

Birkbeck,
University of London

Annual Accounts

for the year ended 31 July 2025

Registered address:

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OFFICERS OF THE UNIVERSITY AND SENIOR MANAGEMENT 2024/25

PRESIDENT

Baroness Joan Bakewell (to September 2024)
Baroness Shami Chakrabarti (from January 2025)

VICE-PRESIDENT

The Right Honourable the Lord Mayor of London

CHAIR OF GOVERNORS

Sir Andrew Cahn (to September 2025)
Mr Alastair King (from October 2025)

SENIOR MANAGEMENT OF THE UNIVERSITY

VICE-CHANCELLOR

Professor Sally Wheeler

DEPUTY VICE-CHANCELLORS

DVC Education & Student Experience: Professor Diane Houston
DVC Academic & Corporate: Professor Matthew Innes (to June 2025)
DVC Research, Knowledge Exchange & Innovation: Professor Lucy Mazdon (from February 2025)

PRO VICE-CHANCELLORS

PVC Research: Professor Julian Swann (to December 2024)
PVC International: Professor Kevin Ibeh (to July 2024)
PVC Innovation & Academic Development: Professor Joanne Leal

EXECUTIVE DEANS

Faculty of Business & Law: Professor Geoff Walters (to October 2024)
Faculty of Science: Professor Rick Cooper
Faculty of Humanities & Social Sciences: Professor Matthew Davies

COLLEGE SECRETARY AND CLERK TO THE GOVERNORS

Mr Keith Harrison (to September 2024)
Mrs Katharine Bock (from October 2024)

CHIEF FINANCIAL OFFICER

Mr Keith Willett (from September 2024)

DIRECTOR OF FINANCE

Mr Keith Willett (to August 2024)
Ms Aarti Rayrella (from September 2024)

DIRECTOR OF HUMAN RESOURCES

Ms Eileen Harvey

MEMBERSHIP OF COMMITTEES 2024/25

THE GOVERNING BODY

Chair of Governors	Sir Andrew Cahn Mr Alastair King
Deputy Chair	Mr Simon Davis
Academic Board governors:	Dr Pam Yeow Professor Kate Retford (from October 2024 to July 2025)
Academic staff governors:	Dr Sarah Marks Dr Oliver Barish (from October 2024)
Non-teaching staff governor	Ms Wendy James (to September 2024) Dr Rebecca Nako (from October 2024)
Student governors:	Mr William Sarenden Ms Vajayanti Inara Pirani (from October 2024 to July 2025)
Alumnus governor	Ms Odessa Hamilton
Independent governors:	Ms Nana Banton Ms Gillian Broadley (until September 2024) Mr Andy Kemp Ms Cindy Leslie Ms Rachel Neaman Mr Daniel Peltz Mr Duncan Sankey Ms Sally Spensley (from October 2024) Mr Andreas Utermann
Ex-Officio governors who are also officers of the University:	
Vice-Chancellor:	Professor Sally Wheeler
Deputy Vice-Chancellor, Academic & Corporate	Professor Matthew Innes
In attendance:	
College Secretary and Clerk to the Governors	Mr Keith Harrison Mrs Katharine Bock
Chief Financial Officer	Mr Keith Willett
Deputy Vice-Chancellor, Education & Student Experience	Professor Diane Houston
Deputy Vice Chancellor, Research, Knowledge Exchange & Innovation	Professor Lucy Mazdon
Pro-Vice-Chancellor (Research)	Professor Julian Swann

Staff and student governors were elected under existing standing orders.

MEMBERSHIP OF COMMITTEES 2024/25 (continued)

FINANCE AND GENERAL PURPOSES COMMITTEE

Chair	Mr Andy Kemp
Vice-Chancellor:	Professor Sally Wheeler
Deputy Vice-Chancellor, Academic & Corporate	Professor Matthew Innes
Chair of Governors	Sir Andrew Cahn
Academic governors:	Professor Kate Retford
	Dr Oliver Barish
Non-teaching staff governor	Dr Rebecca Nako
Student governors:	Mr William Sarenden
Independent governors:	Ms Rachel Neaman
	Mr Andreas Utermann
	Mr Daniel Peltz
	Ms Nana Banton
In attendance:	
College Secretary and Clerk to the Governors	Mr Keith Harrison
	Mrs Katharine Bock
Chief Financial Officer	Mr Keith Willett
Director of Human Resources	Ms Eileen Harvey
Deputy College Secretary (Operations)	Ms Megan Reeves (until December 2024)
Director of Estates	Mr Daniel Xuereb
Director of Marketing & External Relations	Ms Lynn Grimes

NOMINATIONS COMMITTEE

Chair of Governors	Sir Andrew Cahn (Chair)
Deputy Chair of Governors	Mr Simon Davis
Vice-Chancellor:	Professor Sally Wheeler
Academic governors:	Dr Sarah Marks
	Dr Oliver Barish
Student governor	Mr William Sarenden
Independent governors:	Ms Cindy Leslie
	Ms Rachel Neaman
In attendance:	
College Secretary and Clerk to the Governors	Mr Keith Harrison
	Mrs Katharine Bock

MEMBERSHIP OF COMMITTEES 2024/25 (continued)

REMUNERATION COMMITTEE

Chair of Governors	Sir Andrew Cahn (Chair)
Deputy Chair of Governors	Mr Simon Davis
Independent governors:	Mr Andreas Utermann
	Ms Nana Banton

In attendance:	
Director of Human Resources	Ms Eileen Harvey

AUDIT COMMITTEE

Chair	Ms Cindy Leslie
Independent governors:	Mr Duncan Sankey
	Mr Andy Kemp (to September 2024)
	Ms Sally Spensley

External co-opted member	Ms Sam Christian
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By invitation:	
Vice-Chancellor:	Professor Sally Wheeler

In attendance:	
College Secretary and Clerk to the Governors	Mr Keith Harrison
	Mrs Katharine Bock
Chief Financial Officer	Mr Keith Willett
Director of Finance	Ms Aarti Rayrella
The Internal Auditor (KPMG)	Mr Neil Thomas
The External Auditor (BDO)	Mr James Aston (to January 2025)
	Mr David Wildey (from February 2025)

DIGITAL COMMITTEE

Chair	Ms Rachel Neaman
Independent Governors	Ms Nana Banton
	Mr Andy Kemp
Vice-Chancellor	Professor Sally Wheeler
External co-opted member	Mr Peter Zinkin
Academic Governor	Dr Pam Yeow
Deputy Vice-Chancellor, Education & Student Experience	Professor Diane Houston
College Secretary	Mr Keith Harrison
	Mrs Katharine Bock
Director of Estates	Mr Daniel Xuereb
Chief Financial Officer	Mr Keith Willett
Chief Information Officer	Mr James Smith (to September 2024)
	Mr Sean Green (from October 2024)

MEMBERSHIP OF COMMITTEES 2024/25 (continued)

STRATEGIC ESTATES AND INFRASTRUCTURE COMMITTEE

Chair	Mr Daniel Peltz
The Vice-Chancellor:	Professor Sally Wheeler
Independent governors:	Ms Rachel Neaman
	Mr Andrew Kemp
Academic governors:	Dr Sarah Marks
	Dr Pam Yeow
Student Union representative	Ms Vajayanti Inara Pirani (from October 2024 to July 2025)
External co-opted member	Mr Peter Zinkin
College Secretary and Clerk to the Governors	Mr Keith Harrison
	Mrs Katharine Bock
Chief Financial Officer	Mr Keith Willett
Director of Estates	Mr Daniel Xuereb
Chief Information Officer	Mr James Smith
	Mr Sean Green

UNIVERSITY EXECUTIVE BOARD

Vice-Chancellor (Chair):	Professor Sally Wheeler
Deputy Vice-Chancellors:	
Academic & Corporate	Professor Matthew Innes
Education & Student Experience	Professor Diane Houston
Research, Knowledge Exchange & Innovation	Professor Lucy Mazdon
Pro-Vice-Chancellors:	
Research	Professor Julian Swann
International	Professor Kevin Ibeh
Innovation & Academic Development	Professor Joanne Leal
College Secretary and Clerk to the Governors	Mr Keith Harrison
	Mrs Katharine Bock
Deputy College Secretary (Operations)	Ms Megan Reeves
Chief Financial Officer	Mr Keith Willett
Director of Human Resources	Ms Eileen Harvey
Director of Planning & Strategic Projects	Mr Nick Head
Director of External Relations	Ms Lynn Grimes
Chief Information Officer	Mr James Smith
	Mr Sean Green
Executive Deans:	
Faculty of Business & Law	Professor Geoff Walters
Faculty of Science	Professor Rick Cooper
Faculty of Humanities & Social Sciences	Professor Matthew Davies
Head of Birkbeck Business School	Professor Andy Adcroft (from November 2024)
Head of Birkbeck Law School	Dr Victoria Ridler (from November 2024)

MISSION STATEMENT

The **principal aims** of Birkbeck are to:

- provide flexible and part-time higher education courses which meet the changing educational, cultural, personal and career needs of students of all ages; in particular those who live or work in the London region;
- enable adult students from diverse social and educational backgrounds to participate in our courses;
- make available the results of research, and the expertise acquired, through teaching, publication, partnerships with other organisations and the promotion of civic and public debate; and
- maintain and develop excellence in research and provide the highest quality research training in all our subject areas.

The **key supporting objectives** are to:

- offer our students an integrated range of flexible, research-led courses across all levels of provision;
- achieve and maintain strong research cultures in support of interdisciplinary work in each school and faculty;
- ensure the University provides an inclusive working and learning environment for its students and staff so that all may develop to their full potential;
- develop the University's capacity to respond rapidly to new and changing opportunities in higher and further education; and
- develop sustainable partnerships within the London region and beyond.

STRATEGIC REVIEW

Vice-Chancellor's report

This year's report reflects once again on the challenging times faced by our sector and by Birkbeck. However, against this backdrop it looks back on a year of progress in which we have moved forward our strategic objectives and taken concerted action to secure our future. Birkbeck has many strengths but the dedication of our staff and the commitment of our students continue to shine through; it is at the heart of what we have been able to accomplish through our collective efforts. My thanks to the Birkbeck community – its staff and its students, for all they have contributed and achieved this year.

About Birkbeck

Birkbeck is a unique London-based teaching and research university providing access to higher education for traditional and non-traditional students of all ages. Our students face the reality of competing priorities and demands on their time. From 18 to 61+ (3% of our students were over 61 in 2024/25), they are living their lives with all the commitments and challenges that entails. Often, they are working, have caring or other responsibilities. Our job is to make sure that in doing all that, they can benefit from higher education, not miss out on it.

Our student body is diverse with 49% from non-white backgrounds, 57% women and 27% declaring a disability in 2024/25. As well as serving the needs of Londoners, we welcome students from across the world.

Our aim is to provide high quality teaching in the context of excellent research and have that proposition at the forefront of our access and widening participation agenda. Birkbeck was successful in the 2021 Research Excellence Framework (REF) return with 83% of our research being rated either 'world leading' (4*) or 'internationally excellent' (3*).

Student Recruitment

We have highlighted that building back student recruitment will be the work of a number of years, not just one or two; this is proving to be the case.

Last year we acknowledged the impact of the significant sector wide downturn in international student recruitment on overall recruitment in 2023/24. Whilst we anticipated this to continue into the 2024/25 recruitment cycle, we also identified some emerging positives in relation to home student demand from our initial October 24 enrolment figures, which showed an uptick in postgraduate masters and a more significant increase at the undergraduate level. Looking back on the 2024/25 year now it is a positive to be able to report that this initial impression carried through into a firm outcome. In total, home undergraduate recruitment was up by 11% and, after three years of falling admissions, Masters level recruitment grew by 1% for the October intake and by 13% for our January start courses. In 2024/25 the net impact of positive home outcomes and the further international downturn was essentially flat recruitment for new students (3,056 FTE in 2023/24; 2,961 FTE in 2024/25).

Whilst new student recruitment is vital, the progression and success of continuing students is just as important. Although overall student intakes are at a lower level than they were 5 years ago the rate at which students have withdrawn or interrupted has been lower for both 2023/24 (7.7%) and now 2024/25 (7.4%). This is important in terms of their eventual outcomes as well as contributing financially, through higher ongoing tuition fee income. Whilst our 2024/25 budget was set on the basis of increased recruitment, we were able to respond to the financial impact through concerted financial management and in-year adjustments to our operating budgets.

STRATEGIC REVIEW (continued)

As part of a broad-based repositioning of our course offer and the delivery of our teaching, we have taken specific steps this year to impact student recruitment from 2024/25 onwards. We have introduced daytime teaching in existing subjects where there is high potential demand and established new programmes to meet emerging demand.

The daytime undergraduate courses in biomedicine, business, health & social care, law, management and psychology have recruited well with evidence that the daytime offer has been particularly attractive to our younger student market. Our flexible mode of delivery, with students able to opt for day or evening teaching has allowed us to respond to the needs of a growing younger market, without compromising on our commitment to our long-standing mature student demographic. Likewise, our suite of daytime postgraduate programmes, initially focused on computing & data science, management & business and psychology, boosted student numbers.

For 2025/26 we have added further to our portfolio. We have focussed on the environment and artificial intelligence, with that provision drawing on our discipline breadth across the sciences, humanities, business and law.

Last year, we highlighted significant strides on process. The further extension of delegated admissions, where offers are made centrally by our Registry admissions team, together with concerted focus on remaining School-based decisions which need input from academic colleagues, resulted in far quicker offer-making feeding into faster conversion follow-up. 25% of our offers for 2024/25 were made in less than a day and we have more than halved our median offer time compared to 2023/24. We have continued making improvements into the 2025/26 recruitment cycle.

It is pleasing to be able to report that the actions we have been taking are having a positive impact on conversion and new enrolments for programmes starting in October 2025 with the January 2026 intake still to come. At 16 November 2025 new home admissions are up by 7.9%, with a strong showing at both the undergraduate level (inclusive of programmes with a foundation year) (up by 12.1%) and postgraduate taught programmes (up by 11.4%). A number of January start programmes will increase the postgraduate growth further once enrolments are confirmed with unconditional firm offers 69 FTE (75.8%) above the same date in 2024.

Growth in home student numbers is positive news as we continue with the hard work necessary to innovate our course portfolio, the way we deliver education, the locations we teach at and how we connect with the Birkbeck students of the future. This success has been achieved in an operating environment in which many selective universities increased the number of home students they recruited in an attempt to offset the continuing fall in international numbers thereby putting significant pressure on institutions across the sector. The environment for direct international recruitment is still very challenging for us. As of 16 November 2025, international undergraduate enrolments were down by 13 FTE (8.8%) and postgraduate taught down by 19.3% with our January intake still to come. International postgraduate offers for January 2026 are positive, showing a 122 FTE increase (39.5%) over last year.

International and Partnership Activity

The focus on our on-campus offer to students coupled with building back direct recruitment and student success is vital, but just as important is broadening the base of our income, capacity and reach through partnership and collaboration. I highlighted in last year's report that the review that we commissioned from Cormack Consultancy Group (CCG) had identified that clear opportunities did exist for Birkbeck to move forward with collaboration and partnership both in the UK and internationally.

STRATEGIC REVIEW (continued)

As Vice-Chancellor I have been taking a leading role in moving this activity forward, both with the help of colleagues and external support provided by CCG. A new governance structure has been established to approve the academic, legal and commercial aspects of potential arrangements as well as agreeing strategies to identify and mitigate risks. There is much still to do but it is pleasing to be able to report that we have now signed three partnership agreements and have other opportunities advancing which, if successfully concluded, would start recruiting in 2026. The signed partnerships are with: the Bloomsbury Institute, Nanjing University of Aeronautics and Astronautics and the Corporate Governance Institute.

The Bloomsbury Institute is a private provider located near to us in Bloomsbury where Birkbeck will validate the programmes delivered by the Institute. Although a new academic partner they have been a long-term tenant of ours and currently use our classrooms in 373 Euston Road during the day.

A Joint Education Institute was approved by the Chinese Ministry of Education in May 2025 located on the campus of Nanjing University of Aeronautics and Astronautics. The collaboration involves dual awards with some teaching required by Birkbeck in China. Undergraduate programmes have recruited high quality students up to the government stipulated quota in September 2025 and postgraduate programmes will commence from September 2026. Income primarily flows to Birkbeck when students study a year with us in London with the first year for this being 2027/28.

The Corporate Governance Institute is a private provider of on-line professional short courses located in Ireland. Birkbeck will accredit their modules with the relationship enhancing our own expanding portfolio of short, professional programmes.

We believe that US collaboration can provide an important route to boost humanities and social science student recruitment at the postgraduate level. This will involve either dual degrees (a Masters degree from both higher education institutions) or progression arrangements (undergraduate in the US to a Masters degree at Birkbeck). Obviously, the latter is available to any student from anywhere, but these arrangements offer mapped pathways with some joint or online teaching on the undergraduate degree to encourage selection of the postgraduate option and promotion by staff at both institutions. Term or year abroad options are attractive to US students studying humanities and social sciences and we are working on this opportunity as well.

Current Operating Position

The total comprehensive expenditure for 2024/25 was £6.8 million. The figure for the 2023/24 financial year was a total comprehensive income of £24.8 million. However, the 2023/24 position was impacted significantly by the valuation of the Universities Superannuation Scheme (USS). The 2023 triennial valuation determined that the scheme was no longer in deficit and our share of the deficit recovery plan was released in full in the 2023/24 financial year. This reduced expenditure by £29.7 million.

A more meaningful 2023/24 comparator figure is the underlying position after removing the effect of the USS valuation, staff restructuring costs and other gains and losses - for 2023/24 a deficit of £4.4 million. The 2024/25 outturn figure calculated on the same basis is an underlying deficit of £7.0 million (see Table 6). This change reflects the ongoing impact of student recruitment magnified by the structural financial issues that are playing out across the sector. Annual increases in staff costs - due to promotions, inflationary increases, increment advancement and pension costs - exceed the inflationary increase in our main source of income, primarily due to the fee cap set by the government on home undergraduate tuition fees. The historic resistance by the Government to increase home undergraduate tuition fees has affected

STRATEGIC REVIEW (continued)

the whole higher education sector in England. The 2024/25 fee of £9,250 is now worth less than two thirds what it was when it was introduced in 2012 and with the impact of recent high levels of inflation the pressure placed on universities to generate an excess of income over expenditure is intense.

We obviously welcome the inflationary increase in the home undergraduate fee for 2025/26 and at least the following two years but are disappointed that the maximum fee chargeable for non-STEM foundation years has been reduced significantly to £5,760 with confirmation that it will not be increased in line with inflation. With a mission to provide education to those with limited choices elsewhere, often because they are coming back to education later in life and without traditional qualifications, the foundation route is critical. For the future whilst the prospect of re-instating maintenance grants for more disadvantaged students is an overdue step forward the proposal to fund this through a levy on international tuition fee income will add to financial pressures.

Very clearly a deficit position is not where we want to be. However, the year-end position is significantly better in relation to our initial budget and forecasts set at the start of the year. The total comprehensive expenditure outturn was £4.1 million better than budget, and the underlying deficit position improved by £4.3 million (in comparison with the budget). This reflects a concerted and focussed effort in relation to cost management across the whole university. Budget managers have continued to be bear down on expenditure resulting in reduced expenditure of over £3.0 million compared to the budget approved by Governors in the summer of 2023.

Given the current situation, effective cashflow monitoring and management have remained a key focus for us throughout the year. The 2024/25 deficit position has seen a slight improvement in cash outflow from operations of £4.1 million from an outflow of £5.0 million in 2023/24. However, this outflow from operations, whilst significant, is £2.0 million better than our start of year forecasts, again reflecting the impact of strong financial management and in year interventions. Additionally, through the year, the cash position has been improved by receipt of the deposit on the sale of our Georgian properties in Russell Square (£1.3 million) as part of our long-term Estates strategy. Total cash and investments at 31 July 2025 are £35.7 million (2023/24: £46.7 million).

In 2025/26 the cash position will be boosted by the balance of the Russell Square sale proceeds which are due in December 2025. Whilst the long-term aim is for the sale to support the development of our estate and infrastructure in Torrington Square, in the short term the cash inflow will improve liquidity during the current period in which we are building back recruitment and financial strength. We will need to retain a focus on liquidity and total cash holdings for the foreseeable future as this process continues.

Organisational Change and Leadership

The new university academic and professional services operating structure introduced in 2023/24 has now been in effect for two years and in general, has bedded in well. The model of larger faculties and, within them, broader based Schools that bring together disciplines, supports our commitment to continuing academic breadth, whilst providing a path to work at more efficient and effective scale. Bringing together professional services functions in groupings under the leadership of our Deputy Vice-Chancellors and Chief Financial Officer has ensured that key, university-wide areas of strategy – education & student experience, research and financial recovery - have clear leadership, and work directly with the professional services areas that support and underpin their delivery.

STRATEGIC REVIEW (continued)

2024 saw the departure of one of our Deputy Vice-Chancellors. Professor Matt Innes, the Deputy Vice-Chancellor (Academic and Corporate) left us and, as a long-standing member of the senior team, I would like to thank him for his service. Equally, we have welcomed new colleagues. The appointment of Professor Lucy Mazdon as Deputy Vice-Chancellor for Research, Innovation & Knowledge Exchange and Ben Barry as Chief Information Officer, have added to the capacity and strength of the overall team.

With the departure of the DVC (Academic and Corporate), the DVC and CFO portfolios have evolved over the year. The CFO, Keith Willett, has taken on responsibility for Planning & Strategic Projects, Registry, Estates & Facilities and Information Services. Lucy Mazdon, DVC Research, has taken on the university-wide human resources and employee relations brief, overseeing the Human Resources directorate. Diane Houston, DVC (Education and Student Experience) is overseeing university fundraising, working with the Development and Alumni directorate.

Success for Birkbeck will be defined by the articulation of clear strategy, backed up by rapid and effective implementation. With changes to the senior team, I have taken the opportunity to refine some of our senior management groupings. A smaller, more focused University Strategy Board is now operating to set our strategic direction and immediate priorities whilst a larger University Delivery Board brings together senior academic and professional services leaders to focus on a common purpose: delivery and implementation.

Repositioning our course offer and the delivery of our teaching

We are now starting to see the real benefits of our Creating Inclusive Learning initiative, having committed to an £8.0 million phased capital programme, supported in part by capital funding of £3.0 million from the Office for Students (OfS). This project is core to our strategy to invest in and deliver our teaching through a flexible blend of campus and digital experience. The driving force behind this initiative is to give our diverse student community the opportunities they deserve in a form of delivery that recognises their changing circumstances and needs.

The project has had two strands:

HyFlex teaching – adaptation of our classrooms (particularly in relation to IT and AV) to enable students to choose whether they join classes in-person or synchronously online providing a high-quality interactive learning experience in both modes.

There are now 73 classrooms and 7 lecture theatres upgraded for HyFlex delivery, constituting the majority of the teaching estate and almost all classrooms which are appropriate for upgrading (excluding labs and small group work spaces). For 2025/26, there are 520 HyFlex modules available and we estimate 4,684 students will have access to HyFlex in the coming year. The remaining classrooms and lecture theatres scheduled to be upgraded will be ready for the start of next term.

Birkbeck Immersive Learning Centre – creation of purpose built, co-located spaces to enhance the range and scope of our teaching and support for the longer term through the use of modern software and technology. The centre will deliver genuine innovation through new types of course content and new ways of teaching and interacting with our students.

The Immersive Learning Classroom provides Virtual Reality (VR) and Augmented Reality (AR) experiences for students and supporting staff in creating new innovative learning experiences. The Studio provides cutting edge space for staff to use high-powered PCs to develop Virtual and Augmented Reality teaching materials, scan and manipulate 3D objects, etc.

STRATEGIC REVIEW (continued)

Finally, the Immersive Learning PC Lab provides teaching space to allow immersive study, student projects, and more.

The VR Classroom has been fully equipped with headsets for class participation in VR/AR experiences to enhance teaching and learning. A loan service will allow students to borrow equipment, headsets, headphones, for personal and educational use at home. Staff will also be able to borrow items for developing their immersive practice and pedagogy. Specialist software licences have been acquired to enable a wide range of disciplinary work at the cutting edge of VR/AR such as 3D scanning, game development, career and personal development, and more. This is now operational and was showcased at events planned for the Lord Mayor of London's visit on 2nd October 2025 and HRH The Princess Royal on 21st October 2025.

The student experience

Our institutional restructuring has enabled us to provide more focus and resource in support of the student experience. We have developed a new Student Learning Development Strategy to provide a clear road map for our work to enhance all aspects of the student journey. This work is already being reflected in improved retention and continuation rates.

We have created Faculty-level Head of Education posts as well as School-level undergraduate and taught postgraduate leads. We have taken the opportunity to enhance and clarify the roles and responsibilities for programme and module leads. We have created new professional service posts aimed specifically at tracking and intervention in relation to student engagement, and this work is further supported by the online student engagement system being developed as part of our Student Success Project. We are continuing to review the balance of our services between online and face-to-face delivery and looking at how we can provide more services on site at times that will be most helpful to students.

We have integrated all academic development and study skills staff into one cross-institutional team led by an experienced member of staff. In addition to academic support, we have worked on the comprehensive student support provided via the student services team. This includes orientation and induction, student advice services, financial support, student wellbeing services, support for students with disabilities, mental health services, and careers & enterprise support.

We have invested in our capacity and expertise to support work on Student Voice and other feedback and survey activity. This backs our aim to develop and improve our university-wide approach to student voice and improving the student experience in response to student feedback. The immediate priorities have been to: develop guidance and information to raise awareness and student engagement of student feedback opportunities; establish monitoring processes that track actions in response to student feedback and close the feedback loop; forge stronger ties with student groups and the Birkbeck Students' Union; to bring the student voice into university projects, initiatives and monitoring; embed student feedback metrics, actions and responses into Annual Quality and Enhancement processes; enhance student voice data literacy and visualisations to expand the data-led culture at Birkbeck.

We have put in place more support and development for our teaching colleagues. Last year, we introduced a new Birkbeck fellowship pathway, focussing on early career staff. Fortnightly workshops over two terms are facilitated by Birkbeck academics, external consultants and experienced experts in their field. At the end of the programme participants are supported in writing and submitting an application for the appropriate level of Advance HE fellowship.

STRATEGIC REVIEW (continued)

Looking forward

We are continuing to focus on the following immediate priorities:

Daytime teaching. We will continue to expand our daytime teaching portfolio in areas of high potential demand. We are offering students the choice between an afternoon and an evening offer, with study organised around two- or three-days of campus attendance a week. As with evening teaching sessions, day-time study will be supported with rich online learning resources.

Market analysis indicates that this model should appeal to younger commuter students in Greater London and its immediate hinterland combining study with other commitments and our location and reputation will enable us to better compete and meet this demand.

Building our international market. We will identify and pursue opportunities emerging through our relationships with education service providers to support further collaboration with Chinese universities, are exploring the opportunity to develop a branch campus with a partner in India, and are looking at further partnership options in the UK. Our increasing suite of daytime programmes will make our offer more attractive to international markets and we are focussing effort on further improving our position in international league tables such as the QS rankings to improve our overall competitive profile. Our 2026 QS ranking rose to 388 out of over 1,500 institutions included compared with a 2025 ranking of 408. We have a strong story to tell but need to devote time to presenting our strengths and international reach more systematically and consistently.

New programmes. We will be launching new programmes across the University in 2026 bringing together academic creativity with market research and capitalising on the breadth of our academic subjects and the clear synergy between them, particularly in areas such as artificial intelligence and the environment.

HyFlex. We will capitalize on the major investment in our infrastructure and facilities to reach new students through HyFlex delivery with teaching simultaneously taking place on campus and online. This innovation means that in our areas of major academic and research strength we will be able to open our teaching portfolio at distance across the UK, as well as to those able to attend classes in central London. Providing students with other commitments at work or elsewhere an option to attend a class they may otherwise have missed should also lead to further improvements in continuation and success – we will be monitoring data over the coming years.

Developing, rethinking and resizing our estate

We have committed to the transformation of our estate to create a connected campus clearly focussed on our main Torrington Square site, rationalising our other estate holdings to create the foundation for a future estate that can be sustainable, both environmentally and financially. Linked to our education strategy we have achieved our aim of all Birkbeck classes being delivered in Birkbeck classrooms, recognising that to deliver the learning experience we want we need to have tight integration between our physical estate and our digital infrastructure including direct control over both.

Our aim through development, investment and the co-location of facilities and services is to create a campus environment that supports a transformational student experience alongside modern facilities that underpin the excellence of our research. We will do that by focussing on the development and refurbishment of the adjacent buildings that now run the full length of Torrington Square to the West: Birkbeck Central, the Torrington Square Main Building, and, in the longer-term, the redevelopment of the Main Building extension.

STRATEGIC REVIEW (continued)

We will retain our existing buildings around Torrington Square to the East – the Wohl Wolfson Toddler Lab, the Clore Management Centre, and the Henry Wellcome Building - to support our connected campus, creating a clear Birkbeck presence and identity around the Square. In this context we have progressed the identification of options for the location of our teaching, our staff and our key infrastructure and facilities.

We have continued with our planning for the progressive development of Birkbeck Central as the focus for investment in the student experience. Our Estates and IT Teams have worked in close collaboration on the implementation of our HyFlex teaching project. This year we have completed over £2.0 million of capital investment to student experience focussed projects including the development of a brand-new Student Wellbeing Lounge on the ground floor of the Birkbeck Central building. This front facing facility provides flexible multipurpose spaces opening the ground floor and bringing currently unusable space into use. The space is our largest student space outside of the library benefitting our current student body and responding directly to the feedback received as part of our consultation with students. It recognises that our current and future students need to work, collaborate and interact in new ways. In a related project we also refurbished our existing Student Centre at the entrance to our main Torrington Square building, again with similar objectives.

Governors approved an updated Estates Strategy in 2023 which recognised falling student numbers, the acquisition of Birkbeck Central, the complexities of delivering modern teaching in Georgian properties and the high infrastructure risk we were carrying in the older properties. The strategy recommended the sale of our Georgian properties when economically sensible to do so. Governors approved the sale of our leased properties in Russell Square to the University of London (the freeholder) and contracts were exchanged in July 2025 at which point we received 10% of the sale proceeds. We are contractually obliged to complete the sale by Christmas 2025 (balance of sale paid to us) at which point we will be granted a short-term lease until 31 July 2026 – the latest date by which we must fully exit. To support this organisational change, we are creating more dedicated space that supports agile, hybrid working, allowing for the Faculty of Humanities & Social Science to be co-located in a single building for the first time enabling more collaborative working in modern flexible and highly efficient workspaces.

In pursuit of the connected campus agenda, we have identified and implemented opportunities to improve the public realm environment surrounding our estate and the overall visual identity and wayfinding. We have been successful in securing external funding to support our environmental and sustainability agenda and this will give further impetus to our work on heat decarbonisation.

Alumni and friends of the University

In 2024/25 alumni and friends once again made a critical contribution to Birkbeck's success, building on the strong philanthropic and volunteering momentum of previous years. The generosity of our supporters, who have given both time and money, has enabled the University to invest in student opportunity, research and community initiatives, reinforcing our mission to provide accessible, world-class higher education.

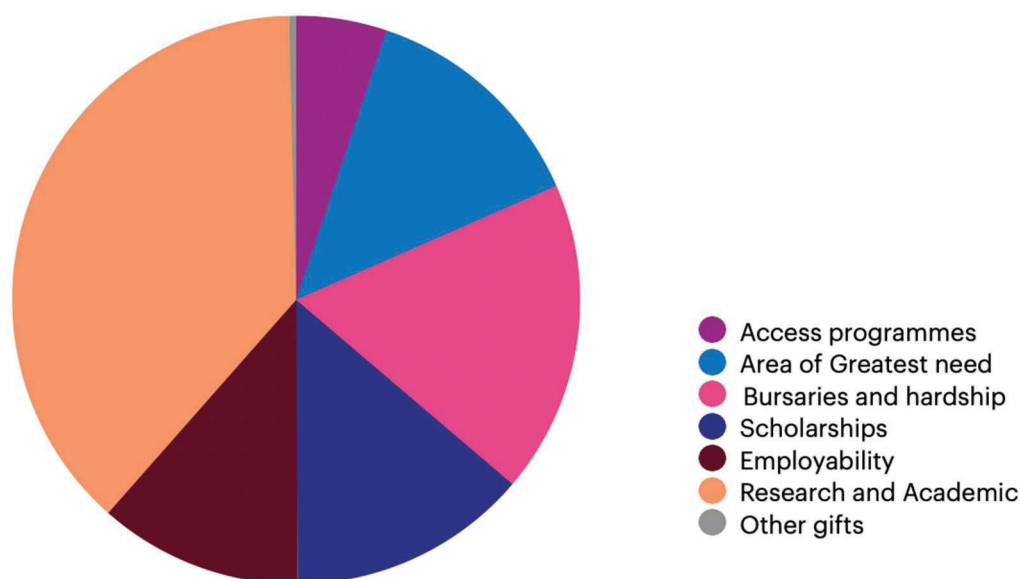
This year we have focused on growing both philanthropic income and the reach and impact of our volunteering programmes, ensuring that alumni and friends can support Birkbeck's strategic objectives even more robustly. This approach has delivered clear results.

STRATEGIC REVIEW (continued)

During the year £3.3m of philanthropic income was received from 1,185 donors, with new support totalling £3.4m pledged to priority projects. Donations came from individuals, trusts, foundations and corporates, reflecting the breadth of confidence in Birkbeck's mission. Notable new gifts included:

- The establishment of a new research and teaching institute in the Faculty of Humanities and Social Sciences - the Carena Institute of Sustainable Archaeologies;
- Funding for a Cryo-FIB laboratory to enable new, ground-breaking research in structural and molecular biology;
- A £300,000 commitment to student employability initiatives, supporting a programme of micro-placements to help students develop workplace skills and experience; and
- Substantial investment to enable Birkbeck to continue to offer the Needs Based Assessment Bursary, which significantly increases retention, continuation and completion of the most vulnerable groups of students.

Funds were raised for a range of projects and the graph below shows the distribution of philanthropic income by programme:



This year has seen the re-launch of our student telephone fundraising campaign, which ran in the Spring and Autumn and delivered strong results. Over £160,000 of new funding was committed, with gifts from alumni generously topped up by donations from members of the Board of Governors. The initiative, which also provided invaluable work experience for 22 students, has re-established telephone fundraising as a key element of Birkbeck's development programme and strengthened relationships across the alumni community.

Alumni volunteering has also reached new levels, with 2024/25 seeing a tripling of the number of initiatives compared with 2023/24. We have been working to embed volunteering more strategically across Birkbeck, working with Faculties and Schools to create opportunities for alumni to support curriculum delivery, employability initiatives, student recruitment and provide strategic advice – in addition to continuing our flagship initiatives: Mentoring Pathways; Global Buddies; and Careers Clinics.

STRATEGIC REVIEW (continued)

We have revitalised and re-launched our communications and events programmes for alumni and friends. Highlights included a series of London meet-ups, the launch of *Birkbeck Edge* – a professional development series for recent graduates – a new-look BBK magazine and strengthened presence across social media platforms.

Together, these achievements underline the growing scale and impact of support from our community of alumni and friends who remain central to Birkbeck's ability to deliver opportunity, foster innovation and pursue its strategic objectives with confidence.

Gender pay gap

Birkbeck supports the principle of equal pay for work of equal value and is committed to operating a pay system that is transparent, based on objective criteria, free from bias and which rewards staff in line with the University commitment to equality and diversity. The Gender Pay Gap report is produced each year as part of our ongoing commitment to monitor gender equality and diversity pay issues in our workforce. We have been publishing equal pay audits since 2009 and continue this practice in response to our responsibilities under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which require us to report on certain metrics annually

In addition to the mandatory annual Gender Pay Gap report, Birkbeck also undertakes a full pay audit periodically (most recently April 2022) to provide analysis and recommendations in relation to reward and related management strategies, policies and practices across the institution. This report considers the pay of staff with other protected characteristics such as race and disability and sets out a series of actions to address pay gap issues.

The gender pay data published in March 2025 for hourly pay and bonus pay is summarised in Tables 1 and 2:

Publication date	Mean hourly pay		Median hourly pay		Total employees	
	Female (£)	Male (£)	Female (£)	Male (£)	Female	Male
March 2021	23.37	25.54	21.15	22.91	1,035	875
	Female pay gap 8.5%		Female pay gap 7.7%		Total employees 1,910	
March 2022	24.02	25.61	21.15	21.72	969	833
	Female pay gap 6.2%		Female pay gap 2.6%		Total employees 1,802	
March 2023	25.51	27.13	23.32	24.60	909	774
	Female pay gap 6.0%		Female pay gap 5.2%		Total employees 1,683	
March 2024	26.44	27.94	24.50	25.82	809	668
	Female pay gap 5.4%		Female pay gap 5.1%		Total employees 1,477	
March 2025	25.74	27.30	23.84	25.16	817	646
	Female pay gap 5.7%		Female pay gap 5.2%		Total employees 1,463	

Table 1: Gender pay gap – hourly pay

STRATEGIC REVIEW (continued)

The gender pay gap increased slightly in the most recent reporting year largely as a result of a change in methodology which now covers all workers who received a salary on the snapshot date, including staff who occasionally work for a specific business reason where there is an employment relationship. This change in methodology enhances the accuracy and comprehensiveness of the data and enables future initiatives to be based on a complete picture of all staff working at Birkbeck.

Publication date	Mean bonus pay		Median bonus pay		Total receiving bonus	
	Female (£)	Male (£)	Female (£)	Male (£)	Female	Male
March 2021	975	916	1,000	912	2.4%	1.1%
	Male pay gap 6.4%		Male pay gap 9.6%		Total receiving bonus 34	
March 2022	888	951	1,098	678	2.8%	1.2%
	Female pay gap 6.6%		Male pay gap 61.9%		Total receiving bonus 42	
March 2023	636	705	400	400	7.2%	4.8%
	Female pay gap 9.8%		No gender pay gap		Total receiving bonus 235	
March 2024	738	1,347	800	900	1.3%	0.9%
	Female pay gap 45.2%		Female pay gap 11.1%		Total receiving bonus 42	
March 2025	840	858	1,000	1,000	1.1%	0.9%
	Female pay gap 2.1%		No pay gap		Total receiving bonus 37	

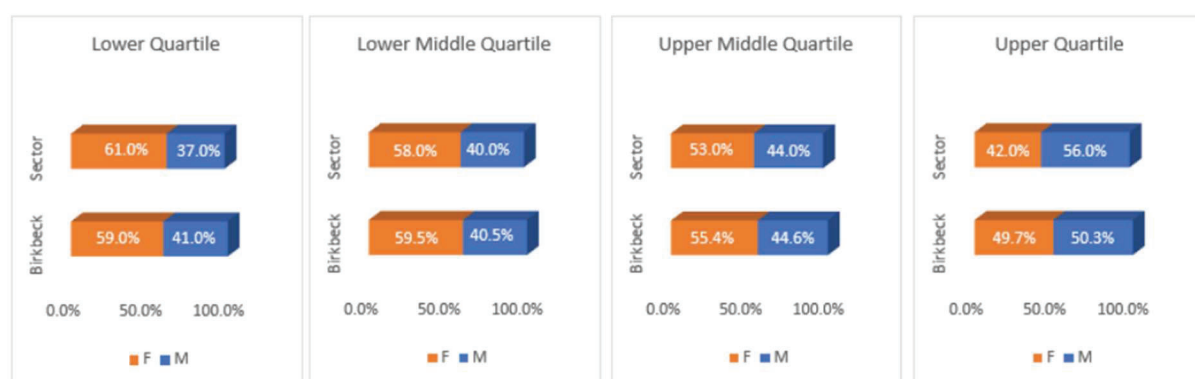
Table 2: Gender pay gap – bonus pay

Birkbeck operates several contribution related schemes which are tailored to reflect the different conditions required to accumulate the skills, knowledge and experience necessary to demonstrate excellence within a role. All schemes formally take account of personal circumstances, and all committee members undertake both formal Equality & Diversity and unconscious bias training. Reward scheme data is reviewed annually by Birkbeck for equality & diversity issues in application and success rates.

The distribution of men and women across the highest to lowest paid staff groups inverts in favour of men on average in the Higher Education sector. Our commitment to equal pay for work of equal value minimises the horizontal pay gap within grades meaning the population distribution is the most significant factor in the overall gender pay gap. Targeted actions from previous pay reviews and other gender analysis activities, such as Athena Swan, have been identified and put in place to address population imbalances.

Although the vertical gender pay gap exists significant improvement towards achieving greater gender equality has been achieved. The following table provides a comparison between our latest data and published benchmark data from the previous year.

STRATEGIC REVIEW (continued)



Note: Quartile pay refers to the hourly pay for all full-pay relevant employees in the relevant pay period. Full-pay relevant employees are ordered from highest to lowest based on their hourly pay and the list is divided into four quarters with an equal number of employees in each section.

Facility time under the Trade Union Regulations 2017 for the relevant period from 1 April 2024 to 31 March 2025

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017 and require public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. Facility time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a union representative. Trade unions play an important role in the modern workplace and there are significant benefits to both employers and employees when organisations and unions work together effectively. The regulations provide a framework for open and transparent monitoring of this.

The facility time data for the relevant period is shown below.

Relevant union officials:

Number of employees who were relevant union officials during the relevant period		Full-time equivalent employee number	
2025	2024	2025	2024
31	27	26.01	22.8

Percentage of time spent on facility time:

Percentage of time	Number of employees	
	2024/25	2023/24
0%	4	4
1 - 50%	27	23
51 - 99%	-	-
100%	-	-

STRATEGIC REVIEW (continued)

Percentage of pay bill spent on facility time:

	2024/25	2023/24
Total cost of facility time	£85,988.48	£75,260.85
Total pay bill for the relevant period (including oncosts but excluding movements in pension provision)	£69,600,000.00	£75,800,000.00
Percentage of the total pay bill spent on facility time	0.12%	0.10%

Paid trade union activities:

Number of hours spent by employees (who were relevant union officials during the relevant period) on paid trade union activities as a percentage of total paid facility time hours.

	2024/25	2023/24
Time spent on paid trade union activities as a percentage of total paid facility time hours	10.25%	12.09%

Financial Review

The Annual Accounts presented to the Governors comprise the results of the University. The principal activities undertaken by the University are teaching and research together with ancillary activities necessary to facilitate this. Additional activities include rendering academic services to a variety of educational, commercial and other organisations. The University does not have any subsidiaries so has no need to prepare Group accounts.

The Annual Accounts have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102: The financial reporting standard applicable in the UK and Republic of Ireland. The University is a public benefit entity and, therefore, has applied the relevant public benefit requirement of FRS 102. The Annual Accounts are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets and derivative financial instruments).

The completion of the United Kingdom's exit from the European Union, global recovery from the effects of the pandemic, geopolitical events and increases in inflation have had a significant effect on families, businesses, and economies in the last few years. The removal of the option for international Masters students to bring their dependents to the UK whilst they studied and increased competition for students at home and overseas has added to the challenge faced by all universities. Despite a swift and successful move to on-line learning during lockdown student numbers fell significantly in 2021/22 and have not recovered to pre-pandemic levels since. This has led to direct and indirect financial consequences for the University and increased risks as we try and assess an uncertain future.

STRATEGIC REVIEW (continued)

Although we need to rapidly address a financial position where costs exceed income we are not alone in the UK HE sector. Government regulated tuition fees for Home undergraduate students have been capped at £9,250 since 2017 placing considerable strain on the budgets of all universities in England as they attempt to find other ways to cover inflationary increases in costs. Whilst the £285 (3.1%) increase in fee from 2025/26 is welcomed this will be more than offset by the reduction in the maximum fee we can charge for non-STEM foundation year students and the impact of the National Insurance increase from April 2025. This Financial Review will comment on our performance for the year and give context to the Statement of Comprehensive Income & Expenditure and Statement of Financial Position.

Results for the Year

Chart 3 compares the main income streams for the last five years whilst Chart 4 summarises the total income for 2024/25.

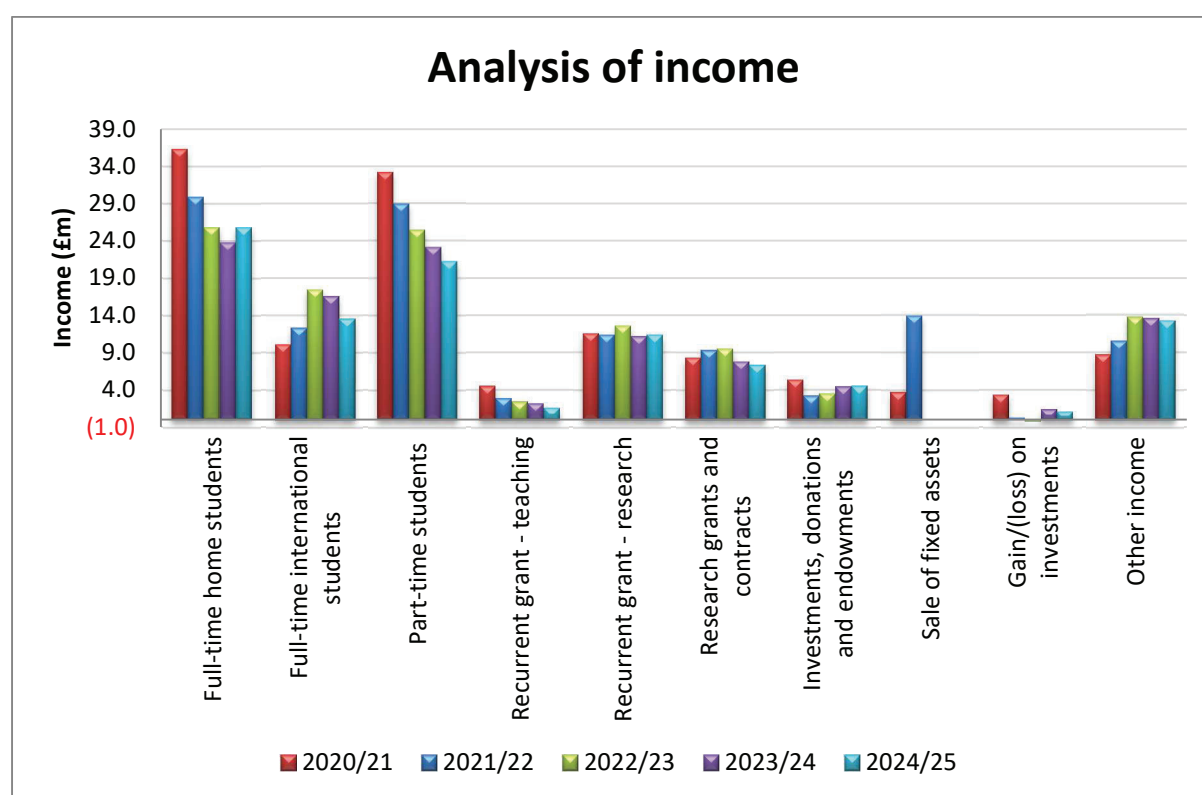


Chart 3: Income by category 2020/21 to 2024/25

STRATEGIC REVIEW (continued)

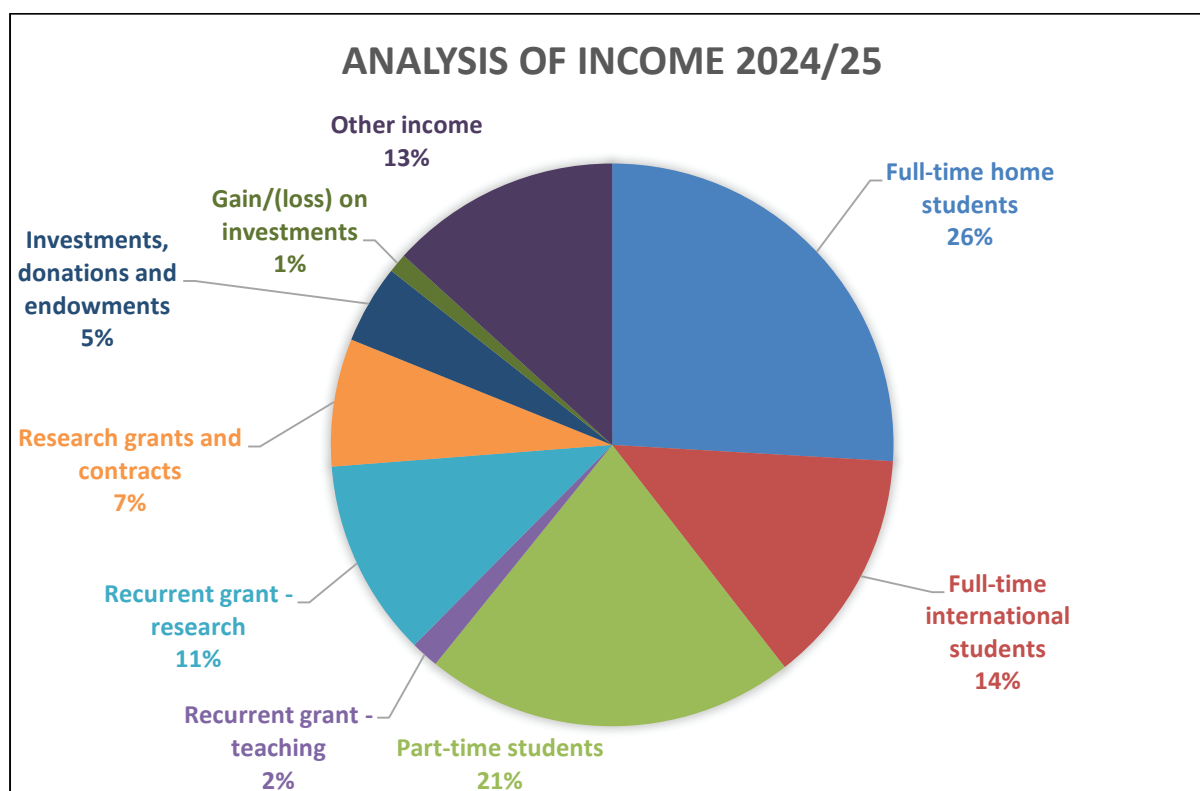


Chart 4: Analysis of income 2024/25

The recurrent teaching grant from the government continues to fall and fell by a further £0.6 million in 2024/25. Teaching grant now represents only 1.6% of total income in comparison with 47.5% in 2005/06. In contrast, income from tuition fees has risen from 25.7% in 2005/06 to 60.8% in 2024/25. Tuition income fell once again by £2.9 million this year to £60.5 million (2023/24: fall of £5.2 million to £63.4 million) - down from a peak of £79.5 million in 2020/21. 2020/21 saw a spike in applications from EU students wishing to benefit from the final year of UK government tuition fee loans and this increase was replaced by a significant reduction the following year as EU students had to pay their own fees – an outcome seen across the sector not just at Birkbeck. Falls in new undergraduate student numbers have a knock-on effect on future years as larger graduating cohorts of undergraduates are replaced by lower incoming groups of students. Table 3 highlights the cohort effect of lower incoming groups of undergraduates on the number of continuers from the new student peak in 2020/21.

	2020 (FTE)	2021 (FTE)	2022 (FTE)	2023 (FTE)	2024 (FTE)	2025 (FTE)
New undergraduates	1,804	1,868	1,307	1,360	1,207	1,339
Continuing undergraduates	2,862	3,088	3,215	2,857	2,515	2,340

Table 3: Cohort effect of falling undergraduate recruitment

Recurrent grant from Research England has been largely static for the last few years increasing by £0.2 million in 2024/25 (2023/24: fall of £1.4 million). Externally funded research activity fell by £0.5 million (2023/24: fall of £1.7 million) in part due to the impact on grant capture from having fewer research active staff – a consequence of the need to reduce staff costs in recent years. This fall in grant income is offset by a similar reduction in expenditure. The University recruited a new Deputy Vice Chancellor (Research, Knowledge Exchange and Innovation) in 2025 with part of their brief to re-focus bids to funders with a view to increasing research grant income.

STRATEGIC REVIEW (continued)

The University primarily provides teaching to its students in the evening and rents much of its space to other universities during the daytime. Income from lettings, catering and conferences fell by £0.1 million in 2024/25 but still represents 4.7% of total income (2023/24: 4.7%). As we increase the options available to our students by offering some daytime teaching events in the coming years rental income may begin to fall. Given our size we have been very successful in generating philanthropic income receiving £3.3 million in donations and endowments compared with £2.7 million the previous year. Some of this increased income will need to be spent in 2025/26.

Governors agreed the current investment strategy in 2019/20 which aims to support our core business activities, purchase of capital equipment, infrastructure improvements and our estates strategy. £10.0 million was invested in two externally managed funds with strong Environmental, Social and Governance criteria embedded in investment decision making. Both funds performed remarkably well and in November 2021 combined gains of £4.0 million were realised and converted into cash with both funds reset to £10.0 million. Equity markets fluctuate from year to year and investment income fell by £0.5 million in 2024/25 after growth of £0.5 million the previous year. The funds continued to grow with an unrealised gain in investments of £1.1 million (2023/24: unrealised gain of £1.4 million) being recorded. The University's Investment Committee commenced a review of our investment strategy during the year and expects to provide an update to Governors in 2025/26.

It is interesting to reflect on how Birkbeck's sources of income have changed over the ten years since 2014/15. Comparing Chart 3 with Chart 5 highlights the shift in income from part-time students and teaching grant (41% of total income in 2014/15 to 23% in 2024/25) and the increased reliance on full time students, both from the UK and overseas (26% of total income in 2014/15 rising to 40% in 2024/25).

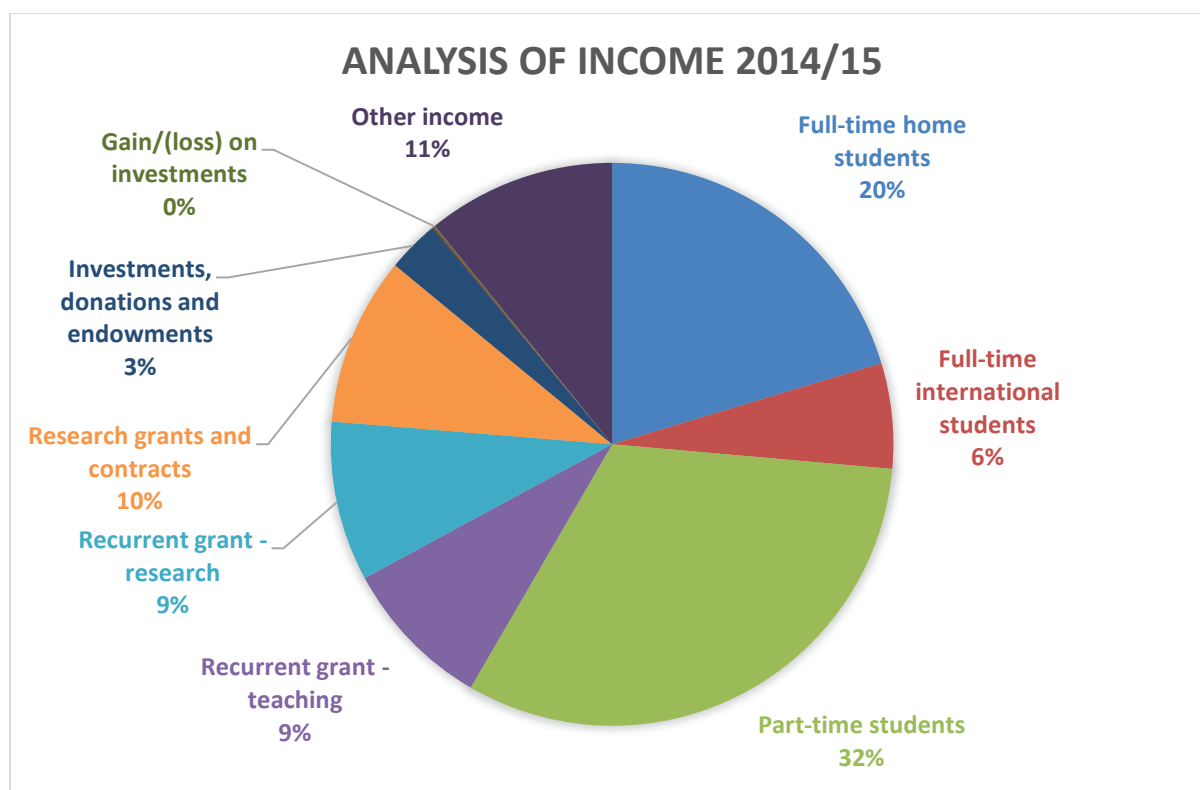


Chart 5: Analysis of income 2014/15

STRATEGIC REVIEW (continued)

Chart 6 highlights enrolment trends for our main categories of student since 2012/13 (the first year of higher student fee loans) and confirms the shift in the student body which underpins the change in source of income.

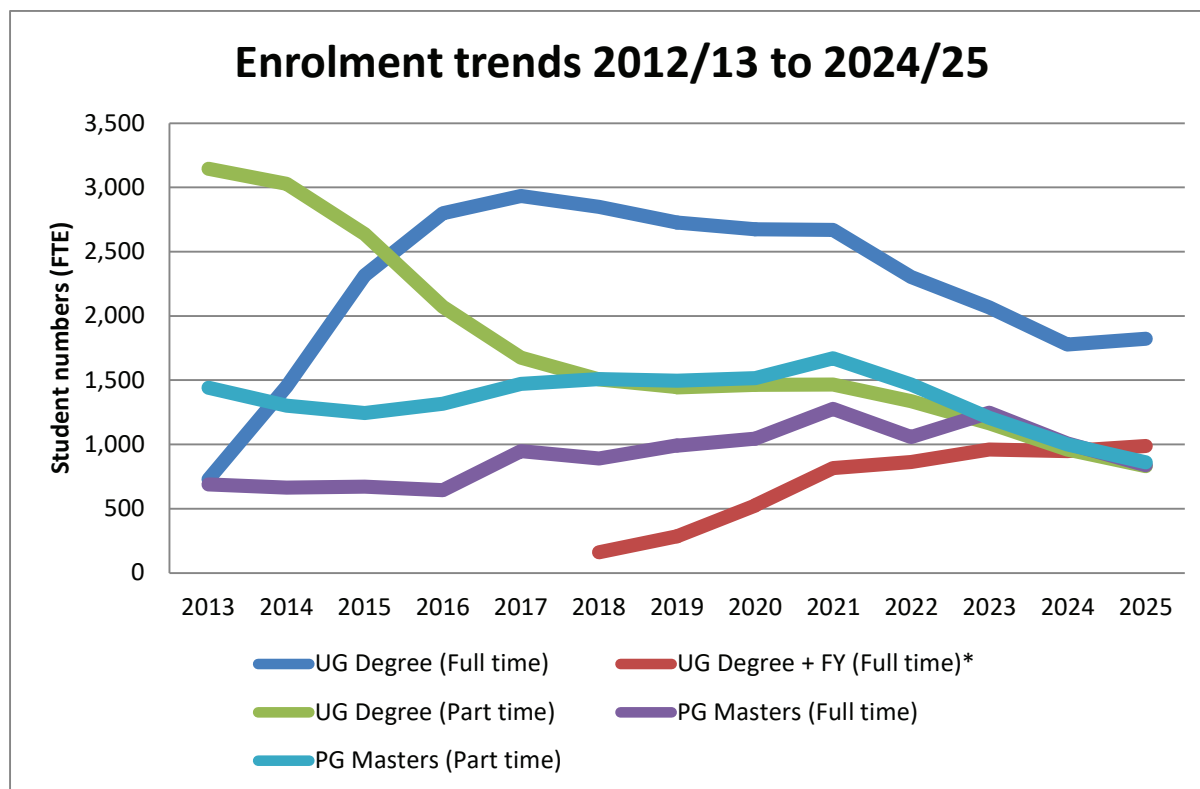


Chart 6: Undergraduate (UG) and postgraduate (PG) enrolment trends 2012/13 to 2024/25

*Undergraduate degree with a foundation year studied in a full-time mode

The dramatic decline in part-time undergraduate students since the government increased the maximum fee which universities could charge to Home undergraduates to £9,000 in 2012 appeared to have plateaued but further falls have now been experienced since the pandemic. The introduction of the Lifelong Learning Entitlement from 2027 may provide opportunities to reverse the trend. It is clear that re-skilling and up-skilling the UK workforce in key areas is a core part of both national and local government strategies and we will be developing new programmes and modes of delivery to further support the ambitions of part-time students.

Historically, postgraduate numbers have increased at points of economic downturn and this occurred again in 2020/21 as a direct consequence of the Covid pandemic. Lockdown restrictions clearly contributed to the significant rise in Home students commencing a Masters programme: students had time available to study so took the opportunity to study as a means to upskill or retrain with an eye on improving career prospects during a post-pandemic (and post-Brexit) recovery.

This increase was reversed in 2021/22 in part due to positive employment rates in London and the cost pressures of high inflation. Numbers reduced further with the total number of Home Masters students studying in 2023/24 standing 25.8% below the number in 2021/22 at 1,406 FTE. New enrolments in 2024/25 stabilised with signs of recovery appearing in 2025/26.

STRATEGIC REVIEW (continued)

International recruitment has fallen significantly across the sector at postgraduate level following the removal of the student dependents' visa. Although the change came into effect in January 2024, enrolment in October 2023 was adversely affected following the announcement of the change in May 2023. Chart 7 highlights the steep drop in international postgraduate enrolments since 2022/23 – a trend which has unfortunately continued into 2025/26 (noting that the 2025 Masters figure includes an estimate for the number who may enrol in January 2026).

International undergraduates have not been able to bring dependents to the UK whilst they study so the visa change had limited impact other than to re-enforce perceptions of negative sentiment towards international students. The number of undergraduate enrolments appears to have stabilised since the initial fall in 2023/24.

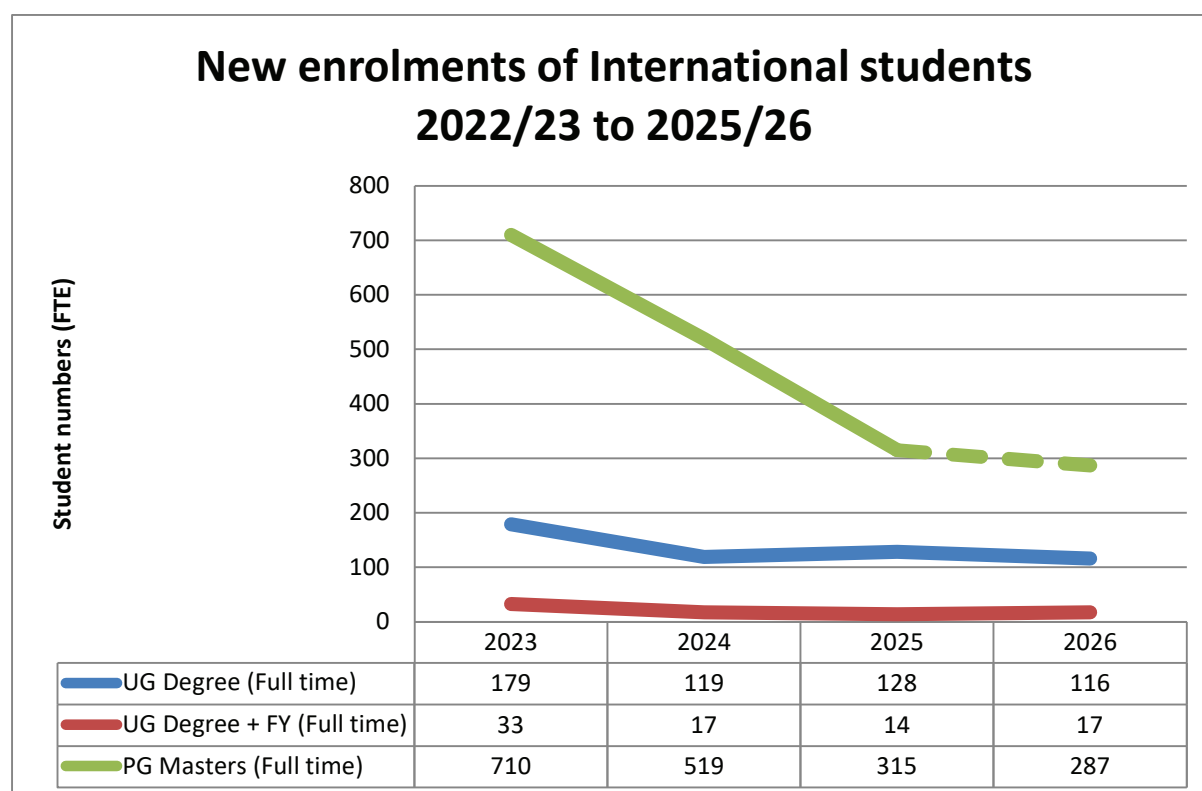


Chart 7: International student recruitment 2022/23 to 2025/26

The fixed home fee coupled with relatively high inflation has led to increased competition for international students from universities. Students have been accepted at higher tariff universities in recent years with a knock-on impact on other universities. The Government confirmed the introduction of a levy on universities in relation to international recruitment in the Autumn budget and a reduction in the post-study work visa from 18 to 12 months. It seems likely that the levy will adversely impact recruitment of international students when it is introduced in 2028/29.

Falls in new student enrolments coupled with the cohort effect of recruiting lower numbers of undergraduates has inevitably had an impact on total tuition income, despite Home postgraduate and international fees being increased in line with inflation each year. Table 4 summarises the change in income over the last five years since the peak in 2020/21.

STRATEGIC REVIEW (continued)

	2021 (£m)	2022 (£m)	2023 (£m)	2024 (£m)	2025 (£m)	Change 21-25
Full-time Home students	36.3	29.9	25.8	23.8	25.8	-28.9%
Full-time international students	10.1	12.3	17.4	16.5	13.5	33.7%
Part-time students	33.1	28.9	25.4	23.1	21.2	-36.0%
Total tuition income	79.5	71.1	68.6	63.4	60.5	-23.9%

Table 4: Change in tuition income 2020/21 to 2024/25

We have seen an upward trend in the number of students looking to complete a foundation year before progressing on to year one of a degree since we introduced the programme in 2018. The number of students recruited to a foundation year rose from 339 FTE in 2023/24 to 391 FTE in 2024/25. Many of our students return to study later in life and often did not achieve A-levels or equivalent whilst at school. We were extremely disappointed when the Government announced that from 2025/26 the maximum fee allowable for non-STEM foundation year provision would be £5,760 rather than £9,250. We believe that the foundation year is critical from an equality perspective and remain committed to delivering the programmes. This fee reduction largely erodes the positive financial impact of the inflationary increase in the maximum fee we are able to charge undergraduate Home students and will prolong our inability to invest in all the services we wish to provide.

Charts 8 and 9 summarise where our expenditure has been incurred.

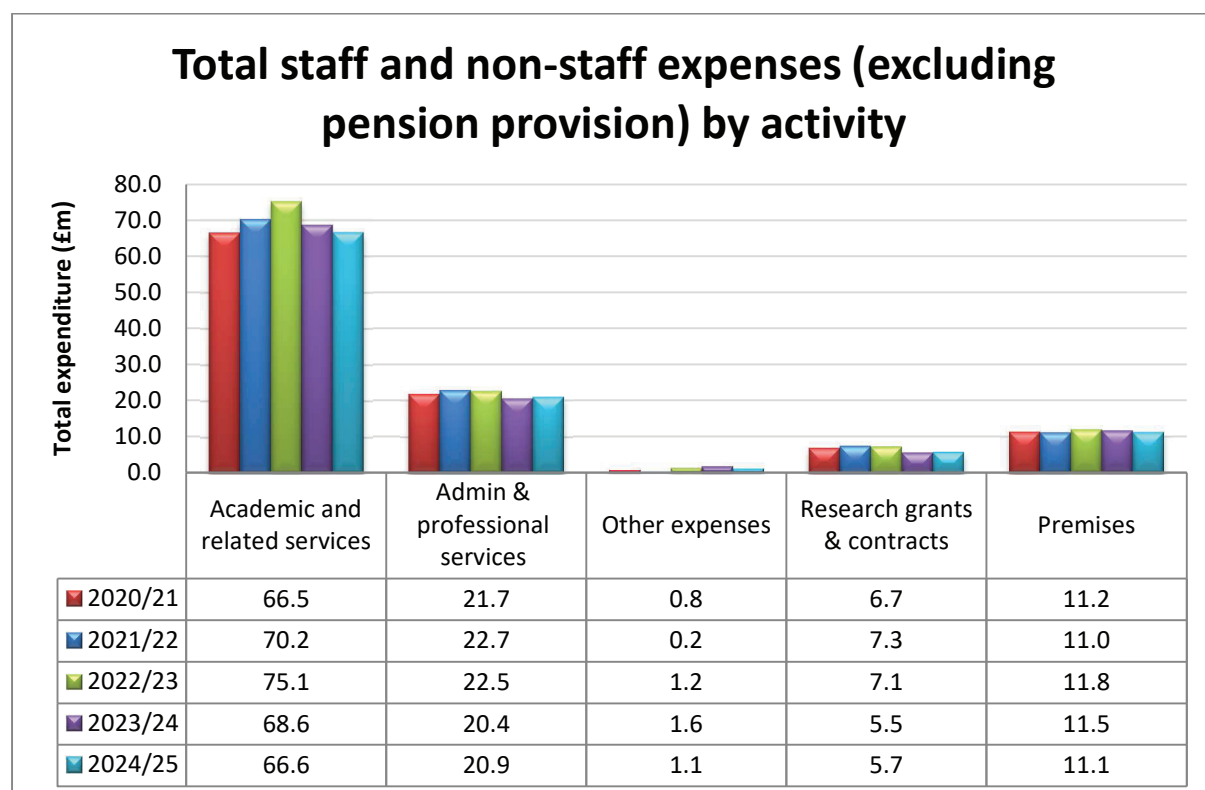


Chart 8: Expenditure by activity 2020/21 to 2024/25

STRATEGIC REVIEW (continued)

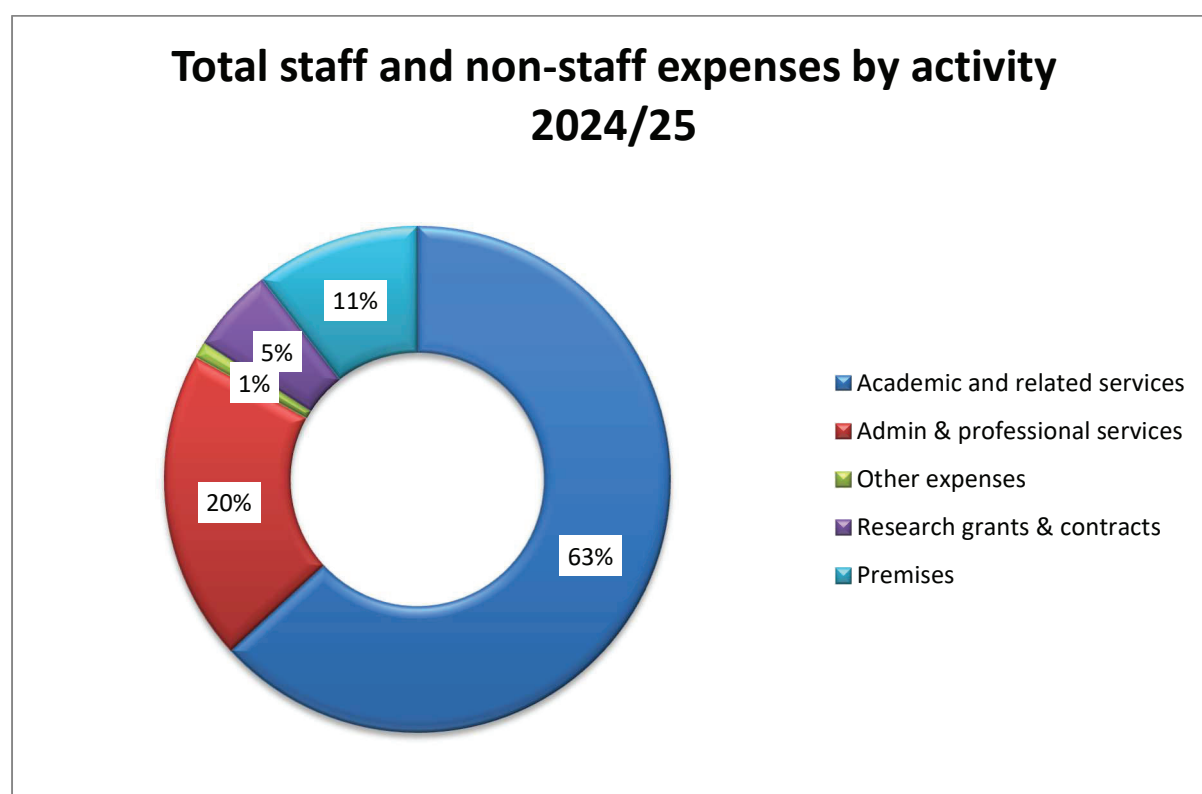


Chart 9: Analysis of expenditure 2024/2025

A significant proportion of our budget (63.2%) is focussed on academic and related services with 19.9% expensed on administrative and professional services. Premises costs fell by £0.4 million in 2024/25 as we had no choice but to restrict investment in infrastructure repairs and replacement as we managed the consequences of falling income. Despite the imperative to reduce costs in recent years we have done all we can to maintain a focus on resourcing academic and academic support areas.

The ratio of staff costs to total income (excluding movements in the pension provision and restructuring costs) is a helpful metric to review when considering financial sustainability. In general, restructuring costs should be included in this metric but are excluded from Table 5 allowing for better year-on-year comparison. The University does not own any student residences (which increase income without a corresponding material increase in staff costs) so this percentage remains one of the highest in the sector.

STRATEGIC REVIEW (continued)

	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m
Gross salaries	73.3	73.9	75.4	74.6	75.4	69.2	69.0
Movement on pension provision	20.5	(14.9)	(0.1)	20.3	(9.5)	(29.7)	-
Restructuring costs	3.3	0.3	0.5	2.5	3.9	1.2	0.9
Total expenditure on salaries	97.1	59.3	75.8	97.4	69.8	40.7	69.9
Gross salaries (excluding movement on pension provision and restructuring costs) as a percentage of total income	69.5%	68.0%	64.0%	68.9%	68.4%	67.6%	70.1%

Table 5: Change in underlying staff costs as a percentage of income 2018/19 to 2023/24

Tuition fees and education contracts provided 63.4% of total income in 2024/25 (2023/24: 64.3%) whilst staff costs (excluding pension provision and restructuring) represent 70.1% of total income (2023/24: 67.6%). With historic capping of the Home undergraduate fee, the annual increase in staff costs through promotions, incremental drift and pay award created a mismatch between the inflationary increase in income and the additional staff costs. Although the home fee increased for the 2025/26 academic year (with confirmation from the Government that the fee will also increase by inflation for at least the following two academic years) staff cost inflation will continue to outstrip tuition income inflation until tuition income per annum exceeds staff costs.

Until 2017/18, the trajectory of our main source of income was tracking the rise in staff costs and the University delivered regular surpluses. A post-Brexit referendum fall in students enrolling from the EU coupled with increasing pension costs switched this around as indicated in Chart 10 and directly led to the underlying deficit in 2018/19. We saw a significant switch back in 2020/21 due to the pandemic-influenced spike in tuition income and a surplus was delivered. Unfortunately, the fall in new student enrolments since coupled with high inflation has moved us into a position of worsening underlying deficit.

STRATEGIC REVIEW (continued)

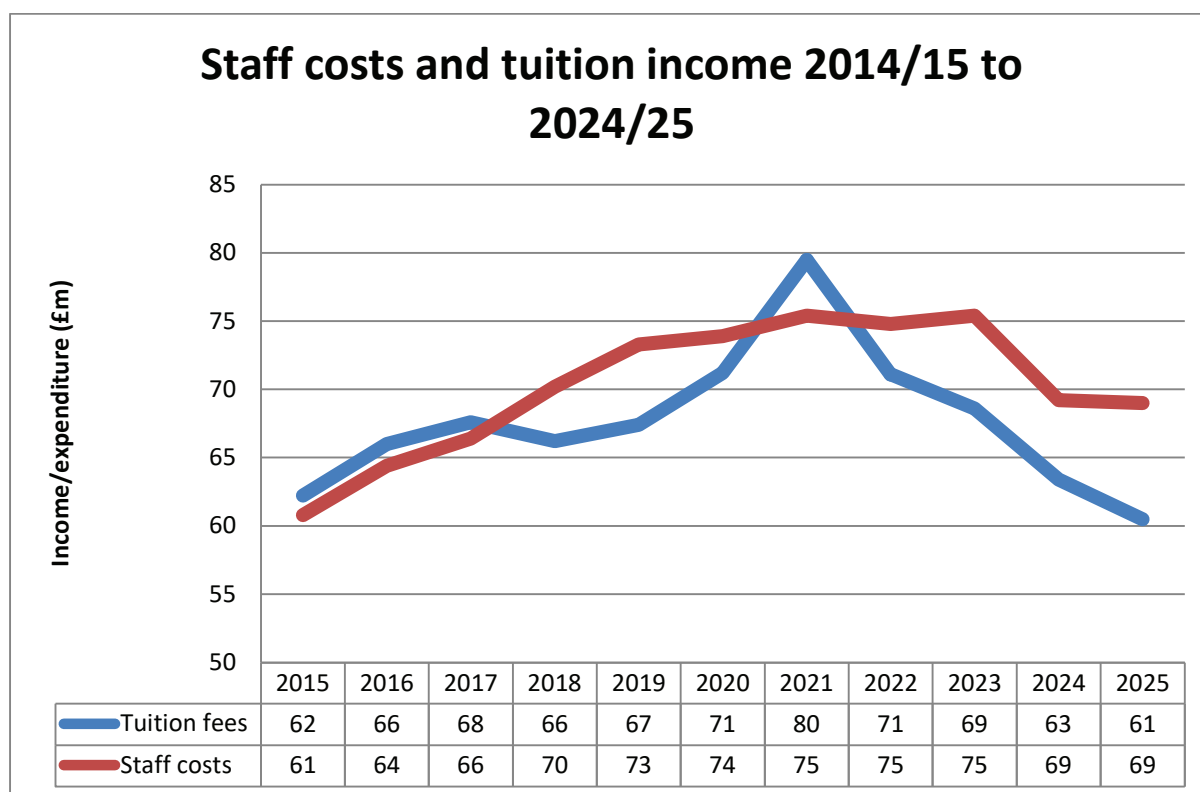


Chart 10: Staff costs (excluding pension provision and restructuring) and tuition income 2014/15 to 2024/25

Chart 10 graphically illustrates the financial challenge the University faces: with a heavy reliance on tuition income, and a historic inability to increase the Home tuition fee, the University needed to increase student numbers each year to offset cost inflation. Year on year falls in student numbers and income meant that we had to make difficult choices and reduce our staff establishment. Taking a phased approach over two years, staff costs were reduced by over £11.0 million through a combination of voluntary severance, early retirement and vacancy management (albeit that inflation and other increases have partly eroded the underlying saving). Having reduced our staff costs as far as possible our strategy for recovery relies on income growth.

Unlike a number of universities, we continue to apply the sector pay award in full when it is announced. We also remain committed to paying the London Living Wage from the first day of the month following the announcement of any increase. Tight management of vacancies allowed us to keep our annual expenditure on staff flat in 2024/25.

Non-staff cost budgets were reduced in early 2025 to help offset the fall in tuition income. Budget managers adapted and carefully monitored their spend plans identifying further savings throughout the year. By the year end, savings of £2.2 million were achieved against budget from delaying or reducing planned activities with total operating expenditure £1.5 million lower than in 2023/24. Although non-staff costs continue to be carefully managed, continuing to delay infrastructure and other projects increases risk of failure and cannot continue indefinitely.

STRATEGIC REVIEW (continued)

Financial sustainability

Table 6 brings together some key pieces of financial data for the University from the last four years.

	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Total income A	108,248	110,284	102,415	98,417
Total comprehensive (expenditure)/ income for the year	(10,765)	1,886	24,798	(6,784)
Total comprehensive (expenditure)/ income as a percentage of total income	(9.9%)	1.7%	24.2%	(6.9%)
Total expenditure	131,731	108,152	79,058	106,254
Adjust for restructuring costs*	(2,518)	(3,872)	(1,240)	(885)
Adjust for change in pension liability	(20,418)	8,226	29,044	-
Adjusted total expenditure B	108,795	112,506	106,862	105,369
Adjusted deficit before other gains and losses A-B	(547)	(2,222)	(4,447)	(6,952)
Adjusted deficit as a percentage of total income	(0.5%)	(2.0%)	(4.3%)	(7.1%)
Non-current assets	145,730	142,885	141,635	144,946
Cash plus current investments	32,543	30,013	25,475	13,381
Payments to acquire fixed assets	6,341	3,356	3,032	8,159
Net cash inflow/(outflow) from operating activities	6,037	(1,299)	(5,031)	(4,104)
Operating cash as a percentage of total income	5.6%	(1.2%)	(4.9%)	(4.2%)
Investments (long-term)	19,740	19,572	21,231	22,345
Cash plus current and long-term investments	52,283	49,585	46,706	35,726
Investments (long-term) as a percentage of cash plus total investments	37.8%	39.5%	45.5%	62.5%
Net pension liability	(37,270)	(29,044)	-	-
Total net assets	97,621	99,507	124,305	117,521

Table 6: Key financial data for the University 2021/22 to 2024/25

* Restructuring costs are excluded from total expenditure to allow for better year on year comparison

STRATEGIC REVIEW (continued)

Total income has been impacted over recent years by Brexit, the Covid pandemic and relatively high inflation with international students also having to contend with adverse currency fluctuations and the removal of the student dependent visas. Total tuition income fell by £2.9 million in 2024/25 with the main contributory factor being a further fall in international student income. Having reduced staff and non-staff costs in the last few years we now need to increase income.

2024/25 saw signs of recovery in Home students and this has continued into 2025/26 (albeit that this improvement has been partly offset by a further fall in international student numbers – see Chart 7). Charts 11 to 14 provide offer and enrolment data for our four main categories of Home students since 2020/21.

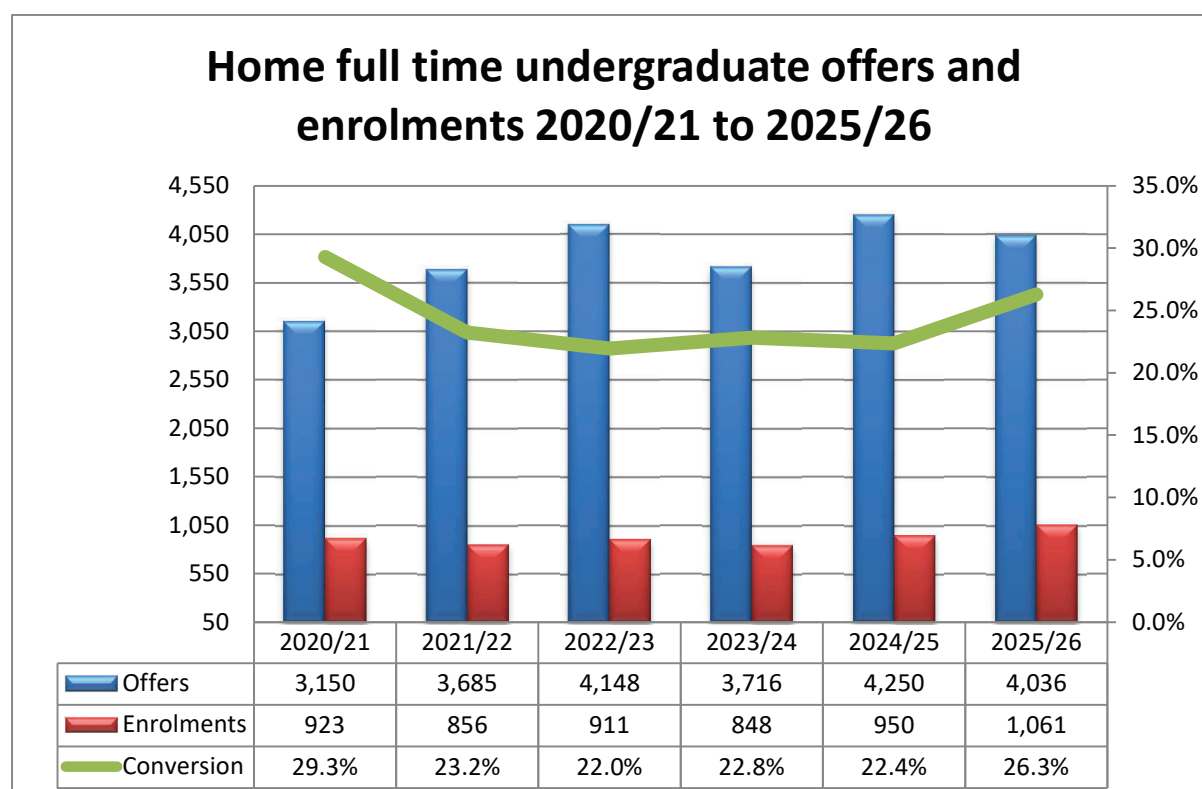


Chart 11: Home full-time undergraduate conversion 2020/21 to 2025/26 (inclusive of students studying a foundation year)

Full time undergraduate recruitment has been successful, building on the gains achieved in 2024/25. Our headline entry tariff was increased this year from 96 UCAS points to either 104 or 112 (depending on programme) which likely impacted the number of applications and offers but it is good to see that the focus we put on improving conversion rates paid off. Early indications from our pilot programmes suggest that offering flexibility to study in the afternoon as well as (or instead of) our traditional evening mode of delivery is popular with only 32% of full-time undergraduates on these courses now opting for evening or mainly evening.

STRATEGIC REVIEW (continued)

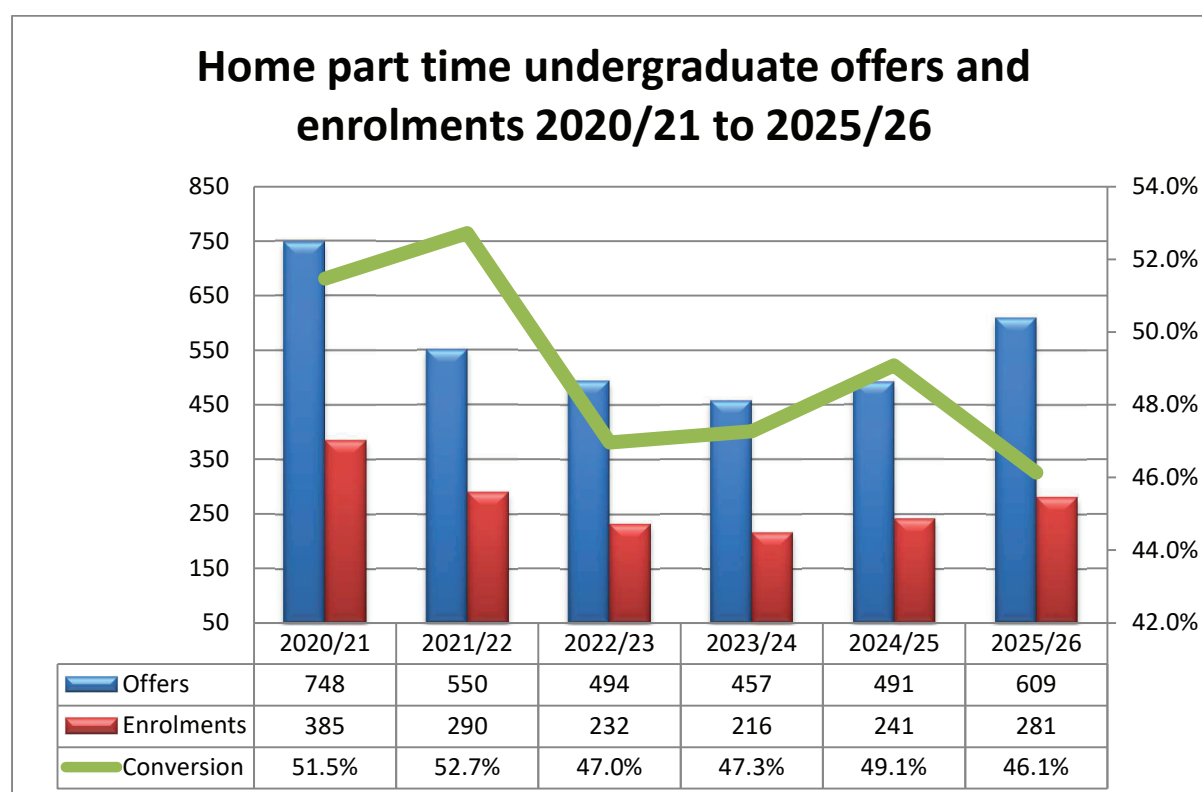


Chart 12: Home part-time undergraduate conversion 2020/21 to 2025/26 (inclusive of students studying a foundation year)

Chart 6 clearly indicates the decline in part-time study since tuition fees were trebled to £9,000 in 2012 and despite a short period of stability between 2018 and 2021 numbers have fallen further since. It is pleasing to see that what was once our core market historically has shown increased offers and enrolments in each of the last two years from the low point for new starts in 2023/24. With many students now having to undertake some form of work to support their studies it is possible that this is having a positive impact on part time study. For part-time students on the more flexible pilot programmes the preference for evening or mainly evening teaching is higher than for full time at 59%.

STRATEGIC REVIEW (continued)

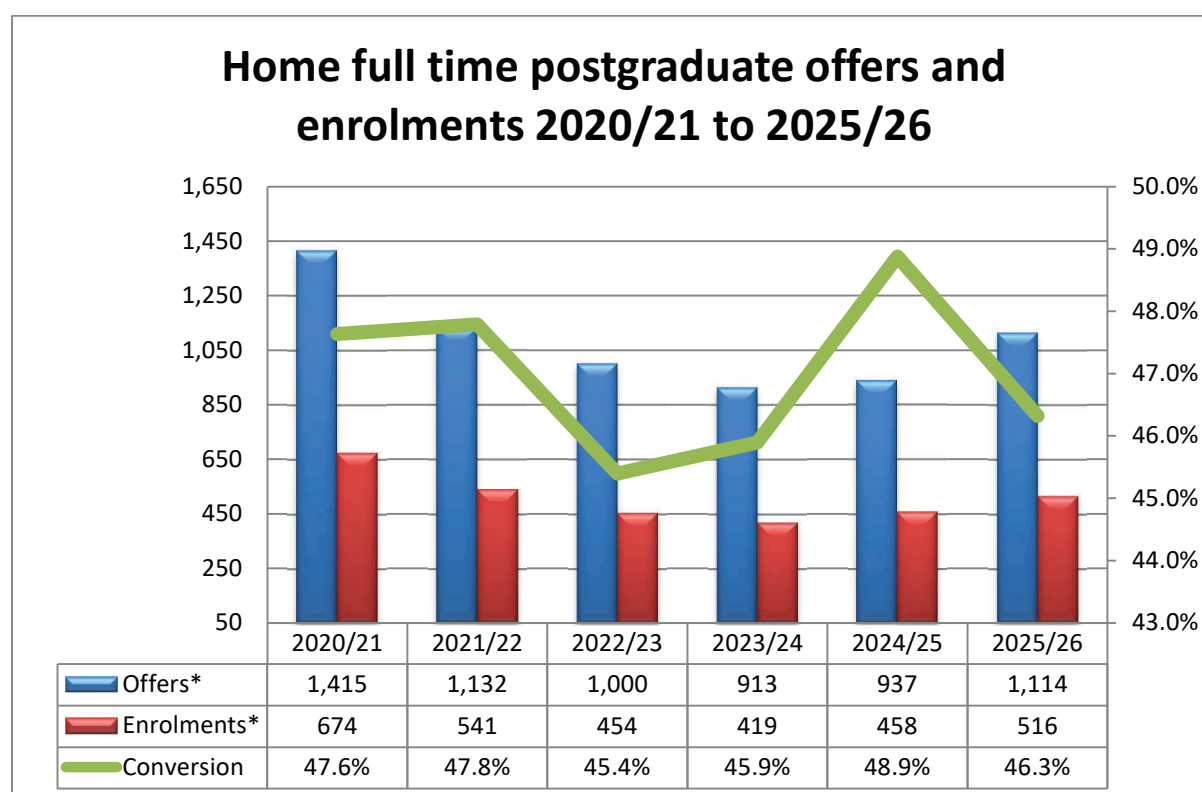


Chart 13: Home full-time postgraduate masters conversion 2020/21 to 2025/26 (excludes January 2026 enrolments)

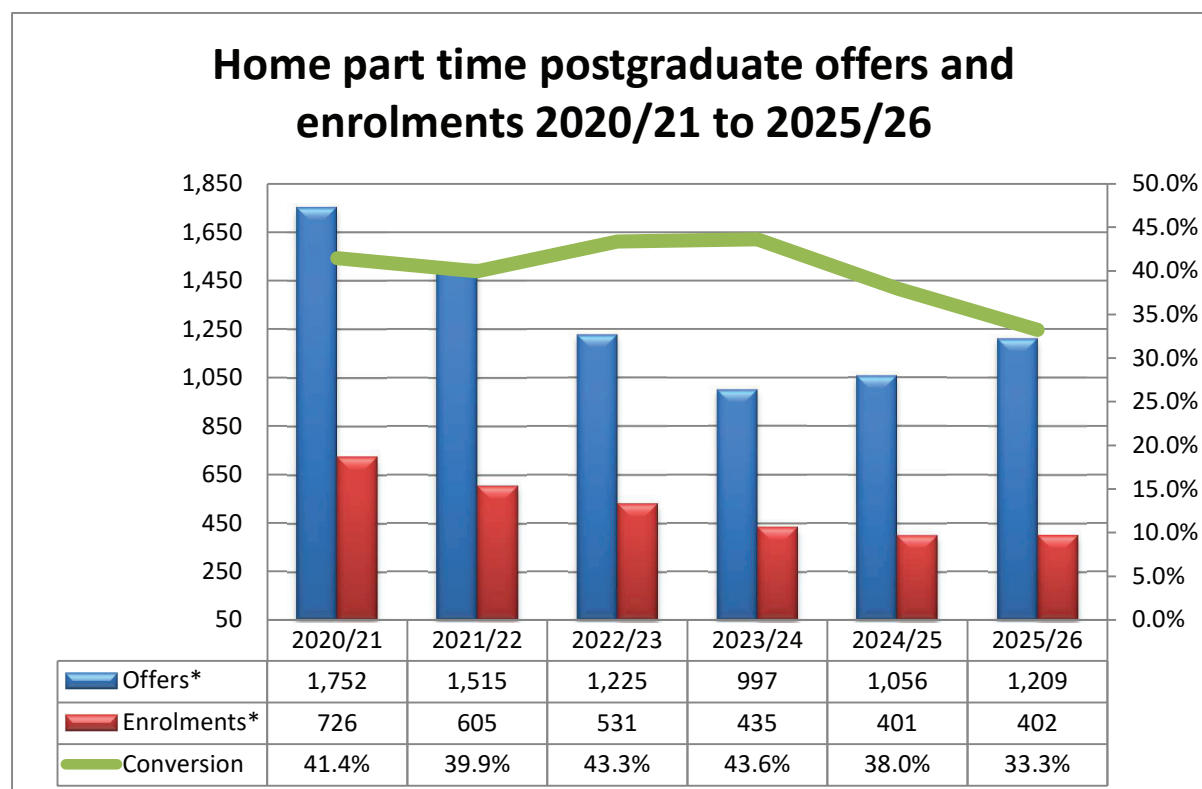


Chart 14: Home part-time postgraduate masters conversion 2020/21 to 2025/26 (excludes January 2026 enrolments)

STRATEGIC REVIEW (continued)

Full time postgraduate taught enrolments have already exceeded the total for 2023/24 by 12.7% on the back of a 9.3% increase in 2024/25. Table 13 includes 57 students who commenced their programme in January 2024 and 66 January 2025. An assumption that 70 students will be enrolled in January 2026 will result in a new postgraduate intake which is 39.9% larger than the low point in 2023/24. Part-time postgraduate students have fallen annually over the period despite an increase in offers in 2024/25 and 2025/26. Factoring in an additional 50 students to enrol in January 2026 (same as January 2025) will break the cycle and deliver an increase of 12.7%. Postgraduate recruitment is susceptible to changes in the economy and historically has been cyclical with significant growth in numbers during periods of economic downturn. It is hoped that the growth we have achieved in 2025/26 is a result of our strategy to flexibility.

Each year, staff costs increase due to the national pay award, incremental drift and promotions and historically we have needed to aim for growth in student numbers simply to counter the fixed unit of resource for Home undergraduate students. An increase in the Home fee for 2025/26 is a step forward but unfortunately the financial benefit to us has been offset by a reduction in the maximum fee chargeable for non-STEM foundation years. The government recently announced further inflationary increases in the undergraduate fee for 2026/27 and 2027/28 (although no increases in fee for the foundation year) but has also indicated in its white paper an intention to introduce a 6% levy on international students. If the levy is introduced it is likely that we will still need to increase student numbers to offset cost inflation.

Having already restructured our staff base income growth is now the priority. Our focus will be to build on the growth achieved in 2025/26 and recover international. This will be delivered by:

- Expanding HyFlex teaching to allow time poor students with careers and other responsibilities the option of studying either remotely or on-site. This should improve both recruitment and retention;
- Enhancing more of our programmes at both undergraduate and postgraduate level so that students have a choice of options across the afternoon and evening. The opportunity to study in the afternoon rather than the evening is already proving to be attractive for a significant number of Home students and may be attractive to international students; and
- Introducing placements, micro-placements and specialist facilities such as the OfS funded Birkbeck Centre for Creative AI due to open in 2026.

In addition, we are building a portfolio of partnerships both in the UK and overseas to help diversify and increase our income. A Joint Education Institute with Nanjing University of Aeronautics and Astronautics was approved in 2025 and recruited its first cohort of undergraduate students in October. Masters programmes will be delivered from 2026 and we expect to welcome the first group of students to the UK for their study abroad year in 2027. A number of other discussions are at an advanced stage with further agreements expected to be signed over the coming year.

Although we posted an underlying deficit once again, we are confident that we will be able to increase income over the next few years whilst also keeping costs down. We do not have any loans so are not pressured by financial covenants during a period of recovery. Our Balance Sheet strengthened in 2023/24 due to the removal of the pension liability to USS and we continue to invest in Estates projects to improve the student experience. Total cash plus investments fell by £11.0 million to £35.7 million at the year end. The cash reserves provide a buffer which will allow us a period of time to turn the deficits around. Reversing the gap between tuition income and staff costs (£8.5 million in 2024/25) remains the priority and income growth rather than further major restructures will return us to a break-even position. A review of downside scenarios (including stress test) indicates that the University remains a going concern.

STRATEGIC REVIEW (continued)

Risk Management

An effective approach to risk management is seen by the University as an essential element of corporate governance. We provided a full compliance statement on internal control last year and will continue to do so.

The internal auditor planned to undertake six reviews during 2024/25 in order to assist our Audit Committee in reaching an opinion on the adequacy and effectiveness of the institution's arrangements for: risk management; control & governance; financial sustainability, quality of data; economy, efficiency & effectiveness (value for money). A review of cybersecurity was delayed until 2025/26.

A single high priority recommendation was made in relation to Faculties & Schools formal reporting on their performance against key performance indicators (KPIs). Audit Committee noted that the Planning Department was engaging with Schools with regard to quantitative KPIs and asked for KPI review and action planning to be included as part of regular risk management processes.

	Assurance rating
Student income debt recovery	Significant assurance with minor improvement opportunities
Devolved controls	Partial with improvements required
Strategy: KPIs	Partial with improvements required
Student retention & completion	Partial with improvements required
TRAC	Significant assurance with minor improvement opportunities

Table 7: Summary of internal audit reviews during 2024/25

STRATEGIC REVIEW (continued)

The University Risk Management Policy explains the underlying approach to risk management and documents the roles and responsibilities of the governing body, the Audit Committee, University management groups and other key parties. It also outlines key aspects of the risk management process and identifies the main reporting procedures. The University has reviewed its approach to risk management to strengthen risk ownership and to improve Birkbeck's ability to identify and assess significant risks and respond to them quickly and effectively. It has been making regular reports on this to Audit Committee.

The top-level Risk Register is compiled by senior management and overseen by a Risk Management Group comprising the principal risk owners. Each risk owner is responsible for a risk register for their risk area in which current and potential future risks are identified and evaluated together with the controls in place to mitigate them. Governance and oversight for each risk area is provided by the relevant University committee or management group. The risks are monitored by Audit Committee and Governors.

Risks are assessed and scored using gross and net likelihood and impact scores. Gross scores indicate the magnitude of the risk without successful controls, and net scores take into account the impact of management interventions. Risk scores are divided into low/green (below 9), medium/amber (9-12.5) and high/red (12.5+). The maximum risk score which can be achieved (highest impact and likelihood) is 25.

The top two risks are that income from on-campus student recruitment is insufficient and that our costs exceed total income. The financial risk has escalated due to lower student numbers in recent years coupled with inflation at an historic high level in 2023. The underlying risk factors plus the actions taken and to be taken to mitigate the risks have been discussed in this Strategic Review. Although the University is forecasting underlying financial deficits for the next few years as it looks to recover student numbers, we have modelled the impact of not achieving or partially achieving our plans. Downside stress testing indicates that we will remain solvent, however, liquidity will need to be managed closely. Monthly cash flow reports and management accounts are prepared and reviewed by management to help identify emerging risks at the earliest opportunity.

Our Estates and IT teams have developed detailed risk registers for their areas of responsibility which have been reviewed termly by the Strategic Estates & Infrastructure and Digital committees respectively. IT have worked on improving staff understanding of good password management whilst also enhancing the security and monitoring of software and infrastructure. Our Estates team is currently developing plans to ensure that we meet our obligations under "Martyn's Law" recently approved by Parliament to increase preparedness for, and protection from, terrorist attacks at public venues. Disaster recovery and cyber resilience is likely to remain a significant risk indefinitely due to the adaptability of those looking to breach security arrangements.

Recognising that organisational change and delivery of recovery plans are themselves a risk, in mitigation we increased the range and frequency of project and management oversight groups. The Vice-Chancellor now chairs weekly meetings of the University Strategy Board (USB) which includes the DVCs, PVC, Chief Financial Officer, Chief Information Officer and College Secretary. Executive Deans, Heads of School and Professional Service Directors join the members of USB once a month at the University Delivery Board (UDB). The Vice Chancellor also chairs a termly meeting of a wider group of senior managers which includes all members of UDB plus Faculty Heads of Teaching and Research and senior professional services Directors who do not attend UDB. These meetings aim to ensure that priority recovery initiatives as well as general compliance and business activity progress as expected. A range of sub-committees support the work of the University including identification and mitigation of risks.

STRATEGIC REVIEW (continued)

Public Benefit Statement

The University Charter updated 25 May 2023 states:

“The objects of Birkbeck shall be to promote for the public benefit and to provide for persons who are engaged in earning their livelihood during the daytime and other persons, education, instruction and means for research and such facilities as may be deemed appropriate, in subjects determined by the Governors, advised by the Academic Board.”

As an exempt charity within the meaning of the Charities Act 2006 (updated 2011), we are required to demonstrate how our activities are of benefit to the public. The Governing Body has regard to the Charity Commission’s guidance on public benefit and meets these requirements in the following manner.

The advancement of education

The Charities Act 2006 (updated 2011) determines that for education to be a charitable aim for the public benefit it “must be capable of being ‘advanced’”. This means to promote, sustain and increase individual and collective knowledge and understanding of specific areas of study, skills and expertise.” It goes on to note that education includes “formal education, training (including vocational training) and life-long learning, research and adding to collective knowledge and understanding of specific areas of study and expertise [and] the development of individual capabilities, competences, skills and understanding”.

The Charter and mission statement align with this charitable purpose which underpins everything we do.

In addition to our contribution to the advancement of education from teaching, our success in driving forward research directly contributes to a number of the public benefit criteria outlined in the Charities Act. The following table summarises our research income over the last four years:

	2021/22	2022/23	2023/24	2024/25
Recurrent research grant from Research England (£m)	11.3	12.5	11.1	11.3
Research grants & contracts (£m)	9.3	9.5	7.8	7.3
Total research income as a percentage of total income	19.0%	20.0%	18.5%	18.9%

Table 8: Research income trends

Income from research grants and contracts is released in line with progress on the projects. A new Deputy Vice Chancellor for Research, Knowledge Exchange & Innovation was appointed in 2024/25 to implement plans to take us forward to REF 2029. In addition to maintaining our REF standing for breadth of quality across the institution the new role holder will focus on increasing both the income generated from external research grants and the contribution towards overheads.

STRATEGIC REVIEW (continued)

Whilst our core mission underpins the advancement of education this in turn can have a profound impact on wider public benefits.

The Act notes that “in current social and economic circumstances, poverty includes many disadvantages and difficulties arising from, or which cause, the lack of financial or material resources ... [and] can both create, and be created by, adverse social conditions, such as poor health and nutrition, and low achievement in education and other areas of human development.” It goes on to state that “the [Charity] commission recognises that many charities that are concerned with preventing or relieving poverty will do so by addressing both the causes (prevention) and the consequences (relief) of poverty.” This section explains how our mission contributes to the prevention or relief of poverty through the provision of education. It also describes our more widespread support for students with a diverse range of characteristics.

The University delivers flexible teaching with options for study in the afternoon and the evening, retaining our historic mission to educate working Londoners. We are proud to be a university that opens its doors to people who may otherwise not be able to study. We have maintained our commitment to enabling access for mature students, whilst also diversifying and increasing the number of younger students, through our full-time undergraduate degrees. We continue to be a widening access institution and a significant voice for the high proportion of our students coming from under-represented groups.

We introduced a foundation year in 2017/18 to provide non-traditional students without strong A level grades a route into our undergraduate programmes with numbers steadily increasing to 1,024 FTE in 2024/25 (2023/24: 981 FTE). During 2024/25 49% of our students recorded their ethnicity as non-white (2023/24: 42%), 42% male (2023/24: 43%), 27% declaring a disability (2023/24: 25%) and 59% over the age of 25 (2023/24: 62%). We are proud to offer an opportunity to groups of students which may be denied to them elsewhere and remain committed to driving this agenda in the higher education sector.

Our student body has a high proportion of part-time and mature students. Many of our students have non-traditional qualifications and high proportions of students have low income, are from ethnic minorities or have a disability. The vast majority of students live and work in London. 96% of our part-time students (2023/24: 97%) and 65% of full-time students (2023/24: 70%) are over 21. We provide an opportunity for students who wish to combine evening university teaching with daytime work and, therefore, offer opportunities for students who otherwise would not be able to study. Over recent years we have seen a steady increase in the number of full-time undergraduates aged 21 or under choosing to study at the University suggesting the ability to mix education and work is increasingly attractive to younger students.

The opportunity for non-traditional students with careers and other responsibilities is being enhanced through both the introduction of HyFlex teaching and teaching in the afternoon. Students on an increasing number of programmes can now study in a mode and at a time that suits their needs recognising that changes in working patterns post-Covid have been significant. The flexibility to study when and where is convenient for the student (rather than our staff) may also open opportunity based on student location given the fact that students will no longer be required to attend all their lectures on site in Bloomsbury.

STRATEGIC REVIEW (continued)

In recent years, higher tuition fees, the absence of maintenance loans, and debt aversion have resulted in lower recruitment onto our part-time programmes. We are pleased to see that government policy is re-focussing on lifelong learning and increasing the range of study modes for mature students, including part-time study. We are also delighted that the government are aiming to reintroduce non-repayable maintenance grants to support financially disadvantaged students by the end of the current parliament. Our own strategic shift to more flexible delivery also appears to have improved part-time recruitment in the last couple of years after a period of decline. Despite the challenges faced by the part-time sector our outcomes regarding access to higher education continue to be strong and demonstrate an institution-wide commitment to working with non-traditional students. We plan to continue with our current approach on access.

Many of our students work during the day and have families. These critical life factors inevitably challenge our students and this is reflected in our continuation rates. Through the pandemic, the move to on-line was welcomed as it enabled our students to study when time allowed. To ensure that working students with other life priorities can continue to engage with higher education and succeed moving all our programmes towards HyFlex delivery will not only provide increased opportunity but also improve retention and outcomes. This change in pedagogy has been facilitated by upgrades to the AV and IT of all classrooms across our estate. This £8.0 million project was supported by £3.0 million of capital funding from the Office for Students with the majority of classrooms able to teach in a HyFlex mode from the start of the 2025/26 academic year.

Detailed information on the ways that we provide support to our students can be found in the University's Access and Participation Plan. Further details are provided in Note 9 to the Annual Accounts.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

This Statement of Corporate Governance and Internal Control relates to the financial year ending 31 July 2025 and the period leading up to the approval of the financial statements in December 2025.

Birkbeck is a university registered by the Office for Students. Its legal status derives from a Royal Charter originally granted in 1926 and confirming university status in 2023. Birkbeck is a College of the University of London and an educational charity with exempt status, applying its charitable purposes for the public benefit. Its objectives, powers and governance framework are set out in its Charter and Statutes and Standing Orders.

Birkbeck has a public interest duty to conduct its affairs in a transparent and responsible way, in accordance with the Nolan principles, to meet the regulatory requirements of relevant statutory bodies. Birkbeck complies with the Higher Education Code of Governance published by the Committee for University Chairs.

In accordance with the Charter and Statutes, the governing body is responsible for exercising the powers of the University. The governing body ("Governors") has oversight of Birkbeck affairs and is responsible for ensuring effective operation, management and internal control. Governors review this statement of corporate governance and internal control arrangements annually and it is published as part of the Annual Accounts.

Leadership

The Vice-Chancellor is the University's Chief Executive and principal academic officer. The Vice-Chancellor is also the Accountable Officer for the purposes of the Higher Education and Research Act 2017.

The governing body has delegated authority to the Vice-Chancellor for the academic, corporate, strategic and financial management of the University. The Vice-Chancellor is a member of the governing body and chair of the Academic Board. The Vice-Chancellor also chairs the University Strategy Board.

Governance

Governing body

The governing body of the University, known as Governors, is also its board of charitable trustees, and is responsible for the strategic development and overall achievement of Birkbeck's mission and purposes and for all areas of its operation. It comprises independent members, students, alumni and employees appointed under the Statutes, the majority of whom are non-executive. The Vice-Chancellor and designated Deputy Vice-Chancellor are Governors ex officio. Students, staff and alumni are elected. There is a majority of independent members appointed by the Nominations Committee, which includes the Chair and Deputy Chair of the Governing Body.

Governors provide a register of interests and a declaration that they are fit and proper persons.

The Clerk to the Governors is appointed by, and responsible to, the Governors for the operation and conduct of Birkbeck's governance structures, ensuring effective processes are in place to provide assurance and to ensure compliance with the Charter and Statutes and external regulatory and legal requirements.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)

The powers and functions of the Governors are set out in the Charter and Statutes. The matters specially reserved to the Governors for decision are set out in the Charter and Statutes and the Governors' Statement of Primary Responsibilities. They include:

- approval and monitoring of major strategic initiatives;
- approval of the annual budget, financial forecasts and the annual audited accounts;
- compliance with the Office for Students' ongoing conditions of registration and terms and conditions of funding;
- confirming assurance of regularity and propriety in the use of public funding;
- appointment of the Vice-Chancellor, Clerk to the Governors, internal and external auditors and independent governors; and
- review of governing body effectiveness.

Powers delegated by Governors to other bodies and individuals are also defined in the Governors' Statement of Primary Responsibilities.

Governors' committees

The Governors' committees, including Finance & General Purposes Committee, Audit Committee, Nominations Committee, Strategic Estates & Infrastructure Committee and Digital Committee, have Governor members, make formal reports to Governors and have terms of reference approved by Governors.

Finance & General Purposes Committee

The Finance & General Purposes Committee (F&GPC) is responsible for advising Governors on all financial matters including strategic financial planning and budgetary oversight. It reviews and recommends to the Governors Birkbeck's annual revenue and capital budgets, financial forecasts and financial regulations.

F&GPC considers financial strategy in the context of long-term sustainability. It plays a pivotal role in assessing Birkbeck's financial viability and confirming its status as a going concern. Its conclusions inform the Audit Committee's and the Governing Body's assurance processes in relation to the approval of the Annual Accounts.

F&GPC has established an Investment Committee to be responsible for the University's investments on its behalf.

Audit Committee

The Audit Committee is constituted in line with guidance issued by the Committee of University Chairs and comprises wholly independent members. Senior University executives attend meetings but are not members. The External and Internal Auditors have independent access to the Audit Committee, and vice versa.

Audit Committee provides independent assurance to the Governing Body on the adequacy and effectiveness of Birkbeck's arrangements for risk management, internal control, and governance. It considers reports from internal and external auditors, monitors the implementation of audit recommendations, and reviews compliance with relevant regulatory and funding requirements. The Committee is responsible for satisfying itself - and advising the Governing Body - that appropriate arrangements are in place to secure economy, efficiency and effectiveness, ensuring value for money. It also evaluates Birkbeck's compliance with the expectations of external funding and regulatory bodies.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)

Audit Committee considers the financial assessments and recommendations provided by F&GPC and the external auditors. It provides its own opinion to the Governing Body on whether the Annual Accounts present a true and fair view and whether the University has adequate arrangements in place to continue as a going concern.

Audit Committee's role in relation to risk oversight and assurance is set out below.

Nominations Committee

The Nominations Committee considers independent governor appointments and the membership of the Governors' committees. Recommendations to the Governors take into account the balance of skills, knowledge and experience of members and are based on assessment against objective criteria. Nominations Committee also considers issues of succession planning and diversity within the Governing Body and confirms the appointment of the Chair and Deputy Chair of Governors annually. This year Nominations Committee considered and recommended to Governors the appointment of a new Chair of Governors.

Strategic Estates & Infrastructure Committee

The Strategic Estates & Infrastructure Committee (SEIC) is responsible for overseeing and advising Governors on the development and ongoing review of the University's estates and infrastructure strategy, in the context of the University's overall plan and strategic objectives. It advises Governors, in conjunction with F&GPC, on the University's property portfolio and the acquisition and disposal of property and leases; and on proposals for, and subsequent monitoring of, major and University-level estates, infrastructure and equipment projects. SEIC reports to Governors, but for business with budget or financial strategy implications, it does so via F&GPC.

Digital Committee

The Digital Committee is responsible for overseeing and advising Governors on digital strategy and IT infrastructure. It is chaired by an independent Governor and its membership comprises independent governors, academic governors, an external co-opted adviser, plus a nominee from the Students' Union. Digital Committee reports to Governors, but for business with budget or financial strategy implications, it does so via F&GPC.

Remuneration Committee

Remuneration Committee develops and has oversight of an overall framework to cover the remuneration, benefits and conditions of employment of the staff of the University. It considers the remuneration, benefits and conditions of employment of the University's senior team and the remuneration, benefits and conditions of employment of other members of staff with senior management roles on salaries of more than £100,000 (full time equivalent), making an annual report to the Governors. The Committee's terms of reference are compliant with the CUC's Remuneration Code. The Committee's membership is wholly independent and does not include any University staff.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)

University Strategy Board

At the beginning of August 2025, the University Executive Board (UEB) was replaced by the University Strategy Board (USB). USB is chaired by the Vice-Chancellor and consists of University officers with strategic management responsibility. It is responsible for the effective and successful management and operation of Birkbeck and for advising Governors on University-wide strategic issues and priorities. It oversees the annual planning and budgeting process and proposes the annual budget to Finance & General Purposes Committee. It has established a University Delivery Board for oversight and co-ordination of operations alongside HR Strategy & Policy Committee, Equality & Diversity Committee, Health & Safety Committee, Student Recruitment Committee, Ethics Committee and Risk Management Group.

Academic Board and Academic Board Executive Committee

Under the University Statutes Governors have oversight and responsibility for all the University's activities but must consider the advice of the Academic Board on all academic matters. Academic Board is responsible to the Governing Body for the academic work of the University and reports termly on the business it has considered. The Academic Board is chaired by the Vice-Chancellor and has a membership of more than 200 drawn from academic and library staff and the students of the University. To increase the effectiveness of its decision making, it has established the Academic Board Executive Committee (ABExCo) as its steering committee. ABExCo is also chaired by the Vice-Chancellor and its members include the Deputy and Pro Vice-Chancellors, the Executive Deans of the Faculties and the academic staff and student Governors, all of whom are also members of the full Academic Board.

With the exception of the University Strategy Board, the membership of the above committees during the year is shown on pages 4 to 7. University Executive Board operated in the year to 31 July 2025 and membership is outlined on page 7.

Statement of internal control

The Governing Body is responsible for maintaining a sound system of internal control that supports the achievement of Birkbeck's strategies, policies, aims and objectives whilst safeguarding the public and external funds for which we are responsible, in accordance with the responsibilities assigned to the governing body in Birkbeck's Charter and Statutes and the public interest governance principles set out in the regulatory framework for Higher Education in England.

The system of internal control includes arrangements for the prevention and detection of corruption, fraud, bribery and other irregularities. It is designed to manage rather than eliminate the risk of failure to fulfil strategies, policies, aims and objectives and safeguard public funds, and can provide only reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks, evaluate the nature and extent of those risks and manage them efficiently, effectively and economically. The process is regularly reviewed by Governors and accords with the principles in the Committee of University Chairs' HE Code of Governance.

Birkbeck manages risks through a Risk Register, reviewed by the Risk Management Group, University Strategy Board and the Audit Committee reporting to Governors. The University's Risk Management Policy is reviewed annually by the Risk Management Group and Audit Committee reporting to Governors.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)

The following processes have been established:

- the performance and strategic direction of Birkbeck is reviewed annually by USB and the Governors;
- Governors agree and annually review Key Performance Indicators linked to strategic objectives and risks;
- Governors receive termly and annual reports from the Audit Committee concerning internal control and risk management;
- Audit Committee receives regular reports from the internal auditor, which include an independent opinion on the adequacy and effectiveness of Birkbeck's system of internal control, together with recommendations for improvement. Audit Committee may also request additional reports to gain assurance from other parties on areas of concern;
- a risk prioritisation methodology based on assessment of likelihood and impact has been established. The Risk Register covers corporate level risks, including ability to fulfil Birkbeck's aims and objectives and ability to continue to comply with its conditions of registration with the Office for Students;
- Audit Committee receives regular reports from University management on action taken to mitigate the risks and the impact of that action and on changes to the risk profile including new risks;
- Ethics Committee provides assurance on ethical matters related to research activities;
- there are comprehensive Financial Regulations, detailing financial controls and procedures, approved by Governors on the advice of the Audit Committee and Finance & General Purposes Committee;
- the Governing Body has reviewed Birkbeck's governance system against the CUC's HE Code of Governance and concluded that the University is compliant with the principles of the Code. The Governing Body has asked Audit Committee to keep under review Birkbeck's processes and practices in line with the provisions of the Code;
- the Governing Body commissioned an independent review of its effectiveness in 2021. The review report confirmed that the Governing Body is effective and is compliant with OfS and CUC expectations;
- institution level collaborations are overseen by the Collaborative Provision Executive Group;
- Governors review annually their Statement of Primary Responsibilities which covers responsibilities reserved to Governors and responsibilities delegated to committees or to the Vice-Chancellor.

There have been no significant internal control weaknesses or failures during this reporting period. This statement is based on the information provided to Governors in the regular reports on internal audit and risk management.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)

Governors have appointed a professional independent internal audit service whose annual programme is approved by the Audit Committee. The internal audit function provides, by undertaking review, independent objective assurance to the Governing Body, through the Audit Committee, on the effectiveness of the risk management framework and the design and effectiveness of the operation of internal controls that are intended to control critical business application risks. Internal audit also helps the University accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes and, by working with management, adding value through advice and guidance.

The internal audit work programme is drawn down from a risk-focused audit plan, which remains dynamic and is updated regularly to reflect changes in the University's risk profile. Internal audit monitors the progress made by operational units in implementing recommendations to ensure that they are addressed in a timely and effective manner, and reports progress regularly to the Audit Committee.

Governors have appointed a professional external audit service to assess and report on whether:

- the Annual Accounts of the University give a true and fair picture of the state of its affairs and of its income and expenditure, gains and losses and cashflow for the financial year;
- the Annual Accounts have been prepared in accordance with relevant accounting standards including the Office for Students' Accounts Direction;
- external grants and income for specific purposes have been properly applied to those purposes and managed appropriately; and
- income has been applied in accordance with the Terms and Conditions from both the Office for Students and Research England.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF BIRKBECK, UNIVERSITY OF LONDON

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the University's affairs as at 31 July 2025 and of the University's income and expenditure, gains and losses, changes in reserves and of the University's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

We have audited the financial statements of Birkbeck, University of London ("the University") for the year ended 31 July 2025 which comprise the Statement of Comprehensive Income and Expenditure, Statement of Financial Position, Statement of Changes in Reserves, Statement of Cash Flows, Statement of Accounting Policies and notes to the accounts. 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 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 members of the Governing Body's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The Governing Body is responsible for the other information. The other information comprises the information included in the Annual Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF BIRKBECK, UNIVERSITY OF LONDON (continued)

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.

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 3 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 9a to the accounts, has been materially misstated.

Responsibilities of the Governing Body

As explained more fully in the Statement of Corporate Governance and Internal Control, the Governing Body is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body 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 Body is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Body either intends to liquidate 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.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF BIRKBECK, UNIVERSITY OF LONDON (continued)

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 University and the sector in which it operates;
- discussion with management and those charged with governance, including the Audit Committee;
- obtaining an understanding of the University'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 Financial Reporting Standard 102, the Statement of Recommended Practice: Accounting for Further Education and Higher Education (FEHE SORP 2019), the OfS's Accounts Direction (OfS 2019.41) and UK tax legislation.

The University 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 registration with the Office for Students and ongoing conditions of registration and Health and Safety regulations.

Our procedures in respect of the above included:

- Review of minutes of meetings 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 and those charged with governance, including the Audit Committee and internal audit regarding any known or suspected instances of fraud;
- Obtaining an understanding of the University'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 meetings 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; and

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF BIRKBECK, UNIVERSITY OF LONDON (continued)

- 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 of control through the posting of inappropriate journals to manipulate financial results, and completeness and accuracy of tuition fees and deferred income.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation. We have also tested a sample of journals on an unpredictability basis which are not meeting the defined risk criteria and agreed these back to supporting documentation; and
- Testing a sample of deferred tuition fee income by agreeing to course dates spanning the year end.

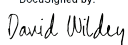
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Body, in accordance with Section 75 of the Higher Education Research Act 2017 and the charters and statutes of the University. Our audit work has been undertaken so that we might state to the University's Governing Body 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 Body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

David Wildey (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date: 12 December 2025

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

**Statement of Comprehensive Income and Expenditure
for the year ended 31 July 2025**

		Year ended 31 July 2025	Year ended 31 July 2024
	Notes	£'000	£'000
Income			
Tuition fees and education contracts	1	62,394	65,891
Funding body grants	2	15,011	15,212
Research grants and contracts	3	7,335	7,766
Other income	4	9,173	9,105
Investment income	5	1,234	1,736
Total income before donations and endowments		95,147	99,710
Donations and endowments	6	3,270	2,705
Total income		98,417	102,415
Expenditure			
Staff costs - annual remuneration	7	69,003	69,209
Staff costs - restructuring	7	885	1,240
Staff costs - decrease in pension liability	7	-	(29,712)
Total staff costs		69,888	40,737
Other operating expenses		30,139	31,604
Depreciation & amortisation	10, 11	6,216	6,034
Interest and other finance costs	8	11	683
Total expenditure	9	106,254	79,058
(Deficit)/ surplus before other gains and losses		(7,837)	23,357
Gain on disposal of tangible fixed assets	11	-	10
Gain on investments	13	1,053	1,431
(Deficit)/ surplus before tax		(6,784)	24,798
Total comprehensive (expenditure)/ income for the year		(6,784)	24,798
Represented by:			
Endowment comprehensive expenditure for the year		(1,351)	(1,061)
Restricted comprehensive expenditure for the year		(62)	(284)
Unrestricted comprehensive (expenditure)/ income for the year		(6,239)	25,253
Revaluation reserve comprehensive income for the year		868	890
		(6,784)	24,798

All items of income and expenditure relate to continuing activities.

The notes and policies on pages 55 to 87 form part of these financial statements.

Statement of Changes in Reserves
for the year ended 31 July 2025

	Income and expenditure account			Revaluation reserve	Total
	Endowment	Restricted	Unrestricted		
	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2023	9,427	879	82,991	6,210	99,507
Surplus from the income and expenditure statement	(119)	38	23,989	890	24,798
Release of restricted funds spent during the year	(942)	(322)	1,264	-	-
Total comprehensive income for the year	(1,061)	(284)	25,253	890	24,798
Balance at 31 July 2024	8,366	595	108,244	7,100	124,305
Deficit from the income and expenditure statement	1,527	157	(9,336)	868	(6,784)
Release of restricted funds spent during the year	(2,878)	(219)	3,097	-	-
Total comprehensive expenditure for the year	(1,351)	(62)	(6,239)	868	(6,784)
Balance at 31 July 2025	7,015	533	102,005	7,968	117,521

The notes and policies on pages 55 to 87 form part of these financial statements.

Statement of Financial Position
for the year ended 31 July 2025

		As at 31 July 2025 £'000	As at 31 July 2024 £'000
Non-current assets			
Intangible assets	10	234	516
Fixed assets	11	122,161	119,679
Heritage assets	12	206	209
Investments	13	22,345	21,231
		144,946	141,635
Current assets			
Stock	14	32	30
Trade and other receivables	15	17,266	15,586
Cash and cash equivalents	21	13,381	25,475
		30,679	41,091
Creditors: amounts falling due within one year	16	(35,802)	(30,131)
Net current (liabilities)/ assets		(5,123)	10,960
Total assets less current liabilities		139,823	152,595
Creditors: amounts falling due after one year	17	(21,878)	(27,164)
Other provisions	18	(424)	(1,126)
Total net assets		117,521	124,305
Restricted reserves			
Income and expenditure reserve - endowments	19	7,015	8,366
Income and expenditure reserve - restricted	20	533	595
Unrestricted reserves			
Income and expenditure reserve - unrestricted		102,005	108,244
Revaluation reserve		7,968	7,100
Total reserves		117,521	124,305

The financial statements were approved by Governors on 11 December 2025 and were signed on its behalf by:

Mr Simon Davis
Deputy Chair of Governors

Professor Sally Wheeler
Vice Chancellor

Mr Keith Willett
Chief Financial Officer

The notes and policies on pages 55 to 87 form part of these financial statements.

Statement of Cash Flows
for the year ended 31 July 2025

	Notes	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Cash flow from operating activities			
(Deficit)/ surplus for the year		(6,784)	24,798
Adjustment for non-cash items			
Depreciation and amortisation	10, 11	6,216	6,034
Gain on investments	13	(1,053)	(1,431)
Increase in stock	14	(2)	(3)
(Increase)/ decrease in debtors	15	(1,680)	2,394
Increase/ (decrease) in creditors	16	1,455	(2,289)
Decrease in pension provision	18	-	(29,044)
Decrease in other provisions	18	(702)	(2,382)
Adjustment for investing or financing activities			
Investment income	5	(1,004)	(1,502)
Interest payable	8	11	-
Endowment payments	6	766	(244)
(Gain)/ loss on the sale of tangible fixed assets		-	(10)
Release of capital grant income		(1,327)	(1,352)
Net cash outflow from operating activities		(4,104)	(5,031)
Cash flows from investing activities			
Proceeds from sale of fixed assets		-	10
Proceeds from sale of heritage assets		3	-
Capital grant receipts		-	2,000
Investment income		1,004	1,502
Payments made to acquire fixed assets		(8,159)	(3,032)
New non-current asset investments		(255)	(231)
Non-current asset investment disposals		194	-
		(7,213)	249
Cash flows from financing activities			
New endowments		2,112	1,186
Endowment payments		(2,878)	(942)
Interest paid		(11)	-
		(777)	244
Decrease in cash and cash equivalents in the year		(12,094)	(4,538)
Cash and cash equivalents at beginning of the year	21	25,475	30,013
Cash and cash equivalents at end of the year	21	13,381	25,475

The notes and policies on pages 55 to 87 form part of these financial statements.

Statement of Accounting Policies for the year ended 31 July 2025

1. Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS) 102: The financial reporting standard applicable in the UK and Republic of Ireland. The University is a public benefit entity and, therefore, has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets and derivative financial instruments).

The University's activities, together with the factors likely to affect future development, performance and position are set out in the Financial Sustainability section of the Strategic Review.

Going Concern

The impact of lower student income following Brexit, increased competition across London and external factors impacting international recruitment, together with historic high rates of inflation, have significantly impacted our financial position. Annual increases in staff costs (due to promotions, inflationary increases and increment advancement) exceed the inflationary increase in our main source of income, primarily due to the fee cap set by the government on undergraduate tuition fees. Not only have we seen surpluses of 5% of income eroded but we now need to implement a recovery plan to move from a period of actual and forecast deficits back into a sustainable financial position.

In order to overcome the difficult challenges we faced both prior to the pandemic and in the years since, we developed a recovery strategy focussed initially on delivering staff cost savings followed by increased income, primarily from regaining student numbers. The strategy aimed to improve financial sustainability whilst also ensuring we could maintain research intensity, market position and teaching competitiveness. Repositioning required a fundamental revision of our underlying operational and teaching delivery models. To ensure that we could create clarity and flexibility in our student offer and support student success we needed a greater degree of standardisation in our mode of teaching delivery.

With the support of Governors we implemented a new academic structure at the start of the 2023/24 academic year supported by a reshaped range of professional support services. This restructure delivered around £11 million of staff savings, a slimmer management structure which will allow us to take decisions in a more agile manner and improved operational processes. Reducing our staff costs quickly provided financial headroom to allow us to focus on delivering income recovery plans over the next few years. Tight control over vacancies has allowed us to keep staff expenditure at the same level this year and delaying or reducing planned activities reduced operating expenditure by £1.5 million in 2024/25. Although delaying expenditure on infrastructure improvements is not possible indefinitely we will need to continue to minimise expenditure for the next few years.

Although we had aspirations to increase tuition income in 2024/25 external factors severely impacted international student recruitment to the UK and we saw our home postgraduate numbers fall. Improved conversion activity from offer to enrolment saw year on year growth in both full time and part time undergraduate recruitment from both the UK and overseas.

We are introducing new programmes annually at both undergraduate and postgraduate level whilst also simplifying and refreshing existing portfolio to meet the needs of future students. With the support of a £3m grant from the Office for Students we have now upgraded all of our classrooms to provide students with the option of attending in person or on-line with no reduction in the ability of the student to engage (our HyFlex mode). Building on a successful pilot by our School of Law we are also expanding the teaching schedule across subject areas which will allow students the choice of afternoon or evening study and in many cases a mix of both. The increased flexibility offered by the introduction of afternoon teaching coupled with HyFlex should be attractive to commuter students in London and the South-East who are interested in study whilst working or caring.

Statement of Accounting Policies (continued)
for the year ended 31 July 2025

1. Basis of preparation

Going Concern (continued)

Enrolment data for 2025/26 reconfirms that recruitment of international students remains a challenge (down 6% year on year) but this has been offset by an increase in Home students of 12% (270 FTE). It is also interesting to note that a significant number of students on the pilot programmes offering afternoon and evening options have selected majority afternoon or a mix. Our strategy of increased flexibility should be attractive to students with careers whilst also moving us into direct competition with other universities for students who prefer to study during the day – a new market for Birkbeck.

In addition to implementing plans to increase the number of on-campus students we have embarked upon a strategy of developing academic partnerships both in the UK and overseas. Two partnerships have been agreed for the start of the 2025/26 academic year and a number of other opportunities are progressing for either a 2026/27 or 2027/28 start. We are mindful of the different challenges operating different partnership models brings and are carefully mitigating and monitoring risks.

Our approved Estates Strategy determined that having purchased the building adjacent to our main campus site we are in a position to dispose of estate assets that are less suited to our future needs. The disposal of outlying, historic buildings will both secure a capital receipt whilst also supporting our strategy to provide improved learning and teaching facilities for our staff and students focussed on our main campus around Torrington Square.

Financial modelling has been undertaken based on varying assumptions of tuition income and effective management of costs, including stress testing. Although the base-case scenario predicts underlying deficits for the next few years as we build new programmes and deliver education via new, flexible modes of delivery the forecasts indicate that sufficient, albeit reducing cash reserves will be maintained. A stress test including the following assumptions has been considered: introduction of 6% international levy; no increase in Home undergraduate fees after 2027/28; 50% reduction in forecast income from partnerships and 75% reduction in income from on campus growth. Even under this scenario we remain solvent and have sufficient time to undertake further mitigating actions including additional cost reduction.

Governors have reviewed the financial forecasts to 31 July 2027, the assumptions which underpin them, our short and medium term recovery strategy and the risks we face. They have concluded that despite the challenges resulting from the drop in student numbers there is a reasonable expectation that the University will retain adequate resources to continue in operation. As a consequence, we continue to adopt the going concern basis of accounting in preparing these annual financial statements.

2. Basis of consolidation

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

3. Income recognition

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

Statement of Accounting Policies (continued)
for the year ended 31 July 2025

3. Income recognition (continued)

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

Grant funding

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

Grants, including research grants, from non-government sources, are recognised as income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors and released to income as the conditions are met.

Donations and endowments

Non-exchange transactions without performance related conditions are treated as 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 restricted reserves until it is utilised in line with such restrictions at which point the income is released to general reserves.

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

Investment income from endowments and appreciation of endowment funds are recorded as income during the year in which the growth arises and as either restricted or unrestricted income according to the terms applied to the individual endowment fund.

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

- a) restricted donations - the donor has specified that the donation must be used for a particular objective;
- b) 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; and
- c) restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Government capital grants are recognised as income over the expected useful life of the asset the funds were used to purchase/ construct. Other capital grants are recognised as income when the University has satisfied any performance related conditions associated with the grant.

4. Accounting for retirement benefits

University staff are members of two principal pension schemes - the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL). The schemes are primarily defined benefit schemes which are externally managed. Each fund is valued every three years by professionally qualified independent actuaries.

Both schemes are multi-employer schemes for which it is not possible to identify the assets and liabilities of the University due to the mutual nature of the schemes. The schemes are accounted for as a defined contribution retirement benefit schemes.

A liability is recorded within provisions for any contractual commitment to fund past deficits within the schemes.

Statement of Accounting Policies (continued)
for the year ended 31 July 2025

4. Accounting for retirement benefits (continued)

Defined contribution plan

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

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

5. Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

6. Finance leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

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

7. Service concession arrangements

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

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

Statement of Accounting Policies (continued)
for the year ended 31 July 2025

8. Operating leases

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

9. Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income for the year.

10. Fixed assets

Fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the 2015 HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Borrowing costs directly attributable to the acquisition, construction or production of a building are capitalised.

Land and buildings

Land and buildings are stated at cost (deemed cost). Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the University. Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line.

The useful lives of land and buildings are assessed on a building by building basis and the cost is depreciated as follows:

Buildings: 40 to 100 years

Refurbishments: 5 to 20 years

Plant and machinery: 10 to 30 years

Leasehold land: the life of the lease

Assets in the course of construction: no depreciation is charged until the asset is brought into use

Equipment

Equipment costing less than £10,000 per individual item is recognised as expenditure. All other equipment is capitalised.

Capitalised equipment is stated at cost and depreciated over its expected useful life. Indicative useful lives are as follows:

- Computer hardware: 3 years

- Equipment acquired for specific research projects is depreciated over the life of the project

- Other equipment: 3 to 5 years

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Statement of Accounting Policies (continued)
for the year ended 31 July 2025

11. Heritage assets

Works of art and other valuable artefacts are capitalised and recognised at the cost or value of the acquisition where such a cost or valuation is reasonably obtainable. They are subsequently held at carrying value. Heritage assets are not depreciated as their long economic life means that any depreciation would not be material.

The most recent professional valuation of heritage assets was carried out in June 2022. The impairment has been recognised in these financial accounts. See note 12 for further information.

12. Intangible assets

Intangible assets are amortised over the remaining estimated economic life of the assets. Large value software implementations are treated as intangible assets with amortisation commencing once the initial phase of development is complete. The rate of amortisation for the current software intangible asset is 8 years.

Programme development expenditure in collaboration with the University of London is charged to the Statement of Comprehensive Income in the year incurred unless it meets the recognition criteria for capitalisation as set out in FRS 102: 18.4 and 18.8H. When the recognition criteria have been met then such expenditure is capitalised as an intangible asset under construction. When the asset becomes available for use the useful life is estimated and the asset is amortised on a straight line basis over the useful life. The useful economic life of jointly funded course development is 3 years.

13. Investments

Non-current asset investments are held on the Balance Sheet at market value. Investments in subsidiaries are carried at cost less impairment in the University's accounts. Current asset investments are held at fair value with movements recognised within total comprehensive income for the year.

14. Cash and cash equivalents

Cash includes cash in hand, short term deposits which have a maturity date of less than three months from placement and overdrafts.

15. Provisions

Provisions are recognised in the financial statements when:

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

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

16. Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is, therefore, a charity within the meaning of Para 1 of Schedule 6 of the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

Statement of Accounting Policies (continued)
for the year ended 31 July 2025

16. Taxation (continued)

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

17. Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the university must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and, therefore, the University is restricted in the use of these funds.

18. Judgements in applying accounting policies and key sources of estimation uncertainty

Management considers that certain accounting estimates and assumptions relating to revenue, debtors, fixed assets and provisions are its critical accounting estimates.

In preparing these financial statements the University has made the following judgements:

- a) Pension provisions include key assumptions on discount rates, salary inflation and staff numbers in the future. Where the Institution is contractually bound to make deficit recovery payments to one of the pension schemes, this is recognised as a liability on the balance sheet. Provisions are based on management's estimate of expected future salary inflations, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 25.
- b) The holiday pay provision is calculated using a sample of departments within the University.
- c) A general provision for bad and doubtful debts is calculated using a formula based on the age of the overdue debt. The formula is applied consistently each year but necessarily requires a degree of estimation. A specific provision for bad and doubtful debts is made for individual debts where recovery is believed to be uncertain and this requires an element of judgement.

19. Termination payments

Termination benefits are recognised as a liability and expense when the University has a constructive obligation, such as a formal plan in place that is effectively communicated to affected employees. The liability is measured at the value of payments expected to be made to employees under the termination arrangements. See also accounting policy 15. Provisions.

Notes to the Accounts
for the year ended 31 July 2025

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
1 Tuition fees and education contracts		
Full-time home and EU students	25,823	23,781
Full-time international students	13,548	16,454
Part-time students	21,127	23,137
Research Training Support Grant	1,896	2,519
	62,394	65,891
2 Funding body grants		
Recurrent grant		
Teaching (OfS)	1,606	2,190
Research (UKRI)	11,332	11,071
Specific grants		
Teaching Capital Investment Fund (TCIF) - OfS	-	50
Research Capital Investment Fund (RCIF) - UKRI	746	548
Release of capital grant - OfS (Note 17)	1,327	1,228
Release of capital grant - UKRI (Note 17)	-	125
	15,011	15,212
3 Research grants and contracts		
Research councils	3,030	3,169
Research charities	2,234	2,020
UK government	451	539
Industry and commerce	108	63
EU government	830	847
Other	682	1,128
	7,335	7,766

The source of grant and fee income, included in notes 1 to 3 is as follows:

Grant and fee income

Grant income from the OfS	2,933	4,017
Grant income from other bodies	21,309	18,960
Fee income for taught awards (exclusive of VAT)	57,733	63,110
Fee income for research awards (exclusive of VAT)	2,537	2,551
Fee income from non-qualifying courses (exclusive of VAT)	228	231
	84,740	88,869

Notes to the Accounts (continued)
for the year ended 31 July 2025

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
4 Other income		
Lettings	3,863	3,946
Catering and conferences	809	822
Other revenue grants	506	549
Other income	3,995	3,788
	<u>9,173</u>	<u>9,105</u>
5 Investment income		
Investment income on endowments	74	184
Other investment income	1,160	1,552
	<u>1,234</u>	<u>1,736</u>
6 Donations and endowments		
New endowments	2,112	1,196
Donations with restrictions	157	38
Unrestricted donations	1,001	1,471
	<u>3,270</u>	<u>2,705</u>
7 Staff costs		
Salaries - annual remuneration	55,571	54,873
Social security costs	6,015	5,467
Other pension costs	7,417	8,869
Sub-total	<u>69,003</u>	<u>69,209</u>
VSER restructuring	885	1,240
Movement in pension provision	-	(29,712)
	<u>69,888</u>	<u>40,737</u>

Notes to the Accounts (continued)
for the year ended 31 July 2025

7 Staff costs (continued)

Average staff numbers by category :

	Year ended 31 July 2025 Number	Year ended 31 July 2024 Number
Academic	351	363
Research	68	71
Technical	13	13
Professional and Support	569	580
	1,001	1,027

Emoluments of the Vice Chancellor of the University:

Professor David Latchman was Vice-Chancellor of the University until his retirement on 31 December 2023.
The Vice-Chancellor from 1 January 2024 is Professor Sally Wheeler.

	Year ended 31 July 2025 £000's	Professor Sally Wheeler £000's	Professor David Latchman £000's	Year ended 31 July 2024 Total £000's
Salary	250	161	124	285
Taxable benefits (relocation)	-	10	-	10
Non-taxable benefits (relocation)	-	8	-	8
Pension contributions to USS	-	-	3	3
Alternate pension contribution	26	-	13	13
	276	179	140	319

Employer contributions for enhanced opt-out members of the Universities Superannuation Scheme were payable at a rate of 6.3% of salary until 31 December 2023. Following changes effective 1 January 2024, no employer contributions are required for these members.

Neither Vice Chancellor received any other benefits either monetary or in-kind.

Head of provider's pay ratio:

	Year ended 31 July 2025	Professor Sally Wheeler	Professor David Latchman	Year ended 31 July 2024 Weighted average
Basic salary	5.7	5.9	7.0	6.6
Total remuneration	5.7	5.7	6.9	6.4

The median basic salary and median total remuneration is calculated on a full-time equivalent basis of all staff.

Notes to the Accounts (continued)
for the year ended 31 July 2025

7 Staff costs (continued)

Remuneration of the Vice Chancellor

The Vice-Chancellor's remuneration has been determined and reviewed through appropriate and robust processes in terms of independence, objectivity, and assessment of individual and overall institutional performance.

Remuneration Committee

The Vice-Chancellor's remuneration has been set and reviewed by Remuneration Committee, which is comprised of independent Governors. The Committee includes the Chair of Governors, but in accordance with good practice, discussion of the Vice-Chancellor's remuneration is chaired by another independent Governor. The Vice Chancellor is not a member of Remuneration Committee and does not attend or participate in discussion of the Vice-Chancellor's remuneration. Remuneration Committee is supported by the College Secretary & Clerk to the Governors and, additionally, advice is provided, or commissioned, by the Director of Human Resources.

Process

Remuneration Committee reviews the remuneration of the Vice-Chancellor annually in the light of the following information:

- Sector remuneration benchmarking information provided by the CUC and other sources for a range of relevant comparator institutions.
- The outcome of the Vice-Chancellor's annual appraisal conducted by the Chair of Governors. This is a formal documented process in which annual objectives are set and performance against those objectives are reviewed.
- The broader context provided by institutional performance information and institutional KPIs agreed by Governors.

Outcomes

Professor Wheeler was appointed in January 2024 with a salary commensurate with the size of Birkbeck as an organisation, based on sector remuneration benchmarking information provided by the CUC and other sources for a range of relevant comparator institutions. She has confirmed that she is not requesting a salary increase.

Professor Wheeler's performance has been excellent and the Committee confirmed that it would have merited an increase in remuneration. However, given the current financial circumstances, the Committee agreed with her wish not to receive a salary increase.

Notes to the Accounts (continued)
for the year ended 31 July 2025

7 Staff costs (continued)

Remuneration of higher paid staff (excluding employer's pension contributions)

	Year ended 31 July 2025 Number	Year ended 31 July 2024 Number
£100,000 to £104,999	5	5
£105,000 to £109,999	7	6
£110,000 to £114,999	5	4
£115,000 to £119,999	1	3
£120,000 to £124,999	3	1
£125,000 to £129,999	1	3
£135,000 to £139,999	1	1
£150,000 to £154,999	1	1
£155,000 to £159,999	1	-
£175,000 to £179,999	-	1
£190,000 to £194,999	-	1
£250,000 to £254,999	1	-
	<u>26</u>	<u>26</u>

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Below are the pay costs including employer's pension contributions for staff listed as senior management of the University on page 3.

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Key management personnel pay plus employer's pension	1,772	1,923

Key management personnel compensation

Remuneration Committee agreed in December 2024 that a senior staff pay round was not appropriate given the current financial position of the University. It agreed a limited number of individual cases related to increased responsibilities and staff retention.

Severance Payments

Although there was no formal voluntary severance scheme during the year, a limited number of individual settlements were agreed as part of ongoing restructuring. Costs associated with these amounted to £885,000 in respect of 22 employees (2023/24: £1,126,000 for 43 employees).

All compensation for loss of office in respect of higher paid staff is approved by the University's Remuneration Committee. Amounts for compensation for loss of office and redundancy for all other staff is approved in line with University policy, and in accordance with delegated authority.

Notes to the Accounts (continued)
for the year ended 31 July 2025

7 Staff costs (continued)

Governors

The Governors are the trustees for charitable law purposes. Due to the nature of the University's operations and the composition of the Board, being drawn from local public and private sector organisations, transactions may take place with organisations in which a governor may have an interest. Such transactions have been declared under note 24 Related Parties.

No Governors received any remuneration or waived payments from the group during the year (2023/24: Nil). Governors who are employees of the University receive no additional remuneration for their services as governors.

No Governors received reimbursement of travel expenses incurred in attending meetings and events in their official capacity during the year (2023/24: Nil).

8 Interest and other finance costs

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Exchange differences	11	15
Net charge on pension scheme	-	668
	11	683

9 Analysis of total expenditure by activity

Academic and related expenditure	67,153	69,422
Administration and professional services	21,336	20,769
Premises	11,128	11,252
Catering and conferences	1,087	1,139
Research grants and contracts	5,539	5,505
Change in pension provision (Note 7)	-	(29,712)
Other expenses	11	683
	106,254	79,058
Other operating expenses include:		
External auditor - audit services	96	91
External auditor - prior-year fee	9	5
External auditor - non-audit services	11	14
Internal auditor - audit services	68	68
Internal auditor - non-audit services	15	36
Operating lease rentals:		
Land and buildings	342	342
Grant to Birkbeck Students' Union	472	390

Notes to the Accounts (continued)
for the year ended 31 July 2025

9a Access and Participation

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Access investment	71	359
Financial support	440	448
Disability support	1,192	1,076
Research and evaluation	76	103
	1,779	1,986

£1,276,6000 (2023/24: £1,448,000) of these costs are included in the overall staff costs figures, see note 7.

The University records and reports on its access and participation plan according to the requirements of the Office for Students, divided into the following areas:

- access work to help students from under-represented groups to go into higher education;
- financial support for eligible students;
- work to support disabled students in their study; and
- research into and evaluation of our activities.

The total spend across these four areas was £1,779,000. This was over and above the target investment for 2024/25 of £1,484,000.

Work in 2024/25 has included progressing the projects outlined in the revised Access and Participation Plan 2022-25 as approved by the Office for Students in Autumn 2023. Access activity has included ongoing widening access work with schools and FE colleges, and with local authorities and employers to reach mature learners. A small pre-16 attainment raising project has also run through 2024/25 to contribute to the OfS strategy to increase partnership work between universities and schools and colleges.

The University's expenditure on Student Financial Support exceeded the target investment amount, with the highest areas of expenditure being across the University's core financial support scheme for undergraduate students and a range of other student hardship funds. Although the APP-countable spend exceeded target investment, it was within the overall budget allocated to these schemes.

Work around research and evaluation of APP-related activity was mostly consolidated into the new post created in 2024 so the expenditure aligns closely with the target investment.

Support for students with a disability is by far the largest area of APP-related expenditure and also shows the most overspend in comparison to the target investment for the year. This reflects the increase of 154 more undergraduate students declaring a disability in 2024/25 compared to 2023/24, with the main areas of expenditure being in mental health support and student counselling.

This marks the final year of Birkbeck's 2020/21 - 2024/25 Access and Participation Plan (updated and re-approved by the OfS in 2022). Our new plan will run from 2025/26 – 2028/29:

<https://www.bbk.ac.uk/documents/birkbeck-college-access-and-participation-plan.pdf>

Notes to the Accounts (continued)
for the year ended 31 July 2025

10 Intangible Assets

	Software £'000	Programme Development £'000	Total £'000
Cost or valuation			
At 1 August 2024	2,238	337	2,575
Additions	-	-	-
At 31 July 2025	2,238	337	2,575
Amortisation			
At 1 August 2024	(1,769)	(289)	(2,058)
Charge for the year	(235)	(48)	(283)
At 31 July 2025	(2,004)	(337)	(2,341)
Net book value			
At 31 July 2025	234	-	234
At 31 July 2024	469	48	516

Notes to the Accounts (continued)
for the year ended 31 July 2025

11 Fixed assets

	Land & buildings £'000	Assets in the course of construction £'000	Plant & machinery £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost or valuation					
At 1 August 2024	109,135	3,142	24,756	37,467	174,500
Additions	-	7,544	53	818	8,415
Transfers	-	(6,284)	-	6,284	-
Disposals	-	-	-	-	-
At 31 July 2025	109,135	4,402	24,809	44,569	182,915
Consisting of valuation as at					
1 July 2024					
Cost	109,135	4,402	24,809	44,569	182,915
	109,135	4,402	24,809	44,569	182,915
Depreciation					
At 1 August 2024	(20,789)	-	(12,493)	(21,539)	(54,821)
Charge for the year	(1,692)	-	(1,028)	(3,213)	(5,933)
Disposals	-	-	-	-	-
At 31 July 2025	(22,481)	-	(13,521)	(24,752)	(60,754)
Net book value					
At 31 July 2025	86,654	4,402	11,288	19,817	122,161
At 31 July 2024	88,346	3,142	12,263	15,928	119,679

The fixed assets for the University can be further analysed as follows:

Within land & buildings are freehold buildings with a net book value at 31 July 2025 of £23,221,000.
(31 July 2024: £23,615,000). The remaining assets within land and buildings are held on a leasehold basis.

Notes to the Accounts (continued)
for the year ended 31 July 2025

12 Heritage assets

The University holds a number of assets of historical or artistic interest. The assets were donated to the University over a number of years at nil cost. They were last valued by Bonham and Sons Ltd in June 2022.

There was one disposal during the year: a portrait of Joseph Hiam Levy (1838–1913), Lecturer in Political Economy at Birkbeck from 1867 to 1874.

Heritage assets are not depreciated.

The heritage assets can be summarised as follows:

	Number of Items	Year ended 31 July 2025 £'000	Number of Items	Year ended 31 July 2024 £'000
Furniture and works of art	19	28	19	28
Pictures and wall hangings	75	130	76	133
Sculptures	7	17	7	17
Silver and silver plate	33	30	33	30
Other items	4	1	4	1
	138	206	139	209

The items with the highest valuation are:

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Portrait of Lord Denning by John Stanton	20	20
Portrait of Dame Helen Gwynne-Vaughan by De Lazlo	15	15
Portrait of George Birkbeck by S Lane	10	10

Notes to the Accounts (continued)
for the year ended 31 July 2025

13 Non-current investments

	Total £'000
At 1 August 2024	21,231
Additions	255
Disposals	(203)
Revaluation	1,062
At 31 July 2025	22,345

Fixed asset investments have been valued at market value as follows:

	Year ended 31 July 2025 £'000
Mercer Sustainable Global Equity Fund	11,873
Ruffer Charity Assets Trust Funds	10,472
	22,345

In 2023/24, Governors approved the disposal of the University's remaining other listed UK equity holdings in Martin Currie and Legal & General. Both holdings were sold during the year. A loss of £9,000 was recognised on the disposal of the Martin Currie shares.

The University receives comprehensive semi-annual sustainability reports from Mercer in respect of the Global Equity Fund. These reports include analysis of carbon intensity, sustainable thematic exposures, engagement activity and case studies, supporting the Investment Committee's oversight of the University's investments from a responsible investment perspective. Similar reporting is provided on a regular basis by Ruffer.

14 Stock

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
General consumables	32	30
	32	30

Notes to the Accounts (continued)
for the year ended 31 July 2025

15 Trade and other receivables

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Amounts falling due within one year		
Research grants receivables	1,808	1,372
Other trade receivables	10,279	9,044
Other receivables	158	540
Prepayments and accrued income	5,021	4,600
Loan to Students' Union	-	30
	17,266	15,586

16 Creditors : amounts falling due within one year

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Trade payables	2,022	1,688
Social security and other taxation payable	1,614	1,370
Accruals and deferred income	32,166	27,073
	35,802	30,131

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

Research grants received on account	3,970	4,249
Grant income	5,645	1,687
Other income	11,250	10,224
	20,865	16,160

Notes to the Accounts (continued)
for the year ended 31 July 2025

17 Creditors : amounts falling due after more than one year

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Grant income	21,878	27,164
	<u>21,878</u>	<u>27,164</u>

The deferred income relates to government capital grants which are transferred to income over the useful economic life of the assets funded.

18 Provisions for liabilities

	Total Provisions £'000
At 1 August 2024	1,126
Utilised in year	(1,126)
Addition during the year	424
At 31 July 2025	<u>424</u>

Pension provision

No provision is required in respect of the USS pension scheme for the year-ended 31 July 2025. The deficit recovery plan implemented following the 2020 valuation ceased on 1 January 2024, and the subsequent 2023 valuation confirmed a surplus on a technical provisions basis. Accordingly, there are no deficit recovery contributions payable and no associated provision is recognised at the balance sheet date.

See note 25 for further information.

Other provisions

No formal voluntary severance scheme was in place during the year; however, a number of individual voluntary severance agreements were reached. A provision has been recognised for those agreements entered into before the year end where payments were outstanding at 31 July 2025.

Notes to the Accounts (continued)
for the year ended 31 July 2025

19 Endowment Reserves

	Restricted permanent £'000	Unrestricted permanent £'000	Expendable £'000	2025 total £'000	2024 total £'000
Balance at 1 August 2024					
Capital	2,711	1,375	-	4,086	5,586
Accumulated income	949	2	3,329	4,280	3,841
	<u>3,660</u>	<u>1,377</u>	<u>3,329</u>	<u>8,366</u>	<u>9,427</u>
New endowments	-	-	2,112	2,112	1,196
Unspent endowment returned to donor	-	-	-	-	(10)
Investment income	14	-	60	74	184
Expenditure	(29)	-	(2,849)	(2,878)	(942)
Change in market value	35	-	150	185	541
Transfers and release of endowments	(2)	-	(842)	(844)	(2,030)
Total comprehensive expenditure for the year from endowments	<u>18</u>	<u>-</u>	<u>(1,369)</u>	<u>(1,351)</u>	<u>(1,061)</u>
Balance at 31 July 2025	<u><u>3,678</u></u>	<u><u>1,377</u></u>	<u><u>1,960</u></u>	<u><u>7,015</u></u>	<u><u>8,366</u></u>
Represented by					
Capital	1,842	1,375	-	3,217	4,086
Accumulated income	996	-	2,802	3,798	4,280
	<u><u>2,838</u></u>	<u><u>1,375</u></u>	<u><u>2,802</u></u>	<u><u>7,015</u></u>	<u><u>8,366</u></u>
Analysis by purpose					
Lectureships	79	-	-	79	107
Scholarships and bursaries	2,036	-	878	2,914	3,834
Research support	-	-	888	888	1,165
Prize funds	243	-	-	243	191
General	480	1,375	1,036	2,891	3,069
	<u><u>2,838</u></u>	<u><u>1,375</u></u>	<u><u>2,802</u></u>	<u><u>7,015</u></u>	<u><u>8,366</u></u>
Analysis by asset					
Current and non-current asset investments				6,313	7,648
Cash & cash equivalents				702	718
				<u><u>7,015</u></u>	<u><u>8,366</u></u>

Notes to the Accounts (continued)
for the year ended 31 July 2025

20 Restricted reserves				
	Unspent capital grants £'000	Donations £'000	2025 total £'000	2024 total £'000
New donations	-	157	157	38
Expenditure	(100)	(119)	(219)	(322)
Total comprehensive expenditure for the year from restricted reserves	(100)	38	(62)	(284)
Balance at 1 August	100	495	595	879
Balance at 31 July	-	533	533	595
Analysis by purpose				
Scholarships and bursaries			317	310
Research support			-	64
General			216	221
			533	595
21 Cash and cash equivalents				
	Balance at 1 August 2024 £'000	Cash Flows £'000	Balance at 31 July 2025 £'000	
Cash and cash equivalents	25,475	(12,094)	13,381	
	25,475	(12,094)	13,381	

Notes to the Accounts (continued)
for the year ended 31 July 2025

22 Capital and other commitments

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Capital commitments contracted for but not provided for in the accounts	564	1,505
Capital commitments not contracted for and not provided for in the accounts	3,314	10,245
	3,878	11,750

23 Lease obligations

Total rentals payable under operating leases:

	Year ended 31 July 2025		Total	Year ended 31 July 2024
	Land & buildings £'000	Other leases £'000	£'000	£'000
Payable during the year	342	-	342	342
Future minimum lease payments due:				
Not later than 1 year	592	1	593	216
Between 1 and 5 years	306	-	306	342
Total future lease payments due	898	1	899	558

Notes to the Accounts (continued)
for the year ended 31 July 2025

24 Related party transactions

All Governors and senior staff of the University are required to complete an annual statement detailing any significant personal links they have with other organisations. Due to the nature of our business and the composition of the Board of Governors (being drawn from a range of private and public sector organisations) it is inevitable that transactions will take place with organisations in which a Governor or senior member of staff may have an interest. All transactions involving related parties are conducted in accordance with the University's financial regulations and procurement policies/procedures.

During the year, the University entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and balances outstanding at 31 July 2025 are as follows:

Name of related party	Nature of transaction	Income 2025	Expenditure 2025	Income 2024	Expenditure 2024
		£'000	£'000	£'000	£'000
Anna Freud Centre	Other Expenditure	-	4	-	-
British Academy		-	-	-	45
British Council Higher Education Sector Group		-	-	-	1
British Psychotherapy Foundation	Other Expenditure	-	233	-	-
Kings College London	Other Inc/ Exp	5	82	73	39
London Higher		-	-	-	14
Morley College London	Other Income	1			
UCISA		-	-	-	5
University of London (UoL)	Other Inc/ Exp	278	542	317	612
University College London (UCL)	Research funding	-	-	1,461	586

Balances at the year-end were:

Name of related party	Balance due to Birkbeck at 31 July 2025	Balance due from Birkbeck at 31 July 2025	Balance due to Birkbeck at 31 July 2024	Balance due from Birkbeck at 31 July 2024
Morley College London	-	-	-	-
UCL	120	109	150	66
University of London (UoL)	-	16	-	13
Kings College London	-	5	11	1
British Psychotherapy Foundation	-	-	-	-

The consolidated financial statements do not include the income and expenditure of Birkbeck Students' Union as the University does not exert control or dominant influence over policy decisions. A grant of £472,000 was provided to the Union for 2024/25 (2023/24: £390,000).

In 2018/19, the University advanced a loan of £175,000 to Birkbeck Students' Union to support its return to financial sustainability. The loan was interest-free and repayable over seven years. The final instalment of the loan was repaid during the period, and no balance was outstanding at 31 July 2025.

At the year-end, there was a balance of £69,000 due from the Students' Union (2023/24: £63,000).

Notes to the Accounts (continued)
for the year ended 31 July 2025

25 Pension schemes

Different categories of staff were eligible to join one of two pension schemes:

- Universities' Superannuation Scheme (USS); and
- The Superannuation Arrangements of the University of London (SAUL).

Both schemes are defined benefit schemes, the assets of which are held in separate trustee administered funds.

The total cost charged to the Statement of Comprehensive Income and Expenditure was:

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
USS	5,393	6,504
SAUL	2,024	2,365
	<u>7,417</u>	<u>8,869</u>

(i) The Universities' Superannuation Scheme (USS)

The University participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Income and Expenditure represents the contributions payable to the scheme.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The institution recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the income statement.

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

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

Notes to the Accounts (continued)
for the year ended 31 July 2025

25 Pension schemes (continued)

(i) The Universities' Superannuation Scheme (USS)

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

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

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles (<https://www.uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles>).

Principal Actuarial Assumptions	31 March 2023 valuation - technical provisions
Price inflation - Consumer Prices Index (CPI)	3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/ CPI gap	1.0% p.a. to 2030, reducing to 0.1% p.a. from 2030
Pension increase (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 0.03%. Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%) CPI assumption minus 0.03%.
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

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

Mortality base table	2023 Valuation 101.0% of S2PMA "light" for males and 95.0% of S3PFA for females.
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

Notes to the Accounts (continued)
for the year ended 31 July 2025

25 Pension schemes (continued)

The current life expectancies on retirement at age 65 are:

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

The funding position of the scheme has since been updated on an FRS 102 basis:

	2025	2024
Total scheme assets	£73.0bn	£73.1bn
Total scheme liabilities	£62.9bn	£65.7bn
FRS 102 total scheme surplus	£10.1bn	£7.4bn
FRS 102 total funding level	116.0%	111.0%

A deficit recovery plan was established following the 2020 valuation, requiring employers to pay additional contributions of 6.2% of salaries from 1 April 2022 to 31 March 2024, increasing to 6.3% thereafter. However, the subsequent 2023 valuation showed that the Scheme was in surplus on a technical provisions basis and therefore no deficit recovery plan was required. From 1 January 2024, the University ceased making deficit recovery contributions and the outstanding provision was released to the Statement of Comprehensive Income and Expenditure.

At 31 July 2023, the University's balance sheet included a liability of £29,044 million for future contributions under the 2020 deficit recovery plan (agreed 30 September 2021). Following the 2023 valuation surplus and removal of deficit recovery payments with effect from 1 January 2024, this liability was released to income during the year ended 31 July 2024.

The 2025 FRS 102 disclosures show that the Scheme remained in surplus on an accounting basis at 31 March 2025, with a funding level of approximately 116%. As the Scheme continues to be in surplus, there is no requirement for a deficit recovery plan or associated liability to be recognised at 31 July 2025.

Employer and employee contribution rates for the scheme during the last three years were:

	Employer	Employee
From January 2024	14.5%	6.1%
From April 2022	21.6%	9.8%
From October 2021	21.4%	9.8%

(ii) The Superannuation Arrangements of the University of London (SAUL)

General description of the Pension Scheme

Birkbeck participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and was contracted out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings ("CARE")

Individuals joining SAUL from 1 April 2023 are automatically enrolled into SAUL Start (a defined contribution scheme) for the first three years of membership. After three years of membership members are automatically transferred to SAUL Care however members can opt to remain in SAUL Start. SAUL Start is managed by Legal & General.

Notes to the Accounts (continued)
for the year ended 31 July 2025

25 Pension schemes (continued)

(ii) The Superannuation Arrangements of the University of London (SAUL) continued

Birkbeck is not expected to be liable to SAUL for any other current or participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding Policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margin to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2023. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2023 and will be reviewed again at SAUL's next formal valuation in 2026.

At 31 March 2023 valuation SAUL was 105% funded on its Technical Provisions basis (31 March 2020: 94%). As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required.

With effect from 1 September 2024, the employer contribution rate to the SAUL CARE defined benefit section reduced from 21% to 19% of pensionable salaries.

Employer contributions to the SAUL Start defined contribution section remain at 16%, and employee contribution rates are consistent across both sections.

In April 2025 the Trustee confirmed that pension payments (revaluations) will increase in line with CPI up to 5%, replacing the prior 2.5% cap.

Accounting Policy

Birkbeck is a Participating member in SAUL. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets at 31 March 2023 was £3,096 million representing 105% of the liabilities.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. Birkbeck accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

As there was a Technical Provision surplus at 31 March 2023, no deficit contributions were required following the 2023 valuation and there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by the University.

Notes to the Accounts (continued)
for the year ended 31 July 2025

26 US Loans Supplementary Schedule

We have an obligation as part of our participation in the US Federal Loans program to include supplemental information which complies with Federal Register/Vol. 84 No 184 / Monday, September 23, 2019 / Rules and Regulations. The data is prepared using UK GAAP and does not include any adjustments that would be required to comply with US GAAP.

			Year ended 31 July 2025		Year ended 31 July 2024	
			£'000s	£'000s	£'000s	£'000s
Reference	Expendable net assets					
24	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		109,973		115,060
30	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		7,548		9,245
4	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		184		191
4	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		184		191
8	Statement of Financial Position - Property, Plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)		122,367		119,889
FS Note line 8A	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - pre-implementation	Property, plant and equipment pre implementation		60,452		62,311
FS Note line 8B	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation with outstanding debt for original purchase	Property, plant and equipment - post-implementation with outstanding debt for original purchase		-		-
FS Note line 8D	Note of the Financial Statements - Statement of Financial Position - Property, plant and equipment - post-implementation without outstanding debt for original purchase	Property, plant and equipment - post-implementation without outstanding debt for original purchase		57,513		54,436

Notes to the Accounts (continued)
for the year ended 31 July 2025

26 US Loans Supplementary Schedule (continued)

			Year ended 31 July 2025 £'000s	Year ended 31 July 2024 £'000s
Reference	Expendable Net Assets (continued)			
FS Note line 8C	Note of the Financial Statements - Statement of Financial Position - Construction in progress	Construction in progress	4,402	3,142
9	Statement of Financial Position - Lease right-of-use assets, net	Lease right-of-use asset, net	-	-
Excluded Line 9 Note Leases	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation	-	-
M9 Note Leases	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset post-	Lease right-of-use asset post-implementation	-	-
10	Statement of Financial Position - Goodwill	Intangible assets	234	516
17	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities	-	-
14,20,22	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	-	-
M24,20,22, Note Debt A	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre-implementation	-	-
M24,20,22, Note Debt B	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes post-implementation	-	-
M24,20,22, Note Debt C	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Line of Credit for Construction in process	-	-

Notes to the Accounts (continued)
for the year ended 31 July 2025

26 US Loans Supplementary Schedule (continued)

			Year ended 31 July 2025 £'000s	Year ended 31 July 2024 £'000s
Reference	Expendable net assets (continued)			
21	Statement of Financial Position - Lease right-of-use asset liability	Lease right-of-use asset liability	-	-
Excluded Line 21 Note Leases	Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases	-	-
Line 21 Note Leases	Statement of Financial Position - Lease right-of-use asset liability post-implementation	Post-implementation right-of-use leases	-	-
25	Statement of Financial Position - Annuities	Annuities with donor restrictions	-	-
26	Statement of Financial Position - Term endowments	Term endowments with donor restrictions	-	-
27	Statement of Financial Position - Life Income Funds	Life income funds with donor restrictions	-	-
29	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity	7,548	9,245
Reference	Total expenses and losses			
43	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities	106,254	79,058

Notes to the Accounts (continued)
for the year ended 31 July 2025

26 US Loans Supplementary Schedule (continued)

			Year ended 31 July 2025 £'000s	Year ended 31 July 2024 £'000s
Reference	Total expenses and losses (continued)			
(35),45,46,47,48,49	Statement of Activities - Non-Operating (Investment return appropriated for spending), Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)	(2,287)	(3,167)
(35),45	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending, gain (loss)	Net investment losses	(2,287)	(3,167)
47	Statement of Activities - Pension related changes other than periodic pension	Pension-related changes other than net periodic costs	-	-
Reference	Modified net assets			
24	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions	109,973	115,060
30	Statement of Financial Position - total Net assets with donor restrictions	Net assets with donor restrictions	7,548	9,245
10	Statement of Financial Position - Goodwill	Intangible assets	234	516
4	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	184	191
4	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable	184	191

Notes to the Accounts (continued)
for the year ended 31 July 2025

26 US Loans Supplementary Schedule (continued)

			Year ended 31 July 2025 £'000s	Year ended 31 July 2024 £'000s
Reference	Modified assets			
12	Statement of Financial Position - Total Assets	Total Assets	175,625	182,726
Excluded Line 9 Note Leases	Note of the Financial Statements - Statement of Financial Position - Lease right-of-use asset pre-implementation	Lease right-of-use asset pre-implementation	-	-
Excluded Line 21 Note Leases	Statement of Financial Position - Lease right-of-use asset liability pre-implementation	Pre-implementation right-of-use leases	-	-
10	Statement of Financial Position - Goodwill	Intangible assets	234	516
4	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	184	191
4	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable	184	191
Reference	Net income ratio			
51	Statement of Activities - Change in Net Assets Without Donor Restrictions	Change in Net Assets Without Donor Restrictions	(5,371)	26,564
38, (35), 50	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenue and Gains	97,183	100,689