% to 99% and 100% all zero), the same as 2023.

The notional cost of facility time was £3,362 (2023: £3,193) and, with a total pay bill of £10,312,000 (2023: £9,761,000), the percentage of this spent on facility time was small at 0.03% (2023: 0.03%) and the total paid facility time on activities was 0%.

Notes to the Financial Statements for the year ended 31 July 2024

29. Pensions

The University operates the following pension schemes:

Royal Agricultural College Pension Scheme (RACPS)

RACPS is a defined benefits scheme, under which contributions were paid by the University and employees before its closure. Until April 2003 benefits were based on final salary; from April 2003 until closure benefits were calculated on a Career Average Revalued basis. The assets of the fund are independent from those of the University and are administered by Trustees. Pension costs are assessed on the advice of an independent actuary on the basis of valuations using the projected unit method. The scheme closed to future accrual on 30 September 2010; staff affected were provided with alternative pension provision effective 1 October 2010. The new arrangements were variously with the Teachers' Pension Scheme (TPS) and a defined contribution (GPP) scheme with Aegon.

Notwithstanding the closure to future accrual the University continues to service the deficit recovery plan at the rate agreed with the Trustees.

At the April 2021 triennial actuarial valuation the following deficit recovery plan was agreed:

- » For the month August 2021, a payment of £57,417, and for the months September 2021 through May 2022 (inclusive), £Nil;
- » Contributions of £25,000 per month (equivalent to £300,000 per annum in equal monthly instalments) from 1 June 2022 to 31 March 2024;
- » Contributions of £500,000 per annum in equal monthly instalments from 1 April 2024 to 31 March 2025;
- » Contributions of £550,000 per annum in equal monthly instalments from 1 April 2025 to 31 March 2026;
- » Contributions of £689,000 per annum in equal monthly instalments from 1 April 2026 to 31 August 2040, increasing on 1 April 2027 and on each subsequent 1 April thereafter by the annual increase in the retail price index to the previous 30 September.

Federated Superannuation Scheme for Universities (FSSU)

The pensions of two former employees are funded by a separate defined benefit scheme and the University supplements the pensions in payment through "top-ups" to the pensioners. FSSU is accounted for as a defined benefit scheme and its present value of scheme liabilities is consolidated for disclosure purposes within the RACPS liabilities. It has no assets.

Teachers' Pension Scheme (TPS)

The Teachers' Pension Scheme is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020.

The key elements of the valuation and subsequent consultation are:

- » Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- » Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262.0 billion and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222.2 billion, giving a notional past service deficit of £39.8 billion.

Notes to the Financial Statements for the year ended 31 July 2024

The results of this valuation were implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

A copy of the valuation report and other supporting information can be obtained from the Teachers' Pension website.

The employer's pension costs paid to TPS in the period amounted to £682k (2023: £495k). Contributions amounting to £68k were payable to the scheme at 31 July 2024 (2023: £43k) and are included within creditors.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer scheme. The University is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the University has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The University has set out above, the information available on the scheme.

Defined contribution schemes (Group Personal Pension)

The Aegon Scheme was set up September 2010 for those support staff who were former members of the RACPS.

The University contribution to Aegon is 10% of salary. Members pay a variable contribution of not less than 4%.

The basic employers' contribution rates during the year were as follows:

	TPS	Aegon	Aviva U	Aviva X	Aviva Y
1 Aug 2023 - 31 Mar 2024	23.68%	10.00%	16.00%	3.00%	6.50%
1 Apr 2024 - 31 Jul 2024	28.68%	10.00%	16.00%	3.00%	6.50%

The assumptions and other data relevant to the determination of the contribution levels of the defined benefit schemes in which the University participates (or participated) are as follows:

Pension scheme	RACPS
Last actuarial valuation	2021
Investment returns per annum	4.10%
Market value of assets at last valuation date (RACPS £millions/TPS £billions)	20.9
Funding % of accrued benefits covered by the actuarial value of assets	64%

The University opened a new pension scheme with Friends Life for support staff future service on 1 January 2014. This scheme comes under the umbrella of the Higher Education Defined Contribution Scheme (HEDCS); it is portable between member universities. All active support staff who were in the Prudential Scheme, which it replaced, became deferred members of the Prudential Scheme and joined Friends Life for future service. In 2017 Friends' Life became part of and transferred all its policies to Aviva. The Aviva Scheme has three distinct strands of membership:

U Scheme - salaried staff pay variable contributions of not less than 6.5% and RAU contributes 16%.

X Scheme - tier 1 compliant auto-enrolment scheme with contributions in line with current legislation, being 5% employee and 3% employer.

Y Scheme - salaried staff pay variable contributions of not less than 6.5% and RAU contributes 6.5%.

The assets of all the defined contribution schemes are held separately from the University by the scheme providers, Aegon, Prudential and Aviva.

Notes to the Financial Statements for the year ended 31 July 2024

29. Pensions (cont.)

Charge within Note 8 Staff Costs included in the Statement of Comprehensive Income

The charge for pensions, adjusted for FRS102 Section 28 where applicable, is as follows:

		2024	2023
		£'000	£'000
Defined benefit schemes:	TPS	682	495
		682	495
Defined contribution schemes:	GPP: Aegon	23	22
	GPP: Friends Life	234	219
		257	241
Total Pensions Cost as Note 8 Staff Costs		939	736
		£'000	£'000
Analysed as:	Current service	939	736

The cash contributions paid by the employer to the RACPS in respect of past service deficit is £367,000 (2023: £300,000). No amounts were charged to Staff Costs in the Statement of Comprehensive Income in respect of the RACPS defined benefit scheme.

The pensions charge in the financial statements represents contributions made by the University to the defined benefit and defined contribution scheme providers on behalf of its employees. As at 31 July 2024 £68,000 contributions were due to the TPS (2023: £43,000), £2,000 to Aegon (2023: £2,000) and £20,000 to Aviva (2023: £18,000). These sums, relating to July 2024 payroll, were paid in August 2024.

Reconciliation to Balance Sheet (RACPS and FSSU)

		2024	2023
		£'000	£'000
Fair value of Scheme assets		15,504	15,386
Present value of Scheme liabilities		(23,519)	(23,292)
Total pension deficit		(8,015)	(7,906)

Notes to the Financial Statements for the year ended 31 July 2024

29. Pensions (cont.)

Scheme deficits

The deficit in the balance sheet in respect of defined benefit schemes is shown below. The FSSU scheme is unfunded and its deficit amount is based on a valuation in accordance with FRS102 at 31 July 2024.

	2024	2023
	£'000	£'000
RACPS	(7,994)	(7,883)
FSSU supplemental scheme	(21)	(23)
Total deficits	(8,015)	(7,906)

The table below provides a reconciliation of the fair value of scheme assets. Assets are held by RACPS only; the FSSU has no assets.

	2024	2023
	£'000	£'000
At the beginning of the year	15,386	21,252
Contributions by University	367	300
Benefits paid	(1,262)	(1,171)
Expected return on assets	730	661
Actuarial gains	283	(5,656)
At the end of the year	15,504	15,386

The table below reconciles the present value of scheme liabilities for both RACPS and FSSU.

	2024	2023
	£'000	£'000
At the beginning of the year	(23,292)	(28,680)
Interest cost	(1,115)	(896)
Past service cost	-	-
Benefits paid	1,271	1,180
Actuarial gains	(383)	5,104
At the end of the year	(23,519)	(23,292)

Notes to the Financial Statements for the year ended 31 July 2024

29. Pensions (cont.)

Principal assumptions made by the actuary in the valuation for the purpose of FRS102 Section 28:

		2024	2023
Discount rate		4.76%	4.92%
Rate of inflation (RPI)		3.22%	3.17%
Rate of inflation (CPI)	Pre 2030	2.52%	2.47%
	Post 2030	3.22%	3.17%
Pension increases	Pre 97 pension	3.00%	3.00%
	97-03 pension (RPI max 5% min 3%)	3.68%	3.66%
	03-05 pension (RPI max 5%)	3.09%	3.05%
	Post 05 pension (RPI max 2.5%)	2.11%	2.09%
Demographic assumptions	Mortality base table	S4PxA	S3PxA
	Projection basis	100% (m and f)	101%(m)/103%(f)
		CMI 2023 1.00%	CMI 2022 1.00%
	Cash commutation	50% of maximum	50% of maximum

A rate of cash commutation of 50% is shown in these figures, based on Scheme actual experience (50%) plus flexibility offered to members by the Pensions Act 2004 (25% HMRC tax free limit).

Life Expectancy at age 65

	2024	2023
Male currently 45	87.00	87.10
Female currently 45	89.70	89.60
Male currently 65	86.10	86.10
Female currently 65	88.60	88.50

The assets and value of the RACPS scheme at 31 July and the expected rate of return were:

	2024	2023
	Consolidated and University £'000	Consolidated and University £'000
Multi asset funds	5,680	6,818
Credit funds	1,290	1,216
Infrastructure funds	3,221	3,104
LDI	4,961	3,940
Annuities	138	139
Cash and liquidity funds	214	169
Total market value	15,504	15,386

Notes to the Financial Statements for the year ended 31 July 2024

29. Pensions (cont.)

The discretionary FSSU supplementation scheme holds no assets and its deficit has been based on an actuarial valuation at 31 July 2024. The assumptions having the most significant effect on the calculation of the provision are that future inflationary increase rates will average 3.17% RPI (2023: 3.17%) per annum.

The table below analyses the movement in deficit (for RACPS and FSSU) during the year:

	2024	2023
	£'000	£'000
Deficit in schemes at start of year	(7,906)	(7,428)
Contributions	376	309
Other finance costs interest charge applied (note 9)	(385)	(235)
Actuarial gain in the statement of changes in reserves	(100)	(552)
Deficit in schemes at end of year	(8,015)	(7,906)

The University has pledged properties to the value of £1,157,600 against the pensions deficit by deed dated 24 March 2017. These charges have been lodged with the Land Registry and Companies House.

An analysis of the amount charged to other finance costs is shown in the following table:

	£'000	£'000
Expected return on RACPS assets	730	661
Interest on liabilities	(1,115)	(896)
Net interest charge applied	(385)	(235)

An analysis of amounts recognised in the statement of changes in reserves is given below:

	£'000	£'000
Actual return less amount already recognised in net interest	283	(5,656)
Other actuarial gains	(383)	5,104
Actual loss recognised in statement of changes in reserves	(100)	(552)

Notes to the Financial Statements for the year ended 31 July 2024

30. Accounting estimates and judgements

The main accounting estimates and judgements relate to tangible assets (land and buildings), heritage assets and the pension liability.

Land and buildings

As part of the transition from UK GAAP to FRS102 as the basis for the consolidated financial statements, the University updated the values of its land and buildings to market value. Using this as deemed cost going forward, updating estimates of remaining useful lives for the buildings obtained from the qualified valuers. These remaining useful lives have then been used to calculate depreciation on each of the buildings. The total charge for depreciation on the University's portfolio of properties in these financial statements amounts to £682,000 (2023: £665,000).

As a result a significant proportion of the estimated lives would need to be incorrect before any adjustment to estimated useful lives would give rise to a material adjustment to the depreciation charge in the Financial Statements.

Similarly, the University has to make a judgement on the fair value of its assets and whether any properties are impaired.

The University's properties are of significant value and it would take a significant overall reduction in property market values to affect the whole estate sufficiently to make a material difference.

Heritage assets

The University uses a professional valuer of heritage assets with revaluation every ten years. The latest independent valuation was performed in October 2020.

Pension liability

The University uses qualified actuaries to revalue the pension liabilities each year who utilise prescribed bases and the actuaries' best estimate in relation to specific subjective factors. The University has reviewed the actuaries' assumptions and agrees with the estimates and judgements made. These are all set out in note 29 Pensions.

31. Students' Union

The Students' Union activities are carried out through an independent Company Limited by Guarantee with registered charity status. As a result its financial statements are not included in the consolidated figures.

Notes to the Financial Statements for the year ended 31 July 2024

32. Related party transactions

(a) Exemption

The University has taken advantage of the exemption permitted by FRS102 Section 33 (Related Party Disclosures), available to group undertakings where 100% of the voting rights are controlled within the group and where consolidated financial statements are publicly available, not to disclose transactions with other group companies within these Financial Statements.

(b) Pension scheme and Life Cover Trust

The Royal Agricultural College Pension Scheme and Life Cover Trust are related parties by definition. The amount owed by Royal Agricultural University to the pension scheme at the year end 31 July 2024 was £Nil (2023: £Nil). The amount owed by Royal Agricultural University to the Life Cover Trust at the year end was £Nil (2023: £Nil).

(c) Transactions with organisations related to directors

Due to the nature of the University's operations and the composition of Governing Council, being drawn from local and national public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of Council may have an interest. All transactions involving organisations in which a member of Council may have an interest are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement practices.

The University maintains a Register of Interests for all members of Council. The register is open to inspection under the Freedom of Information Act 2000 and the Governors' Register of Interests is published on the University website.

(d) Transactions with organisations related to University Senior Management

All transactions involving organisations in which a member of the University Senior Management Group may have an interest are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement practices.

The University maintains a Register of Interests of its Senior Management Group. The register is open to inspection under the Freedom of Information Act 2000.

(e) Farming operations

The University has an Arable Contract Farming agreement for certain of its farming operations, organised by Moore Allen & Innocent LLP, for a crop harvest contract with Kemble Farms. Kemble Farms is owned by a Trust linked to the University's Vice-President, Earl Bathurst.

The University made payments of £237,000 (2023: £228,000) to Kemble Farms.

(f) The Royal Agricultural College Beagles

The RAC Beagles are set up as an independent trust; no Governor or member of the University Senior Management is an officer or committee member. Volunteer students are involved in the care and management of the pack.

The University made a donation of £5,000 (2023: £5,000). Normal business sales to the RAC Beagles amounted to £15,000 (2023: £16,000). There were no business purchases from the RAC Beagles in either year.

(g) The Royal Agricultural University Students' Union

During the year the University made a grant to the Students' Union of £269,000 (2023: £239,000) and supplied goods and services to the Students' Union to the value of £1,000 (2023: £Nil). There were no business purchases from the RAU Students' Union in either of the two years.

(h) Related charities

The University is linked to the following charities:

The African Fellowship Trust (AFT), registered charity number 1120786, was set up in 2007 to permit African students to advance their education in sustainable development and protection of the environment by studying for a masters programme at the University. The Fellows are fully funded by the AFT. For 2024, the University received no tuition and accommodation income (2023: £Nil).

The Sir Emrys Jones Memorial Trust, registered charity 1105861, was set up in 2004 in memory of Sir Emrys Jones, Principal of the University from 1974 to 1979, to provide financial assistance by way of fees or maintenance grants to students from Wales (whether by origin or residence) who are in need of financial assistance to attend the University. Without it being binding, the Trustees recognise the benefactor's wish that priority should be given to students reading agriculture or related subjects. The University received £77,000 of income in 2024 (2023: £Nil).

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